Cabinet

Agenda

Date:	**Tuesday, 1st April, 2014**
Time:	**2.00 pm**
Venue:	**Committee Suite 1, 2 & 3, Westfields, Middlewich Road, Sandbach CW11 1HZ**

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

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

1. **Apologies for Absence**

2. **Declarations of Interest**

 To provide an opportunity for Members and Officers to declare any 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.

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**

   To approve the minutes of the meeting held on 24th March 2014 (to follow).

6. **Middlewich Eastern Bypass & Midpoint 18 (Forward Plan Ref: CE 13/14-39)** (Pages 1 - 12)

   To consider a proposal for the Council to underwrite the remaining cost of the Middlewich Eastern Bypass by up to £2.5m in order to open up the Midpoint 18 site for development to facilitate significant private sector-led investment.

7. **Future Delivery Model for the Integrated Transport Unit (Forward Plan Ref: CE 13/14-76)** (Pages 13 - 78)

   To consider a report seeking approval to proceed with the implementation of a wholly-owned company limited by shares to deliver all the functions of the Council's Integrated Transport Unit.

8. **Sustainable Libraries Strategy (Forward Plan Ref: CE 13/14-84)** (Pages 79 - 108)

   To consider and endorse an updated Sustainable Libraries Strategy.

9. **Response to Care Leavers/Health Task and Finish Recommendations** (Pages 109 - 122)

   To update Members regarding the report to Cabinet on 12th November 2013: Cared for Children and Care Leavers.

10. **Better Care Fund Plan (Forward Plan Ref: CE 13/14-78)** (Pages 123 - 162)

    To consider and endorse the Council's Better Care Fund Plan.

11. **Outcomes of Creating Resilient Communities Review and How We Make It Happen (Forward Plan Ref: CE 13/14-73)** (Pages 163 - 182)

    To consider a report setting out proposals focussing on early intervention and building stronger communities.

12.   **Determination of Local Authority Coordinated Scheme and Admission Arrangements (Forward Plan Ref: CE 13/14-83)** (Pages 183 - 224)

To approve the co-ordinated scheme and admission arrangements for 2015 and subsequent years, subject to any review.

13.   **Total Facilities Management (Forward Plan Ref: CE 13/14-85)** (Pages 225 - 238)

To consider proposals to ensure continuity of service delivery during the transformation process relating to facilities management.

THERE ARE NO PART 2 ITEMS

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CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	1st April 2014
Report of:	Director of Economic Growth & Prosperity
Subject/Title:	Middlewich Eastern Bypass & Midpoint 18 (Forward Plan Ref: CE 13/14-39)
Portfolio Holder:	Councillor David Brown - Deputy Leader and Strategic Communities and Councillor Don Stockton - Housing, Planning, Economic Development and Regeneration

1.0   Report Summary

1.1   The Council has set out a clear vision and strategy for jobs-led economic growth, which articulates the rationale and plans for increasing productivity and creating new jobs. This is based on the strong competitive advantage and track record that the Borough has in terms of its skilled workforce, existing business base, entrepreneurial spirit, quality of life and its national, regional and local infrastructure and connectivity.

1.2   This paper presents an opportunity to the Council to support major growth using our leverage as a key mechanism to facilitate significant private sector-led investment.

1.3   Midpoint 18 is a successful £100m, 180 hectare (450 acre) mixed use business park located to the east of Middlewich town centre. It currently supports over 2,000 jobs through employers that include Wincanton, Velcro Ltd, SP Power Systems and Lechler Coatings.

1.4   In 2008 Pochin Developments Ltd (PDL) was granted outline planning consent for an extension to the existing Midpoint 18 scheme ('Phase 3') to include the completion of the southern section of the Middlewich Eastern Bypass, which is a requirement to open up the site for development. This has the potential to enable the creation of 143,000m^2 (1.5m ft) of business space supporting up to 2,800 additional jobs. Detailed consent has since been granted for the bypass and an initial development plot.

1.5   £19.5m of the £22m cost of the bypass has been identified, subject to securing the final £2.5m. PDL and the Council have worked closely over recent years to reduce the funding gap to this level, which included securing an allocation of £4.1m from the Government's Regional Growth Fund (RGF). The Cabinet meeting of 25th June 2012 agreed to act as the grant recipient for this RGF funding, but a gap of £2.5m remains.

1.6 This report seeks Cabinet's support to underwrite the remaining costs of the bypass up to £2.5m, on the basis that other funding will be sought to be used as an alternative to replace its underwriting, or for the Council to recoup if allocated. This could be from developer contributions, Community Infrastructure Levy and other public sector funding sources (e.g. Local Growth Fund).

1.7 This report also seeks Cabinet support to delegate authority to accept a revised final grant offer letter from BIS for the £4.1m RGF, which will comprise revised timetables, milestones and outputs resulting from the delay in securing alternative funding.

2.0 Recommendations

2.1 Cabinet is recommended to

a) Make a formal offer to Pochin Developments Ltd (PDL) to underwrite the shortfall in cost of delivering the final section of Middlewich Eastern Bypass, up to a maximum of £2.5m.

b) Agree that the Council continues to seek alternative funding for the bypass, including from developer contributions, Community Infrastructure Levy and other public sector funding sources (e.g. Local Growth Fund), which could be used as an alternative to replace its underwriting, or for the Council to recoup if allocated.

c) If the Council's underwriting is called upon, to delegate authority to the Director of Economic Growth & Prosperity, in conjunction with the Portfolio Holders, to award this sum by means of a grant agreement in a form approved by the Head of Legal Services to PDL, subject to the securing of all other funding to deliver the bypass.

d) Delegate authority to the Director of Economic Growth & Prosperity and Head of Legal Services, in consultation with the Portfolio Holders, to accept a revised final grant offer letter from BIS in relation to the £4.1m Regional Growth Fund (RGF) allocation, subject to:

   i) the satisfactory advice of the Head of Legal Services & Monitoring Officer.

   ii) CEC obtaining legal advice clarifying whether formal procurement of any involved entities (including principal contractor) is required by law or by BIS or recommended to manage risk as referred to in 9.0, and PDL's acceptance of our resulting approach.

   iii) securing agreement of all funding parties to a revised delivery timetable that complies with respective requirements.

   iv) appropriate inputs from PDL and its partners in providing all information required to satisfy RGF criteria, s278 agreement, etc

3.0   Reasons for Recommendations

3.1   The Council has set out a clear vision and strategy for economic growth, which articulates the rationale and plans for increasing productivity and creating new jobs. This is based on the strong competitive advantage and track record that the borough has in terms of its skilled workforce, existing business base, entrepreneurial spirit, quality of life and its national, regional and local infrastructure.

3.2   Midpoint 18 Phase 3 is one of the borough's most deliverable and prominent employment sites, with outline planning consent in place and a clear strategy for delivery of the requisite infrastructure. It is evident that the commercial property market is picking up, with a number of major deals being made or in the pipeline, which Cheshire East, as a borough, has been unable to accommodate. Market intelligence suggest that development and investment interest will continue, particularly given that our supply of quality commercial and industrial floorspace has fallen significantly since speculative development ceased at the start of the recession in 2008.

3.3   The proposed development is expected to deliver significant benefits to the borough, including:

a)   Enabling the creation of 143,000m^2 (1.5m ft^2) of new business premises and up to 2,800 jobs.

b)   Environmental benefits arising from traffic being diverted away from Middlewich Town Centre, thereby improving conditions for residents, businesses and visitors.

c)   Reduction in congestion on the A54 link to the M6, particularly the section between Leadsmithy Street and Pochin Way.

3.4   Middlewich Eastern Bypass is identified as a key project within the Council's major programme of new strategic infrastructure across the borough, which is currently one of the largest outside of a major conurbation in the UK. It will enable draw-down of Government investment of £4.1m and will deliver benefits in terms of unlocking economic growth, delivering highway network efficiency improvements, and also providing environmental benefits.

3.5   Without this timely expression of support by the Council:

a)   It is almost certain that the timetable for delivery of the bypass will slip. This, in turn, will result in:

b)   Other funding, including the £4.1m RGF grant, being withdrawn on the basis that it cannot be spent within the specified spending period.

c) The viability of other proposed development outside of the proposed sites, could be considered unsound, with the result that potential related developer contributions towards the scheme are not forthcoming

d) The existing planning consent will expire, such that a new application will be required which will necessitate revised technical assessments to be undertaken, including an environmental impact assessment

e) That the failure in delivery of the bypass and Midpoint 18 Phase 3 will reflect negatively on the Council and its partners in terms of its capacity to deliver major development projects.using funding from either the public or private sector.

3.6 The Council would also benefit from this approach directly through an increase in the level of business rates income received, resulting from further commercial development at Midpoint Phase 3.

4.0 Wards Affected

4.1 Middlewich, Brereton Rural

5.0 Local Ward Members

5.1 Cllrs Paul Edwards, Simon McGrory, Michael Parsons (Middlewich)
Cllr John Wray (Brereton Rural)

6.0 Policy Implications

6.1 The proposal in this report relates directly to two key outcomes identified in the Council's Three Year Plan:

Outcome 2: Cheshire East has a strong and resilient economy

Outcome 6: Cheshire East is a good place to live and work

6.2 The proposal aligns strongly to the Council's *Economic Development Strategy* and its more recently created *Vision and Strategy for Economic Growth: East Cheshire Engine of the North*, which articulates the rationale and plans for increasing productivity and creating new jobs. This is based on the strong competitive advantage and track record that the borough has in terms of its skilled workforce, existing business base, entrepreneurial spirit, quality of life and its national, regional and local infrastructure and connectivity.

6.3 Middlewich Bypass is referred to in Policy CO2 in the emerging Local Plan Core Strategy plan and the associated Infrastructure Plan. Policy SL10 proposes an extension to the Midpoint site, dependent on the delivery of the bypass.

7.0   Financial Implications

7.1   As a result of any underwriting, the Council may be required to finance the funding gap of up to £2.5m, the initial outlay of which it would seek to recoup from developer contributions, Community Infrastructure Levy and other public sector funding sources in future years.

7.2   The required forward funding would have an impact on the cash flow for the Council and will therefore result in a loss of investment income. There is also a risk that any expenditure may not be fully recouped and will require direct funding from the Councils own capital resources.

7.3   The expenditure of £2.5m would increase the capital financing requirement and in the short term the Council would be required to borrow and finance the debt repayment charges. The annual repayments which will commence on completion of the scheme, if funded through this route, would amount to £152,000 p.a. based on a 25 year straight line repayment period and an interest rate of 4%.

7.4   The Council would seek to reduce external interest rate costs through internal borrowing where possible. The receipts from developer contributions, CIL and the other funding sources would be used to repay the debt and reduce the ongoing debt repayment charges as they arise. The period of time over which this could be achieved cannot be guaranteed and therefore remains a risk to the Council.

7.5   The Council would expect to benefit from this approach directly through an increase in the level of business rates income received, resulting from further commercial development at Midpoint Phase 3.

8.0   Legal Implications

8.1   The Council, if called upon to enact its underwriting from its own resources, as well as the Government's RGF programme, would be giving financial aid to an undertaking carrying out an economic undertaking. The Council has obtained satisfactory external specialist state aid legal advice confirming that this will not constitute unlawful state aid.

8.2   In terms of the RGF allocation, the Council will enter into legal arrangements with PDL under which obligations imposed by BIS on the Council, other than administrative obligations , will be passed on to PDL. Similarly, risks to the Council, especially in terms of variation or withholding of or claims for repayment, will be mirrored in the Council – PDL agreement(s).

8.3   The Council will contribute less than half of the cost of the bypass so, provided that it is confident that it will not "specify" works but merely perform its usual role as highways authority and planning authority, then there is a good argument, supported by case law, that the Council is not a contracting authority for the purposes the EU Public Contracts Regulations 2006. However, as BIS`s monitoring role under the RGF grant offer and the Council's involvement in

monitoring could be contended to extend to specifying works, and as, under the grant conditions, responsibility for ensuring the entire arrangement is procurement compliant, rests with the Council, we may require further external specialist legal advice as to whether any OJEU procurement is necessary or desirable and/or the actions recommended to mitigate risk of challenge.

8.4   If the Council is to dispose of any land to facilitate the project, then it will have to obtain the best consideration reasonably obtainable, unless it can rely on the General Disposal Consent (England) 2003. A separate approval will be required for any such disposal.

9.0   Risk Management

9.1   The merits of the proposal have been appraised by the Major Projects & Regeneration Manager and Corporate Manager (Strategic Infrastructure) and the legality of receiving and giving the RGF grant, the additional underwriting, and any subsequent payment, has been considered by the Head of Legal Services & Monitoring Officer.

9.2   In terms of administering the RGF, there are no significant risks to the Council, since all the fundamental terms of the funding agreement the Council enters into with BIS will be mirrored in the funding agreement the Council will have in place with PDL.

Specific risks

9.3   *Risk:* As identified in the original Cabinet report, BIS could withhold or call for repayment of RGF grant monies due to:
-       the job targets not being achieved
-       PDL not being solvent or being otherwise unable to repay the grant clawed back from the Council
-       the bypass not being completed
-       any obligation under European Union Law or a decision by the European Commission
Mitigation: Within the RGF funding agreement, there is a 15 year monitoring period in relation to the job creation and repayment is calculated according to the jobs shortfall. In order to mitigate against the risk, financial checks have been made in respect of PDL, and will be sought again prior to payment of any grant monies. The Council has already undertaken an independent Due Diligence assessment of the project and the delivery plan, including job creation. In the grant funding agreement with BIS, the Council is only obligated to use its reasonable endeavours to recover such sums from PDL.

9.4   *Risk:* The principal secondary risk is the viability risks to PDL, who may incur debt and interest charges if they are unable to recoup income associated with the bypass and development in the timeframe they envisage.
Mitigation: A further financial check on the company will be undertaken to mitigate this but, ultimately, it will not impact on the delivery of the bypass itself.

9.5 Whilst not a direct risk to the Council itself, the complex funding mix required to deliver the bypass does increase the risk of it not being delivered.

9.6 *Risk:* That delays to finally securing any of the component funding will incur delay to the delivery timetable, which include a knock-on impact on the contracted funding requirements of RGF, and potentially: a) require a revised delivery programme/timetable and b) reflect negatively on the Council as a delivery partner.
Mitigation: A delivery timetable has been provided by PDL indicating that all key components of the project can be delivered on schedule. This will be monitored by PDL and the Council and, where necessary, specific mitigation and contingency measures will be put in place. The release of any funding will be dependent on the Council being satisfied that the project can be delivered on-cost, on-time and in accordance with all its contractual obligations.

9.7 *Risk:* That an aggrieved developer or contractor challenges on the basis that the arrangement, taking into account the conditions of the grant funding, is a public works contract and should have been procured.
Mitigation: Limiting the involvement of the Council in the process to merely complying with the grant conditions, e.g. in respect of monitoring and reporting, and confining its role beyond this to that of highways authority through the section 278/ 38 agreement and planning authority and/or publishing a contract award notice or voluntary transparency notice in the Official Journal or requiring an EU procurement process. Taking continued specialist advice on procurement law to assist in risk analysis and management.

10.0 Background and Options

10.1 The Council has set out a clear vision and strategy for economic growth, which articulates the rationale and plans for increasing productivity and creating new jobs. This is based on the strong competitive advantage and track record that the borough has in terms of its skilled workforce, existing business base, entrepreneurial spirit, quality of life and its national, regional and local infrastructure.

10.2 Cheshire East has all the right ingredients to see a step change in economic productivity and become a growth engine of the north. As such we have a refreshed focus to ensure that we will:
- Utilise our strategic assets to drive economic growth
- Increase our focus on securing new investment from both current and new inward investors
- Strengthen our approach to major development projects and programmes that build upon our key commercial, institutional and sectoral assets
- Drive stronger and faster regeneration in our town centres, as a vital component in the well-being of our economy and communities
- Ensure that the Council and its commercial stakeholders are well positioned to secure new funding for projects, coming through Cheshire & Warrington Local Enterprise Partnership, private sector partners and others

10.3 Investment in strategic and local infrastructure will continue both delivering against existing infrastructure schemes but leveraging in more investment from Government and the private sector to deliver a large programme of new roads and highway improvements. This will help ensure our towns have highly accessible sites to attract new investors and jobs, keen to locate at sites that have unrivalled road and rail connectivity.

10.4 Midpoint 18 is a successful £100m, 180 hectare (450 acre) mixed use business park located to the east of Middlewich town centre. It currently supports over 2,000 jobs through employers that include Wincanton, Velcro Ltd, SP Power Systems and Lechler Coatings.

10.5 PDL was granted outline planning permission in June 2008 for a mixed use development including B1, B2 and B8, appropriate leisure and tourism (including hotel) uses, the completion of the southern section of the Middlewich Eastern Bypass, and associated landscaping works.

10.6 The bypass itself and an initial development plot have received detailed planning permission. Key to this permission was the condition that buildings could not be occupied until the whole of the bypass has been opened to traffic.

10.7 It is proposed that the development will be accessed via an extension to Pochin Way as a 2.2km section of road passing through the site extending to Booth Lane to the south. The scheme would provide economic and transport benefits to Middlewich and the wider area, although it has never been an identified strategic Local Transport Plan (LTP) priority.

10.8 The key outcomes of the scheme are expected to be:

- Creation of 143,000m^2 of business development and around 2800 jobs.

- Environmental benefits as traffic routes away from Middlewich Town Centre improving conditions for residents and visitors and enhancing the retail experience.

- Reduction in congestion on the A54 link to the M6, particularly the section between Leadsmithy Street and Pochin Way.

10.9 Midpoint 18 is not considered to be a strategic regional site but it has sub-regional importance and has been identified as one of thirteen sites with strong potential to facilitate the future economic growth of the Cheshire and Warrington sub-region. The site itself is attractive as a distribution location owing to its strategic road links, but needs the development of the full site to reach its full potential.

Delivery Issues

10.10 The delivery programme being followed is linked directly to the requirements of the RGF funding. It is recognised that there are risks that could impact on the

delivery programme and timetable. These are being monitored by PDL and the Council to ensure that they can be mitigated or, if necessary, an alternative delivery programme can be put in place which places to further direct risk on the Council.

10.11 Midpoint 18 is in an enviable location close to Junction 18 of the M6 and, despite the recession, there continues to be strong interest from occupiers, which is evident through recent deals at Midpoint, as well as other locations in the borough (e.g. Expert Logistics in Crewe, Waters Corporation in Wilmslow). It has to be recognised however that the scheme may compete as a distribution location with Basford West in Crewe, which has been identified as a strategic priority for the Council in terms of its role in the All Change for Crewe regeneration programme. However, in order to compete with locations outside of the borough, it is crucial that we are able to offer sites capable of accommodating new developer and occupier interest.

Land Assembly & Interests

10.12 The delivery of the Middlewich Eastern Bypass and the development of land at Midpoint 18 remains dependent on the assembly of land ownerships across the site. Currently the land proposed for Phase 3 of Midpoint 18 is occupied by a number of different landowners including PDL (the developers of Midpoint 18) and Bovale.

Financial Appraisal and Funding

10.13 Although this is private sector led, even at the height of the market the scheme was not financially viable without public sector subsidy. In 2007, an informal grouping of developers, former Cheshire County Council and North West Development Agency (NWDA) officers and the main developers (PDL and Bovale) put together proposals for a public-private funding package.

10.14 The total cost of the Bypass, including the railway crossing, is approximately £22m which was to be funded primarily through a developer/landowner contribution of almost £13m. In support of the private sector funds, circa £3m was identified through former Cheshire County Council's LTP2 budget and a funding proposal was made to the North West Regional Development Agency (NWDA) for £6million. Subsequently the scheme was withdrawn from the grant application process as a tripartite agreement between the Council, developers and the NWDA was not reached.

10.15 As soon as the Government announced the phased closure of NWDA, funding has not been available from this source. The final year of LTP2 designated funding was in 2010/11 but, with no secure delivery commitment for the bypass at this time, funds were refocused elsewhere. There was no subsequent allocation for this scheme in LTP3 for Cheshire East.

10.16 In 2010, the Council appointed a consultancy team led by AECOM to undertake an independent appraisal of the proposal and the development of a delivery strategy for the bypass. This report has been critical in informing the Council's

position and the wider business case for investment, and has been used in the justification for funding through PDL's Regional Growth Fund (RGF) bid.

10.17 In 2011 £4.1m was allocated from the Government's RGF as a result of PDL's successful bid, which was endorsed by the Council. Subsequently the Council was requested to act as the grant recipient and accountable body to receive and manage the grant.

10.18 To facilitate this request, approval was sought from, and given, by Cabinet at its meeting of 25th June 2012, to:

    i)   agree that the Council shall act as the grant recipient for this project and to accept the terms of a conditional grant offer letter from the Secretary of State for Business, Innovation and Skills (BIS), subject to the satisfactory advice of the Borough Solicitor.

    ii)   delegate authority to the (then) Strategic Director (Places & Organisational Capacity), in conjunction with the Portfolio Holder, to accept the final grant offer letter, subject to the satisfactory advice of the Borough Solicitor and independent Due Diligence advice.

10.19 Since then, further work has been undertaken between PDL, the Government (i.e. Department for Business, Innovation & Skills (BIS) and its agent, Department for Communities & Local Government (DCLG)), to address the conditions of the funding, including undertaking Due Diligence.

10.20 However, in 2012, it became apparent that the private sector funding allocation of £17.9m could not be achieved. This was as a result of the failure of the proposed Covanta energy-from-waste plant securing planning consent for a site within the proposed development. Without the consent, a £2.5m voluntary contribution towards the cost of the bypass could not be achieved.

10.21 Since November 2012, PDL and the Council have been working with other interests, including BIS/CLG to secure an additional £2.5m towards the costs of the bypass, without success. Given constraints to the delivery timetable of the bypass, including the timetable for drawing down the £4.1m RGF grant and the lifetime of the existing planning consent, there is an immediate need to underwrite the £2.5m gap to secure the RGF and other allocations.

Alternative means of delivery

10.22 From our previous viability appraisal, it is evident that there is insufficient value in the development of Midpoint 18 Phase 3 and related developments to meet the costs of the bypass that such development requires. The only means by which the private sector development could facilitate this would be if housing or retail uses were considered as part, or all, of the development site. However, this is not the favoured approach of either the Council or PDL, given its allocation and design as an employment site, linked to existing employment uses.

10.23 In terms of public grant funding for such schemes, RGF remains the only mechanism of this kind at present. The project is not eligible for ERDF or Evergreen funding in the foreseeable future for the delivery programme as identified that has been agreed here.

10.24 The Government has announced that future major transport scheme funding will be included in the 'Growth Deal' to be negotiated with Local Enterprise Partnerships. The earliest funding would be available from this source would be April 2015. The council is investigating whether it may be possible to use future 'Growth Deal' funding to replace the Council's underwriting or reimburse it, if made.

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

Date of Meeting:	1st April 2014
Report of:	Lorraine Butcher, Executive Director of Strategic Commissioning
Subject/Title:	Future Delivery Model for the Integrated Transport Unit (Forward Plan Ref: CE 13/14-76)
Portfolio Holder:	Cllr David Topping, Environment

1.0 Report Summary

1.1 Cheshire East Council is determined to deliver services using a 'best-fit' approach that puts residents first. This proposal has determined that the most appropriate model for delivering Transport services is via a Wholly Owned Company (WOC)

1.2 The proposal is in accord with the Councils' declared intent to become a strategic commissioning authority with a hard split between commissioning and service delivery and with a focus on stimulating innovation, efficiency and staff involvement whilst delivering against challenging budgetary targets.

1.3 This report therefore seeks Cabinet approval to proceed with the implementation of a Wholly Owned Company (WOC) limited by shares that will deliver all the functions of the Council's Integrated Transport Unit.

1.4 The Council has already registered a company under the name Transport Service Solutions Ltd (TSS), 100% owned by the Council.

1.5 Officers have developed a detailed business case and plan for the implementation of the new company. This has been subject to the scrutiny provided by the Council's project management regime having been endorsed by TEG on 5 March 2014 and EMB on 18 March 2014. The ambitious aim is to have the new company operational by 1 July 2014 but with a contingency go-live date of 1 October 2014.

1.6 The role of TSS will be to deliver transport services on behalf of the council with a current total budget of approximately £17.8M.

1.7 This proposal directly accords with the Council's three year plan to becoming a strategic commissioning council. This consists of 29 major change programmes covering 8 key priorities. This plan sets out the core purpose of the council, and identifies the need to redefine its role in core place-based services.

1.8   The catalyst for change is driven by the need to invest in our transport services, to find ways to sustain these services in an era of declining resources and to improve the quality of this service for local residents.

1.9   Environment PDG has been fully involved in considering the available delivery options for the Transport Service.   There was widespread approval for the WOC model as being the most appropriate for the Integrated Transport Unit, both in terms of financial sustainability as well as service improvements for end users.

2.0   Recommendations

Cabinet is asked to:

2.1   Approve the implementation of Transport Service Solutions Ltd as the future management model for integrated transport services, in accordance with the detailed business case and implementation plan attached as Appendix A.

2.2   Agree that all current functions of the Integrated Transport Unit are transferred to Transport Service Solutions Ltd whilst accepting that the ultimate strategic direction for Transport remains with the Council.

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2.3   Give any necessary delegated authority to the Executive Director of Strategic Commissioning, the Head of Local Communities, the Head of Legal Services and the Chief Operating Officer, in consultation with the Portfolio Holder for Environment to proceed with that implementation in accordance with the project plan.   That plan includes negotiating appropriate contractual arrangements, arranging leases and central support services plus novating contracts where necessary.

2.4   Acknowledge the timetable for the project which aims to establish the company by 1 July 2014 but with a contingency go-live date of 1 October 2014 should operational issues prevent this being achievable.

2.5   Agree to the commencement of a formal consultation period with all the staff who might be affected by any proposed TUPE transfer.

2.6   Acknowledge that, following Cabinet's approval of this proposal, work will continue to develop the more detailed business plans and draft contracts for the new company.   The headline commercial and contractual arrangements will be set out in a further report to Cabinet in June 2014.

3.0   Reasons for Recommendations

3.1   The Council has recognised the need to change the way services are provided in the future in order to create opportunities for innovation and provide service efficiencies.   As a result the Council has determined to take a more strategic commissioning role

3.2 The Council has developed a Three Year plan and the development of a new delivery model for transport services is identified as one of the major change projects within that plan: Priority 6; Redefining the Council's role in core place-based services; 6.1 Develop new delivery models; 6.1F Transport.

4.0 Scope of Services for the New Delivery Model

4.1 The Integrated Transport Unit provide public transport, home to school and social care transport. In addition, a range of associated local travel options are supported, such as walking, cycling and community rail schemes, as well as information provision, on-street infrastructure etc. The majority of these services are statutory, such as home to school travel provision and public transport support.

4.2 The Policy Development Group (PDG) considered various different options for the future delivery of this service. These included:

- Continued In House Delivery
- Outsourcing to a Private Contractor
- Joint Venture Agreement
- Wholly Owned Company
- Creation of a charitable trust
- Staff mutually owned organisation

4.3 PDG concluded that a WOC would offer one of the quickest means of delivering change, promoting cost efficiencies and effectiveness whilst retaining control of a sensitive service area and managing the reputational risks associated with service delivery. It would also improve the speed of decision making and allow staff to develop and implement their entrepreneurial skills. A number of the alternatives were deemed to be non-viable, as they ceded too much control of the day to day decisions to external influences, and did not allow members to have full oversight of service provision.

4.4 Whilst the Council would remain in control of the Company, the service would be able to operate with greater freedom and pursue other innovative and creative opportunities that would otherwise be difficult for the service to secure in its current form.

4.5 The preferred legal solution for this WOC is a company that is limited by shares and this model is also being adopted for other new delivery vehicles within the Major Change Programme.

5.0 Wards Affected

5.1 All Wards are affected.

6.0 Local Ward Members

6.1 All local Ward Members.

7.0 Policy Implications

7.1 The project accords with the Council's Three Year Plan as part of the major Change Programme to re-define the Council's role in core place-based services.

7.2 The Council has a number of contractual and statutory responsibilities in respect of Transport services (e.g. C&W LTB partnership, home to school transport for SEN pupils). It is, therefore, expected that the Council will retain development, ownership and control of all relevant strategies and polices and will subsequently commission TSS to deliver against a number of specific outcomes (an 'output-based specification') which align with these. How TSS will deliver these outcomes will be proposed by the company and agreed in the service specification element of the contract with the company.

7.3 It is acknowledged that the staff within TSS have significant experience and expertise in the field of transport and it therefore expected that one of the services they will be commissioned to provide will be to deliver strategic and policy advice and proposals for the most effective means of delivering transport services within the borough.

8.0 Legal Implications

8.1 The Council has received legal advice on the options for company models which has been used to identify that a Teckal company model is likely to best meet the Council's operating criteria for transport .

8.2 The Council must adhere to good practise principles when assessing the business case for proposed transfers to an alternative delivery vehicle these include:

- Ensuring there is a good case for change and that the business case states whether any relevant parties have been consulted;
- Clarifying how the change will affect the accountability of the Council;
- Undertaking a thorough options appraisal to ensure the most cost-effective and efficient option is chosen;
- Identifying and managing the costs associated with the proposed reorganisation as accurately as possible;
- Identifying and realising the benefits of the proposed change;
- Ensuring the proposed change is well managed and delivered;

- Putting in place effective review arrangements to monitor whether the long-term objectives of the proposed change have been achieved.

8.3   It is important for the Council to:

- Identify the scope of the company and its objects and the relationship with the Council;
- Consider who will be the Board of Directors and how such a role is to be reconciled with any role within the Council, taking into account actual and perceived conflicts of interest and bias;
- Consider the necessary constitutional and administrative processes which the Council has and make any necessary amendments to these to ensure that the subsidiary can be used effectively and efficiently to improve service delivery;
- Consider the effective drafting of the Memorandum and Articles of Association of the Company, to give the Council the necessary degree of control (e.g. the Council would approve any Business Plan (i.e. the overarching "envelope" of the Company's activities), scrutinise the Company's performance and Board activities (directing the Board where necessary to act or not act in a certain way) and exercise a veto at Board level on all or key, strategic decisions affecting the Company), without hampering the day-to-day operations of the Company or discretion of it's Board so it retains agility and flexibility.

8.4   In considering the most appropriate model the Council has reflected that unless the Council is outsourcing the service delivery to a company that is wholly controlled by Cheshire East Council it will be necessary to undertake a procurement exercise.   However,   there   is   an   exception,   in   certain circumstances, where a contract let by a public body will not be deemed to be a contract for the purposes of the Public Procurement Regime.   The relevant circumstances are that:

- The service provider carries out the principal part of its activities with the relevant public body;
- The public body exercises the same kind of control over the service provider as it does over its own departments;
- There is no private sector ownership of the service provider or any intention that there should be any.

8.5   The exemption was established by a European Court of Justice case and is referred to as the Teckal exemption. Case law has shown that the contracting authority, the Council, must have the power of decisive influence over the strategic objectives of the company at a constitutional and operational level. The company will need to function as a commercial entity.

8.6   The Council will have to establish a service contract with the company to define all the services and the service levels that it will provide to the Council and consider the most appropriate service delivery mechanism where service users are "purchasing " the service.

8.7   In addition the transfer for the service to the company is likely to constitute a relevant transfer under the Transfer of Undertakings Protection of Employment Rights Regulations 2013 (TUPE) under which employees who are working in or for transport immediately before the transfer will transfer.

8.8   The Council will have to undertake the necessary due diligence to identify which employees have the right to transfer and to be able to provide the necessary employee liability information in accordance with the TUPE regulations.

8.9   The Council and the company will also have to comply with the Regulations consultation requirement which stipulates that consultation on changes to terms and conditions (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.

8.10   Further specialist pension/actuary advice will be required on pension issues for both the Council and the subsidiary/ company

8.11   The business case attached has been developed in accordance with the Council's ASDV (Alternative Service Delivery Vehicle) Framework guidance and has been challenged and subsequently endorsed by TEG and EMB

9.0   Financial Implications

9.1   The services under consideration currently have a gross budget of £17.8M.

9.2   The new company will be able to trade at a profit and the Board of Directors may, subject to the terms of the contract, have the freedom to choose whether to invest such profits in service development and/or declare them as dividends to the Council as 100% shareholder

9.3   Two alternative financial projections have been prepared as part of the business case; one 'prudent', the other 'ambitious'. These both show the company to be financially viable with the potential to return profits over 5 years of £615K and £2M respectively. It should be noted that these figures assume a stable contract income from CEC of £14.7M

9.4   It is recognised that that all the Council's WOCs, outside of and separate to the NJC bargaining process, will be required to apply an uplift in pay for 2014/15 which is equivalent to the uplift agreed by the NJC for 2014/15. Beyond 2014/15 the Council will review this annually. This factor will be included when developing the detailed financial business plan.

10. Risk Management

10.1 The risks within the ASDV programme are identified and managed at 3 levels: Project, Programme and Corporate.

10.2 The project risks for this company are detailed within the appended business case. They are managed by the project board which has established appropriate mitigating actions and monitors each risk on a regular basis in accordance with the Council's project management methodology. Risks have been logged and challenged and endorsed by TEG/EMB

10.3 Programme risks are those that are common to more than one ASDV project. These risks together with other risks generated by the impact of the overall ASDV programme are identified, managed and monitored by the ASDV Steering Group. There are currently 20 risks and one opportunity captured on the programme risk register.

10.4 Corporate risks are those that have the potential to cause corporate concern. These have been identified from the programme risk register and escalated to the corporate Risk Management Group for consideration, monitoring and inclusion on the Corporate Risk Register. The Corporate Leadership Board ensures that actions and recommendations within the Corporate Risk Register are implemented.

10.5 The Audit and Governance Committee is responsible for keeping under review the effectiveness of the risk management, control and governance arrangements. Audit and Governance Committee receives a quarterly update on the Corporate Risk Register and considers any changes to the corporate risks and their ratings. Cabinet also receives quarterly monitoring reports and an annual report on the Corporate Risk Management.

10.6 The top three project risks that have been identified, and which now have appropriate mitigating actions in place, are:

- The 'Intelligent Client Function' is not established quickly enough and/or lacks understanding and knowledge of transport operations (including market demand, fluctuations and pricing) leading to ASDV contractual arrangements not being robustly specified leading to failure to deliver the effective service as planned;
- The council fails to recognise that some aspects of demand are without the company's control (e.g. SEN transport) leading to unrealistic expectations of profitability and shareholder returns which ensure expected benefits are not delivered;
- The challenging timescales under consideration do not allow for any contingency and assume resources will be readily available when needed. Should resources be overstretched then the project will fail to be

completed on time resulting in a delay in delivering planned benefits and potential reputational damage for the council;

11.0   Background and Options

11.1   At the meeting of Cheshire East Council on 4 February 2013 it was agreed that the Council should proceed to becoming a strategic commissioning organisation where a small core of commissioning and client managers under the strategic direction of the Executive, identify and prioritise local needs, develop the outcomes that people require and then commission the services most appropriate to the delivery of those outcomes.

11.2   The basis of this decision was recognition that the landscape under which local public services are designed, purchased and delivered is changing rapidly under new Government policy and legislation. The establishment of Police and Crime Commissioners, the creation of Clinical Commissioning Groups for health and well being services, and the transfer of Directors of Public Health to become statutory officers of local authorities, all represent this strategic shift in how public services are secured and delivered. In order then to align public services locally, the Council is changing the way it operates to become a strategic commissioning body.

11.3   While this shift will not happen immediately there is already momentum towards this new arrangement with the establishment of the Leisure Trust, the Environmental Operations Company (ANSA) and Bereavement Company (ORBITAS) in April 2014. Additionally other forms of alternative service delivery are occurring such as the personal and individual commissioning of care, the multi-local authority collaboration for adoption, the establishment of the Single Legal Entity for Shared Services. Finally, an extensive range of commissioning review work is underway to inform potential further models for service delivery as well as areas for decommissioning.

11.4   Since LGR significant progress has been made in transforming the model of transport delivery previously inherited, resulting in the formation of Cheshire East Transport. Significant financial savings of approximately £6.6m have resulted from a mixture of changes to policy and entitlement, operational practices and tendering processes.

11.5   The service has now reached the point where it is difficult to continue to deliver transport efficiently and effectively without the freedoms, flexibilities, greater entrepreneurship and business development options that a WOC will allow.

11.6   The key current service delivery areas are:

- Home to school transport
- Specialised transport
- Public transport
- Demand responsive transport
- Local sustainable transport, such as walking and cycling coordination and support
- Overall transport policy advice/implementation

11.7   An options appraisal has been conducted and has been the subject of policy development through the Environment and Prosperity Policy Development Group. This process has concluded that the new ASDV should take the form of a wholly-owned company limited by shares

11.8   It is envisaged that there will be significant business development and growth opportunities arising from having a trading arm and the additional income generated could (with shareholder agreement) be re-invested in the company or declared as dividends payable to the Council

12.0 Access to Information

The background papers relating to this report can be inspected by contacting the author.

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PROJECT INITIATION DOCUMENTATION

DETAILED BUSINESS CASE

Completed By:	Chris Williams & David Laycock	Project Name	Alternative Service Delivery Vehicle for Cheshire East transport
Programme Name	6.1 Develop New Delivery Models	Portfolio Holder:	Cllr David Topping
Project Reference Allocated	6.1F	Service:	Cheshire East Transport
Senior Responsible Owner (SRO):	Lorraine Butcher Executive Director of Strategic Commissioning	Project Manager	David Laycock
Date endorsed at Gate 1	23/1/14	Major Change project number	6.1F

1. Background

The landscape in which frontline services are designed, structured and delivered is changing rapidly in response to new legislation, government policy and changing market conditions. Cheshire East Council (CEC) is responding to these pressures and on February 2013, the Council announced its three year plan to becoming a strategic commissioning council. This consisted of 29 major change programmes covering 8 key priorities. The plan identifies the core purpose of the council, and identifies the need to redefine 'the council's role in core place-based services'.

The intention to become a strategic commissioning council is supported by a clear strategic framework. This framework establishes the key principles of achieving the Council's required financial savings, providing opportunities to deliver qualitative benefits and ensuring residents receive excellent services which meet the changing needs and aspirations of modern life. An objective of the plan is to develop a new operating model for travel and transport services.

To achieve this ambition a review of the service has been completed, identifying and reviewing the differing operating models which could be used to support the travel and transport needs of residents, businesses and other organisations. A guiding principle of this review has been the desire to create a more effective, efficient and locally responsive service, acknowledging that these outcomes are more important than the question of who actually delivers them.

The purpose of this business case is to summarise the findings of the review and demonstrate how the implementation of a Wholly Owned Company (WOC) best meets the Council's objectives.

Cheshire East Transport Scope

The service is responsible for a number of travel and transport measures, ranging from support for walking, cycling, public transport, information, home to school and social care transport needs. It has a statutory role relating to public transport support, and it discharges the Council's duties as a Passenger Transport Authority, as well as the Travel Concession Authority. It is in part a regulator of public transport, as well as having a duty to promote public transport either directly through financial support for bus routes that otherwise would not be viable, or indirect support such as mobilising on-road improvements to junctions to improve bus reliability, bus shelter and stop maintenance, provision of passenger transport information etc. The service has a duty to encourage consideration of travel and passenger transport issues in relation to major development applications, encouragement of staff travel schemes to reduce dependency on private motoring etc.

Key Service Responsibilities:
- The provision of support for public transport in accordance with the statutory duties contained in the various Transport Acts
- The provision of an application process, eligibility assessment and subsequent provision of home to school transport and travel support.
- Provision / maintenance of roadside infrastructure, such as bus stops, shelters and interchanges / stations. (These include 399 bus stops with

shelters, 1084 Bus Stop poles/lighting column signs and bus stations at Macclesfield, Nantwich, Congleton and Knutsford)
- Provision of public information through a variety of mediums including websites, national / regional databases, on-street information etc
- Support for sustainable transport measures, such as cycling, walking and integration of transport modes

Key Service Activities:
- Coordination of all travel and transport functions:
    - Home to school transport delivery and management
    - Social care transport delivery and management
    - Development and management of public transport
    - Contract delivery and management
    - Sustainable transport promotion and project delivery
    - Emergency response

A full list of all the functions proposed for transfer is attached as Appendix 1

Performance Measures and Standards

To evaluate and track performance a number of local methodologies have been developed to assess whether the service is meeting the needs of local residents and others. These will be included in the company's performance framework and are listed below.
- Cost per passenger journey
- Compliance with Construction and Use regulations
- Number of passenger journeys originating in CEC
- Number of complaints upheld
- Annual participation in national MORI Highways and Transport Customer Survey
- Participation in Association of Transport Coordinating Officers surveys, benchmarking, price comparisons etc
- Published service standards
- Customer satisfaction questionnaires
- Transport user forums e.g. LAP-supported rural transport network

It is anticipated that the Council, as commissioner, may wish to incorporate other measures focussed on corporate outcomes such as stronger communities and carbon reduction. These will be agreed by negotiation.

Staffing Resource Implications

The service has approximately 75 established posts. These members of staff are wholly dedicated to the service and responsible for all aspects of travel and transport support. A small – and reducing – element of direct transport provision is managed and provided in-house, namely 7 vehicles used solely for home to school transport for children with special educational needs. All other passenger transport is delivered by external providers. The service provides the council's school crossing patrol service, as well as transport coordination, information dissemination and infrastructure maintenance aspects.

All staff currently delivering the service as their primary role will transfer to the WOC under these proposals. The transfer would be carried out in compliance with 'The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). TUPE regulations protect existing terms and conditions and assumptions have been included in the financial business case to cover this. This proposed transfer would only take place following full consultation with staff, unions and members.

Any known risks that may affect employees have already been recorded and included in this business case and in the developing project plan. Both formal and informal consultation and engagement activities are already underway with staff and unions. This valuable process will continually be used to promote staff involvement and engagement with feedback used to inform decisions and project planning

Service Staff Profile

The table below sets out the core cost and staffing data for the service.

STAFFING GROUP	STAFF NUMBERS
Permanent	75
Total	75

Service Budget

The table below summaries the current service budget

COST/INCOME CATEGORY	TOTAL £K
Employees (including driver attendants and school crossing patrol staff)	1,736
Premises	52
Transport operated under contract / grant	10,817
Supplies & Services	928
Concessionary fares and other transport support	3,767
Net Expenditure	17,300
Support service recharges to service	467
Gross Expenditure	17,767

Note: excluded for this budget is provision for:
- Commissioning roles, which are already funded from other budgets
- Corporate support charges. These budgets are held within the corporate services.
- Project budgets relating to capital projects, sustainable transport projects etc
- Capital and revenue schemes funded through hypothecated grants e.g. Local Sustainable Transport Fund

Out of Scope Activities

Certain activities are carried out by commercial transport providers (e.g. management of Crewe Bus Station, commercially operated bus routes) or by other providers (e.g. the issuing of concessionary bus passes and the reimbursement of

concessionary fares to bus companies). Whilst the overall coordinating and delivery role will be a company responsibility, the actual provision of the services is expected to be at the company's discretion whether they be directly delivered, delivered in partnership with a provider/other council, or through external contractors.

Future Scope

In The Council's three year strategic plan there is a clear prioritised framework to becoming a commissioning council. This recognises the necessity to phase the creation of alternate service delivery vehicles, allowing for resources to be allocated, to be prioritised and for lessons to be learnt.

Cheshire East Transport is in the third phase of this plan and will soon be followed by a much broader review of Council Services. As this review progresses the Council is seeking to identify improved delivery vehicles for many services. As the Council provides a range of customer focused services it may be advantageous for the Council, over time, to consider extending the remit and responsibilities of the proposed WOC to include other suitable services. Such considerations would necessitate the development of robust feasibility studies and business cases

2. **Why is the Project needed?**

Drivers for Service Change

The Council has realised the need to change the way future services are provided in order to create opportunities for innovation and provide service efficiencies. As a result the Council has determined to take a more commissioning role. This aspiration to redefine its role in core place-based services is set out in the Council's Three Year Plan.

All service areas will have to identify the most appropriate future delivery model in order to sustain current service provision, but in a more financially sustainable way. Travel and transport is a service area that – due to high levels of provision by commercial providers – gives a clear opportunity to exploit the potential to change the relationship with external providers and the council's own contracted services. By entering into significantly more commercially aware contract and partnership arrangements – along with associated incentives to align commercial provider objectives with those desired by the WOC – a "win-win" scenario is envisaged: commercial providers get more stable and secure contracts with the WOC, and the WOC benefits from reduced prices or service enhancement that will result.

The existing travel and transport service has delivered significant cost reductions over the recent past.   Some of this has resulted from policy changes in areas such as social care transport and home to school transport. However, much has been delivered through aggressive cost management, operational changes (e.g. externalising service delivery where staff costs in particular have made it uneconomic to continue with direct service delivery), etc. The limits have been reached in reducing costs further – or indeed, containing industry cost pressure – without having the freedom and flexibility that an ASDV would allow. The alternative is to accept significant reductions in service provision such as termination of support for bus routes, abandonment of infrastructure, etc.

Travel and transport is a high-profile service area. Around 35,000 people a day are estimated to be supported in one form or another with their travel and transport needs. Service failure (e.g. home to school transport arriving late or not at all) is a constant risk, and when service failure does occur it is noticed by service recipients immediately. Therefore a key driver is to allow greater flexibility to improve customer satisfaction levels with services provided, and to ensure as far as possible lost mileage / service unreliability is avoided through incentives to contractors.

With the advent of greater personalisation in social care and special educational needs support arrangements, there is a need for the council as a whole and also for transport in particular to become more facilitative in meeting people's transport needs. Monolithic service delivery – where the user is in effect told exactly what transport destinations they are allowed to travel to, when and by what method – will inexorably give way to individual decision making. In the absence of a commercial solution to meeting these needs, it is likely that many clients will be unable to travel cost effectively, or even at all. By allowing the WOC to work with commercial operators – or through the freedom to trade be able to offer bespoke travel solutions – client needs will be better met and at potentially lower cost.

The adequate provision of transport to meet the needs of communities is a key priority for Cheshire East. The setting up of the WOC will enable us to meet the ever

changing demand for transport to meet employment, health, education and social care requirements, as well as more universal services such as culture, arts, sports and lifelong learning. The WOC will make a direct contribution to health and wellbeing by enabling:

- Reducing rural isolation and improved access to local services
- Increased accessibility and independence of older people and those with disabilities
- Improved social, financial and economic inclusion, social and emotional wellbeing and mental health
- Increased healthy lifestyles

The provision of safe, sustainable, reliable and economically efficient integrated local transport provision within the WOC which focuses on the health and wellbeing agenda and the opportunities for choice and control over involvement in universal activities in local communities will provide valuable assistance in assisting our Stronger Communities agenda.

Finally, transport has a number of transactional-type services that can usefully be aggregated across authority boundary areas to drive economies of scale and scope. By being amongst the first local authority transport service areas to be given freedom to trade – with the expected resultant lower costs – there could be a compelling sales proposition to offer to other authorities. For each additional authority who may wish to participate with some or all of their travel and transport services, the benefits will be multiplied through greater overhead sharing, increased purchasing power and ability to specialise.

The outcomes for the Council can thus be summarised as:

- To safely discharge the council's statutory duties in relation to home to school, social care, public transport, and other travel and transport related obligations such as promotion of walking and cycling;
- To secure the financial savings as identified within the Council's Financial Plan;
- To create a new identity for the service that enhances the user experience, and gives a single point of contact and focus for all travel and transport related activity;
- To have the option of allowing the company to increase the range of services provided by absorbing other aspects of travel and transport from within other council service areas
- To gain additional benefit by allowing the company, over time, to develop a compelling offer to other councils, within and outside the region, so that costs, expertise etc can be shared and financial and other benefits accrue to all participants
- To provide valuable assistance to our Stronger Communities agenda by delivering safe, sustainable, reliable and economically efficient transport provision

Objectives and deliverables

The primary objective is:
To create (by 1ˢᵗ July) an efficient, effective and profitable Wholly Owned Company (WOC), limited by shares, for the delivery of the Council's statutory and discretionary transport services which support strong and supportive communities, green and sustainable places and a strong and resilient local economy

Supporting objectives

- To create (by 1st July) a wholly owned company , limited by shares, for the delivery of all current transport services that is a fully equipped to succeed as possible by virtue of having
    - Robust contractual arrangements agreed by both parties
    - A positive brand identity
    - A detailed business plan and marketing strategy for the subsequent 3 years with outline plans for the succeeding 2 years
- To achieve best value and quality for Transport services and to reduce net operating costs wherever possible, as measured quarterly using an agreed performance framework, that will ensure the best possible service for customers
- To maximise the new opportunities and flexibilities to deliver services that a WOC offers hence delivering the expectations of the business plan and in accordance with the assumptions and timings contained within that plan
- To identify, retain and subsequently TUP transfer all 75 staff to the new delivery vehicle by 1st July and subsequently develop and motivate said staff to deliver service improvements and excellence as measured quarterly using an agreed performance framework

Key deliverables

- The set up and registration of a company limited by shares (this has already been accomplished)
- Appointment of a company board of Directors
- A detailed service specification and contract (including all assets, maintenance issues and performance measures) which has been agreed by both the Company and Council
- Detailed TUPE consultation with all 75 affected staff
- Successful user acceptance testing (UAT) of all supporting systems and procedures
- Formal transfer of staff and the service responsibilities detailed in Appendix 1

3. Proposed Solution

The continuing provision of the full range of travel and transport service delivery remains a key priority for Cheshire East Council as it moves to becoming a Commissioning Authority. To consider how this can best be achieved an options appraisal exercise has been completed to review alternate delivery models for running the service.

To ensure the service is best placed to meet current and future challenges the review has focused on identifying ways of delivering the service which can create greater flexibility, are more commercially focused and yet still retain and enhance existing relationships with local communities, voluntary and charitable groups, parish councils etc. A guiding principle of this review has been acknowledging these outcomes are more important than the question of who actually delivers them.

During this exercise consideration has been given to the following operating models:

a) Continuing in house provision
b) External tender
c) Joint venture company (with other independent organisations or partners)
d) Charitable models such as Industrial and Provident Society
e) Staff mutually owned company
f) Local authority wholly owned company

The options appraisal (Appendix 2) concluded that Cheshire East Transport should transfer to an external provider, with the most appropriate model being a wholly owned company.

This appraisal and recommendation was subsequently submitted to, and discussed by, the Council's Policy Development Group for Environment in summer and autumn of 2013. The PDG has made a recommendation to the Portfolio Holder and Cabinet that the WOC is the preferred option, subject to clarification of the governance arrangements to ensure enhanced member input into decision making surrounding transport support.

Management Arrangements

Governance
The WOC will be directly accountable to a board of directors which will include 3 appointed members who will represent the interests of the Council, as the sole shareholder for the WOC. There will also be a nominated officer representation on the board. There will be no private interests.

The Board will primarily focus on the strategic management of the business. However, unlike other WOCs proposed by Cheshire East, the Board will also have an enhanced role in decisions regarding support for services such as subsidised transport, subject to appropriate controls agreed by CEC which will be incorporated in the service contract negotiated with the company.

Proposed Governance Board Membership:

ROLE	COMPOSITION
CHAIRMAN	MEMBER – Cllr Rod Menlove
DEPUTY CHAIR	MEMBER – Cllr Peter Groves
DIRECTOR	MEMBER - TBC
TRANSPORT MANAGER	OFFICER – Chris Williams

Alongside the other ASDVs that the Council is establishing, it is anticipated that the WOC will become a subsidiary company within the overarching holding company formation currently under discussion.

Within that governance structure it is critical that individual roles and responsibilities are defined in a way which allows for clear and robust arrangements which value and recognises the contribution of both organisations.

These responsibilities will clearly be set out in the 'Articles of Association' and service specification which will define the type and amount of influence that the authority will have with the WOC and will cover key issues such as:
- Financial responsibilities
- Management of Risk
- Business Planning
- Service Standards

It should be noted that the on-going viability of the project will continue to be monitored by the Board of Directors and the Council's Shareholder Committee.

Contractual arrangements

The WOC will have a strategic contract, a tailored element to the contract, a detailed method statement and a set of outcome based Key Performance Indicators. To oversee the delivery of this it is acknowledged that CEC will need to develop the role of the commissioner to manage the contract and contractual relationships. This will include the relevant contract monitoring and management, general client relationship and any specific management requirements.

Constraints and Dependencies

Cheshire East Transport is currently reliant on a number of support services provided by CEC directly. These are critical in allowing the service to perform and would need reflecting through service level agreements so that – at least for the short term 'incubation period' – the service can continue to function adequately while it becomes fully established. The expectation is that over time the company will be given freedom to explore alternative support arrangements where these can be more cost effectively obtained elsewhere. The support services include (although not exclusively);
- Existing Central Support Services – Includes IT, Finance, HR support
- Environment Services – Provision and maintenance of fleet

<u>Business Planning</u>

This business case is intended to provide a framework for planning, managing and defining the proposed business change. A separate, detailed business plan will need to be prepared and agreed which defines the business goals, the rationale behind them, the plan to achieve them and fully developed financial projections covering the first 3 years of operation.

4. SWOT Analysis

The table below identifies the relative strengths, weaknesses, opportunities and threats to the project. These are reflected throughout this Business Case and will be revisited and updated as the project develops.

STRENGTHS	WEAKNESSES
• Aligns with the Councils ambition to become a commissioning Council • Company 'Wholly Owned' by local authority providing clarity and transparency in ongoing service delivery and clear governance arrangements. • Council retains assets and income – all benefits are retained in full by the Council rather than 'shared' with another partner • Ability to tailor service, products , approach and systems to meet changing demands • Reduction in bureaucracy will lead to improved service responsiveness, effectiveness and flexibility • Reduced reliance on the corporate centre • Core Council work can legitimately be devolved without a lengthy procurement exercise being required	• Council retains statutory responsibility for service provision • Limited scope to act wholly commercially unless a subsidiary company is set up for this purpose • Initially difficult to expand commercially whilst credibility and experience are established • Potential negative impact on Council corporate services if they are not providing a service to the WOC • Council's reputation linked to Company performance • Dependant on Council for funding and workload (altering either could affect company viability)
OPPORTUNITIES	**THREATS**
• Ability to act in a commercial way and attract/generate new income streams • Able to develop a new brand and service culture that better meets the Council's changing needs • Opportunities for partnership working and shared delivery with other local authorities • Opportunities for staff incentivisation /self determination and reward, leading to innovation and a more entrepreneurial culture • Opportunities to reduce the core cost of the service once established • Provides a vehicle which could run additional services on behalf of the Council	• Insufficient budget provision would reduce standards, service delivery and ability to generate income • Council breaches agreement to devolve all forms of travel and transport support to the company, leading to user dissatisfaction, cost escalation, loss of staff buy-in to concept of company acting as sole deliverer of transport support services

5. Benefits and Benefit Realisation

Service Quality Benefits

The current service is of good quality and generally well regarded by service users. This quality derives from the experience, affiliation and in depth knowledge of the current team who exhibit a genuine motivation to provide high levels of service and care for service users. The staff delivering the service would TUPE transfer into the WOC ensuring their skills and abilities are retained.

Furthermore real opportunities will exist for the team to shape how the service is delivered, designed and provided. This increased level of involvement in running the service, coupled with the ability to act promptly on decisions is undoubtedly a key way of engaging and motivating the team and has been acknowledged by staff during stakeholder meetings.

With the ability to offer a broad range of services, to introduce incentivised performance management and to act quickly it is likely a WOC would offer a better and more responsive service for users.

Continued or enhanced take up of the service would create the potential for additional revenue streams to be established. This could be used to reduce unsustainable costs, to provide a source of new investment to improve the service and/or to provide a tangible means of financially rewarding staff for good performance.

Innovation and Growth Benefits

The review of service delivery options concluded that a WOC can offer one of the quickest means of delivering change, promoting cost efficiencies and effectiveness whilst managing the reputational risks associated with service delivery.

Whilst this may take time to develop, there will clearly be opportunities for employees to develop and implement their entrepreneurial skills without being constrained by the red tape found in larger organisations. Already ideas have emerged during the staff engagement process of new ways to expand the type of services offered and their scope.

There is also the possibility of incorporating the WOC, as a subsidiary within a larger group structure as well as possibilities for the WOC to expand its own operations and areas of responsibility. This could allow the Council to incorporate further service areas in an established WOC at a later date.

New Business and Income Generation

There is an expectation that from year 2 the WOC will be able to create new and additional income streams. At staff stakeholder meetings there has been a consensus that by becoming a WOC, service levels would improve through quicker decision making and greater flexibility to enhance the services provided.

From the existing meetings held already, and management discussions, the following ideas have already been suggested:

- Winning transport management contracts from other, neighbouring local authorities. This would both simplify cross-border transport arrangements and offer economies of scale. Such economies would for example; see a doubling in services delivered whilst only needing an estimated 50% growth in administrative and management capacity since contracts are likely to be with the same companies and will simply be extended. The proposal would be to share these savings pro-rata with the partner authorities

- "Works" or college transport – public or privately-hired transport provided for employee or student use – offers the potential for long-term partnering or management fees. By securing contracts on behalf of employers, the council can link such contracts to home to school / public transport contracts. In this way, even if the works contract price cannot be bettered, the WOC will be able to take advantage of the combined contract purchasing power to reduce the cost of the WOCs own transport needs. It is known, for example, that one local college employs three transport coordinators to manage a fleet of 18 vehicles. A management fee of £25K would more than halve their costs making it an attractive proposition for both parties

- Given that the WOC will be a 'first-mover' in externalising its transport operations it can reasonably be anticipated that other LAs will be interested in learning from the experience, even if they don't wish to join the company. Three-day consultancy contracts valued at £3K each would not be unrealistic in terms of expectation

- All walking, cycling, rail and other sustainable transport activity is migrated to the company. This could provide a significant additional revenue stream and – coupled with the devolution of any future funding from DfT for sustainable transport measures – would ensure additional future funding.

- Coordination of non-statutory education transport. With recent withdrawals of entitlement to free travel - e.g. post-16 transport, denominational transport – there is the potential to offer services to colleges, schools, university etc to coordinate and supply the transport that they have recently assumed responsibility for.

- By being able to negotiate, (and hence reduce the costs of its contracted transport) the WOC will have a compelling proposition for other local authorities. In addition, for transactional services, the shared cost of processing the transactions will be an added benefit. Finally, the shared overheads and management costs will make unit costs lower for each authority that participates.

- Through better use of roadside infrastructure (bus stations, shelters, stops etc) there is the potential to attract a range of advertising and marketing offers. For example, displays in each bus shelter have the potential to attract and retain adverting from commercial advertisers, and for those with limited commercial appeal the WOC could offer space to other council services / public bodies to display information.

- Where home to school transport or public transport is deemed to be operating without adequate competition, the WOC could directly provide services to act as a price regulator. Historically, this was the case in parts of the Borough when the introduction of Yellow School Buses was used to directly compete down prices. Recently, the depressed nature of the market for transport has moderated pricing but – as discussed elsewhere – this downward pressure will not be sustainable. With the freedom to offer different terms and conditions to staff (hence reducing the single biggest cost element in

transport) the WOC would be able to help reduce pricing power in the industry, as well as earn additional income from profits no longer earned by external providers.

It would of course be important for the WOC to assess the viability of new initiatives, and constantly monitor the market place it operates in. This would be a key part of business planning for the WOC and ideas would have to be fully assessed, comply with the established governance structures and regulations and be approved by the Board (and hence by the Shareholder Committee) and agreed with the Council's commissioning function

However, in order to demonstrate the financial impact of some of these initiatives the top 3 on the list above have been assessed using a combination of local knowledge and soft-market testing. The results are incorporated into Appendix 3B and demonstrate a potential profit of over £2M within 5 years.

It should be noted that extra income in Appendix 3B is shown nett given that it is difficult at this stage to calculate what the extra costs will be, however they will be detailed further in the business plan

The table below illustrates the range of key benefits, both cashable and non-cashable, that will be delivered by the company. A detailed benefits realisation plan will be developed and included in the performance management framework incorporated into the service specification

Benefit	Type	Comment	Anticipated date of benefit commencement / delivery
Financial savings from different ways of working, cost growth avoidance etc	Financial	Over time, savings estimated to be £0.45m a year	2014-15 onward
Other transport delivery - savings from contract renegotiation	Financial	Savings estimated to be £0.1m a year	From 2015 onward
Other transport delivery - income from trading	Financial	Additional income / cost savings from shared overheads	From 2016 onward
Reduced non-service costs (e.g. corporate support costs) / increased emphasis on prioritising resources to front line delivery	Financial	Net impact of support cost reduction likely to be 5% per annum	2017 onward
Increased customer / partner involvement in decision making	Service improvement	Additional input into targeting energies and effort to best customer effect	2014 onward
Involvement of additional commercial expertise in board decision making, such as through appointment of bus industry experts, voluntary / public sector partners	Process improvement Service improvement Financial	Increased commercial focus will improve cost effectiveness, increase customer focus and drive process improvement	2014/15 onward
Greater managerial / staff autonomy leading to enhanced staff engagement and better customer focus	Process improvement Service improvement	Service innovation will be driven by better incentives to staff, greater autonomy and reduction in bureaucracy	2014 onward
Ability to improve partnership working with e.g. Town and Parish Councils, local employers, voluntary sector	Service improvement	Wider and deeper understanding of local transport needs and how they can best be met	2015 onward
Single service focus will allow for increased specialisation and reduced distraction from core purpose	Process improvement Service improvement	Ability to focus on core service purpose will lead to greater innovation, ability to tailor processes etc	2015 onward
Opportunity for the company to take on additional service areas should the council wish	Service improvement	Further service areas relevant to transport and travel can be included in future	2014 onward
Increased speed of decision making and response to emerging national, regional and local issues	Service improvement	Better able to react to new priorities and needs, especially devolution agenda	2015 onward
Flexibility to quickly and decisively respond to local market conditions	Process improvement Financial	Ability to more adeptly manage commercial issues, and react to market conditions	2014 onward

6. Project and Investment Appraisal

In considering the financial viability of a WOC consideration has been given to the potential financial benefits for both the Council and the WOC. Two alternatives have been considered: a prudent approach which ignores new business growth and a more ambitious approach which incorporates additional business opportunities where these can reasonably be assessed. A high-level summary of the benefits of each is provided below with more detail included in the Finance Appraisal (Appendices 3A and 3B)

The 'prudent' approach demonstrates that, even if some growth initiatives are thwarted, the company still remains a viable and profitable enterprise

Summary Financial Business Case – Prudent approach

Table 1a) - Summary

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	2014/15	2015/16	2016/17	2017/18	2018/19	5 years
	£k	£k	£k	£k	£k	£k
Total Costs	75	75	75	75	75	375
Total Benefits	(91)	(137)	(200)	(254)	(308)	(965)
Net	(16)	(62)	(125)	(179)	(233)	(615)

*Does not incorporate inflation / interest rates.

Summary Financial Business Case – Ambitious approach

Table 1b) - Summary

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
	2014/15	2015/16	2016/17	2017/18	2018/19	5 years
	£k	£k	£k	£k	£k	£k
Total Costs	75	75	75	75	75	375
Total Benefits	(117)	(171)	(507)	(632)	(959)	(2386)
Net	(42)	(96)	(432)	(557)	(884)	(2011)

*Does not incorporate inflation / interest rates.

Detailed Financial Considerations

Like any product, the total cost of transport is a function of volume multiplied by the cost of provision. In respect of volume, it is likely that over time, there will be little movement. There are unlikely to be substantial policy changes, given that there is little discretionary transport provision remaining. The exception to this is transport for children with special educational needs, where the long term experience is for an increase of perhaps 1% - 2% per year in the number of children that are entitled to transport. In addition, the complexity of the transport needs of such children is also increasing, so that the underlying unit cost of transport is increasing by around 3%-4% per year on average.

However, the greatest impact over recent years has been the relatively benign market pricing that most councils have experienced. In the deep recession starting in 2008 and the associated reduction in transport demand from other sources, the cost of transport fell in real terms. Cheshire East Transport experience in this period was that contract prices fell not just in real terms but in absolute terms when compared on a like for like basis. This is due to operators adopting "survival pricing", where operators tendered prices that were not sustainable in the long term but allowed redundancy / vehicle disposal costs to be avoided in the short term. Recently, contract prices have started to drift upward as providers seek to rebuild margins and adopt more sustainable pricing levels.

Unchecked, the ability of the market to exert pricing pressure will result in both the volume effect as well as the pricing effect leading to higher contract values. Already, the Confederation of Passenger Transport North West survey of transport providers has highlighted that inflation in the industry is no longer being contained by operators. It is therefore imperative that the WOC quickly seek to adopt strategies to embed wherever possible the current low contract prices. The business case should therefore be viewed in the light of the 4%-6% cost pressure that Cheshire East Council will face.

The Transport service essential currently acts as a contracting agent for the Council with over £15M of its turnover being spent on service delivery contracts with the independent sector (bus operators, taxi companies etc.). There are over 460 contracts with 150+ different companies. Each contract contains an uplift clause which obliges the Council to renegotiate contract prices annually taking due account of the Confederation of Passenger Transport cost survey which is currently showing 4.7% growth. It is anticipated that the new commercial freedoms of the ASDV will allow it the flexibility and commercial 'nous' to negotiate such changes downwards. This factor will be included in the annual negotiation between the Council and the company in which the savings targets and fees for the provision of the service will be agreed as specified in the contract. An example of such a freedom would be the ability to negotiate post-tender. This is specifically prevented by current CEC guidance on variances to contracts above £10K yet is the approach recommended by the Dept of Transport for all contracts falling below the OJEU threshold of £170K

The business case assumes an ongoing reduction of support service costs by the end of year 4 if the existing volume of transport support is maintained. This is helped by the WOC potentially being able to use CEC services / frameworks where beneficial, and establishing its own where not.

It should also be noted that the WOC would have the opportunity to generate new and additional income streams through activities such as the sale of additional services. Income streams are projected to yield further benefits to the Council and further support the business case.

Expanding the business and changing the income profile will have significant implications for the WOC and these would need to be fully considered as the WOC matures.

Typically existing operating models indicate that efficiency savings may define the former years whilst energies are focused on developing new income streams during the latter years.

Corporate core costs

Corporate core costs are still being fully evaluated. It has been confirmed that there will be an incubation period for this transition where support services will continue to be used for a period up to 3 years. After this period there is the potential to further enhance financial viability by achieving savings on the back of reduced 'back office' support costs and corporate overheads. Consequently, from year 4 onwards a notional 5% efficiency saving has been incorporated in the budget projections. In 2012/13 the recharge to the service for corporate support costs was £467k, (excluding the capital charges)

Financial Management

It is anticipated that the company and the Council would agree annually the level of funding that is required to discharge the Council's statutory duties, as well as the discretionary services that the two parties agree. Until the company has built up its reputation and hence marketability to others, it is likely that the primary objective of a financial management regime would be to ensure that the cost pressure in the industry is absorbed, and the current levels of service provision are maintained. The construction of a five year business plan will identify the key cost drivers, activities that can be undertaken to mitigate the cost pressure, and embed better contract and tender management.

Financial assumptions

- The Business Case assumes that capital expenditure on major infrastructure (such as facilitating an on-street replacement for Crewe Bus Station) would be funded by Cheshire East Council in addition to ongoing maintenance costs for all infrastructure, with ownership of the assets being retained by the Council.
- The financial case assumes that LSTF – both current and future – would continue to be delivered by the company. However, because this is a "nil net cost" to the council as all costs are reimbursed by the Department for Transport, they are not included in the financial analysis nor in the estimates of income and expenditure.
- The financial business case assumes there is no retained cost for the Council to manage the 'client' relationship as this capacity is already in place in Children's Services and Communities respectively.
- If the WOC is established and a TUPE Transfer takes place, pension provision will be provided by the WOC as either designated or admitted body status. This means that employee's pensions will continue to be provided through existing arrangements. New staff would, however, be likely to be refused admission to the LGPS and instead would be offered an attractive, employer-supported defined contribution pension plan.

7. Risk

A full risk log is attached as Appendix 4. This separately identifies risks to the project, the company and the Council

It is recognised that predicting future needs, demand, user responses and financial viability is an evolutionary process and the process of identifying risks and preparing suitable responses and mitigation, is a continual activity which will be a key part of the Business Case and subsequent Business Plans for the company and the Council.

8. Equality Impact Assessments

An Equalities Impact Assessment is attached as Appendix 5.

9. Resource requirements to deliver the project

Resource	Estimate of number of days required	Source of Resource (corporate/service/Shared Service/external	Comment from Service Manager (for example: require additional expertise, can manage within existing capacity)
Project Management	100	Corporate	David Laycock – Manage within existing capacity
ICT	86	Corporate / Shared Service	Val Poyser - Can manage within existing capacity
HR	40	Corporate	Karen Begley: Can manage within existing capacity
Communications	20	Service and Corporate	Michael Moore - Can manage within existing capacity
Planning		N/A	
Procurement	25	Corporate	Sam Clements - Likely to be managed from within existing arrangements after 01 April 2014
Legal	90	Corporate and External	Jayne McLaughlin - Can manage within existing capacity with additional locum support for novation of contracts, property issues and council / company contract drafting
	5		Iolanda Puzio – Can manage within existing capacity for issues re bus stops etc
Assets	10	Corporate and External	Denise Griffiths - Can manage within existing capacity and the resources that have been currently sourced
Finance	60	Corporate	Mike Wall - Can manage within existing capacity
Risk Management	20	Corporate	Jo Butler – Risk logs have been produced, ongoing can manage within existing capacity
Other:- please specify		N/A	

10. Review Monitoring & Evaluation

There is a statutory requirement that a business case is prepared and approved by the Council before the Council may trade through a company. Thereafter the Council is required to have regard to guidance issued by the (then) ODPM, which advises that the business case, once approved is used as the basis of developing a business plan to be used by the company in future years.

Up until the go-live date this document will be continuously reviewed by the Project Manager and SRO to ensure compliance with the legal requirements of establishing a trading company and refreshed with any new information. Where this has a material effect on any of the proposals for the project it will be resubmitted through the Council's approval process.

11. Exit Strategy

Any material changes that will result in failure to deliver reduction in costs or improvements in outcomes or sustainability may give rise to concerns that the WOC will not be sustainable over the long term.
It is anticipated that the additional trading opportunities will not be fully known until the WOC formally commences trading. There is a recognition that culture change, efficiency savings through different ways of working and contracting, and new business opportunities are the three main drivers for change through which we aspire to achieve a step change in the company provision.
In the event that sufficient trading potential has not been realised within a 5 year window or costs begin to spiral, the Shareholder Committee will have the power subject to Cabinet approval to review the on-going viability of the WOC and what steps if any it needs to take in the way the WOC is governed and/or managed to achieve the required benefits.
Given that the Council is the sole shareholder, it potentially has the power to bring the service back in-house or to conduct a formal outsourcing exercise or indeed to sell the WOC subject to any agreed processes or relevant legislation. It should be noted that the sale of the company or of any part of it, to the private sector will remove the Teckal exemption and all contracts then held by the company in reliance on the Teckal exemption would have to be re-procured.

12. Additional Information

This business case is a summary of work carried out over the past 12 months. This work produced additional documentation which is available on request from the report's author
It includes:

- PESTLE analysis
- Reports and presentations to PDG
- Stakeholder analysis

13. <u>Appendices:</u>

Appendix 1: Services in Scope
Appendix 2: Options Appraisal
Appendix 3: Finance Appraisal
Appendix 4: Risk Log
Appendix 5: Equality Impact Assessment

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TRANSPORT ASDV – Services in Scope

- **Home to school transport**
  - Overall home to school transport policy advice, including assessment of impact of legislative change, changes to entitlement etc
  - Eligibility and assessment, including applications for transport assistance, measurement of distance, assessment of available walking routes, decision-making in individual cases, processing of appeals for member consideration
  - Planning and specifying appropriate transport (bus pass, coach, minibus or taxi)
  - Negotiating and arranging payment of parental expenses
  - Tendering and entering into contracts for transport provision
  - Monitoring of safety, reliability and ongoing suitability of transport
  - Customer and school contact
  - Health and safety oversight
  - Training and ongoing support to contractors
  - Safeguarding referrals relating to transport, drivers and passenger assistants
  - Driver and passenger assistant vetting including Disclosure and Barring Service assessment

- **Specialised transport (e.g. special educational needs transport)**
  - Assessment of transport needs, including individual transport risk assessment
  - Specification of appropriate transport, including vehicle, equipment, training and emergency / first aid procedures
  - Liaison with schools / parents / operators
  - Wheelchair / equipment specification and training
  - Provision of own council-managed fleet for specialised transport

- **Public transport**
  - Discharge of Transport Act responsibilities including tendering contracts for unmet public transport needs, contracts for supported transport, Bus Service Operator Grant etc
  - Information provision e.g. timetables, data systems, Traveline telephone service
  - Submission of statutory data returns and links to data bases
  - Roadside infrastructure (e.g. shelters, stops and stations / interchanges) provision and maintenance
  - Public transport integration and coordination
  - Operation of concessionary bus pass application system, reimbursement of operators etc
  - Reimbursement of Bus Service Operator Grant / associated public transport support
  - Receipt, processing and dissemination of commercial registrations, de-registrations and variations of bus services
  - Oversight of local service disruption mitigation e.g. roadworks

- o Monitoring of public transport performance, reporting to regulatory agencies / central government etc

- **Demand-responsive transport**
  - o Operation of concessionary scheme
  - o Specification, tendering and contract processes: ongoing contract management
  - o Contract management e.g. booking system, areas of operation, times of operation etc
  - o Operational practices relating to flexible transport

- **General transport activities**
  - o Overview of passenger transport including bus and rail policy
  - o Applications to (and implementation of) schemes funded by DfT etc
  - o Coordination/delivery of sustainable travel projects and schemes e.g. walking, cycling, car reduction schemes
  - o Management of school crossing patrols etc
  - o Passenger transport infrastructure coordination e.g. bus / rail integration
  - o Construction of acceptable transport plans in response to development control applications
  - o Formal advice on transport legislative change, central government policy, migration of funding from DfT e.g. Bus Service Operator Grant
  - o Regional / national liaison e.g. information strategies, registration, punctuality improvement partnerships with bus operators

Appendix 2

Alternative Service Delivery Vehicles for Transport Services

An Options Appraisal

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Environment and Prosperity Policy Development Group

Oct 2013

1. Background

At the meeting of Cheshire East Council on 4 February 2013, full Council agreed the adoption of a revised operating model for service delivery. The council is moving toward becoming a strategic commissioning organisation, where a small core of commissioners identify and prioritise local needs, develop the outcomes that local people require, and then commission the services that will best deliver those outcomes.

Cheshire East Transport is the council's integrated transport service. It is currently responsible for ensuring the council meets its statutory obligations in respect of passenger transport, as well as a variety of additional transport and travel related functions. Substantial change has taken place since the ending of the previous Shared Service arrangement in 2011. There is a clear case for further change if the travel and transport needs of local residents and businesses are to continue to be met in an era of declining resources.

This report explores the alternative delivery vehicles that would support such change in line with the Council's aim of becoming a commissioning organisation

2. The Appraisal Process

This report summarises the output from a programme of meetings with Senior Management and staff of the Transport service followed by detailed discussions at the Environment and Prosperity Policy Development Group

The discussions focussed on the range of alternative delivery vehicles that council services could seek to adopt. Broadly, these fall into the following types of organisational model:

Charitable models
A "trust" type model, - registered charity or Industrial and Provident Society,

Social enterprise models
Community interest company / service user co-operative

Traditional outsourcing
Contracted service or joint venture

Staff mutual
Worker cooperative or staff mutually-owned company

Wholly-owned company
Company limited by shares or guarantee, owned by council

The varying models each have strengths and weaknesses.   Also, what may suit one service area's needs may not suit another's. For example, the charitable trust model utilised for Leisure services will derive significant financial benefits from rate relief on buildings; something which has very little relevance to Cheshire East Transport as it controls few buildings.

The analysis at Appendix A illustrates the level of benefits from each the individual models against a number of factors critical to both the Council and future service delivery

Further consideration of the factors used allows the following conclusions to be drawn:

- **Member control / decision making**

Transport is a highly policy led area (as opposed to a transactional type service) and the individual decisions made by officers have a very high impact publically and politically. The options that place substantial decision making power in the hands of other organisations are therefore considered to be unattractive. Even with a carefully constructed contract – with appropriate high level decision making over public transport routes, home to school entitlements etc – there would still be a substantial democratic deficit. Put simply – members would be unable to ensure their views and the needs of residents are at the forefront of decision making

For this reason, it is recommended that the two options of a charity and outsourcing the service are ruled out.

Conversely, the retention of the service as a directly managed council service would retain greatest member control. The WOC option would – through an appropriate member oversight committee – ensure that the decisions are made with member control.

- **Financial / service benefits**

From the council's perspective, the desired outcome is to achieve the best possible service, whilst at the same time achieve cost reductions to contribute to corporate cost targets.

The greatest reduction of cost is likely to result from an outsourced model. However, the cost reduction would have to be shared with shareholders as profit on the contract. This is likely to negate the savings – or, alternatively, give a powerful incentive to the outsourced company to make even deeper cuts in service or radically change the arrangements for home to school transport.

Some of the models – such as a social enterprise – may have no real incentive to lower costs, and would therefore be little different to current council-operated services.

- **Ability to attract additional funding**

There are grant awarding organisations that may be prepared to consider funding some of the models but not others. For example, the charity model is generally considered to be able to access grants that are not available to councils or private sector providers. Unlike services that utilise a large number of buildings – where the government part funds business rate relief for charities - transport does not have a significant portfolio of buildings. In addition, it is unlikely that substantial additional trading opportunities exist, so there is little to choose between the various models on the basis of extra trading income.

- **Ability to take on additional CEC services**

For a charity or outsourced model, there would be a requirement to undertake a formal tender process should the council wish to transfer additional services. Conversely, it is relatively straightforward for internal council service and Teckal-compliant WOC to absorb additional services.

- **Ability to take on additional other local authority services**

There is a clear desire from central government for councils to co-manage service delivery wherever this makes good financial sense. Whilst transport - by its very nature – has to be managed and monitored locally, there are many functions that can be shared. For example, transactional services such as issuing bus passes, paying contractors, managing information provision etc can be shared and the overhead costs significantly reduced. In addition, the ability to share management costs (especially in areas such as legal, procurement, finance, ICT etc) is clearly attractive.

For this reason, the WOC model is considered the best fit as it allows for sharing with other councils, without introducing layers of bureaucracy from a council-provided shared service approach. It may allow for job preservation / creation in Cheshire East, as well as access to expertise from other council areas.

- **Change of culture / commercial focus**

Whilst an outsourced service is likely to be the most commercial in outlook, it is unlikely the council will receive the benefits as the private company would need to make a net profit of around 6% or more. It is difficult to estimate what this means in practice, but clearly the additional benefit of the commercial focus would be lost through shareholder rewards.

Whilst Cheshire East Transport has become more commercial in focus in recent times it is forced to operate within existing Council rules and restriction. However, the freedom afforded by a WOC, but with the benefits remaining within the control of the council, is attractive.

- **Additional costs**

There are additional costs – migration, additional administration and statutory requirements etc – for any of the "non-council" models. However, these are not considered too excessive and are likely to be similar for each of the non-council models.

- **Ease of transition**

Any substantial service change implies risk – to service delivery, council responsibilities, financial risks etc. However, in the case of the transport service, it would be of benefit to the council to mandate that transport delivery in any other model would be at least of equivalent standard, for the same or lower cost, for the foreseeable future. For this reason, the service delivery risks would be passed to the new delivery vehicle, and the council would be assured that the vehicle would only be paid when the cost and quality targets were achieved. Hence, the risk to the council is neutralised, and only positive "upside" risks would remain.

- **Staff engagement**

A substantial amount of staff engagement has taken place as part of the options review. The overwhelming view of staff is that the wholly owned company model is preferred, over all other options, including remaining as a council service. Members will need to take into account the substantial boost to motivation, morale and performance that would likely result if staff achieve their desired outcome.

- **Council reputation management**

Transport is by its very nature an inherently risky undertaking. More people are killed or seriously injured at work through transport activity than any other, including trips and falls. Transport of vulnerable passengers is even more inherently risky. It is therefore clear that any service delivery vehicle that can improve safety management is to be preferred. The Council's understandable current focus on cost efficiency makes it difficult to maintain the balance between safety and expediency in service delivery

Private companies, on the other hand, accord safety the priority it deserves since their trading reputation relies on ongoing good reputation in this area. For this reason, the WOC / outsourced models perform better. In addition, should any adverse incidents occur, the company would shoulder responsibility, protecting the council's reputation and legal position.

- **Innovation**

Councils have changed significantly in recent years. Nevertheless, their ability to innovate is hindered by lack of capacity and lack of management incentive, Therefore, external models are to be preferred, and in particular the outsourcing, charity and WOC model

- **Council strategic fit**

Finally, it is important to note that the desire of council is for service delivery to migrate to external delivery vehicles wherever possible. The analysis herein demonstrates that there is a clear rationale for migration to a WOC, even if the council had not already expressed an intention to migrate most service provision.

Conclusion

For all the reasons detailed above the recommendation of this appraisal is that Transport Services should be delivered by a wholly owned company limited by shares

APPENDIX A

	Charity / IPS	Social enterprise	Outsourcing	Staff mutual	Council wholly-owned company	Internal council service
Member control / decision making	Low benefit - Members lose control to Board of Trustees	Moderate benefit - Members can influence but not control	Low benefit - Members lose control to private company	Moderate benefit - Members lose control to staff	High benefit - Members control, but day-to-day decisions ceded	High benefit - Members retain full control
Financial / service benefit	Moderate benefit – potential savings reinvested in provision	Low benefit – no incentive to make significant savings	Low benefit – highest potential to make savings, but return on capital / profit will absorb	Moderate benefit – incentive to make savings (shared with staff)	High benefit – many of the benefits of outsourcing, but council retains benefit	Low benefit – no incentive to make significant savings
Ability to seek additional sources of funding e.g. grants	High benefit – easier to tap into other charitable funds / grants	High benefit – easier to tap into other charitable funds / grants	Low benefit – unlikely to be any more successful than council	Moderate benefit – may be easier to access central government grants	Low benefit – unlikely to be any more successful than council	Low benefit – being a council reduces links to charitable sector
Ability to take on other CEC functions / internal economy of scale	Low benefit – charity constitution would have to be amended	Low benefit – has to generate a surplus to make it worthwhile	Moderate benefit – contract can stipulate additional required services	Moderate benefit – staff would have final say on aggregation of other services; able to share overheads	High benefit – able to share overheads, management costs etc	Low benefit – no significant economy of scale; no opportunity to reduce overheads
Ability to take on other LA	Low benefit -	Moderate benefit –	Low benefit –	Moderate benefit – staff	High benefit – able to	Low benefit

APPENDIX A	Charity / IPS	Social enterprise	Outsourcing	Staff mutual	Council wholly-owned company	Internal council service
functions / external economy of scale	charity constitution would have to be amended	could offer services to other councils	contractor would secure any efficiencies from joint management	would have final say on aggregation of other services; able to share overheads	share overheads, management costs etc; however, external political sensitivities	
Commerciality / change of culture	Moderate benefit – charity ethos would lead to better value for money	Low benefit – unlikely to lead to substantial culture change	High benefit – most likely to be commercially aware; but benefits accrue to contractor	Moderate benefit – freedom to innovate and be commercial, but retain public sector ethos	Moderate benefit – freedom to innovate and be commercial, but retain public sector ethos	Low benefit – current culture (esp. of support services) hinders culture change
Sharing of risk / reward	Moderate benefit – charity risk-taking constrained	Low benefit – unlikely to wish to take risks	High benefit – but needs highly detailed contract if split is to be equitable	Low benefit – staff unlikely to take substantial risk unless very high reward	Moderate benefit – council can take additional risk and also takes full reward; mainly upside risk not downside	Low benefit – council service, not disposed to risk taking so no rewards available
Overhead reduction – savings to CEC from overhead / central service costs	High benefit – charity able to decide own needs	Moderate benefit	High benefit – but without TUPE transfer, overheads fall on remaining council services	Moderate benefit	High benefit – but without TUPE transfer, overheads fall on remaining council services	Low benefit
Additional cost	Low benefit – constraints	Moderate benefit – likely to be	Low benefit – no direct additional	Moderate benefit – likely to be relatively	Moderate benefit – likely to be relatively	High benefit

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APPENDIX A	Charity / IPS	Social enterprise	Outsourcing	Staff mutual	Council wholly-owned company	Internal council service
	imposed by charitable status	relatively cost effective	costs from outsourcing, but contractor profit level of 6-8%	cost effective	cost effective	
Ease of transition	Low benefit – likely to be protracted, TUPE issues etc	Moderate benefit – may require additional expertise but not a procurement	Low benefit – likely to be most protracted, procurement, TUPE issues etc	Moderate benefit – could commence as Teckal (no procurement) and then migrate further	High benefit – Teckal would apply and staff secondment / TUPE	N/A
Staff engagement	Moderate benefit	Moderate benefit	Low benefit – least preferred option	Moderate benefit	High benefit – most preferred option	Low benefit
Council reputational management	Moderate benefit – arms length	Moderate benefit – arms length	High benefit – contractor assumes all adverse risk	Moderate benefit – arms length but staff potentially viewed as council staff	Moderate benefit – arms length but staff potentially viewed as council staff	Low benefit – council retains all reputational and legal risk
Ease of innovation	High benefit – charity sector able to easily pursue as not under council control, but risk to council	Moderate benefit – social enterprises would have to consult staff and users over new methods	High benefit –sector able to easily pursue as not under council control, but risk to council	Moderate benefit – benefits to company if staff agree	Moderate benefit – WOC not completely free to innovate as still technically public body	Low benefit – current culture is risk averse so innovation is stifled

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APPENDIX A	Charity / IPS	Social enterprise	Outsourcing	Staff mutual	Council wholly-owned company	Internal council service
Strategic fit with overall council strategy	High benefit	High benefit	High benefit	High benefit	High benefit	Low benefit

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Transport ASDV- Prudent Approach

Current Cost of Service, Forecast Trading Position Year 1 and impact of implementing growth proposals
Detailed expansion of table 6 high level business case
(Add extra columns if required to demonstrate savings achieved in future years)

CIPFA standard sub-categories

Expenditure Year	Service budget 14-15	Current cost of delivery 12-13	Year 1 14-15	Year 2 15-16	Year 3 16-17	Year 4 17-18	Year 5 18-19	(Saving) or Growth 5 year
	£000	£000	£000	£000	£000	£000	£000	£000
Employees	1736	1,736	1,736	1,736	1,736	1,736	1,736	0
Premises	52	52	52	52	52	52	52	0
Transport	10817	10,817	10,786	10,755	10,692	10,661	10,629	-562
Supplies & Services	928	928	1,003	1,003	1,003	1,003	1,003	375
3rd Party Payments	3657	3,657	3,657	3,657	3,657	3,657	3,657	0
Transfer Payments	110	110	110	110	110	110	110	0
Support Services	467	467	467	467	467	444	422	-68
Total Expenditure	17,767	17,767	17,811	17,780	17,717	17,663	17,609	-255
Income	£000	£000	£000	£000	£000	£000	£000	£000
Fees & Charges	284	284	344	359	359	359	359	360
Grants (via CEC)	1161	1,161	1,161	1,161	1,161	1,161	1,161	0
Other Income	285	285	285	285	285	285	285	0
Recharges	8892	8,892	8,892	8,892	8,892	8,892	8,892	0
Total Income	10622	10622	10682	10697	10697	10697	10697	360
Net cost of service (profit/(loss)	7,145	7,145	7,129	7,083	7,020	6,966	6,912	-615

Commercial' Presentation

Year	Service budget 14-15	Current cost of delivery 12-13	Year 1 14-15	Year 2 15-16	Year 3 16-17	Year 4 17-18	Year 5 18-19	(Saving) or Growth 5 year
	£000	£000	£000	£000	£000	£000	£000	£000
Income	£000	£000	£000	£000	£000	£000	£000	£000
CEC Contract Income	14676	14,676	14,676	14,676	14,676	14,676	14,676	0
Fees & Charges	284	284	284	284	284	284	284	360
Grant Income (via CEC)	1161	1161	1161	1161	1161	1161	1161	0
CEC Management Fee	1,361	1,361	1,361	1,361	1,361	1,361	1,361	0
Other Income	285	285	285	285	285	285	285	0
Total Income	17767	17767	17767	17767	17767	17767	17767	360
Expenditure	£000	£000	£000	£000	£000	£000	£000	£000
Contract Payments	15512	15512	15496	15450	15387	15356	15324	-187
Staffing Costs - direct	718	718	718	718	718	718	718	0
Other direct costs	26	26	26	26	26	26	26	0
Total Direct Cost	16256	16256	16240	16194	16131	16100	16068	-187
Gross Profit	1511	1511	1527	1573	1636	1667	1699	547
Other running costs								
Staffing costs - indirect	1018	1018	1018	1018	1018	1018	1018	0
Other running costs	493	493	493	493	493	470	448	-68
Total Indirect Costs	1511	1511	1511	1511	1511	1488	1466	-68
Net Profit	0	0	16	62	125	179	233	615

Capital Expenditure and Funding (table 7 high level business case)

(To be used where there is capital investment as part of the project)

Expand year columns if required

Expenditure	2013/14 £000	2014/15 £000	2015/16 £000	Total £000
Land/Building Purchase				0
Professional Fees (External)				0
Contracted Services				0
ICT Hardware				0
Software Licences				0
Furniture, Plant , Equipment				0
Capitalized Staffing Costs				0
Grants & Loans (Given)				0
Other Costs				0
Total Expenditure	0	0	0	0
Income				
Grants				0
Developer & Other Contributions				0
Revenue Contribution				0
External funding				0
Total Income	0	0	0	0
Capital Receipts				
Prudential Borrowing				0
Total Funding	0	0	0	0

Revenue Expenditure and Income

(use to reflect the revenue expenditure incurred to realise the project, any funding received and who will incur the net cost)

Expenditure (List)	£000	Cost falls to (CEC/ADSV/ Other)
External Legal Fees	10	CEC
Consultant Fees	31	CEC
Insurance Fees	5	CEC
Actuarial report	10	CEC
Transfer of contracts	4	CEC
TOTAL Expenditure	60	0
Funding (List)		
Project budget		
External funding		
TOTAL Funding	0	0

To be used where there is capital investment as part of the project
Amend columns according to return period on the project

Financial Business Case Template		Year 1	Year 2	Year 3	Year 4	Year 5	
Costs							
	Description of cost 1						
	Description of cost 2						
	Description of cost 3						
	Description of cost 4						
	Description of cost 5						
	Description of cost 6						
	Description of cost 7						
	Description of cost 8						
	Description of cost 9						
	Description of cost 10						
		Benefit					
	Description of Benefit 1						
	Description of Benefit 2						
	Description of Benefit 3						
	Description of Benefit 4						
	Description of Benefit 5						
	Description of Benefit 6						
	Description of Benefit 7						
	Description of Benefit 8						
	Description of Benefit 9						
	Description of Benefit 10						
Tot							
	Total Costs	£0	£0	£0	£0	£0	£0
	Total Benefits	£0	£0	£0	£0	£0	£0
	Net	£0	£0	£0	£0	£0	£0
	Payback period	#DIV/0!					
	NPV	£0					
	IRR	#NUM!					
Parameters							
	Discount rate for NPV	5%					

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Transport ASDV - With ambitious growth strategy

Current Cost of Service, Forecast Trading Position Year 1 and impact of implementing growth proposals
Detailed expansion of table 6 high level business case
(Add extra columns if required to demonstrate savings achieved in future years)

CIPFA standard sub-categories

Expenditure Year	Service budget 14-15	Current cost of delivery 12-13	Year 1 14-15	Year 2 15-16	Year 3 16-17	Year 4 17-18	Year 5 18-19	(Saving) or Growth 5 year
	£000	£000	£000	£000	£000	£000	£000	£000
Employees	1736	1,736	1,719	1,711	1,703	1,697	1,689	-161
Premises	52	52	52	52	52	52	52	0
Transport	10817	10,817	10,786	10,755	10,692	10,661	10,629	-562
Supplies & Services	928	928	943	1,003	1,003	1,003	1,003	315
3rd Party Payments	3657	3,657	3,657	3,657	3,657	3,657	3,657	0
Transfer Payments	110	110	110	110	110	110	110	0
Support Services	467	467	467	467	467	444	422	-68
Total Expenditure	17,767	17,767	17,734	17,755	17,684	17,624	17,562	-476
Income	£000	£000	£000	£000	£000	£000	£000	£000
Fees & Charges	284	284	344	359	359	359	359	360
Grants (via CEC)	1161	1,161	1,161	1,161	1,161	1,161	1,161	0
Other Income	285	285	285	285	285	285	285	0
Recharges	8892	8,892	8,841	8,901	9,166	9,231	9,496	1,175
Total Income	10622	10622	10631	10706	10971	11036	11301	1535
Net cost of service (profit/(loss)	7,145	7,145	7,103	7,049	6,713	6,588	6,261	-2,011

Commercial' Presentation

Year	Service budget 14-15	Current cost of delivery 12-13	Year 1 14-15	Year 2 15-16	Year 3 16-17	Year 4 17-18	Year 5 18-19	(Saving) or Growth 5 year
	£000	£000	£000	£000	£000	£000	£000	£000
Income	£000	£000	£000	£000	£000	£000	£000	£000
CEC Contract Income	14676	14,676	14,676	14,676	14,676	14,676	14,676	0
Fees & Charges	284	284	284	284	284	284	284	0
Grant Income (via CEC)	1161	1161	1161	1161	1161	1161	1161	0
CEC Management Fee	1,361	1,361	1,361	1,361	1,361	1,361	1,361	0
Other Income	285	285	285	285	285	285	285	0
*1 - Contracts with other LAs					200	200	400	800
*2 - New education/large Co contract					65	130	195	390
*3 - Consultancy for other Las			9	9	9	9	9	45
Total Income	17767	17767	17776	17776	18041	18106	18371	1235
Expenditure	£000	£000	£000	£000	£000	£000	£000	£000
Contract Payments	15512	15512	15496	15450	15387	15356	15324	-547
Staffing Costs - direct *4	718	718	711	708	705	702	699	-65
Other direct costs	26	26	26	26	26	26	26	0
Total Direct Cost	16256	16256	16233	16184	16118	16084	16049	-612
Gross Profit	1511	1511	1543	1592	1923	2022	2322	1847
Other running costs								
Staffing costs - indirect *4	1018	1018	1008	1003	998	995	990	-96
Other running costs	493	493	493	493	493	470	448	-68
Total Indirect Costs	1511	1511	1501	1496	1491	1465	1438	-164
Net Profit	0	0	42	96	432	557	884	2011

Capital Expenditure and Funding (table 7 high level business case)

(To be used where there is capital investment as part of the project)
Expand year columns if required

Expenditure	2013/14 £000	2014/15 £000	2015/16 £000	Total £000
Land/Building Purchase				0
Professional Fees (External)				0
Contracted Services				0
ICT Hardware				0
Software Licences				0
Furniture, Plant , Equipment				0
Capitalized Staffing Costs				0
Grants & Loans (Given)				0
Other Costs				0
Total Expenditure	0	0	0	0
Income				
Grants				0
Developer & Other Contributions				0
Revenue Contribution				0
External funding				0
Total Income	0	0	0	0
Capital Receipts				
Prudential Borrowing				0
Total Funding	0	0	0	0

Revenue Expenditure and Income

(use to reflect the revenue expenditure incurred to realise the project, any funding received
and who will incur the net cost)

Expenditure (List)	£000	Cost falls to (CEC/ADSV/ Other)
External Legal Fees	10	CEC
Consultant Fees	31	CEC
Insurance Fees	5	CEC
Actuarial report	10	CEC
Transfer of contracts	4	CEC
TOTAL Expenditure	60	0
Funding (List)		
Project budget		
External funding		
TOTAL Funding	0	0

To be used where there is capital investment as part of the project
Amend columns according to return period on the project

Financial Business Case Template		Year 1	Year 2	Year 3	Year 4	Year 5	
Costs							
	Description of cost 1						
	Description of cost 2						
	Description of cost 3						
	Description of cost 4						
	Description of cost 5						
	Description of cost 6						
	Description of cost 7						
	Description of cost 8						
	Description of cost 9						
	Description of cost 10						
	Benefit						
	Description of Benefit 1						
	Description of Benefit 2						
	Description of Benefit 3						
	Description of Benefit 4						
	Description of Benefit 5						
	Description of Benefit 6						
	Description of Benefit 7						
	Description of Benefit 8						
	Description of Benefit 9						
	Description of Benefit 10						
Tot							
	Total Costs	£0	£0	£0	£0	£0	£0
	Total Benefits	£0	£0	£0	£0	£0	£0
	Net	£0	£0	£0	£0	£0	£0
	Payback period	#DIV/0!					
	NPV	£0					
	IRR	#NUM!					
Parameters							
	Discount rate for NPV	5%					

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RISK LOG SUMMARY

PROJECT/PROGRAMME TITLE	TRANSPORT ASDV
Completed by:	**David Laycock/Jo Butler**

17/02/14

	Risk Type	Scope of Risk (Detail)	Gross Score (without controls) Likelihood	Impact	Total Score	Existing Controls	Net Score Likelihood	Impact	Total Score	Risk Treatment and Control Measures to be introduced	Anticipated Score Likelihood	Impact	Total Score	Officer Responsible for Risk
			L	I	Lx I		L	I	Lx I		L	I	Lx I	
PR1	THREAT	There is a risk that the Intelligent Client Function is not established quickly enough and/or lacks understanding and knowledge of transport operations (including market demand, fluctuations and pricing) leading to ASDV contractual arrangements not being robustly specified leading to failure to deliver the effective service as planned.	4	4	16	Acceptance	4	4	16	Recruitment of external expertise into ICF function	3	4	12	Lorraine Butcher
PR2	THREAT	The council fails to recognise that some aspects of demand are without the company's control (e.g. SEN transport) leading to unrealistic expectations of profitability and shareholder returns which ensure expected benefits are not delivered	4	4	16	Acceptance	4	4	16	Robust negotation of contractual terms and governance arrnegments to ensure due accountability and flexibility	3	3	9	Lorraine Butcher
PR3	THREAT	Lack of understanding or awareness of the impact of commissioning decisions give rise to cost overruns for the WOC resulting in inefficient and ineffective delivery	4	4	16	Acceptance	4	4	16	Robust negotation of contractual terms and governance arrnegments to ensure due accountability and flexibility	3	3	9	Lorraine Butcher
PR4	ISSUE	There is a risk that the challenging timescales under consideration do not allow for any contingency and assume resources will be readily available when needed. Should resources be overstretched then the project will fail to be completed on time resulting in a delay in delivering planned benefits and potential reputational damage for the council	4	4	16	Acceptance	4	4	16	Full briefing and involvement of all enabler services. Commission Oracle build to begin ASAP with addtional resource to be employed. Contingency is to plan a fall-back go-live date of 1st Oct	3	3	9	Lorraine Butcher
PR5	THREAT	A change in local political perspectives reduces the appetite for outsourcing services leading either to delay, reduction or cancellation of the initial concept	3	4	12	Awareness of issue and current politics which are favourable	2	4	8	No further action possible	2	4	8	Lorraine Butcher

RISK LOG

PROJECT/PROGRAMME TITLE	TRANSPORT ASDV
Completed by:	**David Laycock/Jo Butler**

17/02/14

Risk No	Risk Type	Scope of Risk (Detail)	Gross Score (without controls)			Existing Controls	Net Score			Risk Treatment and Control Measures to be introduced	Anticipated Score			Officer Responsible for Risk
			Likelihood	Impact	Total Score		Likelihood	Impact	Total Score		Likelihood	Impact	Total Score	
			L	I	Lx I		L	I	Lx I		L	I	Lx I	
CR1	COUNCIL THREAT	There is a risk that the Intelligent Client Function is not established quickly enough and/or lacks understanding and knowledge of transport operations leading to ASDV contractual arrangements not being robustly specified leading to failure to deliver the full council objectives and benefits	4	4	16	Awareness only at this stage	4	4	16	Recruitment of external expertise into ICF function	3	4	12	Lorraine Butcher
CR2	COUNCIL THREAT	Lack of understanding or awareness of the impact of commissioning decisions give rise to cost overruns for the company resulting in ineffective delivery of expected outcomes	4	4	16	Acceptance	4	4	16	Robust negotiation of contractual and govenrnance arrangements plus developing the understanding of the ICF role. Council owenership permits renegotiation of contract if necessary	3	3	9	Lorraine Butcher
CR3	COUNCIL ISSUE	There is a risk that resources may be diverted to this project at the expense of other ASDVs resulting in their failure to launch on time and deliver benefits as planned	4	4	16	Acceptance	4	4	16	Additional resource recruited by this project to avoid demands on other projects	3	3	9	Lorraine Butcher
CR4	COUNCIL THREAT	There is a risk that information sharing protocols between CEC, the new company and any subcontractors are either not in existence, inadequate or are breached leading to legal challenge and possible financial penalties plus serious reputational damage. This will have a detrimental impact on the achievement of the council's priorities and may expose the Council and Cheshire East residents to other serious risks.	4	4	16	Contractors are currently required to agree to appropriate standards, obligations which will be transferred	3	3	9	Close monitoring of contract adherence and inclusion of relevant terms and conditions	3	3	9	Lorraine Butcher
CR5	COUNCIL THREAT	There is a risk that the new company (and any subcontractors) do not follow all necessary safeguarding procedures and practice and make relevant insurance arrangements resulting in safeguarding issues, complaints and prosecutions leading to financial penalties and reputational damage	4	4	16	Contractors are currently required to agree to appropriate standards, obligations which will be transferred	3	3	9	Close monitoring of contract adherence and inclusion of relevant terms and conditions	3	3	9	Lorraine Butcher
CR6	COUNCIL OPPORTUNITY	There is the potential for the SLE to become so successful that not only does it mitigate current council liabilities but actually delivers a substantial revenue income to shareholders which contributes positively to the Council's bottom line	1	2	2	Awareness	1	2	2	Avoid taking short term returns which have an adverse impact on the potential for future growth	2	2	4	Lorraine Butcher

RISK LOG

PROJECT/PROGRAMME TITLE	TRANSPORT ASDV
Completed by:	David Laycock/Jo Butler
	17/02/14

Risk No	Risk Type	Scope of Risk (Detail)	Gross Score (without controls)			Existing Controls	Net Score			Risk Treatment and Control Measures to be introduced	Anticipated Score			Officer Responsible for Risk
			Likelihood L	Impact I	Total Score LxI		Likelihood L	Impact I	Total Score LxI		Likelihood L	Impact I	Total Score LxI	
CoR1	COMPANY THREAT	There is a risk that governance, management or contractual arrangements do not allow for decisions to be taken at the appropriate levels or by appropriate people resulting in detrimental impact to service delivery and failure to deliver against the Council's ability to achieve its key community outcomes	4	4	16	Awareness only at this stage	4	4	16	Robust negotiation of contractual and governance arrangements plus developing the understanding of the ICF role	3	4	12	Chris Williams
CoR2	COMPANY THREAT	There is a risk that the Intelligent Client Function is not established quickly enough and/or lacks understanding and knowledge of transport operations leading to ASDV contractual arrangements not being robustly specified leading to failure to achieve its business plan (e.g. lack of freedom)	4	4	16	Awareness only at this stage	4	4	16	Recruitment of external expertise into ICF function	3	4	12	Chris Williams
CoR3	COMPANY THREAT	Lack of understanding or awareness of the impact of commissioning decisions give rise to cost overruns for the WOC resulting in inefficient delivery and loss of profitability and ineffective delivery	4	4	16	Awareness only at this stage	4	4	16	Robust negotiation of contractual and governance arrangements plus developing the understanding of the ICF role	3	3	9	Chris Williams
CoR4	COMPANY THREAT	There is a risk that information sharing protocols between CEC, the new company and any subcontractors are either not in existence, inadequate or are breached leading to legal challenge and possible financial penalties which negatively impact to ongoing commercial viability of the company	4	4	16	Contractors are currently required to agree to appropriate standards, obligations which will be transferred	3	3	9	Close monitoring of contract adherence and inclusion of relevant terms and conditions	3	3	9	Chris Williams
CoR5	COMPANY THREAT	Short term contractual arrangements (e.g. overpricing of CEC back office services provided during the incubation period) overburden the formative company and/or impacts its long term future resulting in financial failure	4	4	16	Awareness and inclusion of assumptions in business case	3	4	12	Robust contract negotiation on support costs and freedoms	2	4	8	Chris Williams
CoR13	COMPANY OPPORTUNITY	The potential for offering staff rewards and greater involvement has a positive impact on performance allowing over-delivery against the business plan and higher returns for shareholder	2	3	6	Recognise but don't over-estimate impact at an early stage	3	3	9	Ensure longer terms plans accommodate this option and that staff are fully engaged by the potential	4	3	12	Chris Williams
CoR14	COMPANY OPPORTUNITY	The increased freedom of operations means that profits can be re-invested in service development, decisions made faster and a better image presented to customers. All of these allow over-delivery against original business plans and higher shareholder returns	2	2	4	Recognise but don't over-estimate impact at an early stage	2	3	6	Exploit such options and ensure that the long-term benefits are prioritised over short term gains	3	4	12	Chris Williams

CoR15	COMPANY OPPORTUNITY	There is an opportunity for the company to apply for alternative grant funding (e.g. LSTF) not currently open to LAs that will permit it to develop new innovative, community services and increasing marketability	1	2	2	Awareness				Ensure company has the capacity and knowledge to 'horizon scan' and seek new opportunities	1	2	2		2	3	6	Chris Williams
CoR16	COMPANY OPPORTUNITY	There is an opportunity for the new company to reduce it's back office cost base in the longer term so allowing it to become more competitive and profitable	1	2	2	Close awareness of shared service costs included in business plans				Renegotiate costs or seek alternatives post-incubation period	2	2	4		3	3	9	Chris Williams
CoR17	COMPANY OPPORTUNITY	There is an opportunity to offer new package deals and other contractual terms that are more attractive to operators thereby improving turnover and market share which allows the SLE to outperform its business plan and deliver higher returns to shareholders	2	2	4	Awareness				Ensure beneficial contracts are developed and that the new company has a focus on market development	2	2	4		3	3	9	Chris Williams

EQUALITY IMPACT ASSESSMENT FORM

Section 1: Description

Department	Communities	Lead officer responsible for assessment	Chris Williams
Service	Cheshire East Transport ASDV	Other members of team undertaking assessment	Steph Cordon, David Laycock
Date	19/2/14	Version 1.1	

Type of document (mark as appropriate)	Strategy	Plan	Function	Policy	Procedure	Service
	✔	✔				✔

Is this a new/existing/revision of an existing document (mark as appropriate)	New	Existing	Revision
	✔		

Title and subject of the impact assessment (include a brief description of the aims, outcomes , operational issues as appropriate and how it fits in with the wider aims of the organisation) **Please attach a copy of the strategy/plan/function/policy/procedure/service**	**The creation of an Alternative Service Delivery Vehicle for Cheshire East Transport** In accordance with the Council's declared goal of becoming a strategic commissioning authority this proposal is about establishing a wholly-owned company that will fulfil all the current functions of the Councils Integrated Transport Unit whilst having new-found freedom to expand, develop new services and explore new ways of reducing costs , increasing efficiency and improving service delivery. All the above aligns with several of the Council's core priorities: • Cheshire East has a strong and resilient economy • People have the life skills and education they need to thrive • Cheshire East is a green and sustainable place • Our local communities are strong and supportive This document forms part of the Detailed Business Case for the proposal which sets out the plan fully
Who are the main stakeholders? (e.g. general public, employees, Councillors, partners, specific audiences)	• Members of the general public who use/potentially could use public transport • Recipients of statutory/discretionary services (e.g. home to school transport, social care transport) • Service providers (bus operators, taxi companies etc)

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	• Councillors
	• Employees of Transport services

Section 2: Initial screening

Who is affected? (This may or may not include the stakeholders listed above)	• Service providers (bus operators, taxi companies etc) • Councillors • Employees of Transport services NB: Service users are not directly affected since this proposal is regarding the back-office commissioning and management of services rather than their front-line delivery which will essentially remain unchanged
Who is intended to benefit and how?	• Service providers will benefit from a reduced administrative burden in tendering for transport services thereby freeing up resources for service delivery and delivering potential cost reductions • The Council/company will benefit from the freedom to operate in a less bureaucratic way, delivering efficiency savings and with the potential to develop new, more effective service offerings working in partnership with providers
Could there be a different impact or outcome for some groups?	No – the project is purely about developing a new company not about making any changes to the actual services on offer nor the way in which they are already delivered - fairly and equitably. Any new service proposals would be subject to further EIAs as appropriate
Does it include making decisions based on individual characteristics, needs or circumstances?	No – the project is purely about developing a new company not about making any changes to the actual services on offer nor the way in which they are already delivered - fairly and equitably. Any new service proposals would be subject to further EIAs as appropriate
Are relations between different groups or communities likely to be affected? (e.g. will it favour one particular group or deny opportunities for others?)	No – the project is purely about developing a new company not about making any changes to the actual services on offer nor the way in which they are already delivered - fairly and equitably. Any new service proposals would be subject to further EIAs as appropriate There is a potential benefit for some groups (e.g. isolated rural communities) as new opportunities are explored for developing their transport links
Is there any specific targeted action to promote equality? Is there a history of unequal outcomes (do you have enough evidence to prove otherwise)?	No – the project is purely about developing a new company not about making any changes to the actual services on offer nor the way in which they are already delivered - fairly and equitably However the aim of developing new services to meet demand will mean that, in future, specifically targeted services could be developed as necessary.

Any new service proposals would be subject to further EIAs as appropriate											

Is there an actual or potential negative impact on these specific characteristics? (Please tick)

Age	Y	N	Marriage & civil partnership	Y	N	Religion & belief	Y	N	Carers	Y	N
		✔			✔			✔			✔
Disability	Y	N	Pregnancy & maternity	Y	N	Sex	Y	N	Socio-economic status	Y	N
		✔			✔			✔			✔
Gender reassignment	Y	N	Race	Y	N	Sexual orientation	Y	N			
		✔			✔			✔			

What evidence do you have to support your findings? (quantitative and qualitative) Please provide additional information that you wish to include as appendices to this document, i.e., graphs, tables, charts

Consultation/involvement carried out

	Yes ✔	No

Age Disability Gender reassignment Marriage & civil partnership Pregnancy & maternity Race Religion & belief Sex Sexual orientation Carers Socio-economic status	The project is purely about developing a new company not about making any immediate changes to the actual services on offer nor the way in which they are already delivered - fairly and equitably The new company will only directly affect the commercial relationship with the provider services with whom CEC currently/could work with in the future – it has no direct impact on the public at large or specific service recipients	The entire staff group (and unions) affected has been kept informed of this development over the last 12 months. They have contributed positively with suggestions as to how services could be developed under a new regime Councillors have been actively involved in the development of proposals under the auspices of the relevant PDG Bus operators have been briefed via the Bus Operators Forum and have responded positively to the potential for reduced bureaucracy and active involvement in service development

Proceed to full impact assessment? (Please tick)	Yes	No ✔	Date 19/2/14

EQUALITY IMPACT ASSESSMENT FORM

If yes, please proceed to Section 3. If no, please publish the initial screening as part of the suite of documents relating to this issue

Section 3: Identifying impacts and evidence

This section identifies if there are impacts on equality, diversity and cohesion, what evidence there is to support the conclusion and what further action is needed

Protected characteristics	Is the policy (function etc….) likely to have an adverse impact on any of the groups? Please include evidence (qualitative & quantitative) and consultations	Are there any positive impacts of the policy (function etc….) on any of the groups? Please include evidence (qualitative & quantitative) and consultations	Please rate the impact taking into account any measures already in place to reduce the impacts identified **High:** Significant potential impact; history of complaints; no mitigating measures in place; need for consultation **Medium:** Some potential impact; some mitigating measures in place, lack of evidence to show effectiveness of measures **Low:** Little/no identified impacts; heavily legislation-led; limited public facing aspect	Further action (only an outline needs to be included here. A full action plan can be included at Section 4)
Age				
Disability				
Gender reassignment				
Marriage & civil partnership				
Pregnancy and maternity				
Race	FURTHER ASSESSMENT NOT REQUIRED			
Religion & belief				
Sex				
Sexual orientation				

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Carers	
Socio-economics	
Is this project due to be carried out wholly or partly by contractors? If yes, please indicate how you have ensured that the partner organisation complies with equality legislation (e.g. tendering, awards process, contract, monitoring and performance measures)	

Section 4: Review and conclusion

Summary: provide a brief overview including impact, changes, improvement, any gaps in evidence and additional data that is needed			
Specific actions to be taken to reduce, justify or remove any adverse impacts	**How will this be monitored?**	**Officer responsible**	**Target date**
Please provide details and link to full action plan for actions			
When will this assessment be reviewed?			
Are there any additional assessments that need to be undertaken in relation to this assessment?			
Lead officer signoff		Date	

6

Head of service signoff		Date	

Please publish this completed EIA form on your website

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CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	1st April 2014
Report of:	Principal Manager Local Community Services
Subject/Title:	Sustainable Libraries Strategy (Forward Plan Ref: CE 13/14-84)
Portfolio Holder:	Councillor David Brown, Strategic Communities

1.0   Report Summary

1.1   The Council recognises the valuable role that our libraries play in their communities and is committed to retaining its libraries. It has the ambition to broaden the role of our libraries and develop community hubs that appeal to a wider audience and buck the national trend of declining library usage.

1.2   Cheshire East Libraries are highly valued by residents. A recent Libraries survey reported 95% of users were satisfied with the library service in Cheshire East. We have the highest number of issues amongst all Unitary authorities, and the third highest out of all UK library authorities.

1.3   This report introduces the updated Libraries strategy that defines the service priorities to ensure we deliver a comprehensive, efficient and sustainable library service in Cheshire East. The strategy is provided as an appendix.

1.4   Expectations of libraries have evolved and if they are to represent value for money to all residents they must become more relevant to a wider section of the community and help our local communities to become strong and supportive and help people to develop the life skills and education they need to thrive. Libraries would not exist, however, without their traditional purpose of lending books and so our challenge is balancing the expectations of our traditional library users with the diverse needs and expectations of residents that visit our libraries to seek help with finding a job, or get information on benefits, or develop digital skills, or participate in community activities.

1.5   The service priorities for our libraries are:

- Improve literacy
- Support informal learning
- Enable digital inclusion
- Provide information
- Develop libraries as community hubs
- Improve efficiency to give best value for local people

2.0   Recommendations

2.1   That Cabinet endorse the Sustainable Libraries Strategy.

3.0   Reasons for Recommendations

3.1   The Council published its Three Year Plan in February 2013, setting a clear strategic direction for the authority and identifying the key outcomes we are seeking to achieve to improve the quality of life of local people. The Plan also identified major change programmes to ensure that the Council focuses its energy and resources on those areas of change which will ensure maximum value for money for local people, and also build a sustainable Council for the future. This included a project to develop a new model for sustainable library services and community hubs that challenged the service to reduce its annual operating costs by 30%.

3.2   While the lending of reading materials remains the universally recognised trademark of the service, the scope of the public library has evolved beyond the traditional role of promoting literature, reading and culture to also encompass information, literacy, learning, digital inclusion and job-seeking support. This strategy defines the service priorities for our libraries to ensure that it fulfils its statutory duty, while also directly contributing to the key outcomes set out in the Council's Three Year Plan, and delivers the expectations from the major change project to deliver a sustainable library service in Cheshire East.

4.0   Wards Affected

4.1   All wards.

5.0   Local Ward Members

5.1   Not applicable.

6.0   Policy Implications

6.1   Our libraries directly contribute to outcome 1 and outcome 3 in the Council's Three Year Plan.

Outcome 1 – Our local communities are strong and supportive.
Outcome 3 – People have the life skills and education they need to thrive.

7.0   Financial Implications

7.1   The Libraries strategy supports the delivery of the financial savings of the major change project to deliver a sustainable library service in Cheshire East.

8.0 Legal Implications

8.1 Under the Public Libraries and Museums Act 1964 a local authority has a duty to provide " .. a comprehensive and efficient library service for all persons desiring to make use thereof.." who live, work or are being educated in it's area.

8.2 In recent case law relating to changes in library provision, the Court considered three points:

   (1) The duty placed on the Local Authority by the Public Libraries and Museums Act 1964
   (2) The Public Sector Equality Duty (S149 of the Equality Act 2010)
   (3) The need to consult.

8.3 In respect of the duty under the Public Libraries and Museums Act, the Court held that the LA could not be found to have complied with this duty unless it had assessed the needs that it's library service had to meet. However, the requirement to conduct an assessment of needs did not require a LA to carry out a discrete information-gathering exercise; it was entitled to rely on the expertise and experience of its professionals and on information gathered from a variety of reliable sources. It is noted that in formulating the Libraries Strategy for Cheshire East Council an informal review of the Library Service was undertaken and a Peer Review was also undertaken in March 2012.

8.4 Section 149 of the Equality Act 2010 sets out the Public Sector Equality Duty:

   "A public authority must, in the exercise of its functions, have due regard to –

   (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this act;
   (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
   (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.."

   An Equality Impact Assessment has not been provided with this report and case law states that such a document is not a necessity for conformity with the Public Sector Equality Duty. However, Local Authority decision makers must consciously address their minds to the public sector equality duty when making decisions and members need to ensure that they are satisfied that they have sufficient information available to them to comply with this duty.

8.5 Finally, there is no specific statutory duty to consult in respect of library provision. However, the Local Authority does have general duties to consult and involve the community in changes to services. It is noted that a library survey was commissioned in September 2013 and the results have been taken into account in finalising the Libraries Strategy.

8.6 As the strategy is put into effect and specific proposals arise, officers may need to carry out detailed consultation in respect of those proposals and legal advice should be sought on this point at the relevant time.

9.0 Risk Management

9.1 Reputational risk is the main risk associated with any proposals to change a library service. The risk to Cheshire East is low given the Libraries strategy is not proposing closing libraries. Thorough consultation and equality impact assessments of any proposals affecting individual libraries will mitigate the risk of reputational damage.

10.0 Background and Options

10.1 Cheshire East Libraries are highly valued by residents. A recent Libraries survey reported 95% of users were satisfied with the library service in Cheshire East. We have the highest number of books borrowed each year amongst all Unitary authorities, and the third highest out of all UK library authorities.

10.2 The Council recognises the valuable role that our libraries play in their communities and is committed to retaining libraries in the 16 towns that they are in today. It has the ambition to broaden the role of our libraries and develop community hubs that appeal to a wider audience and buck the national trend of declining library usage.

10.3 The Council's Three Year Plan established a project to develop a new model for sustainable library services and community hubs. The Council is committed to its 16 libraries but the project is expected to deliver £1m saving against a baseline revenue budget of £3.5m by 2015/16. £700k of this saving has been delivered to date. The remaing £300k will be delivered through further innovation in service delivery and contract savings.

10.4 A Library survey was commissioned to ensure we design and deliver a sustainable library service that meets the expectations of our communities. 95% of library users are satisfied with the library service. The service that they tend to value is a traditional one, with an emphasis on borrowing books. The changes they desire tend to be enhancements or modernisations of the current library offer: Wi-Fi, eBooks, and better zoning to allow for both quiet study and noisy children in the same building.

10.5 The service priorities set out in the Libraries strategy are broadly similar to those defined in the Libraries strategy published in 2012, and so this strategy does not signal a significant change in direction for our libraries. They are now more closely aligned to the Council's priority outcomes defined in the Three Year Plan, and in particular reflect the evolving role of libraries as community hubs within some of our towns.

11.0 Access to Information

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

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Libraries Strategy

Developing sustainable library services and community hubs

Paul Bayley

Principal Manager Local Community Services

March 2014

Contents

Executive Summary

This Libraries strategy defines the service priorities for our libraries to ensure that the Council fulfils its statutory duty to provide a comprehensive and efficient library service, while also directly contributing to the key outcomes set out in the Council's Three Year Plan, and delivers the expectations from the major change project to deliver a sustainable library service in Cheshire East. The Council recognises the valuable role that our libraries play in their communities and is committed to retaining its libraries. It has the ambition to broaden the role of our libraries and develop community hubs that appeal to a wider audience and buck the national trend of declining library usage.

The Council provides libraries in 16 towns in Cheshire East, receiving 1.8 million visitors and issuing 2.7 million books each year. The latest CIPFA Public Library Statistics reported that Cheshire East has the highest issues per 1,000 population of all North West authorities and all English Unitaries.

The Council's Three Year Plan has established a project to develop a new model for sustainable library services and community hubs. The Council is committed to its 16 libraries but the project is expected to deliver £1m saving against a baseline revenue budget of £3.5m by 2015/16.

A Library survey was commissioned to ensure we design and deliver a sustainable library service that meets the expectations of our communities. 95% of library users are satisfied with the library service. The service that they tend to value is a traditional one, with an emphasis on borrowing books. The changes they desire tend to be enhancements or modernisations of the current library offer: Wi-Fi, eBooks, and better zoning to allow for both quiet study and noisy children in the same building.

Expectations of libraries have evolved and if they are to represent value for money to all residents they must become more relevant to a wider section of the community and help our local communities to become strong and supportive and help people to develop the life skills and education they need to thrive. Libraries would not exist, however, without their traditional purpose of lending books and so our challenge is balancing the expectations of our traditional library users with the diverse needs and expectations of residents that visit our libraries to seek help with finding a job, or get information on benefits, or develop digital skills, or participate in community activities.

The service priorities for our libraries are:

- Improve literacy
- Support informal learning
- Enable digital inclusion
- Provide information
- Develop libraries as community hubs
- Improve efficiency to give best value for local people

1. Introduction

Cheshire East Libraries are highly valued by residents. A recent Libraries survey reported 95% of users were satisfied with the library service in Cheshire East. We have the highest number of issues amongst all Unitary authorities, and the third highest out of all UK library authorities. The Council recognises the valuable role that our libraries play in their communities and is committed to retaining libraries in the 16 towns that they are in today. It has the ambition to broaden the role of our libraries and develop community hubs that appeal to a wider audience and buck the national trend of declining library usage.

The Council published its Three Year Plan in February 2013, setting a clear strategic direction for the authority and identifying the key outcomes we are seeking to achieve to improve the quality of life of local people. The Plan also identified major change programmes to ensure that the Council focuses its energy and resources on those areas of change which will ensure maximum value for money for local people, and also build a sustainable Council for the future. This included a project to develop a new model for sustainable library services and community hubs that challenged the service to reduce its annual operating costs by 30%.

While the lending of reading materials remains the universally recognised trademark of the service, the scope of the public library has evolved beyond the traditional role of promoting literature, reading and culture to also encompass information, literacy, learning, digital inclusion and job-seeking support. This strategy defines the service priorities for our libraries to ensure that it fulfils its statutory duty, while also directly contributing to the key outcomes set out in the Council's Three Year Plan, and delivers the expectations from the major change project to deliver a sustainable library service in Cheshire East.

2. Cheshire East Libraries

Cheshire East Council has a statutory duty 'to provide a comprehensive and efficient library service for all persons desiring to make use thereof' as set out in the Public Libraries and Museums Act 1964.

Cheshire East provides public libraries in 16 towns across Cheshire East, plus the library at HMP Styal. These are supplemented by a mobile library and books on wheels service for rural communities and housebound customers that are unable to access a static library. Specialist and support services such as the Education Library Service, Bibliographical Services and the Library Management System are shared with Cheshire West and Chester.

2.7 million books were borrowed from Cheshire East libraries in 2013

190,000 people logged on to the People's Network to access the internet

1.8 million people walked through the doors of our libraries

The Library service has modernised and developed during the first five years of Cheshire East. RFID self service technology has been introduced to enable customers to borrow and return books themselves. Most of our libraries were refurbished and refreshed as the self service kiosks were introduced to provide a more open, flexible and modern library space. We have reviewed and simplified our stock policy and procedure to ensure we get the maximum value from the stock on our shelves, and we are working with our stock suppliers to improve the efficiency of ordering new stock.

Our Libraries have also taken on the face to face customer service function for the Council in their communities, as standalone Customer Service Points from the legacy Councils were relocated into the libraries, and then this service was rolled out borough wide.

We have reviewed the mobile library service, reducing the number of vehicles from three to one and ensuring that we provide a consistent service across the borough, redesigning routes to provide longer stops in central locations in communities.

We have also reviewed the financial viability of our smallest libraries where the subsidy per active user that the Council funds was significantly higher than our other libraries. Weston library was closed during 2013 and Hurdsfield library is scheduled to close during 2014, although discussions continue with a local community group who hope to provide a community library within a wider community facility on the estate.

A Peer review carried out by the Local Government Association in March 2012 concluded that we are providing a good library service, professionally managed and delivered by highly motivated staff. The review added that they were extremely impressed by the way the service had accommodated the customer service function and made it a success.

The latest CIPFA Public Library Statistics (2012-13) revealed that Cheshire East has the highest issues per 1,000 population of all North West authorities and all English Unitaries. It has the third highest issues amongst all UK library authorities, with only the City of London and Westminster ranking higher. Cheshire East is ranked 22nd out of the 51 English Unitary Authorities for total revenue expenditure per 1,000 population, and 13th out of the 22 North West authorities. Our expenditure on books and other materials for loan ranks higher, however, with Cheshire East ranked 14th amongst English Unitaries and 7th out of the North West. Our ranking has risen from 24th and 13th respectively since 2010 for expenditure on materials.

3. The National Picture

In December 2013 the Department for Culture, Media and Sport (DCMS) published a review of developments in the library sector. The report recognises that there have been a number of developments in library services made in response to the on-going funding environment to which all public services are making their contribution to savings, but also because individual authorities are looking at better ways of delivering a range of services so that they are fit for the present and the future.

Some authorities have in the past 12 months completed some major new building projects for their library service. For example Liverpool Central Library has completed an ambitious £50million refurbishment with over 400,000 visitors since opening in May 2013; the Library of Birmingham, which opened in October 2013, recording 12,000 visitors a day in the first week; and the £31million Wakefield One Library, opened in November, housed in the new civic office building which is also home to Wakefield Museum, a café, and Wakefield Metropolitan District Council One-Stop-Shop. These are true civic buildings, with learning at their core, but offering a diverse range of cultural and wider public services.

Envisioning the library of the future was a major research project commissioned by Arts Council England (ACE). It identified four priorities to sustain and develop a 21st century public library service.

1. place the library as the hub of the community
2. make the most of digital technology and creative media
3. ensure that libraries are resilient and sustainable
4. deliver the right skills for those who work in libraries

ACE, in partnership with the Local Government Association (LGA), also published *Community Libraries Guiding Principles*, a report which presented the findings of research about the different ways communities have been involved with their libraries. The report concluded there is no single model of community involvement in libraries, but most community libraries are not independent, they are partnerships with their local council. Community interest cannot be assumed, but needs to be assessed, and some communities, particularly in more disadvantaged areas, may need support.

In March 2013 DCMS published the findings of William Sieghart whom they had commissioned to undertake an independent review of e-lending in public libraries in England. The review focused on the issue of the lending of digital versions of books by public libraries: how should this work and what would its impact be? Sieghart summarised the problem as publishers being collectively nervous of applying the same model for selling digital books as for their printed counterparts, when it comes to selling to libraries. This is because of their concerns about remote downloading, where a library member downloads a book on to a digital device via the internet, avoiding the need for a visit to the library at all. This lack of "friction", where there is no need to visit the library, means that the publishers and booksellers fear that it would be too easy to borrow a book for free. So easy in fact, that the borrower might never need to buy another book. Publishers want libraries to be successful in digital

lending but not so successful that they significantly inhibit the purchase of the publishers' titles. Sieghart recommended that Public libraries should be able to offer both on-site and remote e-Lending service to their users, free at point of use. However, he also recognised that the interests of publishers and booksellers must be protected by building in frictions that set 21st-century versions of the limits to supply which are inherent in the physical loans market. These frictions could include the lending of each digital copy to one reader at a time, that digital books could be securely removed after lending and that digital books would deteriorate after a number of loans. A recommendation was the testing of remote e-lending, based on one user, one copy, and that copy would deteriorate after an agreed number of loans. A pilot is being led by the Society of Chief Librarians (SCL) in partnership with the Publishers Association for this testing of remote e-lending, but until the publishers' nervousness is fully addressed, the availability of stock for e-lending will remain limited.

4. The Council's Three Year Plan – a major change project for Libraries

The Cheshire East Council Three Year Plan was agreed in February 2013. The new Three Year Plan set a clear strategic direction for the authority, reflecting the changing role of local government, funding reductions, and policy changes at the national and local level. It identified the core purpose for the Council and the key outcomes we are seeking to achieve to improve the quality of life of local people and, therefore, what our priorities are for action and investment over the 3 year life of the plan.

Our libraries directly contribute to outcome 1 and outcome 3 in the Plan, and they also provide an excellent example of three of the characteristics that define the sort of Council we want to be.

OUTCOME 1	***Our local communities are strong and supportive*** Individuals and families are self-reliant and take personal responsibility for their quality of life. Communities are cohesive, with a strong sense of neighbourliness. There is genuine civic pride and mutual respect.
OUTCOME 3	***People have the life skills and education they need to thrive.*** Children and young people get a good start in life, and are prepared for the world of work. Everyone is equipped to live independent, self-sufficient lives, and to realise their particular talents and abilities.

What sort of a Council do we want 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
A Council that ensures services are delivered in the way which gives the best value for local people

The Three Year Plan also identified major change programmes to ensure that the Council focuses its energy and resources on those areas of change which will ensure maximum value for money for local people, and also build a sustainable Council for the future. A project was established, under the priority to redefine the Council's role in core place-based services, to ***develop a new model for sustainable library services and community hubs***. The Council is committed to retaining libraries in the 16 towns across the Borough but the project is designed to deliver a library service that better reflects the demand within each community. To ensure that the library service is financially sustainable, the project is also expected to deliver a £1m saving against the current £3.5m revenue budget by 2015/16. A £700k capital programme was also established to enable investment in the service to ensure its sustainability.

5. Library Survey – September 2013

The first step in the major change project was to commission a Library user's survey to ensure that we design and deliver a sustainable library service that meets the expectations of our customers across each of the 16 libraries in Cheshire East. 7,593 library users responded to the survey, and so we are confident that the findings of the survey present a robust picture of the views of our library users. The below word cloud was compiled from survey responses. The size of the word reflects how frequently the word was used in responses.

5.1 Key messages

It is clear from the results of this survey that Cheshire East residents value their library service very highly. Nineteen in twenty (94%) of respondents said that the library they use the most is good, with a majority (54%) saying that their library is very good. Nineteen in twenty (95%) of library users are satisfied with the library service.

They praise the staff, the library buildings (on the whole) and are relatively happy with the opening hours, apart from some concerns about lunch-time and evening closures in some smaller libraries.

The service that they tend to value is a core, traditional one, with a strong emphasis on borrowing books, especially for pleasure. But while reading for pleasure is important to a large majority, borrowing books for information and study also matters to many, and there are some indications that those with wide or niche reading tastes could be better catered for, especially in the smaller libraries.

One of the most wished-for improvements is an enhancement of this traditional service to bring it up-to-date, through the introduction of e-books. There is also a lot

of support for the provision of Wi-Fi so that users could bring their own devices to the library. This could free up computer and study space; the research found that at present very few people spend longer periods of time (over two hours) in the library. The most significant priorities for improvement, however, are, as we have found everywhere else in the country, for cafés and toilets.

There is relatively little appetite for broader, non-traditional use of the buildings, using them as community meeting places or sharing with other council services. The exception is an interest in having more adult education classes in the libraries. But there is some local variation, and the majority agreed that libraries should be more tailored to local demand rather than trying to include all the elements of a library service in each.

In summary, the picture to emerge is of generally very satisfied library users. The changes they desire tend to be enhancements or modernisations of the current library offer rather than a total change of direction for the authority: a coffee shop, Wi-Fi, e-books and if possible better zoning to allow for both quiet study and noisy children in the same building. However there are some challenges inherent in this conclusion.

With so many satisfied users, our real challenge over the next few years could be to work out how to retain and keep them happy while not alienating the next generation who will be looking for an increasingly technology-based offer. The need for modernisation expressed in many of the verbatim comments and reflected in the quantitative findings relating to IT is likely to become a more pressing one over the next couple of years, and users who are currently broadly happy with the service may well become less so if they perceive it as failing to move with the times. A closer look at patterns of use and at detailed age breakdowns may well indicate that support for libraries could decline unless the service is modernised to meet the needs of a younger more demanding population.

The relative under-use of our libraries for study purposes, combined with some of the verbatim comments which indicate concerns about different types of use creating conflicting needs for quiet and "buzz", suggest that the smaller libraries in particular are struggling to meet the needs of all groups within the community. This is a challenge for many library services, but getting this right will make a big difference to satisfaction levels and to perceptions of the service as we move forward with any modernisations. It is library layout, look and feel which is the chief driver of satisfaction with libraries.

The findings from this research indicate that we have a mandate from users to experiment with different approaches on a library by library basis, rather than trying to include all the elements of a library service in each one. Therefore as a service we will need to continue to work with our users in each community to establish their priorities and assess the potential of each building to accommodate a variety of needs.

The survey also concluded, more controversially perhaps, that it could be argued from the findings that people are so happy with the service that there is some justification for making reductions in some areas of provision. The most obvious

place to look would be the stock fund, which is very generous. Spending less on that would probably impact only a little on satisfaction and could enable us to meet efficiency targets and/or resource some of the modernisation mentioned above. It would also free up space for more seating and/or study space, and in the larger libraries, for better zoning.

5.2 Recommendations

Based on the findings of the surveys, our research partner recommended that any future strategy for the service should include:

- the introduction of Wi-Fi across the system;
- the provision of e-books;
- an assessment on a library by library basis of the potential to rethink layouts to provide, where possible, refreshments and more seating for both study and relaxation purposes;
- a review of the feedback about each library to develop a priority list for improvements, reporting on this to local users;
- consideration as to whether reducing spending on book stock (in particular) would allow the service to speed up modernisation, rethink library layouts and/or meet any future budget reductions; and
- building on this exercise to create an on-going dialogue with local communities about issues such as widening the use of library buildings to provide partner services and share resources.

6. Priorities for a sustainable library service

In its review of developments in the library sector the Department for Culture, Media and Sport re-affirmed that local authorities remain best placed to assess the needs of their local communities and design services accordingly, within the requirements of their statutory duty to deliver a service which is comprehensive and efficient.

The library survey told us that Cheshire East library users value their library service very highly, and that the service that they tend to value is a core, traditional one, with a strong emphasis on borrowing books, especially for pleasure. The survey also warned that we need to work out how to keep these traditional users happy while not alienating the next generation.

Expectations of libraries have evolved beyond the traditional role of promoting literature, reading and culture to also encompass information, literacy, learning, digital inclusion and job-seeking support. If libraries are to represent value for money for all council tax payers in Cheshire East, and remain sustainable, they must become more relevant to a wider section of the community and play a key role in helping our local communities to become strong and supportive and in helping people to develop the life skills and education they need to thrive.

Libraries would not exist, however, without their traditional purpose of lending books and our challenge is balancing the expectations of our traditional library users with the diverse needs and expectations of residents that visit our libraries to seek help with finding a job, or get information on benefits, or develop digital skills, or participate in community activities.

The service priorities set out below are broadly similar to those defined in the Libraries strategy published in 2012, and so this strategy does not signal a significant change in direction for our libraries. They are now more closely aligned to the Council's priority outcomes defined in the Three Year Plan, and in particular reflect the evolving role of libraries as community hubs within some of our towns.

SERVICE PRIORITY	COUNCIL OUTCOME
Improve literacy **Promote books and reading to people of all ages to improve children's and adult's literacy and to improve life opportunities and health.**	*People have the life skills and education they need to thrive*
Support informal learning **Provide an informal learning environment that encourages people to participate in activities that contribute to their learning and skills development.**	*People have the life skills and education they need to thrive*
Enable digital inclusion **Support people to develop digital and information skills through free internet access and skilled support to help people that are digitally excluded to get online.**	*People have the life skills and education they need to thrive*

SERVICE PRIORITY	COUNCIL OUTCOME
Provide information **Provide simple and straightforward access to the information that local people need to enable them to be self-reliant and take personal responsibility for their quality of life.**	*Our local communities are strong and supportive*
Develop libraries as community hubs **Provide welcoming, neutral and safe places for people to access a range of community services and participate in activities and events that bring communities together and improve life opportunities, health and wellbeing.**	*Our local communities are strong and supportive*
Improve efficiency to give best value for local people **Identify opportunities to deliver the service more efficiently and effectively and seek alternative sources of funding, such as grants and sponsorship from local businesses.**	*Provide best value services for local people*

7. Delivering the strategy

Given the service priorities set out above are broadly consistent with the priorities that the service has been working to over the last two years, we will deliver this strategy through continuing and completing existing initiatives and projects as well as starting new projects and developments.

7.1 Improve literacy

We will continue to participate in national library initiatives to promote books and the love of reading, particularly to children. Our participation in the Summer Reading Challenge continues to increase in popularity each year with 2013 seeing 25% more children complete the challenge than the year before. Each child was challenged to visit the library four times and read at least six books over the summer. Related activities locally included a 'Creepy House Zoo lab' event, in which children got the chance to handle creepy animals. 3,427 children completed the challenge last summer; 3,625 children attended an event at their local library; and 262 children joined their local library as a result of participating in the challenge.

Throughout the year, we host a programme of class visits to our libraries to demonstrate the importance of books and to develop a love of reading, as well as promoting what else is available at their local library.

For younger children, and their parents, we hold weekly Rhyme Time sessions at all of our libraries. Library team members sing simple rhymes with the parents and children with the aid of musical instruments and books to promote literacy to the young people, and their parents. At our large libraries, we can have more than 100 children and parents attending each session. We have introduced a new initiative at Crewe library using Lego to engage children that do not typically choose to read or engage with books in their spare time. The session starts with a story, and then the children are invited to build a model based on what they have listened to in the story. They can develop their idea by using other books in the library, and then once they have completed their model they are encouraged to continue to tell their own version of how the story unfolds using the model they have built.

We support the national Bookstart programme by coordinating the distribution of Bookstart packs throughout Cheshire East. Bookstart is administered by Booktrust, an independent Arts charity funded by the Arts Council England, and offers the gift of free books to all children at two key ages before they start school, to inspire a love of reading that will give children a flying start in life. Bookstart is built on a simple premise - babies who have an early introduction to books benefit in lots of ways, educationally, socially, culturally and emotionally.

For older readers, we participate in the Reading Agency's annual Book Challenge, which is designed to get adults and young people engaged in an enjoyment of reading – particularly those who struggle. We also support World Book Night, which takes place every year on April 23 in the UK, Ireland, and the USA. It's a celebration of reading and books which sees volunteers (including most of our library staff) spread their love of reading by giving books away to people who don't read regularly. We also encourage and support Reading Groups by offering access to the Reading Group collection and providing space within our libraries for the groups to meet and share their thoughts on what they are reading.

7.2 Support informal learning

Libraries are increasingly supporting people in their communities impacted by welfare reform and those seeking work as the government continues to move many of its services online through its drive to digital by default. The Job Centres are signposting people to libraries for support.

Our libraries provide access to a wide range of books, digital resources and self help leaflets on subjects covering CV building, interview techniques, assertiveness, money advice, our libraries. We also provide local newspapers with job advertisements and local job bulletins. Our staff are trained as Digital Champions to encourage and give basic assistance to those reluctant to use a PC and to get online, and they are also trained on Universal Job Match to give assistance to customers using it. We have recruited volunteers as IT Buddies that offer 1:1 assistance to those needing more in depth coaching and support to access online services. We have also established Job Clubs, in partnership with other agencies, at a number of our libraries in communities where this has been identified as a priority.

For our residents interested in adult education, we run activities and events to promote lifelong learning during Adult Learners' Week each year. We also host Writers Groups at some of our libraries, and English Conversation for Improvers at Crewe library.

Libraries have always been a place for school children and students to get help with or complete homework and assignments. Some of our libraries run 'Homework Clubs' every weekday after school or anytime Saturday morning, but we also have many students using the People's Network or simply using some of our quieter study zones

to complete homework assignments. We are planning to introduce Wi-Fi free for library members across all of our libraries and review our layouts to provide better zoning and more seating for both study and relaxation purposes, and as a result we expect to see an increase in the use of our libraries as a place for study.

7.3 Enable digital inclusion

Our People's Network computers provide library users with access to the Internet, email, and a range of learning and office resources on library PCs, free for the first hour of each booking. Printing and scanning facilities are also available.

Our libraries are designated UK Online Centres, part of a UK network that have helped more than one million people get online since 2010. Our staff are trained as Digital Champions to encourage and give basic assistance to those reluctant to use a PC and go online, and we have recruited volunteers as IT Buddies offering 1:1 help with a variety of computer problems, MyGuide courses, family history and other resources such as NHS Choices and Cheshire HomeChoice.

We are learning, however, that the computers and software available at our libraries is not keeping pace with what people are using at home, particularly as tablets become increasingly popular. The Council's Next Generation Desktop programme will upgrade our computers to Windows 7 and Microsoft Office 2010, but there are no plans to upgrade to Windows 8 because it is generally accepted that Windows 7 is more appropriate in a business environment. The introduction of free Wi-Fi for library members will enable library users to receive IT Buddy support in the library using their own laptops and tablet devices.

7.4 Provide information

All of our libraries now have Customer Service Points. Customers will find information about council services, be able to access planning applications online, apply for concessionary travel tickets, present benefit claims for onward processing and have their photo taken for a blue badge.

Our libraries provide information on local tourist attractions as well as 'What's On' notices for their communities.

We have a collection of reference books at each library for answering everyday enquiries and checking elusive facts in almanacs, atlases, dictionaries, directories, encyclopaedias and yearbooks. Our e-Resources provide access to an extensive range of reference works at the click of a mouse. We have subscribed to many popular resources including Britannica, The Dictionary of National Biography, newspaper databases, COBRA business advisor, Theory Test Pro, Go Citizen, Who Writers Like...? and many more. The majority of resources can be used from home or work, and as well as at libraries via the People's Network computers. We are, however, reviewing the physical Reference collections that we provide in our libraries as more information becomes available online.

We have subscribed to the Reading Well Books on Prescription scheme that aims to increase access to self-help materials free through libraries for people who suffer from a range of common mental health conditions, including anxiety, depression, phobias and some eating disorders. There are 30 core titles, all endorsed by health professionals, which can be borrowed from the library free of charge. The books are available either by referral from a GP or other health professional, or just by visiting your local library. The Reading Agency recently worked with Macmillan Cancer Support to create the Macmillan Mood Boosting list - 20 titles recommended by people diagnosed with cancer.

Most libraries have some Local Studies material. Larger libraries have books, pamphlets, trade directories, maps and - on microfilm - local newspapers, census returns and parish registers. The Central Collection, the main collection of books and pamphlets relating to the county is kept at the Cheshire Record Office, which has an online Local Studies catalogue covering the full range of local history sources, both in Cheshire East Libraries and at the Record Office, and Picture Cheshire, our main collection of digital images. We think that our libraries can play an important role in connecting people to the history of their community, but the Library Survey told us that only 10% of respondents found local history information in the last 12 months. We are working with the Cheshire Records Office to review our Local Studies offer with the aim to modernise the offer so that it engages with more library users and helps people to better connect with the history of the area they live in.

7.5 Develop libraries as community hubs

Our libraries play an important role within their communities. They are a community centre or hub, a place for information and ideas, somewhere to meet, open to all, free and welcoming.

As well as providing information on council services, our libraries provide a place for partner organisations to meet with members of our communities. These include Age UK, the Alzheimer's Society, Credit Unions, Housing Associations, Macmillan Cancer Support, Manchester Airport Community Relations team, Police Community Support Officers, and University of the Third Age. Our libraries also host and organise a range of activities including Story & Tea for Adults, Mum and Baby Yoga, Chess Clubs, the Family History Society at Crewe, and Scrabble groups.

We believe that our libraries will increasingly play a role as the 'department store' or 'market place' for information and we will continue to work with partners to help them connect with our communities. When we review the layouts of our libraries to provide better zoning for both study and relaxation, we will also consider how we can provide confidential meeting space as this is frequently a requirement for partners

wishing to use our libraries to meet with their clients. We are already working on a pilot scheme with the Citizen's Advice Bureau in Nantwich to provide them with a new base within the library that will see the introduction of confidential meeting space and better zoning for different activities.

The Pre-Submission Core Strategy describes the Principal Towns, Key Service Centres and Local Service Centres within Cheshire East. It is the libraries within the Key Service Centres of Alsager, Congleton, Handforth, Knutsford, Middlewich, Nantwich, Poynton, Sandbach and Wilmslow that are more likely to develop into local department stores or market places for information and advice. These towns serve as Key Service Centres for a wider locality and the library is already recognised as the focal point for public information. They will increasingly become recognised as the place to find information, attend events, participate in activities, connect with the history and traditions of the community, access and explore the

digital opportunities of the internet, meet a range of public agencies, find a job, or simply browse for books or read a newspaper. In some of our communities, the library may form part of a wider campus style community hub providing universal access to information and services alongside other community buildings such as civic halls and also more targeted services such as children's centres or adult day services.

As part of the library survey, we asked library users which specific improvements to Cheshire East libraries would encourage them to use libraries more frequently. The number one response here was 'having a cafe'. This is a trend that has been observed in libraries nationally. We have previously explored the viability of providing cafes in our libraries, but even in our largest libraries in Crewe and Macclesfield they would not be financially viable, and they would be competing with local businesses. As an alternative we will look to develop partnerships with local cafes, encouraging them to offer take away coffee and cakes that can be taken into the library. We have cafes very close to most of our libraries, but where we do not and such a partnership is not possible we will consider installing a hot drinks machine.

The survey also reported that 50% of respondents said that libraries were good at promoting what they did, but 24% disagreed that this was the case. This is an area that we think we can improve upon, and in particular in promoting the library within its local community.

7.6 Improve efficiency to give best value for local people

Through the major change project to create a sustainable library service in Cheshire East the Council has defined the ongoing financial commitment that it will make to libraries. This represents a very challenging £1m or 30% reduction in the cost of the library service, to be delivered over three years up to 2016. At the same time, we want to increase the use of our libraries so that they are considered value for money

by more and more council tax payers. 20% of Cheshire East residents are regular users of our libraries at present. As part of its financial planning the Council regularly reviews the subsidy it provides for each user of its services, and so a key measure of success for the library service will be a continuous reduction in the subsidy per library user as we improve the efficiency of the service and encourage more residents to regularly use their local library.

The service has already delivered significant efficiencies over the last couple of years. Similar to the introduction of self service tills in most supermarkets, the introduction of RFID self service technology enables customers to borrow and return books themselves, although there is always a member of staff nearby to help and we will happily help those customers that prefer not to use self service.

Our review of the mobile library service reduced the number of vehicles from three to one and aligned the frequency of visits with the typical loan period of three weeks. The service is now targeted at communities more than two miles from a static library and we regularly review demand at each stop. Our remaining mobile library vehicle is now more than ten years old and requires replacement. We will invest in a new mobile library vehicle in 2014.

We closed Weston library in 2013 and are scheduled to close Hurdsfield library in 2014 because demand for these libraries was very low and the subsidy per user was significantly higher than our other libraries. Discussions continue with Peaks and Plains Housing Trust and a local community group in Hurdsfield who hope to provide a community library within a wider community facility on the estate. We will continue to monitor the demand for our libraries

We have reviewed and simplified our stock policy and procedures to ensure we get the maximum value from the stock on our shelves, and we are working with our stock suppliers to improve the efficiency of ordering new stock. We budget £700,000 or 20% of our overall annual revenue budget on new stock for our libraries (books and multimedia items), including £125,000 on children's books. We will reduce our book fund to £525,000 in 2014/15, although we will continue to invest £125,000 in our junior stock. We will review the reference collections at all of our libraries as more and more reference material becomes available online, and we will only purchase reservation requests from individual users if we are confident that the book will be popular with other borrowers. Based on the latest CIPFA Public Library Statistics, this reduction in our book fund will return us to mid-table (25th out of 51) in expenditure on materials amongst English Unitaries and so is comparable with many other library authorities. We are planning to introduce eBooks for lending in 2014, but this will be funded from the existing book fund budget. The range of eBooks available for lending is relatively low at present and so we do not expect this to have a significant effect on the number of physical books available in our libraries.

Our library staff are critical to the success of our service. The library survey reported that 93% of library users said that customer care in their library is good, with the majority of this group saying it is very good. 70% of our annual budget is spent on salaries and other staff related costs. The efficiencies that we have already delivered, particularly in our traditional function of lending books and other materials, have enabled us to reduce our staffing levels whilst continuing to support our customers with greatest need. The expectations and daily duties of our staff have evolved, however. To support the wide and varied needs of the modern library user, we require *Library Assistants* that are able to respond to and support a wide and varied range of requests and activities. They will be supported and managed on a day to day basis by the *Senior Library Assistant*, the Team Leader, responsible for the smooth operation of the library, planning and coordinating resources to meet the needs of their local community and ensuring users have a great experience when visiting the library. As well as supporting the day to day operation of the library, or libraries within their cluster, our *Librarians* will support their Library Manager as the 'product and marketing' lead for their library or cluster of libraries, ensuring the products and services available at their library are relevant and appealing to their community. They will also be responsible for promoting the library within their community. Our *Library Managers* will continue to manage a cluster of libraries, encouraging the sharing of resources, ideas and expertise across their libraries. Our Library Teams will be supported by *Specialist Librarians* for stock acquisition, training and strategic projects. These Specialists will be multi-skilled, with their priorities determined by the annual business planning process. Our libraries will be led by two *Area Librarians*, with shared responsibility for the operational delivery and strategic development of the library service. We will continue to use volunteers where appropriate alongside our staff to support us in delivering activities and events.

We must ensure that we are making best use of our reducing staff resources. 81% of library users told us in the library survey that the opening hours of our libraries are good, with only 4% describing them as poor. Most of our libraries open into the evening at least once a week with some libraries open up to three evenings each week. We appreciate that opening on a Saturday and in the evening is more convenient for customers that work full-time, but the footfall of visitors during evening opening drops significantly, and we do not consider it to be the best use of our staff or our buildings. We will review our evening opening hours and may reduce the number of evenings that we are open to one evening per week. We will consult with users at each library to understand which evening would be most convenient.

We must also ensure that our basic tools and infrastructure are up to date and fit for purpose. We have been using our current library management system since 2001, and our supplier has notified us that it will no longer be supported from April 2014. We are now looking for a new library management system that will improve and enhance staff and customer access to library collections and introduce increased functionality, in particular enabling both staff and customers to access the catalogue using mobile devices. We will replace our People's Network computers as they come to end of life as it is frustrating for staff when they have to spend a lot of their time dealing with faulty ICT equipment, although the next generation desktop programme should extend the life of our existing equipment. We will also introduce chip and pin machines to our self service machines to make it easier for our

customers to pay for their reservations, to borrow multimedia items or even to pay their fines. We must ensure that our service keeps pace with customer expectations as we increasingly become a cashless society.

Our libraries are located in a wide range of different buildings, but the majority are stand-alone and do not share their building with other community or public services. Some are owned by the Council, some are owned by the Town or Parish Council following the recent transfer of community assets, and some are leased on long term arrangements. It is recognised that libraries in other authorities have seen an increase in usage where they are co-located with other public or community services, whether that be as part of new lifestyle centres or other public facilities such as museums or community centres. We will explore opportunities to make better use of our library buildings, taking opportunities that benefit the local community and reduce the cost to the Council of its building estate. There are some opportunities already in development: a library is included in the plans for a new Lifestyle Centre in Crewe; plans have been developed to create a new joint entrance to Poynton library and Civic Hall; and a feasibility study has been commissioned to develop options to relocate the Citizen's Advice Bureau in Nantwich into the library.

The Libraries Shared Service, hosted by Cheshire West and Chester Council, provides back office and specialist support to Cheshire East libraries, including Bibliographical Services, Library Transport, Education Library Service, and a shared Library Management system. We are committed to this partnership and have recently extended the agreement between the two Councils up to 2017. This includes a commitment from the Libraries Shared Service to reduce the cost of its services to Cheshire East through further efficiencies.

We raise £500,000 each year through charges for direct use of the library service, but the Public Libraries and Museums Act imposes limitations on what services can be charged for. These limitations mean that it is not possible to raise charges for the service's core business of lending books, or to charge a fee for membership or use of the library. Our income comes from fines for overdue items, reservations, the lending of Talking Books, CDs, DVDs and computer games, the lending of specialist items such as music scores and choral sets, the use of public PCs, printing, photocopying and faxing, meeting room hire, and participation in group activities.

Alongside our drive for efficiency we will also seek alternative sources of funding to help us achieve our service priorities, such as grants and sponsorship from local businesses. We receive grant funding from central government that covers the full cost of providing the library at HMP Styal and from the Ann Whittaker Trust that contributes to the running costs of Prestbury library. We regularly bid for grant funding available to libraries to support specific initiatives or outcomes. For example, working in partnership with and funded by the council's Arts team, the Big Draw in Poynton saw 360 local residents participate in a month-long programme of drawing activities in November 2013 aimed at all ages, culminating in an exhibition event to

celebrate books, reading and literature through the visual arts. We also receive grant funding from UK Online Centres to improve digital skills in Cheshire East, including a recent initiative to train local post office employees in basic digital skills. Our Library Managers and Librarians will engage with local businesses to also identify opportunities for sponsorship which could include sponsoring special collections, the Summer Reading Challenge, the digitisation of local history resources, or even marketing and promotional materials for their local library.

8. Summary of new priorities for action

1. **Introduce free Wi-Fi for library members across all libraries**

2. **Review our layouts to provide better zoning and more seating for both study and relaxation purposes and confidential meeting space**

3. **Review reference collections offered in libraries**

4. **Review and modernise our local studies offer to engage more library users to learn about the history of their community**

5. **Implement pilot community hub at Nantwich library to include the Citizen's Advice Bureau**

6. **Develop partnerships with local cafes to make it easier for library users to enjoy a coffee and cake while using the library**

7. **Improve promotion of our libraries within their local communities to reflect local priorities**

8. **Procure a new mobile library vehicle**

9. **Re-align book fund expenditure in line with comparator authorities**

10. **Introduce eBooks to Cheshire East libraries**

11. **Review evening opening hours**

12. **Implement new library management system**

13. **Introduce chip and pin payments to self service machines**

14. **Seek opportunities for grants and sponsorship to support the funding of our libraries**

These priorities for action will form the basis of the Library service's annual business plan for the next two to three years, and we will monitor and report progress against these actions through the Council's business planning and performance management framework.

We will measure the success of the service by monitoring usage of our Library services and regularly checking that library users are satisfied with the service. Our key performance indicator will be the subsidy per library user, and this will be reported through the Council's annual business planning process.

CHESHIRE EAST COUNCIL

REPORT TO: Cabinet

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Date of Meeting: 1st April 2014

Report of: Julie Lewis Principal Manager Cared for Children and
                          Care Leavers

Subject/Title: Response to Care Leavers/Health Task and Finish
                          Recommendations

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1.0   Purpose of Report

1.1   To update members regarding the report to Cabinet on 12th Nov 2013
         – Cared for Children and Care Leavers.

2.0   Background

2.1   Cheshire East Council is fully committed to ensuring Cared for Children
         and Care Leavers make the most of the opportunities they have and
         get the best support possible. Significant investments continue to be
         made and rigorous checking of the best ideas and practices available is
         paramount to continuing to be successful. In policy development terms,
         for example, the recent 50% increase in the Leaving Care Grant to
         £3000 coupled with a range of other support is widely recognised as
         the best package of support across the country. Furthermore additional
         support including bursary increases has resulted in 12 of our cared for
         young people attending university – the most in the history of Cheshire
         East.

2.2   In light of Cheshire East leading the way nationally on a number of
         areas for cared for children and care leavers the Council is part of a
         small, select group of Local Authority's piloting the ' New Belongings'
         project. This project strives to develop a 'gold standard' of services for
         care leavers and will report to Ministers in the summer of 2014. A
         number of our own children and young people are involved in this
         initiative and findings will influence both national and local policy
         approaches.

2.3   In order to continually review and refine ideas and activities to ensure
         best practice the Children and Families Scrutiny Task and Finish Group
         completed a review of the 16 Plus service for Cared for Children and
         care leavers, the aim of the review being to look at how to improve the
         outcomes of some of the Borough's most vulnerable young adults.

2.4   Member engagement has been a key success factor in leading, challenging and supporting developments and the depth and quality of this Task and Finish Group report coupled with visits to frontline teams and engagement with children and young people is testimony to this. Also contained in the recommendations are the findings from the Health Scrutiny Committee regarding the health of Cared for Children. Finally the Portfolio Holder for Children and Families invited the Children and Families Policy Development Group to consider and comment upon the report.

2.5   The report was initially presented to Cabinet in November 2013 and a request was made for Officers to both review recommendations and update on progress. This report concentrates on this task and Appendix 1 highlights in detail the story behind the headlines. In summary regarding the recommendations, over 50 in total broadly grouped into 10 sections, extremely positive progress is being made. The vast majority of actions have been completed and practice and policy updated. Examples of activities completed include;

- Leaving Care Grant, which assists young people to move to independent accommodation, amongst other things substantially increased

- Increase in the number of supported lodgings

- Practical Life Skills training to equip young people with the practical skills to ensure a successful transition to adulthood implemented

- Shared Lives policy to allow young people to remain in foster care longer implemented to aid young people to continue positively with education opportunities.

- Children and Young People designed easier understandable information for the likes of careers advice, employability schemes, leaving care services, etc.

- Staying Put policy implemented so young people can return to foster care when in University

- University bursaries increased to £2000 per annum from £2000 per lifetime of course.

- Pathway Plan meetings and recording documents changed to ensure foster carer views are recorded and acted upon

- Investment made to increase front line staffing compliment, this includes Social Workers, Personal Advisors and Health resource for Cared for children with the appointment of a specialist 16plus nurse with mental health experience.

- Introduction of a "welcome to Cheshire East event for Foster carers.

Activities currently being progressed include;

- Vulnerable Persons Housing strategy – currently out for consultation - includes specific provision for care leavers. A draft service specification for a range of supported accommodation for care leavers has been drafted and we are currently exploring the feasibility of making payments to landlords in specific appropriate circumstances. Work with the DWP to reduce the qualifying age for housing support is also being progressed

- Increased resource into the Virtual school for care leavers and increased links with further and higher education establishments. Development of information relating to the Buttle UK quality mark for secondary schools is also being progressed.

- Exploration of personal budgets for care leavers and leisure activities.

3.0   For Discussion

3.1   Cabinet requested the views of Officers in regard to recommendation 13.2.2: "*That alongside the Lead Member for Corporate Parenting, a non-Executive Councillor, with no Chairmanship duties, be appointed as a 'Cared for Children' champion to liaise with cared for children and to drive through the Corporate Parenting agenda and to monitor the outcomes of the Task Group reports on cared for children. (p21 – para 7.4)".*

3.2   The view is that as all elected members are Corporate parents and the Council has a portfolio holder – as per statutory guidance in place to deal with issues in regard to children, therefore the recommendation should not be taken forward.

3.3   An initial assessment of the a charging policy for foster carers from the private sector has shown that the administrative resource needed may well mean that this is not cost effective. Further detail is being sought.

4.0   Financial Implications

4.1   Financial implications connected to the content of this report have been found within service budgets.

5.0   Recommendations

5.1   Members note progress in light of the recommendations from the work undertaken by the Task and Finish – Scrutiny group.

5.2   Members endorse the recommendation not to pursue the appointment of a non-executive Councillor as a Cared for Children champion.

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Appendix 1

Recommendations from Care Leavers Review 2012			
NO	RECOMMENDATION	RESPONSE	COMPLETED ON
13.1	*Changes to the processes that support care leavers*		
13.1.2	That the Council make attempts to delay the changing of the young person's Social Worker until after their exams have been completed and that an 'overlap' period be initiated in order to maintain a smooth transition. (p18 – para 6.8)	Transition is managed on an individual basis. Independent Safeguarding Chairs will consider appropriate timescales for transfer to 16plus service at review meetings. Young people's views will also be taken into consideration.	Completed
13.1.3	That the Council take steps to ensure that the Pathway Plan is an easy to use, easily understood and meaningful document for the young person. (p.19 – para 6.15).	A Pathway Plan Performance Group has been established. Training re the involvement of young people is being undertaken with staff. Following consultation with care leavers a new pathway plan format has been developed.	Completed
13.1.4	That young people become more engaged in the leaving care process with more opportunities provided for them to engage with and question the process that affects their lives. To support this, the Council should look to appoint a Participation Officer. (p20 – para 6.16).	Further work has been undertaken in relation to the formatting of pathway plans – care leavers have been involved in the development of this. Children's Society will assist in the further development of participation work. Care Leavers Council established.	Completed
13.1.5	That Foster Carers be given a key role in the leaving care and pathway planning process. (p20 – para 6.17).	Foster carers are now invited to contribute to all Pathway Plan meetings and their views are recorded in Pathway Plan part B.	Completed
13.1.6	That the Council ensure that the policy to provide adequate luggage to move a young person's belongings is being fully adhered to and continued until the age of 25. (p45 – para 10.35).	All staff are aware of the standards in relation to this expectation and every child and young person has access to appropriate luggage.	Completed
13.1.7	That the Council ensure that the young person's voice is fully listened to in the spending of the 'Leaving Care Grant'. (p45 – para 10.36).	In consultation with young people, the Leaving Care grant has now been increased from £2,000 to £3,000 – young person's wishes in respect of how this is to be spent are recorded in the pathway plan and personal advisors assist in the planning of this.	Completed
13.1.8	That a comprehensive but easy to use information pack be developed and given to every young person leaving care – to include; information on what they are entitled to, how to complete administration (setting up direct debits etc) and contact details of various agencies who they can turn to for help/advice. (p45 – para 10.37).	This was developed in partnership with young people – it is now complete, distributed to all young people and available on the website.	Completed

Recommendations from Care Leavers Review 2012			
NO	RECOMMENDATION	RESPONSE	COMPLETED ON

13.2	Changes to how the support the Council provides to care leavers is structured		
13.2.2	That alongside the Lead Member for Corporate Parenting, a non-Executive Councillor, with no Chairmanship duties, be appointed as a 'Cared for Children' champion to liaise with cared for children and to drive through the Corporate Parenting agenda and to monitor the outcomes of the Task Group reports on cared for children. (p21 – para 7.4).	This has not been progressed – it is the view of officers that all elected members are corporate parents and the Council also has a portfolio holder for children's services who chairs the Corporate Parenting Board. Establishment of this post may encourage others to relinquish their responsibilities.	Not yet progressed
13.2.3	That opportunity be provided for cared for children/care leavers to engage directly and informally with officers so that positive relationships can be established. Ideally, small satellite bases be made available in the North (Macclesfield) and in the South (Crewe) of the Borough enabling access to kitchen facilities and to Personal Advisors/youth support staff/careers advice. Consideration be given to increasing access to these teams through utilising Skype facilities. (p21 – para 7.4).	Teams are now relocated at Macclesfield Town Hall and Delamere House. The teams also work from the Youth Hubs in both areas where there is a good range of social media facilities.	Completed. Health now located with social work teams. Housing located alongside 16plus.
13.2.4	That the Council explore recruiting more Personal Advisors to bring down high caseloads (p22 – para 7.7).	The staffing establishment of the team has been reviewed and increased. (3 more social workers and 2 personal advisors) Currently recruiting to the new posts.	Completed
13.2.5	That the Council recruit a specialist Personal Advisor who is qualified to work with disabled young people. (p22 – para 7.10.	To be secured in the current round of recruitment.	Due for completion April 2014.
13.2.6	That the Council explore the appointment of a funding co-ordinator to have a strategic and practical lead in maximising income for children and adults coming through social care and health systems, including GPs and hospitals. (p28 – para 8.16).	Meetings have been held with Adult services in regard to access to welfare rights advisors. These workers will ensure that young people are advised re their entitlements etc.	Target date April 2014
13.3	Training and support		
13.3.2	That the Council provide easy to read and accessible guidance explaining the benefits entitlements of care leavers and current employability schemes offered under New Deal and Flexible New Deal. That this be developed with the support of the DWP and	Completed – now available on the council website. The development of a mobile phone App is also being explored.	Completed

	distributed to care leavers, leaving care teams, benefit and Jobcentre Plus Offices. (p28 – para 8.16).		
13.3.3	That the Council provide budget management training for cared for children. (p29 – para 8.16).	Plans in place to link young people into the Authorities Credit Union Membership.	Target date May 2014
13.3.4	That the Council explorer initiating a mentoring scheme which would pair care leavers/young people with cared for children (p33 para 9.23).	Currently researching what happens in other local authorities. New Belongings Pilot also researching. Children's Society will also pick up.	Target date May 2014
13.3.5	That the Council explore initiating a mentoring scheme for foster carers with other experienced foster carers. (p38 – para 9.41).	This is in place. Experienced carers offer support to newly approved carers.	Completed
13.3.6	That foster carers be strongly encouraged to attend one education based training event a year. (p38 – para 9.41).	This is now incorporated into the mandatory expectations of foster carers.	Completed
13.3.7	That training events be made available for agency foster carers for a small charge. (p38 – para 9.41).	Not progressed as yet.	Not yet progressed.
13.3.8	That the Council provide a range of tenancy workshops for those care leavers due to move into social housing – focusing on developing life skills, budgeting skills and information on good neighbour behaviour. (p44 – para 10.31).	This will be developed as part of the New Belongings project with our collaborating authorities. Business event planned for March will also provide opportunities to drive this.	Target date June 2014
13.3.9	That the Council provide 'practical' life skills training for cared for children e.g., cooking, cleaning, minor DIY tasks, prior to the pathway plan process. (p44 – para 10.33).	Independence Skills Training Packs are developed. Personal Advisers as will take a role in developing this. This will be further developed as part of the New Belongings project with our collaborating authorities	Target date June 2014
13.4	Benefits		
13.4.2	That the Council explore paying landlords directly for those care leavers who are deemed unable to manage their budgets. (p28 – para 8.16).	CEC already pay rents for relevant young people (16 & 17 year olds) and have on occasions implemented this on an individual basis. Links are being made with the DWP in respect of developing a joint protocol re this.	Target date April 2014
13.4.3	That the Council encourage the Department for Work and Pensions to enable 'jam jar' accounts for Universal Credit Payments in order to help facilitate budget management. (p29 – para 8.16).	Discussions with DWP have been initiated. North West After Care forum providing info re best practice in relation to this. New Belongings project will also drive this forward.	Target date May 2014
13.4.4	That the Council work with the Department of Work and Pensions to enable young people to register for social housing at 17 years 6 months of age rather than at 18 to reduce pressure on the pathway planning process and double payment. (p28 – para	Joint protocol being developed.	Target date May 2014

	8.16).		
13.5	*Housing*		
13.5.2	That the Council explore how to implement a policy so that a young person can remain in their foster placement to complete any training or qualification that they have started prior to their 18th birthday. (p42 – para 10.20).	Staying put (Shared Lives) policy established and there are three young people currently ' Staying Put'	Completed
13.5.3	That the Council explore extending the number of supported lodging placements that are available. (p42 – para 10.22).	CEC have commissioned Forum Housing to provide four more placements. Forum Housing are co-located with 16+ Crewe.	Completed Contract awarded April 2013.
13.5.4	That the Council explore providing semi-independent accommodation options for care leavers based on the following two models. (p43 – para 10.24): • Small 3-4 bed units (staffed) with support available 24 hours a day. • In agreement with social housing associations, a small number of single bed tenancies be provided to accommodate 16 – 18 year old cared for young people with floating support being provided by Residential Service Care Staff.	Service specification drafted. Housing strategy also redrafted to encompass the needs of care leavers. Views of care leavers contributed to the development of the service specification.	Target date April 2014 Target date June 2014
13.5.5	That the Council explore how foster carers and supported lodging hosts can retain meaningful relationships with a young person once they move into independent accommodation. (p43 – para 10.25).	Already in place – Foster carers are encouraged to retain contact and relationships as parents would.	Completed
13.5.6	That the Council ensure that care leavers in university can return to a foster/supported lodging placement during the vacation period. (p43 – para 10.27).	This has been revised in line with the recent Staying Put Policy. The Pathway Plan will reflect that accommodation will be available.	Target date April 2014
13.5.7	That the Council open discussions with the three housing associations that operate in the Borough with the aim of re-establishing a joint protocol to prioritise a quota of social housing for care leavers. (p44 – para 10.30).	Strategic Housing Review is underway – with a view to ensure care leavers have sufficient suitable accommodation. Initial meetings established with housing associations and protocol being developed.	Target date May 2014
13.5.8	That the Council explore either appointing or seconding a housing officer to generate supported	Work being undertaken with Housing colleagues to ensure sufficiency of choice and appropriate accommodation in place. Commissioning	completed

	lodging/semi-independent placements, build relationships with housing associations and facilitate workshops for care leavers. (p45 – para 10.38).	officer leading on the revision of the sufficiency statement for the council.	
13.5.9	That the Council take steps to reduce the chance of loneliness for when a young person moves into independent accommodation, e.g., ensuring that housing placements are close to friends when appropriate and that social networks are facilitated. (p44 – para 10.34).	This will be taken account of during the development of the pathway plan. The views of young people will be taken into account.	Target date June 2014
13.6	*Education, Employment and Training*		
13.6.2	That the Council explore increasing the allowance that is paid to those care leavers who go to university to encourage increased applications. (p33 – para 9.23).	Previous bursary of £2,000 for the duration of the course has been increased to £2,000 per annum. This was agreed after consultation with care leavers.	In place since late 2012. Completed
13.6.3	That targets are set to demonstrate year on year improvements in education outcomes, training outcomes and attendance levels for Cheshire East Cared for children. (p33 – para 9.24).	Targets and performance reporting now embedded in Management meetings and also reported to Corporate Parenting Board.	Completed
13.6.4	That targets are set to demonstrate a year on year decrease in the numbers of Cared for children aged 19 who are not in education, employment or training (NEET).	This is regularly reported to Management teams and Corporate Parenting Board.	Completed
13.6.5	That the Council extend the remit of the Virtual School from 19 to 25. (p33 – para 9.24).	Scoping exercise currently underway. Intention is to increase and target the resource.	Target date May 2014
13.6.6	That the Council encourage secondary schools to retain a link with a young person in care once they enter further education. (p34 – para 9.24).	Currently under discussion via Virtual School.	Target date May 2014
13.6.7	That the Council encourage secondary schools and sites of further education to apply for the Buttle UK Quality Mark. (p34)	Being explored via the Virtual School.	Target date June 2014
13.6.8	That the Council initiate a programme of support to better prepare cared for children for the demands of work. That this include (p34 – 35): • An incremental approach to work experience – beginning with taster days and ending with increasingly tailored and intensive work experience placements. Working with the	Apprenticeship Scheme – examining a portfolio of offers to care leavers. Business event scheduled for March 2014 where local businesses will	Target date May 2014.

	Government's 'From Care2Work' programme to support this. • The Council adopting a policy in which a work experience placement would be available to a cared for child every week of the year. • The Council strongly encouraging cared for children to participate and complete life skill development courses with existing (Prince's Trust) and newly developed partnerships.	be requested to identify ways on which they night support care leavers. A number of Care Leavers embark upon the Prince's Trust.	
13.6.9	That the Council initiate the business case for Care Leavers accessing apprenticeships as set out in Appendix 1 to the report.	This year (2013) there are three places indentified for care experienced young people to embark upon CEC apprenticeships. Further developments in relation to the offer of apprenticeships/work experience are anticipated. The New Belongings pilot will assist in driving this.	Nominations have been made for this year.
13.6.10	That the Council ensure that Personal Advisors are provided with sufficient training so that there is a consistency of service across the team. That this includes training on care leavers' entitlements and need. (p22 – para 7.8).	Training to be provided through the Staff Development Service, once identified. Training plan to be drawn up once additional workers recruited.	Target date May 2014

No	Recommendation	Response	Completed on
Recommendations from Health and Cared for Children Review 2012			
1.	*Mental Health Needs*		
1. (a)	That all foster carers and residential support staff receive training to enable them to deal with mild mental health needs that don't need referring to the C4ST. This should include awareness raising of other services such as Kooth; Visyon and the School Nurse Service;	Completed and ongoing as new carers join us.	Completed
1. (b)	That research is commissioned into adopted children from in and out of the borough who may have potential emotional, behavioural or mental health issues in order to ascertain a clear picture of the support which children and their adopters may need at an early stage in their placement;	This research is currently being done nationally by the Childrens Rights Director.	Completed
1. (c)	That consideration is given to increasing the amount of support available from the Education Psychologist and also to employing a Clinical Psychologist.	Service has adequate support currently as health resource has been doubled. This will be continually reviewed.	Completed
2.	*Health Assessments and Sexual Health*		
2. (a)	That consideration be given to improving the quality of mental health assessment for all children so as to give adequate time to covering this important issue.	Strengths and Difficulty questionnaire (SDQ) process for assessment the mental health needs of children has been strengthened. Sharing of information in relation to this is progressing well.	Completed
2. (b)	That consideration be given to whether a Mental Health Nurse with Family Planning experience could be employed to work with the 16+ group of young people and the leaving care workers.	A specialist 16plus nurse with CAMHS experience has been recruited.	Completed
3.	*Health Booklet*		
3. (a)	That any reprint of the booklet includes information about the availability of free prescriptions for 16 – 18 year olds who are in full time education.	Information about the availability of free prescriptions for 16-18 year olds in full time education will be included when the booklet is reprinted.	April 2014
4.	*Youth Support in Relation to Alcohol, Smoking and Substance Misuse*		
4. (a)	That the relevant Scrutiny Committee receive an early briefing on the Cheshire East Youth Service in order to examine and review the new service and in particular the work that will be done to	The Community Safety Scrutiny Committee has been asked to consider whether to add a briefing on the Cheshire East Youth Service to its Work Programme	Scrutiny meeting to be agreed

Recommendations from Health and Cared for Children Review 2012			
No	Recommendation	Response	Completed on
	target Cared for Children.		

5.	Leisure Passes and Sport Fitness		
5. (a)	That some form of provision be made for Cared for Children who are placed out of borough to still access free leisure facilities in the same way as C4Cs who are placed in borough. The Group suggests this could be done by way of a small personal budget for each C4C to follow them around in their out of area placement(s). The Group feels this would ensure that C4Cs who are out of area are able to continue to participate in sport/activities they enjoy; promotes health and wellbeing and ensures they receive the same provision as an in-borough C4C	Discussions ongoing currently with other LAs and reciprocal arrangements to be explored. This will be addressed through the New Belongings project.	Target date May 2014
5. (b)	That the availability of the free leisure pass be widely promoted to C4Cs; foster carers and residential staff as well as social care staff and any other staff who are responsible for working with C4Cs. This should include information about what the pass itself provides as well as how and where it can be accessed; for foster carers it could be provided as part of their "Be Healthy" training	Completed and take up etc regularly reported to Corporate Parenting Board	Completed
5. (c)	That consideration be given to enabling a C4C's friend who is attending to participate in sport with them to receive a reduced price entry where the activity requires more than one person, for example, a badminton game which cannot be played alone	Yet to be considered. Potential topic for consideration by the Children and Families Policy Development Group.	Yet to be considered
5. (d)	The Bikeability scheme be promoted to C4Cs, foster carers and residential staff as well as social care staff and any other staff who are responsible for working with C4Cs, along with the availability of funding towards purchasing a bike	Yet to be considered. Potential topic for consideration by the Children and Families Policy Development Group.	Yet to be considered
6.	Children from Out of Area		
6. (a)	Protocols are developed for use between the council and other local authorities to ensure that children from out of the area who are adopted in Cheshire East receive funded support for any mental health needs for a three year period.	This is already set in legislative requirements.	Completed

7.	Cared for Children who are Parents		
7. (a)	That priority be given to investigating how mum and baby foster care is best provided in Cheshire East;	Currently being explored through the sufficiency statement in Cheshire East.	Target date May 2014
7. (b)	That the relevant Scrutiny Committee receive a report on the work of the Family Nurse Partnership in twelve months time in order to examine and review the new service and its outcomes	The Health and Wellbeing Scrutiny Committee has been asked to consider whether to add a report of the Family Nurse Partnership to its Work Programme	Scrutiny Meeting to be agreed
8.	Support on Leaving Care		
	Covered by Care Leavers Review 2012		
9.	Promoting Fostering		
9. (a)	That the relevant Scrutiny Committee receive a report on progress and outcomes of the Fostering Services Review in order to examine how the system has improved since the Review took place	Fostering performance regularly reported to Policy Development Group C and F and also Corporate Parenting Board.	Completed
9. (b)	That a senior officer be identified to have responsibility for Cared for Children with very specific health needs, to be responsible for the coordination of their care and ensure foster carers have appropriate training and respite provision	Principal Manager Cared for Children	Completed
9. (c)	That consideration is given to introducing an annual Welcome to Cheshire East evening for foster carers and Cared for Children as well as a Thank You event for foster carers to recognise their dedication and hard work	Welcome event introduced with the first event held in December 2013 in Middlewich. Celebration event planned for later this year.	Completed
10.	Multi Agency Working and Information Sharing		
10. (a)	A healthy care partnership be formed and that a multi agency self assessment be undertaken as a starting point to further service developments	To be progressed. Currently under discussion with Corporate Parenting Board Operational Group.	Target date June 2014

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CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting: 1st April 2014
Report of: Lorraine Butcher, Executive Director Strategic Commissioning
Subject/Title: Better Care Fund Plan (Forward Plan Ref: CE 13/14-78)
Portfolio Holder: Cllr. Janet Clowes - Health and Adult Care

1.0 Report Summary

1.1   The Council recognises that integrating health and care is a key element to improving outcomes for local people and to drive efficiencies from the health and care economy. With its new leadership role on health through the Health and Social Care Act 2012 and its responsibilities to ensure the Health and Wellbeing Board and Joint Health and Wellbeing Strategy are in place, the Council is committed to working with partners to ensure that people live well and for longer.

1.2   The Better Care Fund was announced by Government in June 2013. It provides an opportunity to transform local services so that people are provided with better integrated care and support. It encompasses a substantial level of funding to help local areas better manage pressures and improve long term sustainability of their health and care economies. The Fund will be an important enabler to take the integration agenda forward at scale and pace, acting as a significant catalyst for change.

1.3   The Cheshire East Better Care Plan unites a shared vision of Cheshire East Council, NHS Eastern Cheshire Clinical Commissioning Group and South Cheshire Clinical Commissioning Group, for improving outcomes for residents through improving how health and social care services work together. The Better Care Fund provides the lever to drive a transformed model of integrated care, which will ensure that residents experience care and support of quality that is appropriate to their needs, and supports them to live as independent and fulfilling lives as possible. Critically it will ensure that when needs require it, specialist care and support is provided by services best equipped to cater for those needs.

1.4   There is a requirement to submit our Better Care Plan to NHS England by the 4th April. A first draft was submitted in February. The revised draft is attached as **Appendix 1.** This has been compiled following extensive work by a team of officers from across the Council and the two CCGs and consultation with provider organisations.

2.0 Recommendation

2.1 That the Cabinet consider and endorse the Better Care Fund Plan submission.

2.2 That the Cabinet note the decision not to expand the Better Care Fund with additional resources from the partners at this time, but to keep under review the opportunities to incorporate further funding at a future date.

2.3 That the Cabinet endorses the commitment to providing the best possible care within the community and to ensuring that our local hospitals continue to play a key part within the continuum of care in Cheshire East, which supports people to live well and for longer in their local communities.

3.0 Reasons for Recommendation

3.1 To ensure that the Better Care Plan is submitted by the Health and Wellbeing Board in line with the 'NHS England Planning Guidance - Developing Plans for the Better Care Fund Annex'.

4.0 Wards Affected

4.1 All

5.0 Local Ward Members

5.1 All

6.0 Policy Implications

6.1 Following Local Government reorganisation in 2009 and the NHS reforms of 2013, Social Care and Health Services in Cheshire East have strengthened opportunities to secure improved outcomes for residents. This is evidenced through stronger engagement at strategic and operational levels of the organisations and focussing upon identifying opportunities to secure integrated working.

6.2 Across Cheshire all organisations recognise the need to better connect the business of health and social care, in order to ensure that our residents receive the most effective and responsive care and support appropriate to their needs. We also acknowledge that we all need to take greater responsibility for preventing our own ill-health, enabling us to live longer and more fulfilling lives.

6.3 The Health and Wellbeing Board's Joint Health and Wellbeing Strategy identifies the priorities for commissioners to address over the next two years. The principle of integrating services where appropriate underpins the Strategy.

6.4 The Health and Wellbeing Board will be held to account on the performance of the Better Care Fund Plan through a series of national metrics that are being developed.

7.0 Financial Implications

7.1 The Better Care Fund is a national pooling of £3.8b from a variety of existing sources within the health and social care system, with £23.9m being pooled locally within the Cheshire East Health and Wellbeing Board area. The local pooling is made up of LA funding from the Disabled Facilities Grant and Capital Allocation for Adult Social Care of £1.8m, South and Vale Royal CCG funding of £10.5m and Eastern Cheshire CCG of £11.6m. The local health and social care economy is expected to work together to deliver better care arrangements for its population, seeking to keep individuals within the community, avoiding hospital/residential nursing care.

7.2 During 2014/15 the Council, CCGs and its providers are expected to plan to deliver services in a way that impacts on the system to improve the outcomes for its population, through improving Community Services (including Primary Health Care [GPs]). A small development team has been created that is establishing schemes that will deliver the required funding and the governance changes from 2015 (i.e. achieving the £23.9m changes).

7.3 It will be important that during 2014/15 financial and governance arrangements between the various partners are agreed, to include the risk sharing arrangements, funding to invest in the system initially and the arrangements for dealing with the potential double running costs and any savings arising.

8.0 Legal Implications

8.1 Under the National Health Services Act 2006 local authorities and NHS bodies can enter into partnership arrangements to provide a more streamlined service and to pool resources, if such arrangements are likely to lead to an improvement in the way their functions are exercised.

8.2 The powers under that Act allow for pooled budgets, lead commissioning and integrated provision and therefore enable the kind of working suggested in the Better Care Fund Plan.

8.3 Advice needs to be taken as the project develops to ensure that specific issues such as sharing of information are dealt with in a legally sound way.

9. Risk Management

9.1 An initial risk assessment is included within the Better Care Fund submission.

10. Integrating Health and Care in Cheshire East

10.1 The opportunity afforded by the Better Care Fund is to translate the ideas that are already well established within the Cheshire East health and care economy into action, to drive change and transformation at pace.

10.2 This commitment is acknowledged by the ambitions of the Cheshire Pioneer Programme which aims to ensure that individuals in Cheshire stop falling through the cracks that exist between the NHS, Social Care and support provided in the Community, and we will avoid:-

- duplication and repetition of individual's experience, with people having to re-tell their story every time they come into contact with a new services;

- people not getting the support they need because different parts of the system don't talk to each other or share appropriate information and notes;

- the "revolving door syndrome" of older people being discharged from hospital to homes not personalised to their needs, only to deteriorate or fall and end up back in A & E;

- home visits from health or care workers are not co-ordinated, with no effort to fit in with people's requirements;

- delayed discharges from hospital due to inadequate co-ordination between hospital and social care staff.

10.3 The clear commitment is that we will move away from commissioning costly, reactive services and commission those that will develop self-reliance, focus on prevention, improve quality of care, reduce demand and take cost out of the system for re-investment into new forms of care. Across Cheshire we are aligning our commissioning approaches and where relevant jointly commissioning services to deliver consistency and integration in the wider service landscape.

10. 4 By 2015, the communities of Cheshire will begin to experience **world class** models of care and support that are **seamless,** high quality, cost effective and locally sensitive. **Better outcomes** will result from working together with:-

- **Better experiences** of local services that make sense to local people rather than reflecting a complex and confusing system of care;

- More individuals and families with complex needs are able to **live independently and with dignity** in communities rather than depending on costly and fragmented crisis services;

- **Enhanced life chances** rather than widening health inequalities.

10. 5 Every community in Cheshire is different and that is true in Cheshire East. Local solutions will reflect local challenges, but our shared action will be united around **four shared commitments:**

i. **Integrated communities:** Individuals will be enabled to live healthier and happier lives in their communities with minimal support. This will result from a mindset that focuses on people's capabilities rather than deficits; a joint approach to community capacity building that takes social isolation; the extension of personalisation and assistive technology; and a public health approach that addresses the root causes of disadvantage.

ii. **Integrated case management:** Individuals with complex needs – including older people with longer term conditions, complex families and those with mental illness will benefit from their needs being managed and co-ordinated through a multi-agency team of professionals working to a single assessment, a single care plan and a single key worker.

iii. **Integrated commissioning:** People with complex needs will have access to services that have a proven track record of reducing the need for longer term care. This will be enabled by investing as a partnership at real scale in interventions such as intermediate care, re-ablement, mental health services, drug and alcohol support and Housing with support options.

iv. **Integrated enablers:** We will ensure that our plans are enabled by a joint approach to information sharing, a new funding and contracting model that shifts resources from acute and residential care to community based support, a joint performance framework, and a joint approach to workforce development.

10.6 We recognise that the current position of rising demand and reducing resources make the **status quo untenable**. Integration is at the heart of our response to ensure people and communities have access to the care and support they need.

10.7 Locally within Cheshire East, two integration programmes are at the heart of this work, connecting workstreams across the Cheshire footprint as appropriate, while also affording opportunities for learning and remodelling care according to the needs of local populations.

10.8. **Caring Together** (including NHS Eastern Cheshire Clinical Commissioning Group and Cheshire East Council) - This area covers a population of approximately 201,000 residents, and includes the urban areas of Macclesfield, Congleton and Knutsford. Whilst life expectancy is above the national average, there are significant disparities between areas. The main causes of premature death are circulatory and respiratory disease, cancers, and diseases of the digestive system, with particular links back to lifestyle issues of obesity and alcohol consumption. This area includes 23 GP practices, and works closely with the Local Authority of Cheshire East.

10.9 A partnership of health and social care organisations have developed a shared vision across Eastern Cheshire that is called 'Caring Together' – joined up local care for all our wellbeing. This is aimed at bringing about a radical shift in care from reactive hospital based approach to a proactive community based care model. Our approach is patient-centred and will use a new and enhanced primary care approach as the foundation. The notion of the empowered person is at the starting point of great care. The model builds out from this using a locality team approach and specialist in-reach to support primary and community care more effectively.

10.10 The vision in this area was developed in partnership between professionals and the public, and is clinically driven, incorporating the National Voice Principles. In Eastern Cheshire we believe that integration cannot be delivered by one organisation working alone in isolation, but must be delivered through genuine collaboration.

10.11 **Connecting Care** (including NHS South Cheshire Clinical Commissioning Group and Vale Royal Clinical Commissioning Group, Cheshire East Council and Cheshire West and Cheshire Council) - This locality has a population of approximately 278,500 and includes 30 GP practices (18 in South Cheshire CCG, 12 in Vale Royal CCG). This area covers a proportion of Cheshire East and Cheshire West and Chester Council. The two Clinical Commissioning Groups share a management team to provide efficiencies. Patient flows to the DGH have illustrated that 92% are from people living within the boundaries of the two Clinical Commissioning Groups. There are significant financial pressures that exist within the health and social care geographies in this locality and this is due in part to a relative lack of deprivation against national benchmarking making it difficult for local organisations to individually draw resources to create the headroom for innovation.

10.12 The local Partnership Board recognises the work that is already taking place with regards to developing integrated services to meet the needs of the local communities. Our approach so far has been to deliver integrated services locally, led by empowered staff groups and with a clear focus on improving outcomes and reducing health inequalities. This has engaged front line health and social care staff, clinicians, patient groups, the voluntary sector and commissioners. The Partnership Board has now acknowledged the need for further work to produce an integrated plan that will ensure this 'bottom up' approach is co-ordinated and meets the needs of the local Health and Wellbeing strategies to achieve real scale and pace.

10.13 **Commissioning of Integrated Services**
Effective commissioning of services to secure improved outcomes for residents is at the heart of the Better Care Fund, and the partnership within Cheshire East acknowledges this.

10.14 Consideration has been given to whether additional joint activity and commissioning resources should be included in the Better Care Fund pooled budget from April 2015. The partners, through our Joint Commissioning

Board, have discussed this extensively and determined that we would wish to take a cautious and measured approach to growing the pool as we extend our collective reach in identifying appropriate activity to be included. Common areas for commissioning reviews have been identified for 14/15 and 15/16 across the partnership. Currently commissioning reviews are underway in the areas of alcohol and substance misuse, and learning disabilities. At the point of each review decisions will be considered to joining the activity and commission to the pool. Part of the reason for doing this is to ensure we do not lose a focus, via BCF on addressing the shared outcomes and measures that we are aiming to secure. For this reason we do not wish to get ahead of ourselves or overstate our ambition early and then under-deliver.

10.15 The ambition of the partnership is clearly to connect commissioning activity to improve the health and care outcomes for residents. The Better Care Fund, commencing in 2015 is seen as a staging post on the journey which will result over time in significant combining of resources to more effectively drive innovation and improvement.

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 Health and Wellbeing Board
Better Care Fund Plan

1) PLAN DETAILS

a) Summary of Plan

Local Authority	Cheshire East Council
Clinical Commissioning Groups	NHS South Cheshire Clinical Commissioning Group
	NHS Eastern Cheshire Clinical Commissioning Group
Boundary Differences	Cheshire East Health and Wellbeing Board (HWB) has a population of approximately 370,000 residents. This area is coterminous with the geographic boundaries of the Local Authority, and the area contains two Clinical Commissioning Groups; NHS Eastern Cheshire CCG and NHS South Cheshire CCG. Our two CCGs whilst established from the same Primary Care Trust come with some quite different population needs and requirements, high numbers of the frail elderly in parts of the area and differences in the levels of affluence, both of which affect the care needs and the drivers for change. The health needs of Eastern Cheshire patients are provided mainly by the District General Hospital in Macclesfield, however the patient flow for additional acute and the majority of specialist services is into the Greater Manchester configuration. South Cheshire CCG was formed in close collaboration with Vale Royal CCG (within Cheshire West and Chester) – the close working relationship and shared management arrangements are due to the patient flows of patients around Leighton, a small District general hospital (Mid Cheshire Hospital Foundation Trust).Over 90% of patients from both CCGS use Mid Cheshire Hospital Foundation Trust as their acute provider of services. We are working closely with our neighbouring Cheshire West and Chester Health and Wellbeing Board to help improve the patient flows across the broader Cheshire geography as well as into neighbouring areas beyond the Cheshire boundary, in line with our joint and collective involvement in the Cheshire area Pioneer Programme.

Date agreed at Health and Well-Being Board:	Draft version approved: 14.02.2014 Final version approved: 25.03.2014
Date submitted:	Draft version approved: 14.02.2014 Final version submitted: 05.04.2014
Minimum required value of BCF pooled budget: 2014/15	£1.209m
2015/16	£23.891m
Total agreed value of pooled budget: 2014/15	£9.221m
2015/16	£23.891m The above £23.891m includes the S256 funding from the Council and two CCGs for Reablement and Carers Breaks.

b) Authorisation and signoff

Signed on behalf of the Clinical Commissioning Group	NHS South Cheshire CCG
By	Simon Whitehouse
Position	Chief Operating Officer
Date	Informally approved 14/2/14 Formal approval for April.

Signed on behalf of the Clinical Commissioning Group	NHS Eastern Cheshire CCG
By	Jerry Hawker
Position	Chief Operating Officer
Date	Informally approved 14/2/14 Formal approval for April.

Signed on behalf of the Council	Cheshire East Council
By	Lorraine Butcher
Position	Executive Director of Strategic Commissioning
Date	Informally approved 14/2/14 Formal approval for April.
Signed on behalf of the Health and Wellbeing Board	Cheshire East Health and Wellbeing Board
By Chair of Health and Wellbeing Board	Councillor Janet Clowes
Date	Informally approved 14/2/14

	Formal approval for April.

c) Service provider engagement

Please describe how health and social care providers have been involved in the development of this plan, and the extent to which they are party to it.

The Cheshire East Health and Wellbeing Board's Better Care Plan builds upon the work already underway as part of our successful Integrated Care Pioneer submission.

The Cheshire Integrated Care Pioneer involves providers from across the health and social care economies within the geographies of the two authorities (Cheshire East and Cheshire West and Chester). The vision and ambition of the Pioneer submission has been endorsed by both commissioners and providers who worked together to secure Pioneer status.

The Better Care Plan supports and integrates the change programmes from Cheshire East Council (CEC) and our two CCGs; 'Caring Together' in Eastern Cheshire and 'Connecting Care' in South Cheshire.

In the development of the Plan there has been engagement to seek the views and input of our various providers. This engagement builds upon the local engagement activity underway within the CCG integration programmes. Both are proactively involving providers in their planning. For example the four work-streams developing the Caring Together future care model all include provider representatives, from the hospital and mental health trusts, GPs and the community and voluntary sector. Additionally there are a number of ongoing multi-agency programmes of work involving a range of partners – namely Cheshire East Council, East Cheshire Trust (as the main provider of community health services), housing and voluntary, community and faith sector providers. These are all contributory activities towards the broader integration agenda.

Further work will be required to continue the dialogue with Providers, particularly in relation to the outcomes of the Plan and the risks and impacts of the changes that will be taking place. A meeting of Hospital and Mental Health Trust Chief Executives with the Health and Wellbeing Board took place recently and further telephone conference calls are booked in with the BCF steering group. This is in addition to the ongoing provider engagement in the two CCG localities in relation to the detailed work already underway.

d) Patient, service user and public engagement

Please describe how patients, service users and the public have been involved in the development of this plan, and the extent to which they are party to it

Health Watch Cheshire East are engaged with the Better Care Fund planning through their representation on the Health and Wellbeing Board and the integration programmes of the two CCGs. They are also assisting with aspects of the Adult Social Services improvement initiative which links into the integration agenda (for example in relation to developing the Carer Strategy).

Within the Eastern Cheshire part of the HWB area the **Caring Together** Programme has undertaken detailed engagement with the community with the support of 'Participate' who, working in partnership with the CCG and partner's communications teams, have

captured insight from patient/carer groups through previous work undertaken and new engagement events and street surveys. This has been analysed and coded for common themes.

Participate have undertaken a series of interviews with individuals from three different stakeholder groups to capture their insight on the barriers to achieving integrated care and how they can be overcome within Eastern Cheshire. The three stakeholder groups were GPs, representatives from NHS and social services workforce and leadership (Other Professionals), and representatives of voluntary, community, and faith sector organisations (VCFS).

In addition the four work-streams that are developing the new care model all include patient representatives.

A full breakdown of all events is included in the embedded document below:

engagement
log.docx

The outcomes and relevance of the engagement to the whole community is currently being assessed, aiming to identify where additional engagement might be beneficial, taking into account the different aspects of the community in the south of our area. The early assessment suggests that the engagement will be sufficiently representative at this stage, ahead of more detailed engagement around the Better Care Fund.

Connecting Care for Vale Royal and South Cheshire CCG footprints is to undertake engagement with patients and public alongside key stakeholders to ensure, at an early stage of planning, that the valuable engagement with our population is embedded. Initial engagement has taken place through a workshop based on the SCCCG operational plan which highlighted the strategic direction of travel for Connecting Care.

e) Related documentation
Please include information/links to any related documents such as the full project plan for the scheme, and documents related to each national condition.

Document or information title	Outline
Pioneer Programme Expression of Interest Integrated Care and Support - ... http://caringtogether.info/videos/8?project_id=1&client_id=1	This Pioneer programme outlines the commitment and plans of the Cheshire West and Chester and Cheshire East Health and Wellbeing Boards to integrate care and support services across the County area of Cheshire. The Pioneer programme sets out the common framework for integration; Communities, Case Management, Commissioning and Enablers as reflected in our BCF submission.
Caring Together (Eastern	This programme outlines NHS Eastern Cheshire

Cheshire CCG) Seizing the Opportunity Leaflet.p	CCGs and partners proposals to redesign services across the Eastern Cheshire area, including the integration of activity across health and social care functions. This is the pre consultation document which describes the rationale behind the Caring Together Programme. Key headlines are the imperative to change to enable the population of Eastern Cheshire to be empowered to manage their own health, and the delivery of a sustainable health and social care system both in terms of cost and capacity
Connecting Care (South CCG) Connecting Care vision statement 9De	This programme outlines NHS South Cheshire CCGs and partners proposals to redesign services across the South Cheshire area, including the integration of activity across health and social care functions.
Joint Strategic Needs Assessment **http://www.cheshireeast.gov.uk/social_care_and_health/jsna.aspx**	This is a joint CCG and local authority assessment of the needs of residents across Cheshire East Council. This provides a common evidence base for the design and delivery of services.
Additional documentation/links to documentation Health and Wellbeing Strategy 2014 - 16 v The Provision of Early Help in Cheshire Briefing Paper The Strategic Direction of ECCCG 2 Year Operational Plan Cov Eastern 2 year Plan CCG appendices.pdf SC OPERATING PLAN - Submitted to NHSE	Cheshire East Health and Wellbeing Draft Strategy 2014 - 2016 Early Help Strategy – Cheshire East Council Promoting Open Choice – Strategic Direction of Travel for CE Adults Social Care – Cheshire East Council Draft 2 Year Operational Plans - EC CCG and SC CCG

	Draft Vulnerable People Housing Strategy – Cheshire East Council

VISION AND SCHEMES

a) Vision for health and care services
Please describe the vision for health and social care services for this community for 2018/19.
- What changes will have been delivered in the pattern and configuration of services over the next five years?
- What difference will this make to patient and service user outcomes?

Our submission under the Better Care Fund is designed to deliver our collective vision that within three-years the individuals residing within Cheshire East will enjoy improving standards of health and well-being through the implementation of our joint and collective plans. This will be delivered through our framework of integration, which incorporates that of the Pioneer Programme that is built around:

- **Integrated Communities**: residents will be supported within their communities by employing a mind-set that builds on the principle of community capabilities rather than deficits.
- **Integrated Case Management:** residents will receive a more coordinated experience of care and support services through the use of a single point of access and our support of seven-day working.
- **Integrated Commissioning:** services commissioned for local residents will be based upon strong evidence and proven effectiveness and commissioned as part of a whole system approach to commissioning.
- **Integrated Enablers:** on a pan-Cheshire geography we will use this work-stream to support the issues that will enable long-term integration, addressing issues such as; data-sharing, funding and contracting, and workforce development.

Over the next five years, and starting with those individuals with complex needs, our models of care will focus on:

- empowering people to live full and healthy lives, self-manage and where required supporting people and their families with improved information and technology
- strengthening primary care and its role in proactive long term condition management
- increasing the investment and portfolio of services in the community to support care closer to home where safe and effective to do so
- providing access to specialised services to optimise the safe care and clinical outcomes for patients
- people knowing where to get the right help at the right time
- people feeling safe in their communities
- people being active members of their communities and reducing social isolation
- carers supported to continue caring in partnership with other support services

Partners are committed to the following statements, to ensure that our future model of care and support services deliver the practical outcomes to local stakeholders.

People will agree that the following statements reflect their experience of local care and support:
- I am in control and treated with dignity and respect
- I feel part of a tight-knit team that works with me and tackles any obstacles to getting the help I need
- I only have to tell my story once
- I don't have to wait for a crisis to get the help I need
- I know that I, my family and carers have the support and information to help me
- I only need to go to hospital when I need to and have access to quality support in my local community
- I am in control of what happens to me

With improved outcomes that seek:
- Improved (better compared to current baseline) experiences of care
- Improved (exceed national best practice benchmarks) clinical and care outcomes
- Reduced health inequalities (better access to hard to reach groups)
- Increased range of low level support services

And building on the work from each of our areas we want our public to be able to simply say, *'I am supported to live well and stay well because I can access joined up care and support when I need it'*

Commissioners will agree that the following objectives have been achieved:
- We don't let organisational boundaries get in our way of what is right for our communities
- We jointly invest in the things that our residents need and the things that work
- We work as a team and rarely plan or commission as separate organisations
- We work to a shared plan that will help us secure good outcomes even as demand for services rise and budgets reduce.

Providers will tell us that the new system displays the following features:
- We work in an environment that helps us put people first
- We are given the permission to imagine, experiment and learn
- We work like a single organisation with joint systems, staff and ways of working.

With improved outcomes that seek:
- Improved utilisation of services (including reduced use of acute and residential care and increased use of primary and community services)
- Better use of financial resources through improved productivity because of the reduction of duplication, waste and variation and opportunity to draw on resources from other sources
- Achievement of the national outcome for integration to support sustained health and social care organisations and services
- Collaborative working across organisations

Our plans highlight the activity and approach to the implementation of projects contained within our BCF submission, which will result in continued improvement in the health and

well being out comes for the individual's with our area.

b) Aims and objectives

Please describe your overall aims and objectives for integrated care and provide information on how the fund will secure improved outcomes in health and care in your area. Suggested points to cover:

- What are the aims and objectives of your integrated system?
- How will you measure these aims and objectives?
- What measures of health gain will you apply to your population?

The primary aim of our proposals is to provide quality care more efficiently and effectively to local residents. As outlined above we are committed to delivering improvements outlined against the payment by result elements agreed within our BCF against the five national outcomes attached to the BCF.

Caring Together

Within the Eastern Cheshire CCG area of the HWB geography the **Caring Together** programme, a whole health and care economy initiative, aims to transform the way all care is delivered. A case for change has been developed which is based on intelligence and analysis from all partners and is cognisant of challenges to be met, organisational accountabilities and joint outcomes to be achieved across health and social care and the wider communities sector.

Caring Together brings together professionals, patients, stakeholders, providers, community groups and the public to help shape the future of health and social care services in Eastern Cheshire. The aim is to deliver a new person centred model of care, with a seamless approach to be co-designed and tested in Eastern Cheshire, shaping integrated community focused models of care in conjunction with the other areas within the Cheshire Pioneer area.

There are specific work streams that include providers from the NHS, Social Care and the Community and Voluntary Sector. They are informing the Case for Change, the Quality Standards and the design of the new Care Model.

Given the flow of patients within Eastern Cheshire, the Caring Together Programme links into the Greater Manchester acute service reconfiguration programme to ensure that specialist services can be accessed within agreed pathways.

Connecting Care

Within the South Cheshire area of the HWB area the **Connecting Care** in communities programme, a whole health and care economy initiative has been established to ensure quality, personal, seamless support in a timely, efficient way to improve health and wellbeing'.

The overall aim of the programme links closely with the Caring Together programme, where the commitment is that the Cheshire partners will transform the health and social care system by:

- Working much more closely together and in smarter ways to provide reliably and without error, the care that will help people and ONLY the care that will help
  - Putting the individual at the centre of all care – 'no decision about me, without me', improving their experience of care
  - Assure quality by employing high quality, well trained staff with strong leadership and development skills
  - Focusing on the multiple determinants of both physical and mental ill-health and creating innovative solutions across partners
  - Creating more opportunities for and embedding cross organisational working that reduces duplication and achieves the best use of available resources
  - Adding value to the lives of individuals and their families/carers and decommissioning care that does not add value
  - Exploiting the use of new technologies to support independence, self-care and information sharing across partner organisations

- Building and strengthening community based services and support
  - More care will be organised and delivered outside of traditional hospital settings, in local communities with the development of integrated teams and closer collaboration across teams
  - People will access services differently:
    - § with GP practices/neighbourhood focused teams and community services delivering care and support 'closer to home'
    - § with a smaller, more flexible community facing hospital delivering emergency and specialist care and
    - § regional specialist hospitals continuing to deliver specialist care, some of which will be in the community setting
  - Traditional 5 day per week community services will be extended to offer support when needed, 7 days per week
  - Care and support will be personalised, timely, responsive and seamless

- Developing our workforce and community assets to deliver new ways of working
  - Empowering individuals at a local level to lead change and problem solve with full support from their colleagues
  - Supporting people, their families/carers to take responsibility for their own wellbeing and make choices about their care based on their personal goals
  - Offering education, training and development programmes to support the implementation of new ways of working, self-care, local leadership, change management and improvement approaches.

The HWB will through the BCF, align and integrate the two distinct programmes, so that the specific flavours and requirements unique to the two CCGs areas can be supported and delivered, within the overall co-ordination and oversight of the HWB and the wider Pioneer submission.

c) Description of planned changes
Please provide an overview of the schemes and changes covered by your joint work programme, including:
- The key success factors including an outline of processes, end points and time frames for delivery

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- How you will ensure other related activity will align, including the JSNA, JHWS, CCG commissioning plan/s and Local Authority plan/s for social care

Three key schemes underpin our BCF proposals in the immediacy with recognition that further work programmes will be added as joint commissioning activity progresses and indentified synergies emerge. As these schemes progress, other funding sources for those activities will be added to the BCF as appropriate.

Transition planning during 2014 – 2015 will be facilitated by early changes to current working practices, and learning from changes already introduced (for example the extension of GP urgent care in the Eastern Cheshire CCG area using winter pressures monies which has demonstrated significant impacts upon A and E admissions). We will move towards full implementation in 2015-2016. Section 256 monies will be used to help achieve these quick wins.

The three schemes are:

PLANNED SERVICE AREA 1	SELF CARE AND SELF MANAGEMENT INITIATIVES
SERVICE DESCRIPTION	Within the Connecting Care and Caring Together whole system major change programmes it is recognised that to achieve transformational change which provides lasting benefits to local residents we need to ensure that the individual is empowered to take responsibility for their own care and health. The aim is therefore to continue to develop our voluntary, community and faith sectors to provide vital services to support individuals, families and local communities to support themselves and thereby reducing reliance on statutory services. As individuals, we want to be given the right advice, information and support to be independent. Families want to be enabled to continue to care and share care. Communities want to be self-reliant (with support) to provide for themselves. Statutory commissioners can enable this to happen locally by stimulating and where necessary contracting with the sector to ensure low level advice, information and support services are available at all levels (individual, family, community). The BCF will be utilised to ensure an enhanced range of advice, information, care navigation and community development services are available in a range of settings and where possible to have these work as part of integrated teams and services. The Fund will be further used as investment in the community infrastructure to develop a range of services

	and initiatives with the aim of these becoming self sustaining over time.

The focus on changing the dependency on statutory services to a culture of self help and self management will require a range of interventions from public health promotional initiatives through to community development interventions. |
| Intended Target Group | All Residents of East Cheshire |
| Impact Assessment on Patient Groups | All patient groups will be positively impacted by the range of information, advice and community support to be made available. The intention will be to have a generic level of support available and fully accessible within local neighbourhoods and communities. Additional targeted support and information for specific high risk groups will be prioritised e.g. mental health, frail elderly. |
| Impact on Acute Care Sector | The impact on the Acute Care Sector will be to divert people from resorting to attending A&E directly or via NWAS by providing the public with the necessary support and information to ensure that people know how to access appropriate community based support. The initiatives will target prevention measures and early intervention by providing access to early support to prevent a situation escalating.

By diverting from A&E attendance and requests for ambulance call outs there will be a reduced likelihood of inpatient admissions. Demand on A&E will also be reduced. |
| Support for Seven Day Services | Service and support initiatives will ensure consideration of seven day support and selected advice and information sources being available 24/7. |
| Use of NHS Number as basis for Information Sharing | There will be limited use of NHS number with the lower level support initiatives and advice / information sources. Where this is possible this will be linked into public sector provision. |
| Protection of Social Care Services | The shift of focus to prevention and early intervention initiatives is critical for the needs of individuals to be appropriately met at an early stage. Utilisation of the BCF pooled budget to deliver low level response services will prevent deterioration and facilitate early access to the appropriate care pathways and will be an essential element of the prioritisation of spend.

Services being considered for further investment include |

	care navigators and care brokers for people who are not eligible for social care services or those who choose not to access services via a formal route. The offer of support and care navigation is an essential part of the advice and information services which takes account of the need to provide this in a way that is supportive and responsive to an individual who may struggle to make sense of what is available on their own. The development of the personalisation agenda required the support of the whole system to support the principle of the empowered person having access to the range of information and advice and support to ensure they accessed the right help at the right time. The focus of support to enable self help and self management inevitably supports the social care agenda and the wider whole system support for independence and self reliance.
Joint Assessment and Accountable Lead Professional	The initiatives within this planned area of enhanced service development is dependent on linkage with statutory services to ensure those who need a more formal assessment of their health and social care needs are able to access this quickly and appropriately. Once the access is determined the joint assessment and lead professional principles within statutory provision will become effective. There is however the development of the care navigator role which is intrinsic to more specialist types of voluntary sector and community provision which mirrors the principles of a lead professional maintaining oversight of the person and their family to ensure they get to the right help when they need it.
PLANNED SERVICE AREA 2	**INTEGRATED COMMUNITY SERVICES**
SERVICE DESCRIPTION	Integrated health & social care services will be needed for those people likely to be identified through risk profiling with increasing frailty and multiple health and social care needs (largely but not exclusively people over 70 years old). The core teams will be focused around groups of GP practices and will have the team as the single point of access. An appropriate professional will take on the co-ordination of care for each individual within the team – this could be the GP or another professional depending on the needs of the person. We are considering new models for contracting where a lead provider could co-ordinate services from one or more provider and is held accountable for the overall service

model of delivery. The Better Care Fund is the opportunity to expand the capacity within social care beyond the current levels determined by critical and substantial needs (current Cheshire East Council Fair Access to Care criteria) in order to support those people whose care needs are complex and without such support would be at risk of hospital admission.

The integrated teams will be the basis of transformation of services and will extend to wider integrated teams including community based geriatricians, mental health services, alternative beds to the acute hospital and new services to focus the long term care of these patients outside hospital or long term care settings in a co-ordinated, responsive manner. This will include provision currently referred to as Intermediate Care.

The voluntary, community, faith and private care sectors will play a key role in supporting the integrated team model by providing additional wrap around services to keep people at home and help co-ordinate services.

The range of community care support services will be expanded to increase the range of services which provide short term interventions with a recovery focus which will target specific patient groups e.g. stroke care. Lower level support services which provide a monitoring and oversight role will be included in the service model.

This service response aims to provide short term and flexible care and support which may prevent the need for more costly service provision. We believe short periods of monitoring and assessment over time will ensure that the person gets the right care and treatment following a robust and thorough assessment. The plan will be to use the integrated community service model to assess, treat and provide the required interventions to people within the community to prevent the need for people to need to access hospital based services apart from those with the most urgent and/or critical conditions.

Further exploration of assistive technology solutions for care and telehealth options will be part of this service development in addition to seeking new and innovative care and support solutions not currently available.

The early work completed in designing the new community model of service has included the development of new job roles, which have a multi functional purpose. The aim being to be proactive in engaging people deemed to be in the high risk groups to develop coping strategies linked to their condition/situation and make available to them information and advice regarding a range of issues eg financial support, forward planning, contingency risk

	planning, local community support etc.
	The early work within the major change programme has seen the emergence of multi disciplinary teams of staff working
	together around specific GP practices/clusters of practices. The model described above will take this early step change to the next level of incorporating a more structural change to the multi disciplinary working and move to a robust model of care coordination for those within the agreed target group.
	Single assessments, care plans, care record systems will be key deliverables in addition to single contact number to access the new integrated community service. People having to tell their story once and being central to shaping the care they receive and how it is delivered will be key design criteria of the service model.
	This model of service is heavily dependent on having a range of skilled and highly trained assessing professionals with the skills to provide treatments and interventions in the community. To support this it is essential that there is a broad and accessible range of wrap around care and support services which will largely be commissioned within the voluntary and private care sector.
	The intention would be to develop a menu of services which will be flexible and responsive 24/7. This will include domiciliary care support, intermediate care services, bed based community assessment options, home based nursing, allied health professionals.
Intended Target Group	The priority target group will be those individuals who are deemed to be experiencing complex and multiple long term conditions. This will include a significant proportion of the over 70 population. This will for some areas of high deprivation include more people under the age of 70
Impact Assessment on Patient Groups	There will need to be a full equality impact assessment as the service model is further developed. It is however intended that people with dementia and other mental illness diagnoses will be included as part of the target group. The research and evidence available identifies the significance of the co morbidity of dementia and mental illness alongside other long terms conditions.
	The integrated community service model has a clear interface with specialist mental health services for adults and older adults. The plan is to have link professionals to ensure this interface is a dynamic and effective one to benefit the individuals using the service and the focus will

	be to maintain the concept of care coordinator across the generic and specialist care sector.
Impact on Acute Care Sector	It is intended that the impact will be to reduce the need for A&E attendance and inpatient admission. This impact will be effected by a more proactive and coordinated approach to patient care and the use of risk profiling which will ensure the coordination of care will be aligned with the timely and appropriate response to an exacerbation of condition(s). It is also intended to facilitate early and safe discharge from inpatient stays by developing the seven day service for all relevant service areas. It is intended that the risk profiling will be utilised to identify potential candidates who may become high risk in the future and thereby offer preventative measures linked to self help and self management techniques which will reduce the risk of condition exacerbation becoming critical. Ultimate impact will be to reduce attendance at A&E, admissions to hospital and to facilitate early discharge and reduce lengths of stay. Intention will be to ultimately reduce beds within inpatient units and increase alternatives outside of the hospital setting. Linkage between the integrated community teams and hospital discharge services will ensure a coordinated approach to ensuring the patient profile and wide support network is known at the point of admission which will reduce the need for duplication of assessment whilst an inpatient. The model of service will be dependent on strong team linkages between the secondary care specialists and diagnostics i.e. community physician and mobile diagnostics.
Support for Seven Day Services	Integrated Community services will provide a seven day service according to the needs of the local population. There will be the need to utilise the BCF to review the contract arrangements for all wrap around services which will need to be available and accessible seven days a week. This will include access to packages of care support from a range of services which will need to have staff available and on standby in the same way they are within Monday to Friday service provision. This will include statutory and private and voluntary care support services.

Use of NHS Number as basis for Information Sharing	This will be required to be in place as part of the new service model.
Protection of Social Care Services	The protection of social care services will include further expansion of reablement and recovery based services for older people and people with dementia; extension of services to provide respite for carers within the community setting as a real alternative to residential care options (both short and long term); development of social care focussed assistive technology solutions within an overall health and social care range of assistive technology solutions. The BCF is an opportunity to ensure that the social care sector is fit for purpose in terms of scale and range of social care support and care services. It is necessary to reflect that the focus on the development of integrated community assessment and intervention services will be dependent on a wide range of wrap around care and support services to support the initiatives needed to deliver viable alternatives to residential care provision. These services will be required to be skilled in a range of interventions in a crisis and be able to work as part of a multi professional approach. They will also need to be accessible 24/7 and be sufficiently resourced to work alongside NWAS and OOH medical services.
Joint Assessment and Accountable Lead Professional	The service model will incorporate a single assessment process involving the most appropriate members of the multidisciplinary team. Following assessment the person will be provided with a coordinated plan of care which will be overseen by a named lead professional who will take on the role of Care Coordinator.
PLANNED SERVICE AREA 3	**INTEGRATED URGENT CARE/ RAPID RESPONSE SERVICE**
SERVICE DESCRIPTION	We intend to commission and provide integrated urgent care and rapid response services spanning primary, community and secondary care (Urgent Care Centre)The range of provision will include elements currently provided by A&E, out of hours social care services, NWAS, GPs, social care, mental health, learning disability and community health services. This will mean patients' urgent care needs will be met in a rapid and responsive way, avoiding duplication of work and unnecessary visits to A&E or hospital admission. Urgent care services will be able to respond to patients in their own home, in a residential care setting or at A&E, OOH, Urgent Care Centres in a co-ordinated system, rather than fragmentation of service providers.

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The model being developed involves the coordination of key services including GPs, NWAS, assessment specialists from health and social care professionals, all of whom will work together to ensure the prompt assessment of people who need a more urgent care and/or treatment response but one which need not be hospital based. The service will develop further the shared contingency crisis plan established by the NWAS pathfinder project and to develop this to a full health and social care plan for an agreed target group identified by an agreed risk profiling tool.

The model will be implemented as an early step change in a phased transformation of the whole system within the two major change programmes. The intention is for the urgent care/rapid response service to have access to a range of wrap around services which will facilitate home assessments of both health and social care needs including where appropriate diagnostic services. In addition the range of wrap around provision will include ongoing assessment and treatment over a period of time to stabilise the condition and this will include domiciliary care to provide both personal care, low level health interventions and where appropriate carer support. The use of assistive technology solutions for both health and social care support will be a key element of this service.

The intention would be to develop a menu of services which will be flexible and responsive 24/7. This will include domiciliary care support, intermediate care services, bed based community assessment options, home based nursing, allied health professionals.

The service will ensure that urgent care where possible is delivered in a community setting. The service will be further developed to provide an effective service response to facilitate early discharge from hospital where a level of health and social care oversight is required for a short period following discharge. This will reduce the length of stay in hospital and avoid residential placements straight from an inpatient stay with the inherent risk of this becoming a longer stay or permanent residential placement.

We are considering new methods of contracting for services which will support providers to "own" or be held accountable for the patient journey from urgent need/rapid response to a more stable situation within the home setting.

The scheme will include the NWAS pathway pilot, nursing care home discharge initiative, 24/7 working to include increased medical and nursing cover, additional pharmacy access, increased social worker and access to social care services. This will also involve a redesign of urgent care, OOH services and A&E together in order to

	support patients with an urgent need requiring rapid responses to avoid an unnecessary admission to hospital or residential care. The intention is that access to the rapid response/urgent care service can be made from any of the patient contact points.
Intended Target Group	The priority target group will be those individuals who are deemed to be experiencing complex and multiple long term conditions.
Impact Assessment on Patient Groups	All patient groups within the target group will benefit from the ability to access an urgent care and raid response service. The need to access hospital based services for assessment, diagnostics, monitoring and treatment will be reduced. For patients with dementia related illnesses or for those with caring responsibilities there will be a service response appropriate to meet their needs within their own homes wherever this is practicable.
Impact on Acute Care Sector	The impact on the Acute Care Sector will be to divert people from resorting to attending A&E directly or via NWAS by providing the public with a contact point for urgent access to a community based assessment in cases where there is need for an urgent medical, health and /or social care assessment. By providing a viable and robust urgent care response within the community, there will be a reduction in demand for assessments within A&E departments resulting in a subsequent reduction in admissions. There will be a need to consider how the current arrangement for accessing A&E departments for certain diagnostic tests can be relocated to alternate community settings to ensure that the access to an community based urgent care response can be safe and effective.
Support for Seven Day Services	This service model will deliver 24/7. There will be the need to utilise the BCF to review the contract arrangements for all wrap around services which will need to be available and accessible seven days a week. This will include access to packages of care support from a range of services which will need to have staff available and on standby in the same way they are within Monday to Friday service provision. This will include statutory and private and voluntary care support services. Commissioning of these services will need to reflect the flexible and responsive nature of the service model and will require a focus on service responses having the

	flexibility of multi tasking. The workforce development plans will reflect the need for new types of professional and support staff roles.
Use of NHS Number as basis for Information Sharing	This will be required to be in place as part of the new service model.
Protection of Social Care Services	The BCF is an opportunity to ensure that the social care sector is fit for purpose in terms of scale and range of social care support and care services at times of crisis. It is necessary to reflect that the focus on the development of integrated community assessment and intervention services will be dependent on a wide range of wrap around care and support services to support the initiatives needed to deliver viable alternatives to residential care provision. These services will be required to be skilled in a range of interventions in a crisis and be able to work as part of a multi professional approach. They will also need to be accessible 24/7 and be sufficiently resourced to work alongside NWAS and OOH medical services.
	The commissioning of care services will require a variety of care and support responses which will be required in an emergency. The risk of providing alternatives to hospital is that there is a default to residential based services. The urgent care/rapid response model of service will ensure an enhanced range of social care provision is available to provide a real alternative to a buildings based service response whenever that can be safely achieved.
Joint Assessment and Accountable Lead Professional (Care Coordinator)	The joint and coordinated assessment of people in a crisis situation will be a critical element of this service. It will draw on the crisis and contingency planning which will be in place for those people deemed to be at risk of crisis or relapse of their condition(s).
	The accountable lead professional will be nominated according to the individual situation and will ensure that the crisis plan of care is effective and is attending to the medical, social care and health needs of the person.
	The accountable professionals will be highly trained skilled professionals who are suitably qualified in the assessments of people within crisis situations and who are able to mobilise and coordinate the range of professionals and support staff needed in any given situation.

Other Initiatives/Tasks

We are developing a range of tasks and activity to ensure the outcomes are delivered, for example developing the governance surrounding the pooled budget, regular risk management, contingency planning etc.

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Fund Initiatives 21 Ja

All of the planned changes detailed above are part of the two transformational change programmes – Connecting Care and Caring Together. The broader context of the Pan Cheshire Pioneer programme is a critical element to our programme of change and planning. The pioneer programme takes account of the strategic ambition of the partner agencies involved and the opportunity to look at the whole system change on a far greater footprint. Inevitably this means that the planning at this stage for the Better Care Fund process is not totally aligned with the final proposal and planning stages of these three key programme areas. The plan therefore reflects a combination of the current position in terms of agreed plans and stated intentions of the whole system redesign.

Alignment of Activity

Across Cheshire East and Cheshire West and Chester a 'Pioneer Panel' has been established to lead and co-ordinate the integration work across the two areas. This will be particularly focussed upon the areas of activity that are better undertaken on a pan-Cheshire footprint, including for example workforce development, ICT infrastructure integration and data sharing.

The alignment of all the health and care economy strategic planning and priority activity is overseen through the Cheshire East Health and Wellbeing Board. The Board meets every other month. Over the last 12 months the Board has received reports on the ongoing refresh of the JSNA, the work to update the Health and Wellbeing Strategy, the CCG commissioning plans and integration programmes and ongoing improvement activity within Adults Social Care. A sub-group of the Board is the Joint Commissioning Board with senior representatives from all commissioners (including NHS England, the Police and Crime Commissioner, the CCGs, Public Health and the local authority). This group is prioritising and co-ordinating the re-commissioning activity across the health and care economy and ensuring joint commissioning where appropriate.

d) Implications for the acute sector
Set out the implications of the plan on the delivery of NHS services including clearly identifying where any NHS savings will be realised and the risk of the savings not being realised. You must clearly quantify the impact on NHS service delivery targets including in the scenario of the required savings not materialising. The details of this response must be developed with the relevant NHS providers.

It is recognised that the Better Care funding is money that is already committed to health and social care services. Savings will be required across our health economies. We will be reviewing the funding / contracting models currently used with a view to moving from payment by results to a block contracts where appropriate, to help manage the transition.

The impact of the transformation of services across South Cheshire and Vale Royal CCG collectively, will significantly impact on Mid Cheshire Hospital Foundation Trust as the local acute provider. The shared plan – 'Connecting Care', will address the unnecessary demand for hospital beds and build the case for services within the community. Financial resources released from addressing this unnecessary demand will be reinvested in the community.

Concerted efforts are underway to reduce demand on hospital beds. Currently 193 beds are available outside the hospital setting, reducing pressure on both A and E and flow through the hospital over winter. We intend to widen the extended practice teams to include community geriatricians (based on the work in Torbay where the inclusion of community geriatricians demonstrated the reduction in acute beds when alternatives are available).

The reshaping of current service providers (community health, social care, mental health and the Third sector) and additional investment from South Cheshire and Vale Royal CCGs into extended practice teams, should ensure community based services are able to support older people for longer at home, react quickly to a deterioration in the person's health or well being and avoid unnecessary admissions to hospital or residential settings.

MCHFT is an outlier in relation to the high number of reported delays to discharges. We also need to identify the potential cohort of patients who could avoid a hospital admission through risk profiling. A full business case is being developed that will clearly identify the potential cost reductions/movements and reductions in hospital activity necessary to achieve this transformation. This is being driven by the Connecting Care Board where our main providers are full members.

A new Provider Board has been established in the South Cheshire CCG area with an Innovation Fund in place to allow the Board to identify appropriate changes that can enable the actions required to integrate services effectively. If this is successful we will look to extend across the wider geography of Cheshire East under the Pioneer programme.

The risks associated with not delivering the transformation is that the MCHFT will no longer be financially sustainable as a small DGH, and will not be able to deliver the current requirements of the NHS Constitution targets, for example the four hour A and E waiting times. Similarly they may be unable to deliver the required quality improvements and the seven day working requirements across services.

The Eastern Cheshire health economy is currently mapping services to be delivered across four pillars of care ranging from empowering people to self care and by transforming traditional primary, community acute and specialist care settings. Pillar four of the Caring Together Programme looks specifically at acute and specialist reconfiguration working with commissioning and provider partners in Greater Manchester and the North West of England 'south sector'. The aim of the change programme is to ensure services deliver quality outcomes against recognised best practice standards. The pre-consultation business case is scheduled for completion in Summer 2014, which will include a detailed service and economic model.

What is agreed is that there will be a requirement to review the unnecessary demand

made upon hospital services across the health and care economy and to reinvest in community services. Work underway within the hospital settings has identified significant bed days lost to this unnecessary demand and this needs to be addressed.

Detailed investment and benefit management plans will be designed throughout 2014 – 2015 in line with CCG and Social Care Commissioning Plans.

e) Governance

Please provide details of the arrangements are in place for oversight and governance for progress and outcomes

The governance of the BCF will form an integral part of the overall plan of integration across the two CCGs, and inform the wider Pioneer Programme. The diagram below, indicates how the separate programmes of activity across the Councils and CCGs link and combine to form the overall five year Joint Strategy and Plan.

Locally across Cheshire East we will place the HWB at the centre of the management of our BCF programme, representing the shared interests of all partners in an open and established forum. This model of governance is illustrated below:

Cheshire Pioneer Programme
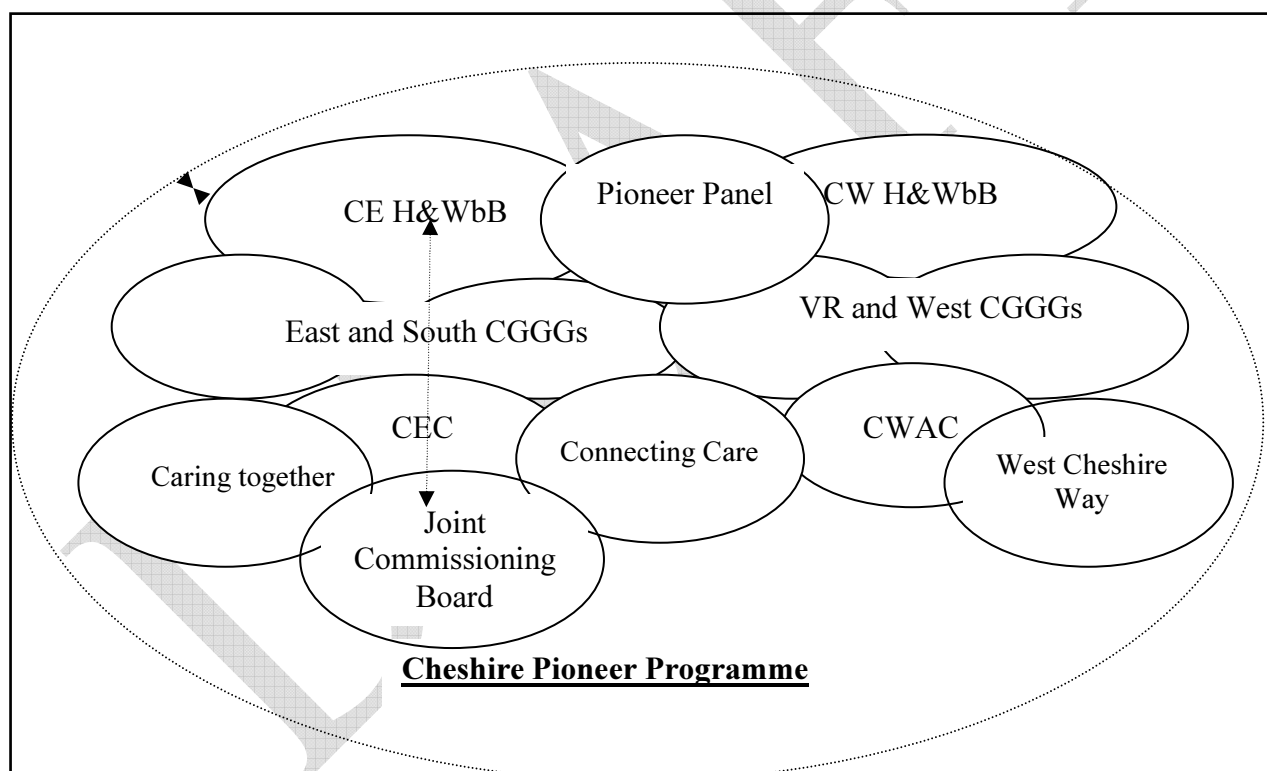
Our HWB will engage with the following bodies to ensure that we create a collaborative, effective and transparent model of governance:

- **Pioneer Panel:** Made up of representatives from across both Health and Wellbeing Boards to address integration issues on a pan-Cheshire geography.
- **Organisational Governance:** We will continue to use the existing structures and mechanisms that have been established to make sure that the BCF is aligned to mainstream governance and business as usual.

- **Scrutiny and Health-watch**: We will use the existing mechanisms to monitor our progress and champion the views of local residents, patients and service users to ensure there is appropriate accountability for this programme.

Governance will be clearly defined through the following roles:

(i)   Health and Wellbeing Board
(ii)   The two programmes – Connecting Care and Caring Together
(iii)   Pan Cheshire Pioneer Panel
(iv)   HWB Joint Commissioning Board

We will continue to align our varying workstreams to ensure that the overall governance framework remains sufficiently robust as we refine our draft plan, seeking to explore the best governance arrangements in place across the HWB area, including reviewing the items below:

Joint commissioning

Joint Commissioning
MOU Final Jan 2013jv

Health, social care and a wide range of other community partner organisations across Cheshire have made a commitment to working more closely together in new innovative ways to ensure that within the next five years, the people within our communities will enjoy a better standard of health & wellbeing & will have positive experiences of seamless care and support.

We are committed to delivering the National Voices narrative below:

For the individual:

'I can plan care with people who work together to understand me and my carer/s, allow me control and bring together services to achieve the outcomes important to me'.

National Voices & Making it Real

Our plans are ambitious and we will lead a programme of work to ensure that people within our local communities are empowered and supported to take responsibility for their own health and wellbeing. They will place less demand on more costly public services through the implementation of ground-breaking models of care and support based on:

- integrated communities
- integrated case management
- integrated commissioning and
- integrated enablers to support these new ways of working.

The two Health and Wellbeing Boards within Cheshire are leading this transformational change through a large-scale change programme with support from

the national Pioneer team. The Cheshire wide Pioneer plan encompasses a range of shared integration commitments and is structured as three core components based on local populations:

- Central Cheshire 'Connecting Care' programme
- East Cheshire 'Caring Together' programme
- West Cheshire 'The West Cheshire Way'/'Altogether Better'.

The **Connecting Care** programme board has been established to provide strategic leadership to the underpinning work-streams, to stimulate transformation of the local health and social care economy, to ensure close working between all partners, to ensure robust monitoring and risk management. The Board comprises representatives from our key partner organisations across health and social care and meets monthly, supporting a cohesive approach to service delivery for the population of South Cheshire/Vale Royal.   Membership is currently being expanded to include representation from Healthwatch.

Within Eastern Cheshire the **Caring Together** Transformation programme is well underway having established a robust framework for governance engagement and programme delivery. The case for change as part of the pre consultation phase is being finalised and consultation scheduled for June 2014. Care model development groups are currently developing ambitious standards for new services across the four pillars of care to ensure improved health and social care outcomes are achieved

Caring Together
governance structure

2)   NATIONAL CONDITIONS

a) Protecting social care services
Please outline your agreed local definition of protecting adult social care services.

Partners recognise the budget challenges that exist across the health and social care economy. We know that social care services have delivered £30m (30%) of efficiencies over the last five years to 31 March 2014, whilst investing £20m in new services over the same period; health services have similarly delivered significant efficiencies. During this time the Council has struggled to maintain the delivery of services, whilst maintaining the consistent Fair Access to Care Service Eligibility Criteria at Critical and Substantial. The protection of social care services does not merely relate to budgetary issues, it more importantly focuses on the outcomes for people who have social care and support needs to maintain and promote independence wherever possible. It also requires the development of an increased range of services to promote the Prevention, Early Intervention and Well Being agenda in line with the Personalisation agenda and the new Care Bill. It is the Health and Wellbeing Board's intention to maintain services at the critical and substantial level (followed by the national eligibility criteria as determined by the Care Bill) with a commitment to developing targeted services for people with moderate needs.

The Council is committed to protecting and enhancing services required by the frail and

vulnerable individuals of our communities and through combining services provided by both Adult Social Care and Public Health has and continues to enhance services. Protecting services does not necessarily require the protection of funding. The Council, the two CCGs and prior to that the PCT have consistently reduced costs as shown above whilst enhancing service delivery over the first five years of the Council's existence. This work continues with the delivery of improved outcomes within reduced budget targets over the forthcoming years, which will be enhanced by the BCF.

We will not use the BCF to meet the budgetary challenges that are facing social care services over the coming three years. We believe that the BCF represents an exciting opportunity to invest in a wide and varied range of community services and assistive technology with the result of improved outcomes for our population. The changes to the investment pattern will contribute to the development of an integrated and balanced model of care and support that delivers on the ambitions in this plan and complements the range of health care provision.

We will use the BCF to promote the principles of integration and prevention to make sure that we have the appropriate funding for social care provision to extend effective services at scale and pace, and deliver wider benefits across the care and support services of Cheshire East. As the structure of health services change, social care services will also be reshaped to compliment and create coherence across the whole system.

One of the most notable changes that demonstrate this concept in action across the Council has been the development and change in domiciliary services. The Council has developed the external market for domiciliary services, whilst developing internal specialist services for re-ablement, adding improved outcomes at an overall lower cost to the public purse.

Social Care Reform
It is recognised that the BCF needs to incorporate statutory responsibilities as part of the Social Care Reform, Care Bill. Whilst there is a national allocation of £135m to cover carer's assessments and maintaining social care eligibility included within BCF there is no clear allocation to local areas. It is estimated that the funding available to Cheshire East is £1m and work is currently underway to determine the demand for carer's assessments and the impact of maintaining eligibility. The pathway between people requiring services and the assessment of their carer support network will be reviewed and developed as part of the review of health and social care services.

Alongside the Better Care Funding, it has been announced that there is National funding of £335m to support the funding of social care reform in 2015/16. Of this funding, £50m relates to capital which is incorporated within the BCF allocation. The Cheshire East allocation is £0.8m and this is being used to invest in the development of IT systems which incorporate the Social Care Reform policy changes. The allocation to Cheshire East of the £285m revenue allocation to cover increased social care assessments; deferred debt scheme; financial assessments is £1.7m in 2015/16. A recruitment request of 16 social workers is being progressed in February 2014 by the Council to ensure that there are sufficient resources in place to fulfil these additional requirements.

The Department of Communities and Local Government (DCLG) have not announced 2016/17 funding for further changes to eligibility criteria and the introduction of the care cost cap. The Council are working with ADASS to complete modelling information in

relation to the impacts of Social Car Reform changes.

Please explain how local social care services will be protected within your plans.

Key areas of protection:

- Manage and reduce demand on Residential hospital care

- Maintain and enhance current level of provision for domiciliary care and support at home to provide real alternatives to people to stay at home and especially in a crisis
- Increase reablement resource to increase access and benefits to people especially on discharge from hospital
- Introduce dementia reablement service to focus on this client group at early stage of diagnosis to prevent/slow down deterioration in condition and introduce coping strategies/self management for the individual and carers
- Increase flexibility and response to requests for support from care providers over 24/7. Increased funding required for providers to home services available and accessible 24/7 for both routine and crisis responses
- Lower level short-term Social Care support on discharge to people without need for FACs eligibility assessment.

- Maintain Current Levels of Eligibility

- As LA budgets reduce and demand increases the need to maintain a safe and effective service response for people eligible for Social Care becomes more pressured and will need protecting.
- Future national eligibility may include greater numbers of people deemed eligible and resources to meet need need to be protected.
  Care fund criteria includes use of BCF to offset services at risk and the LA response to the Care Bill

- Meeting Responsibilities under Care Bill

  Additional Responsibilities include:
- Increased numbers of people requesting assessments to have their contribution for care counted towards their individual care account to be considered for the 'cap'.
- Increased eligibility for assessments and care and support for carers
- Possibly increased eligibility threshold
- Additional responsibilities for Social Care needs or prisoners in local prisons – ie Styal
- Focus on 'wellbeing and prevention' and support services to deliver/support this

- • Integrated with health commissioning and provision
- - Commitment to integration of service provision and commissioning activity will require a focus on the Social Care agenda and its contribution to the overall health and wellbeing agenda both in commissioning activity and provision
- - Focus on wider determinants of health and the need to invest in whole system developments

Therefore, we will use the BCF to invest into areas of integration, prevention and support rather than using these funds to address budget gaps. We are committed to using this fund as the necessary investment to extend evidenced and proven areas of Social Care spending that support the aims of the plan with three main initiatives, which are; developing our Rapid Response/Urgent Care Services, enhancing our Community Services, including neighbourhood teams and introducing more Self-care, self-management and help to live independently at home.

b) 7 day services to support discharge

Please provide evidence of strategic commitment to providing seven-day health and social care services across the local health economy at a joint leadership level (Joint Health and Wellbeing Strategy). Please describe your agreed local plans for implementing seven day services in health and social care to support patients being discharged and prevent unnecessary admissions at weekends.

The Health and Well-being Strategy contains a commitment to enabling seven-day health and care services.

We will use the BCF to support residents seven days a week, as a lever to support proposals contained within the CCG operational plans.

Partners are committed to developing timely and effective services that provide timely discharge and prevent unnecessary admissions amongst high-risk cohorts. This will involve a process of risk stratification so that all local organisations have common information when working with common cohorts.

The CCGs and partners have utilised the urgent care board planning process to identify the need for seven day service provision within both hospital and community settings. The BCF will be utilised to ensure that all relevant service areas have appropriate staffing levels, contingency planning to provide rapid response services and also commissioning arrangements for flexible and accessible seven day wrap around care services. Learning from work already underway (for example using the winter pressures monies in Eastern Cheshire CCG) will inform planning.

We will continue to work up the plans utilising the newly formed Provider Board 'innovation fund' as a mechanism to develop appropriate 7 day services tpo meet local need.

c) Data sharing

Please confirm that you are using the NHS Number as the primary identifier for correspondence across all health and care services.

We are currently using the NHS number as the primary identifier on a high proportion of our shared cases, capturing the NHS number within the Social Care Case Management system whenever possible. This builds on the earlier work completed across the Cheshire East area with the Common Assessment Framework Demonstrator, where the NHS number was a key element of that project. We continue to improve on the capture of the NHS number and to verify that with the NHS systems.

If you are not currently using the NHS Number as primary identifier for correspondence please confirm your commitment that this will be in place and when by

We are committed to having the NHS Number as the primary identifier for all local cases by April 2015.

Please confirm that you are committed to adopting systems that are based upon Open APIs (Application Programming Interface) and Open Standards (i.e. secure email standards, interoperability standards (ITK)).

We are committed to adopting market leading case management systems that utilise open APIs and Open Standards.

Please confirm that you are committed to ensuring that the appropriate IG Controls will be in place. These will need to cover NHS Standard Contract requirements, IG Toolkit requirements, professional clinical practise and in particular requirements set out in Caldicott 2.

The Council and its partners are committed to being able to satisfy the IG Toolkit level 2 by March 2014 and Level 3 by March 2015.

d) Joint assessment and accountable lead professional

Please confirm that local people at high risk of hospital admission have an agreed accountable lead professional and that health and social care use a joint process to assess risk, plan care and allocate a lead professional. Please specify what proportion of the adult population are identified as at high risk of hospital admission, what approach to risk stratification you have used to identify them, and what proportion of individuals at risk have a joint care plan and accountable professional.

The model of service for rapid/urgent care response and the community service model is built around the principal of a single assessment process by the most appropriate

professional(s) with a single care plan incorporating all elements of the persons care and treatment. The person with complex care needs involving multi professional/service input will be allocated a lead professional who could be any professional within the service area.

The lead professional will have a coordinating role and be accountable for ensuring the plan of care reflects the range of support and treatment to appropriately meet the assessed care needs and manage any identified risks appropriately. The lead professional will be identified as the most appropriate professional involved in the persons care. This will depend on the frequency of contact, knowledge of the person and the skill and/or expertise needed in any given situation. The individual may wish to influence who the lead professional will be and will have their wishes taken into account wherever possible.

The single assessment process will be supported by documentation and a single record system which allows for the professionals involved in the assessment to contribute to the process and record in one place and for a point in time. This assessment will be regularly reviewed and updates in keeping with the needs of the individual.

The crisis contingency care plan for the high risk group will be developed to reflect the intended responses across health and social care including NWAS. The crisis contingency plan will be developed in conjunction with the person and their carers.

Multi disciplinary groups in Eastern Cheshire currently meet regularly around groups of GP practices. This will be extended as a first step to enhancing the communication and coordination of those patients deemed to be in high risk groups. This is a precursor to the ambition to establish the lead professional role as detailed above.

In South Cheshire we are looking to explore a number initiatives, for example in one area, we plan to have three early implementers for extended practice teams by summer 2014 based on town geography clustered around groups of GP practices. There will follow a roll out of four other teams (which are seen as single point of access) through late autumn 2014/early 2015. Coverage of the teams is around 20,000-25,000 patients. The learning will be considered across the HWB area and across the wider Pioneer area to ensure the best practice emerges between the different areas in line with the Pioneer ambition.

Patients will be identified through risk stratification within each team and is likely to be 0.5 - 5% of a practice population, expanding over time. We are currently evaluating the use of various risk stratification tools (such as EMIS and ACG) across the HWB area and may pilot a couple of different approaches to assess the benefits and the potential alignment with the LA systems. MDTs are currently indentifying patients known to services already at high risk.

3) RISKS

Please provide details of the most important risks and your plans to mitigate them. This should include risks associated with the impact on NHS service providers

Risk	Risk rating	Mitigating Actions
Improvement in the quality of preventative services may not achieve outcome improvements by the end of the BCF (2015/15) and would therefore lead to the double-running of costs. This could potentially impact on the funds that are available for preventative services prior to escalation.	High	We have modelled our BCF submission on the best available data, and have applied optimism bias to reduce risk. We will monitor these issues throughout 2014/15 and refine assumptions as far as possible.
Operational pressures will restrict the ability of our workforce to deliver the required investment and associated projects to make the vision of care outlined in our BCF submission a reality.	High	The BCF will be reported to governance and operational groups on a regular basis to ensure this relationship is monitored, and to stress the importance of this work.
The lack of local data provided and available may result in the targets included in our outcomes and metrics section may not be achieved, and therefore we would be left with a shortfall.	Medium	The payment by results targets have been based on the best available local data, including the forecasting for future years. Contingency plans have been developed to highlight potential alternatives should a shortfall occur. Under the Pioneer Programme a wider process of performance benchmarking is being conducted across the County.
The movement of resources may potentially destabilise services and providers, most critically the acute trusts.	Medium	We have engaged with the Acute Trusts and other providers throughout the development of these proposals. These plans have been developed over the past three years, and appropriate time has passed for a meaningful dialogue to take place on these issues.
Lack of investment to adequately resource delivery or integration programmes	Medium	Seek to review all exiting funding across the S256 programme Additional resources to "pump prime" setting up new alternatives before movement of monies as recurrent funding streams are embedded
Cultural change will not be delivered over the short and medium term and thus impact on the identified metrics	Medium	Programme of workforce development to be established to ensure culture issues addressed Development of Leadership Academy programme based on quality improvement systems.

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Public/citizen engagement will be weak and not facilitate robust involvement/transformation redesign of health and social care	Medium	Engagement throughout the plan being considered.
Interdependency between programmes and activity, willingness to allow a collective HWB/Pioneer programme to evolve and flourish	Medium	Governance arrangements, providers and commissioners to ensure that activity reductions or increases can be tracked against the shared plan.
Interdependency with other areas of whole system change (for example Mental Health)	Medium	Governance has main providers, including mental health, ensuring the shared plan delivers whole system ownership and changes across health and social care.
Acute and the ability to lever change, the potential for double running costs.	Medium	There is potential for double running costs as the early implementer sites are embedded before resources can be released from the acute sector.

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CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	1st April 2014
Report of:	Steph Cordon, Head of Communities
Subject/Title:	Outcomes of Creating Resilient Communities Review and How We Make It Happen (Forward Plan Ref: CE 13/14-73)
Portfolio Holder:	Cllrs David Brown- Strategic Communities and Les Gilbert – Communities and Regulatory Services

1.0   Report Summary

1.1.   As a resident first Council, it is our firm belief that our communities are the key stakeholders in shaping and developing Cheshire East and the services that the Council deliver. To make this a reality, this report sets out some bold and ambitious plans which focus on early intervention and building stronger communities.

1.2.   To not implement this radical approach would mean that we would simply not be planning for the future. For example, we know that there is an increasing ageing population in Cheshire East with the biggest increase in residents aged over 85. We need to act now and plan for the future as we know that as people live longer, they may have more health issues and complex conditions. We need to work with our communities to ensure that social care is able to deal with the increases in demand and that people continue to enjoy quality of life and retain their dignity and independence. This isn't to say that we will be in a position to provide all of the support ourselves, but we can work with our communities and partners to manage this effectively.

1.3.   We know that we have significantly reduced the numbers of young people who aren't in education, employment and training (NEETs), but even one is too many. We want our children to leave school with qualifications, confidence and where possible to be fit, active and healthy. We know we need to tackle this issue early on in children's lives through early intervention and prevention and our approach to community.   Working with our partners and communities we can be proactive in preventing expensive need by capturing issues upstream, before they become critical and expensive.

1.4.   In summary, the approach focuses on how we deliver services as locally as possible to develop strong communities. There are five main strands to this

     i   **Community Engagement** - to enhance the Community Engagement Team and develop a Community Engagement

Strategy which secures commitment from CEC and partners to a new way of working with our communities, in order to further develop strong, supportive and cohesive local communities

ii   **Community Partnerships** - to promote Community Partnerships and where communities are interested, support them to establish new partnerships in order to further develop communities with a strong sense of neighbourliness.

iii   **Community Hubs** - to develop Community Hubs across Cheshire East which provide services where local people will use them, so that services are delivered in the way which gives the best value for local people.

iv   **Community Leadership** - to support Members in their front line role, to consult on the detail of the Local Plan to ensure it is meaningful to their local community, in order to work towards achieving a sustainable Cheshire East.

V   **Partnership Governance** - to establish strategic partnerships across Cheshire East to enable joint commissioning and improved integration of local services, in order to support the delivery of effective and efficient partnership working and be a leading Council.

2.0 Recommendations

2.1   Cabinet agree that

2.1.1   this is a resident and partnership-led approach to creating stronger communities;

2.1.2   the engagement of residents and partners, especially the faith communities and their commitment and enthusiasm, is encouraged and supported;

2.1.3   the five main areas of focus as set out in Appendices A - E are the right ones to pursue; and

2.1.4   detailed papers on each of these will be brought to Cabinet for discussion on progress on a six-monthly basis, or more frequently if there are significant items to report.

3.0 Reasons for Recommendations

3.1   To ensure that there is a clear direction and commitment to taking this forward and Members are aware of and agree the outcomes, objectives and proposed actions as outlined in this report.

3.2   To pro-actively respond to future demands on the Council: such as vulnerable children and adults; the increasing older population; social

isolation; asset management/rationalisation and the digitalisation agenda. To agree our new approach to Community Engagement and Community Leadership, support for the development of Community Partnerships and Community Hubs, and to establish the new strategic partnership governance arrangements.

3.3 The outcomes of the review will remain the same. However, once the priorities outlined in this report are delivered and as new evidence emerges, the actions to deliver the outcomes will change to meet current demands.

4.0 Wards Affected

4.1 All

5.0 Local Ward Members

5.1 All

6.0 Policy Implications

6.1 The ambition to create thriving and strong communities is at the heart of achieving the Council's five key outcomes. Outcomes and Key Performance Indicators are set out in the High Level Business Case endorsed by EMB.

7.0 Financial Implications

7.1 In general, adopting the new approach to Localism and developing Resilient and Strong Communities can be met through existing budgets. However, there are potential financial implications, in respect of creating additional Community Partnerships and Community Hubs. Specific proposals and bids for capital resources will be brought forward in due course, but it is intended that any investment will save long-term revenue costs and will enable the rationalisation of assets.

8.0 Legal Implications

8.1 The recommendations contribute to the local delivery of the Localism Act. There are no immediate legal implications arising from Cabinet approving the recommendation as set out in paragraph 2 of the report. As detailed plans are drawn up to develop Community Hubs, the precise legal implications will be identified, legal advice provided and in due course specific measures identified for consideration.

9.0 Risk Management

9.1 The implementation will be managed through the Council's TEG and EMB project management processes. A High Level Business Case has been developed for progression of this approach and outlines the key risks and mitigation of them.

9.2 The new approach to Localism and Creating Resilient and Strong Communities strongly contributes to the Council 3 year plan outcomes. There is a risk that these outcomes would not be fully achieved without adopting this approach.

10.0 Background and Options

10.1 The Creating Resilient Communities Review was agreed as a major change programme (7.6), in the Council's 3 Year Plan. It has been successfully led by both the respective Cabinet Members – Strategic Communities and Communities and Regulatory Services with key support from the Communities Policy Development Group and significant engagement has taken place recently with partners and communities to ensure that this is an approach that they can sign up to.

10.2 The Review started in July 2013, and a Project Team developed the new approach working with Cabinet Members, Communities Policy Development Group and the LAP Champions. The outcomes are also a result of a number of sessions held with both Informal Cabinet and Corporate Leaderships Board, and the High Level Business Case has been endorsed by TEG, and EMB (18th March 2014).

10.3 The aim is to develop **thriving local communities** that:

- are confident and self sufficient
- have a clear view of their future
- are proud and neighbourly
- pull together to get things done
- have a voice to influence the decisions that affect them
- have joined up, good quality, affordable local service
- are well led by local people who are democratically accountable.

10.4 The **Key Principles** below have been identified by the review and are key to enabling us to deliver the ambitions set out. We will:

- Actively listen and engage with communities to make a difference
- Get out there and help communities to change things
- Make sure that everyone knows what we mean by "going local" and creating stronger communities
- Build relationships based on what we say is what we do
- Understand what communities can do with us and for themselves
- Get the right conversations happening in the right places
- Address big areas of change and demand, such as supporting vulnerable children and adults, ageing population, digital inclusion etc.

11. Five Key Areas of Focus

11.1 The details of the following five key areas of focus that we think are important to help increase the strength of both individuals and communities to achieve their full potential are set out in Appendices A – E.

i **Community Engagement** - to enhance the Community Engagement Team and develop a Community Engagement Strategy which secures commitment from CEC and partners to a new way of working with our communities, in order to further develop strong, supportive and cohesive local communities

ii **Community Partnerships** - to promote Community Partnerships and where communities are interested, support them to establish new partnerships in order to further develop communities with a strong sense of neighbourliness.

iii **Community Hubs** - to develop Community Hubs across Cheshire East which provide services where local people will use them, so that services are delivered in the way which gives the best value for local people.

iv **Community Leadership** - to support Members in their front line role, to consult on the detail of the Local Plan to ensure it is meaningful to their local community, in order to work towards achieving a sustainable Cheshire East.

v **Partnership Governance** - to establish strategic partnerships across Cheshire East to enable joint commissioning and improved integration of local services, in order to support the delivery of effective and efficient partnership working and be a leading Council.

12.0 Access to Information

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

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1. **Community Engagement**

1.1 **Objective:** To enhance the Community Engagement Team and develop Community Engagement Strategy which secures commitment from the Council and partners to a new way of working with our communities, in order to further develop strong, supportive and cohesive local communities.

Milestones	Date
1. To have community engagement team in place 2. To develop a CE Community Engagement Strategy, with partners 3. To establish a multi-agency Community Engagement Group to lead implement the actions agreed in the CE Strategy.	May 2014 November 2014 September 2014

1.2 We need to **embed understanding** of what we mean by local working and developing Strong Communities, and how we as a Council want to work with people. To do this, we will implement an engagement plan as to what this all means in plain English and how people can be engaged and involved. The plan covers a range of ways that we will do this with partners, the voluntary, faith and community sector and our residents. We also need to ensure that all staff are aware and signed up to this approach within the Council by using a variety of communication methods.

1.3 Work is underway to restructure and enhance the team within the Council to enable us to deliver on this.

1.4 The new approach to Community Engagement, focuses on building peoples' resilience, and promotes health and well-being. This involves providing the right services, facilities and resources that help to build resilience, and ensuring local communities have the capacity and infrastructure to access them. It focuses more resources into building the capacity of communities and people to develop activities and services which they believe meets their local needs. It also supports local people to confront and cope with life's challenges, so that they maintain their wellbeing in the face of adversity. This involves developing our work which:

• Increases activities that promote wellbeing
• Builds social capital
• Develops coping strategies for individuals and communities.

1.5 The five ways to wellbeing are: connect, be active, take notice, keep learning, and give. These are not just a person's individual responsibility, but can be influenced by 'upstream' interventions; shaping existing services or providing new services in such a way that they encourage behaviours that promote the five ways to wellbeing.

1.6 Relationships are a key component of social capital and there is strong evidence that they are a major factor in promoting wellbeing and developing strong communities. Building local networks and connections, is a key role for our Community Engagement Team and we need to develop more work which promotes social capital, including targeted interventions to build social relationships amongst isolated groups; and interventions that encourage social connections between people with similar experiences to provide peer support.

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1.   **Community Partnerships**

1.1   **Objective:** To promote Community Partnerships and where communities are interested, support them to establish new partnerships in   order to further develop communities with a strong sense of neighbourliness.

Milestones	Date
1. Develop shared understanding of purpose and roles of CPs.	April 2014
2. Adopt a Communications Plan to promote CPs.	May 2014
3. Establish number of communities interested in setting up at CP.	January 2015
4. Support the CPs where communities express interest to take forward.	April 2014 ongoing

1.2   Local Working in Cheshire East includes Community Partnerships, covering our Market Towns and Rural communities. These 'can do' partnerships are independent constituted groups, which are established and led by the local community. They vary to meet local needs, but their overall purpose is to improve the social, economic and environmental well-being of their area.

1.3   There are currently 6 Market Town Partnerships in Cheshire East, are summarised in the table below. As part of new approach to Localism and creating Stronger Communities, we are promoting and plan to establish more community partnerships across the Borough.

1.4   We are working with the Chair of the 5 Market Town Partnerships and Sandbach and Middlewich Town Partnerships to introduce these into other areas. Nantwich has recently started to establish one and its in early stages and both the Council and the other partnerships are sharing their knowledge on how to go about it. We will plan to host a Cheshire Action for Market Towns meeting this year following on from the success of hosting the national conference in 2013. We will invite Nantwich to join the 5 Towns Partnerships Forum. There will be a big push on why we think Community Partnerships are a good idea at the Town and Parish Council Conference on 1 May 2014. There will also be meetings across Cheshire East to discuss and promote Community Partnerships with Town and Parish Councils

Partnership	Established	Driver
Middlewich Vision	2003	Desire of Town Council, following successful community events – rural funding
Sandbach Partnership	2004	NWDA funding opportunity, Market Town Initiative
Congleton Partnership	2006	Market Town Initiative
Alsager Partnership	2007	Market Town Initiative
Holmes Chapel Partnership	2010	The above Partnerships working with the Parish Plan group

Nantwich Partnership	2013	The above Partnerships and to develop and implement a Public Realm Strategy

1.5   Key objectives of a Community Partnership are to:

- Involve the community, encourage community spirit and develop community capacity.
- Provide a sustainable environment which is clean, green, safe, and accessible.
- Increase social, cultural, recreation and sporting activities and event
- Promote a prosperous local economy and support local businesses.
- Build upon local distinctiveness and heritage.
- Attract inward investment and source new funding.

1.6   Key characteristics of a Community Partnership are:

- Independent constituted groups, which are established and led by the local community (volunteers)
- Act as the "umbrella" organisation for community activity, providing a forum through which various volunteer groups share information and ideas.
- Attract volunteers with a wide range of interests.
- Part of Cheshire East's model for Local Working and Stronger Communities, with strong links to partner organisations and service providers.
- Supported by Cheshire East Council, either through grant funding or staff time.
- Have good links with (including representation on management groups) and partly funded by their Town or Parish Council, with some also providing in kind support.
- Research local needs and carry out community consultations.
- Formulate and deliver action plans to address local needs.
- Develop and deliver local projects.
- Set up sub groups to deliver individual projects or longer term to deliver a range of activities relating to a common theme.
- Have good relationships with other groups within their towns and in some cases, existing groups become a sub-group of the partnership.
- Attract external funding to deliver projects.
- Work with other partnerships to share ideas and learning, for example the 5 Towns Partnership Forum which currently covers the 5 within the Congleton local area.
- Co-ordinator to provide administrative and project delivery support – either employed by the Partnership/Town Council, or support provided CEC's Communities Team.
    - A chairman (or chairwoman) who provides effective leadership
    - Steering Group/Management Board/Executive or similar that oversees the development and implementation of the Partnership's action plans.
    - Hold an AGM which is open to all.

1.7   Focus of work / types of projects

- Lead on community initiatives relating to, community events, improving the environment/public realm, heritage and supporting local business.
- Community events – including local consultations, Festivals & Fairs, Senior Voice, Sport, Art & Performing Arts events, retaining community assets, welcome packs.
- Support local voluntary groups – e.g. setting up local networks, promoting local groups, networking events.

- Environmental / public realm – e.g. community orchards, meadows & gardens, eco-schools, commenting on planning applications, cycle routes, In Bloom, signage, walkways, play areas, ponds & wetlands.
- Heritage – e.g. heritage trails, war memorials.
- Supporting local business – e.g. filling vacant shops, shop front improvements, future sustainability of towns, themed markets, business forum, and town centre benchmarking.
- do **not** address initiate or undertake projects relating to issues such as social care services, crime reduction, or work in deprived neighbourhoods.
- do **not** develop integrated service delivery, joint commissioning, or reducing unnecessary demand on public services.

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Community Hubs

1.1   **Objective:** To develop Community Hubs across Cheshire East which provide services where local people will use them, so that services are delivered in the way which gives the best value for local people.

Milestones	Date
1. Establish Community Hubs in 5 pilot areas to test concept.	March 2015
2. Agree plan to extend Hubs across CE by March 2017.	January 2015
3. Establish Local Transformation Groups to lead in local development and implementation of Community Hubs.	July 2014
4. To secure capital investment required to establish hubs and enable future savings.	April 2015
5. Identify capital and revenue savings to be made by rationalising community assets.	March 2016

1.2   In order to fully achieve the best outcomes whilst creating Community Hubs there may be a requirement for capital investment, which is currently being explored

1.3   The aim is to create community hubs which are well connected and provide spaces, services and activities that people want and will benefit from in our communities. Their purpose is to enable local people to:

        (Connect) —————— (Collaborate) —————— (Innovate)
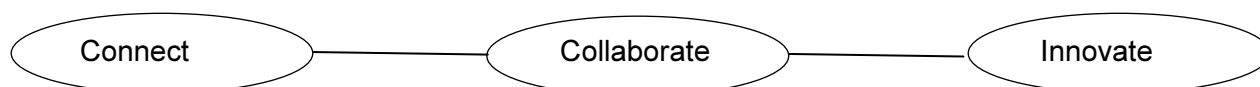
1.4   Community Hubs will:

- Bring together services and activities, focused on local needs.
- Bring together buildings like libraries, children's centres, day care centres, health outreach venues, civic centres, community centres – with social assets like volunteering & events.
- Does not mean one building – could be a network of places, connected by local people.
- Ensure that buildings are in the right places and used when people need them.
- Different in each area, linking clusters of communities together.
- Be across all areas of Cheshire East and will vary to meet local need.
- Focus on a shared plan, which outlines the local vision, priorities & actions.
- Include various elements, such as service co-ordination, delivery, place shaping, community buildings.
- Involve Councillors as community leaders.
- Involve local people in designing and planning services, and where possible, local people will manage the centres and/or services.
- Have the potential for efficiencies by cutting back room costs and rationalising buildings and on-going maintenance costs.
- Involve either investment in new buildings, refurbishment of existing assets, or purchasing mobile units.

1.5   To make this happen we

- Developed a Project Board, which includes representatives from a wide range of council teams, such as Assets, Commissioning, Housing, Transport, Partnerships, and Community Services. (This will extend to partners when we get asset mapping done).
- Have started mapping all of our assets in the community by area, working with local people and partners.
- Will be identifying duplication, gaps and what can be done around them.
- Will establish an asset rationalisation programme to identify savings.
- Will agree a vision for each area, which identifies local priorities and service needs.
- Will redesign what we do to meet needs and potentially rationalise buildings, ensuring those used are in the right place, open at the right times, are fit for purpose and sustainable.
- Will work with others to provide services and activities in different ways, involving local people in designing and planning services and supporting them to deliver where appropriate.
- Develop ways to provide outreach services in neighbourhoods and rural communities, utilising existing community run assets and developing more mobile services.
- Focus on a number of priority areas initially and then roll out the approach.

1.6   Suggested Priority Areas to develop Community Hubs in 2014

Wilmslow - To develop a campus style approach which networks existing community buildings provides better services and in the right locations. There are a number of buildings in Wilmslow which are not used at their capacity and so the new approach will enable an enhanced service whilst also rationalising current assets.

Congleton – Develop town centre Community Hub at the Library, which links to other assets based in the community, such as Astbury Mere, Buglawton Community Centre being developed, Bromley Farm Community Centre and Resource Centre. Need to ensure hub enables those who need to access Children and Family services, and enhance the current provision available for young people.

Crewe - The focus in Crewe is to better integrate local services, whilst also ensuring key early intervention and prevention services are provided in neighbourhoods which link to and enhance the main Community Hub in the Town Centre, the Lifestyle Centre.

Moss Rose Estate, Macclesfield - To develop a community based hub on the estate, which provides a wide range of services to meet the specific needs of the local community. Needs to be in a location at the heart of the community, where local people will access it and will link to existing community buildings, in which community led activities are provided. Key issue identified by residents is lack of accessible health services, so needs to link Caring Together to ensure we are able to provide the right community based health and social care services.

Hurdsfield, Macclesfield - There are a number of community buildings which are not cost effective to maintain or refurbish. Need to develop space for community led activities, which adds to the new centre being built on Delamere Drive, plus need a venue to provide key early intervention and prevention services from. There is an

opportunity to build a new facility and dispose of a number of other assets, for which there is already interest to develop housing on those sites.

Broken Cross, Macclesfield – There are not many facilities on this estate and Macclesfield Leisure Centre is across the road and doesn't necessarily serve residents from the estate. Part of this is perception and also the physical barrier of the road. There is a church building called Upton Priory which serves the local community in a limited capacity due to its internal layout. The plan is to refurbish the building and make this into a community hub for this estate.

Longridge, Knutsford - The current buildings do not work well together and so need to network to provide the range of services needed. Potential to provide services from the Welcome Café, St Johns Wood Community Centre and the Children's Centre. Looking at better sharing of resources and potentially opening up other facilitates such as the school Play Barn and MUGA facilities for community use.

Audlem – There are a number of vibrant local facilities and groups in Audlem, and this works as a community hub and as a model of best practice. However, sustaining this and also developing the right facilities to deliver more services locally and by the VCF sector and the Parish Council is really important to this community. Currently, the Council are supporting a bid to develop the village hall.

Rural Areas - Need to develop mobile services to allow service delivery in a wide range of rural locations. Proposal is to purchase mobile units / buses that enable us to target outreach services to meet local needs.

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Community Leadership

1.1   **Objective:** To support Members in their front line role, to consult on the detail of the Local Plan to ensure it is meaningful to their local community, in order to work towards achieving a sustainable Cheshire East.

Milestones	Date
1. Work with Ward Members in key service centres to consult with their community.	October 2014
2. To support other Ward Members who consult their local communities to ensure the Local Plan meets their future needs.	March 2015

1.2   The initial focus is on the local service centres and supporting councillors in their community leadership role in going out and canvassing opinion and discussing options about site allocations and also related facilities such as parks, etc. .This work is being carried out in conjunction with planning colleagues.
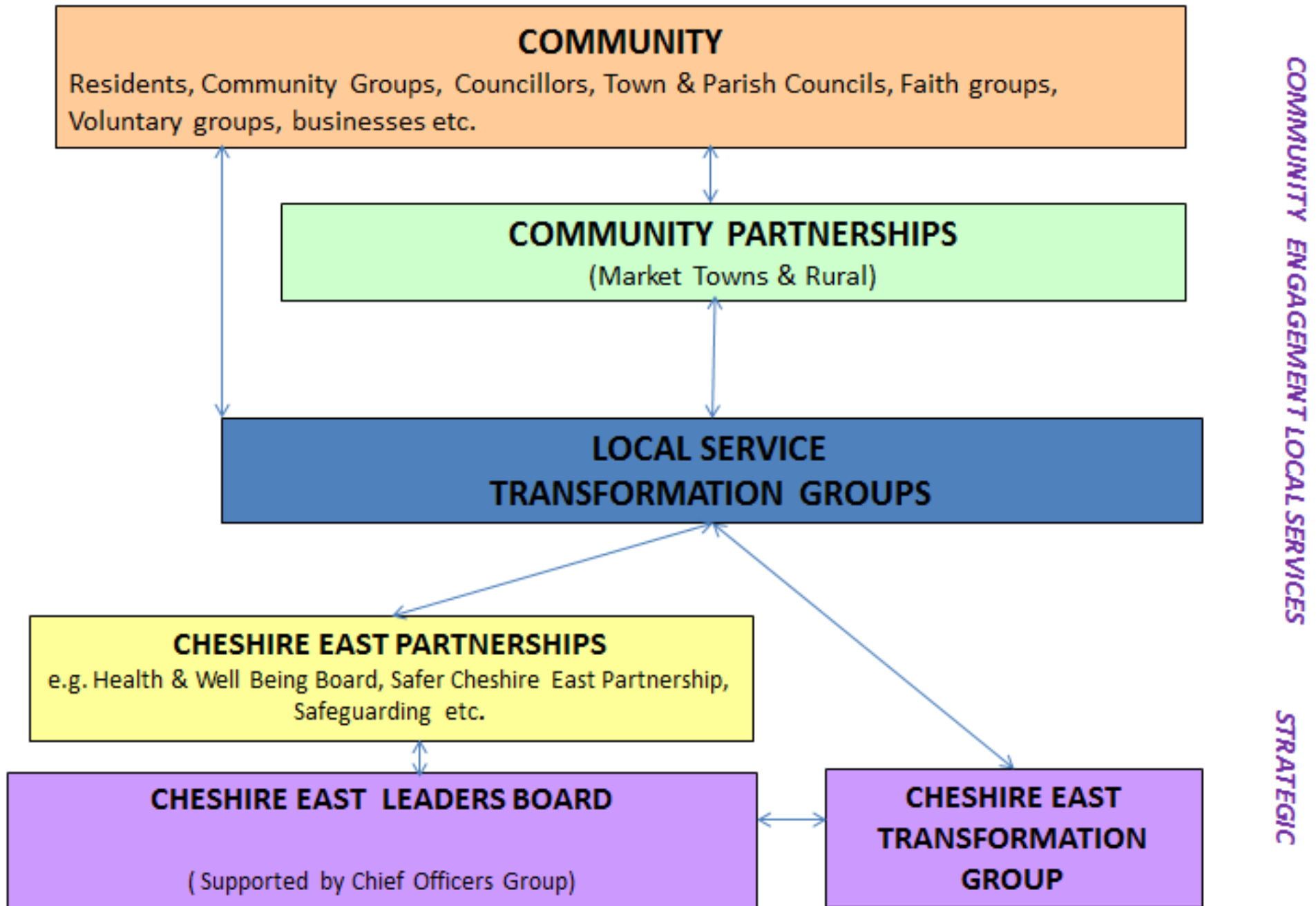
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Partnership Governance

1.1   **Objective:** To establish strategic partnerships across Cheshire East to enable joint commissioning and improved integration of local services, in order to support the delivery of effective and efficient partnership working and be a leading Council.

Milestones	Date
1. Establish CE Leaders Board.	June 2014
2. Establish CE Transformation Group.	July 2014
3. Agree timetable to review the Sustainable Community Strategy.	February 2015
4. Agree a joint work plan for 2015 – 2017.	March 2015

1.2 Consultation with partners, including the voluntary, community and faith sector, has demonstrated that there needs to be some clear direction and a simpler structure to support our communities and improve local service delivery. The model shown in Appendix A has been debated as part of the Review and sets out a refreshed approach to strategic partnership and area working.

1.3 The Leaders Board will be responsible for joint commissioning and integrated delivery and will meet twice a year. Members will be high level representation from the Council, Police and Crime Commissioner, Health & Wellbeing Board Chair and Fire Authority.

1.4 The Transformation Group will align delivery and develop approach to going local and strong communities and will meet four times a year. Membership will be approximately 15-20 members of key delivery agencies e.g. Council, Registered Social Landlords, Clinical Commissioning Groups, Police, Fire, Voluntary & Community and Faith sector and Job Centre Plus. They will task Local Transformation Groups made up of local service providers to make change happen.

A DRAFT MODEL FOR LOCAL WORKING IN CHESHIRE EAST

COMMUNITY

Residents, Community Groups, Councillors, Town & Parish Councils, Faith groups, Voluntary groups, businesses etc.

COMMUNITY PARTNERSHIPS

(Market Towns & Rural)

LOCAL SERVICE TRANSFORMATION GROUPS

CHESHIRE EAST PARTNERSHIPS

e.g. Health & Well Being Board, Safer Cheshire East Partnership, Safeguarding etc.

CHESHIRE EAST LEADERS BOARD

(Supported by Chief Officers Group)

CHESHIRE EAST TRANSFORMATION GROUP

COMMUNITY ENGAGEMENT LOCAL SERVICES

STRATEGIC

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	1st April 2014
Report of:	Strategic Director, Children and Families
Subject/Title:	Determination of Local Authority Coordinated Scheme and Admission Arrangements (Forward Plan Ref: CE 13/14-83)
Portfolio Holder	Councillor Rachel Bailey, Children and Family Services and Rural Affairs

1.0 Report Summary

1.1 Cabinet are recommended to approve the coordinated scheme and admission arrangements (attached) for 2015 and subsequent years, subject to any review.

1.2 The coordinated scheme **(Annex 1),** which all local authorities are, under section 88M of the School Standards and Framework Act 1998 (SSFA), required to have in place, will apply to applications for places in all publicly funded mainstream primary and secondary schools (i.e. including academies) for the school year 2015-16.

1.3 The proposed admission arrangements **(Annex 2)** include the overall procedure, practices, criteria, published admission number (PAN) and supplementary information to be used in deciding on the allocation of school places. Current admission numbers and proposed changes for community and voluntary controlled schools for 2015 (which the Local Authority is responsible for as the admission authority for these schools) are set out in **Appendix 1.**

1.4 The recommendation will enable the Local Authority to meet its statutory duty to determine by 15 April 2014 a coordinated scheme and admission arrangements.

2.0 Recommendations

2.1 Cabinet is recommended to approve

- The proposed **coordinated admission scheme**, which all local authorities are required by section 88M of the School Standards and Framework Act 1998 (SSFA) to have in place (Annex 1).

- The proposed **admission arrangements** for Cheshire East community and controlled schools, which are the overall procedure, practices, criteria and supplementary information to be used in deciding on the allocation of school places (Annex 2).

3.0   Reasons for Recommendations

3.1   The recommendation will enable the Local Authority to meet its statutory duty to determine by 15 April 2014 a coordinated admissions scheme and admission arrangements to apply for 2015 and subsequent years.

4.0   Wards Affected

4.1   Once determined, the coordinated scheme will apply to all Cheshire East publicly funded mainstream primary and secondary schools, including academies and the admission arrangements will apply to all Cheshire East community and voluntary controlled schools.

5.0   Local Ward Members

5.1   All wards members.

6.0   Financial Implications

6.1   Members should note that the costs of School Admissions are charged to the Dedicated Schools Grant within the element for central expenditure.

7.0   Legal Implications

7.1   The Authority has a duty to comply with the mandatory requirements imposed by all relevant legislation including the School Admissions Code (or by statutory provisions). The School Admissions Code has been issued under Section 84 of the School Standards and Framework Act 1998 ('SSFA 1998') Chapter 1 of Part 3 of the School Standards and Framework Act (SSFA) 1998 contains the key provisions regarding schools admissions, including the statutory basis for the Code. The Code reflects changes to the law made by the Education Act 2011 and Regulations.

7.2   The Regulation that applies for the purpose of this report is the School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012.

8.0   Risk Management

8.1   The Local Authority must determine its coordinated scheme and admission arrangements before 15 April 2014 otherwise it will be in breach of its statutory duty to comply with the provisions of the School Admissions Code.

8.2   The Local Authority must inform the Secretary of State whether it has secured the adoption of a qualifying scheme by 15 April. The Secretary of State may impose a scheme where a scheme has not been adopted.

8.3   Objections to determined admission arrangements can be referred to the Office of the Schools Adjudicator by 30 June in the determination year. The

Adjudicator must consider whether the arrangements comply with the Code and the law relating to admissions. Arrangements must therefore be compliant with the provisions set out in the School Admissions Code 2012. An Adjudicator's determination is binding and enforceable.

8.4 Community and voluntary controlled schools have the right to object to the Schools Adjudicator if the PAN set for them is lower than they would wish. There is a strong presumption in favour of an increase to the PAN to which the Schools Adjudicator must have regard when considering any such objection.

8.5 An Equality Impact Assessment is attached as **Annex 3**

9.0 Background

9.1 The Local Authority's school admission arrangements and coordinated scheme are for implementation from September 2015.

9.2 If changes are proposed, consultation is required by 1 March (determination year) in accordance with the requirements set out in the School Admissions Code. Where the admission arrangements have not changed from the previous year there is no requirement to consult, subject to the requirement that admission authorities must consult on their admission arrangements at least once every 7 years, even if there have been no changes during that period. Arrangements must nevertheless be determined by **15 April** every year, even if they have not changed from previous years and a consultation has not been required.

9.3 The **Coordinated Scheme**, once determined, will apply to applications for places in all Cheshire East publicly funded schools including Academies. For 2015, dates have been adjusted where necessary around non-working days. Other minor changes have been incorporated to reflect procedural changes agreed with schools and/or to ensure compliance with statutory duties. These changes are summarised below:

- *Educating children outside of their normal age group.* Admission authorities must provide for admission to school before a child reaches statutory school age, but must not require this. The scheme has been updated to reflect statutory requirements, which allow parents the opportunity to gain admission authority support to delay admission to school when it is considered that the child is not 'ready' to start school until reaching statutory school age, which is the term after the child's fifth birthday. (Paragraph 3.3)

- *Reinforcing the legal requirement to make a single offer of a school place.* The purpose of this change is to set out the process for dealing with parental disputes during the application process and is made to ensure compliance with legal requirements. The arrangement reinforced is that the application made by the primary carer will take priority in cases where two estranged parents cannot agree on the

schools to be included on the application form and seek to make separate applications. (Paragraphs 3.8, 3.9)

- *Data Protection.* This change is to remind parents that the personal or sensitive information that they provide for the purpose of school admissions will be held in accordance with the Data Protection Act 1998 and its eight principles but that in order to ensure that their application is processed in accordance with their wishes, the data may need to be shared within the Local Authority, with other relevant local authorities and with relevant schools. (Paragraph 12.6)

- *Fair Access Protocol.* Admission law requires that local authorities must publish information about their Fair Access Protocol, which includes the process agreed for ensuring the speedy admission of children outside the normal admissions process. The operation of Fair Access Protocols is outside the arrangements of co-ordination and is triggered when a parent of an eligible child has not secured a school place under in-year admission procedures. (Paragraph 12.7)

- *Timescale for making in year applications.* Current arrangements state that applications should not *normally* be made more than 6 weeks in advance of the intended date of admission. To provide further clarification, a statement in relation to applications made during the summer term has been added. This explains that 8 weeks is acceptable at this time of the year to ensure that parents can exercise their legal right of appeal, if applicable, before schools close at the end of the summer term. (Paragraph 12.14)

9.4   The **Admission Arrangements** once determined, will apply to community and voluntary controlled schools only. The only change proposed for 2015 is in relation to published admission numbers (PANs). Governing bodies of individual schools have been consulted. In deciding to recommend that a PAN should be allowed to increase, officers have given consideration to the school's net capacity (number of classrooms and physical size of the school) and its ability to accommodate more pupils at the normal point of entry and the impact that this may have in future years as the proposed larger intake moves through the school. Consideration has been given to the need for additional places in the area of the school. Class organisation and staffing have also been taken into account. PAN changes that are conditional on a final decision to expand existing accommodation for 2015 are shown and include:

- Manor Park Primary and Nursery School, Knutsford – PAN increase from 30 to 45 linked to proposed increase in capacity from 210 to 315 for 2015

- Offley Primary School, Sandbach – PAN increase from 45 to 60 linked to proposed increase in capacity from 315 to 420 for 2015

- Mobberley CE Primary, Knutsford – PAN increase from 20 to 30 linked to proposed increase in capacity from 140 to 210 for 2014.

9.5 Governing bodies of community and voluntary controlled schools have the right to object to the Schools Adjudicator if the PAN set for them by the Local Authority is lower than they would wish. There is a strong presumption in favour of an increase to the PAN to which the Schools Adjudicator must have regard when considering any such objection.

Access to Information
- School Admissions Code 2012
- School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012

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

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LOCAL AUTHORITY COORDINATED ADMISSIONS SCHEME 2015-16

1   BACKGROUND

1.1   This scheme applies to the school year 2015-16 and subsequent years, subject to any review.

1.2   The scheme meets the requirements for a scheme for co-ordinating admission arrangements under the School Admission (Admission Arrangements and Co-ordination of Admissions Arrangements) (England) Regulations 2012, made under the School Standards and Framework Act 1998, for the area of Cheshire East Council (the Local Authority).

1.3   Applications for school places received 'in year' (i.e. those received after the first day of the school year into the relevant age group or into any other year group) and for the normal admission round into the relevant age group (i.e. reception at 4+ and secondary transfer at 11+) shall be determined in accordance with the provisions set out in this scheme.

1.4   This coordinated scheme applies to all publicly funded schools in Cheshire East and to preferences expressed by Cheshire East parents, including applications for schools in other Local Authorities. This scheme does not apply to applications for special schools or independent schools.

1.5   Parents making applications as part of the normal admission round for publicly funded schools in other authorities with a different age of transfer (i.e. middle and upper schools) will also be included within these arrangements.

NORMAL ADMISSION ROUND

2   GENERAL INFORMATION

2.1   Section 86 of the SSFA/98 provides that local authorities must make arrangements for parents to express a preference as to the school they wish their child to be educated at. Parent is defined within s.576 of the Education Act 1996 as being those who are natural parents whether they are married or not; any person who has PR for a child; and any person who has care of the child.

2.2   All parents **resident** in the area administered by Cheshire East Council will be asked to make their application on the common application form provided by this Local Authority (as the 'home' authority). Parents making applications on a maintaining authority's application form will be advised to contact their 'home' authority. Parents seeking places at independent (i.e. fee paying) schools must apply direct to the school.

2.3   Applications for places sent direct by parents to individual schools cannot be accepted and must be sent by the school to the Local Authority for inclusion within these arrangements.

2.4   For community and voluntary controlled schools, in its role as the admission authority, Cheshire East Council will be responsible for determining who can be allocated a place in accordance its agreed published admission arrangements.

2.5   For Academies, Free Schools, Voluntary Aided, Foundation and Trust schools, decisions on applications will normally be made by the governing body. The exception to this will be where the governing body has made arrangements for another body to consider the application and to determine by reference to the school's admission criteria if a place can be allocated.

2.6   For applications for schools outside Cheshire East, the relevant local authority will be responsible for coordinating decisions on applications through liaison, where relevant, with admission authorities in its area.

2.7   The Local Authority will collate and publish all admission arrangements in its composite prospectus, which will be published on the Local Authority's website in line with the requirements set out in the School Admissions Code. For parents without internet access, a hard copy of the agreed admissions arrangements will be available on request.

2.8   All preferences made in accordance with the Local Authority's arrangements will be met except where this would prejudice the provision of efficient education or the efficient use of resources e.g. normally where the year group in question is full. The duty to comply with parental preference is, however, removed for a period of two years where the child has been permanently excluded from two or more schools from the date on which the latest exclusion took place.

2.9   If the pupil is a Cheshire East resident and Cheshire East Council is not able to offer any of the preferences stated on the application form a place will normally be allocated at the nearest Cheshire East school with a vacancy using the Local Authority's Ordnance Survey address point data system for measuring straight line distances from the address point of the home to the address point of the school in miles. This will include allocating vacancies at Academies, Free schools, Voluntary Aided and Foundation schools in liaison and agreement with the governing bodies of these schools.

2.10   Where a preference has been received from a parent resident in another local authority and a place cannot be offered, Cheshire East Council will not allocate a place.

2.11   Written offers will be made by Cheshire East Council to residents in its area, in its role as the home authority, on behalf of the admissions authority for the school allocated as follows:

Admissions authority	Category of school
Cheshire East Council	All community and voluntary controlled schools in Cheshire East
Maintaining Local Authority	All non-Cheshire East community and voluntary controlled schools.

Governing Body of the school   All Academies and Voluntary Aided, Foundation and Free Schools

2.12   Schools must not notify parents that a place has become available but must inform their maintaining local authority in order that an offer can be made by the home authority.

2.13   In accordance with statutory requirements, a governing body, in its role as the admission authority for a school, **must** comply with the following procedures:

a) Forward to their maintaining local authority details of any application made to the school direct, together with any supporting information provided by the parent (regardless of whether the parent who made the application resides in that local authority's areas);

b) Determine or make arrangements for another body (including the maintaining local authority) to determine by reference to the school's admissions criteria the order of priority in which each application for the school is ranked;

c) To notify their maintaining local authority of their determination, or arrange for the body appointed by them to notify the Local Authority on their behalf.

2.14   Parents will be informed in writing of their legal right of appeal against any decision not to offer them a place at a school stated as a preference on their application form and their right to be supported by a friend or adviser. Further information on the appeals process will be available on the Local Authority's website and by contacting the Local Authority.

2.15   Parents can submit an appeal in respect of each school for which admission has been refused. All appeal applications should be sent to the admission authority for the school for which admission has been refused.

2.16   Waiting lists, where held**,** will be in criteria order and not on a 'first come, first served' basis. Placing a child's name on a waiting list does not affect the statutory right of appeal.

2.17   Waiting lists will be held **for all schools** until the end of the autumn term in the normal year of admission **as a minimum**. Waiting list arrangements implemented after the end of term will be determined by individual admission authorities. For community and voluntary controlled schools, waiting lists will be closed at this point and parents of children held on the waiting list will receive written confirmation of this.

2.18   Repeat applications will not be considered within the same school year, unless the parent's or the school's circumstances have changed significantly since the original application was made. Full details of the change of circumstances must be provided for consideration by the Local Authority.

3   APPLICATION PROCESS

3.1   Children reach compulsory school age at the beginning of the term following their 5th birthday. Under the Local Authority's policy, children may start school in the reception class in the September following their 4th birthday. For transfer to

secondary, children will usually transfer at the beginning of the autumn term following their eleventh birthday.

3.2 Parents can request that the date their child is admitted to the primary school is deferred until later in the school year or until the child reaches compulsory school age in that school year. Applications for deferred admissions must be made by the published closing date. Parents will not however, be able to defer admission beyond the academic year for which the original application was accepted or beyond the beginning of the term after the child's fifth birthday.

3.3 There is no statutory barrier to children being admitted outside their normal year group. Paragraph 2.17 of the School Admissions Code enables a parent to request that their child is admitted outside of their normal age group, providing flexibility for children whose parents do not feel they are ready to begin school before they reach compulsory school age. Admission authorities are responsible for making the decision on which year group a child should be admitted to but are required to make that decision based on the circumstances of the case. In cases where parents will be delaying admission until the following year, an application must be submitted in accordance with the dates published for that application round.

3.4 To help younger children adjust to school, schools may phase full-time admission, admitting these children on a part-time basis. Arrangements are decided at school level.

3.5 Requests can also be made for early or late transfer to secondary school. Parents considering such a request must in the first instance speak to the headteacher of the child's primary school.

3.6 The application process will commence on **1 September** in the year preceding the admission year.

3.7 The common application form will invite parents to express 3 school preferences ranked in order of priority. Parents will be provided with the opportunity to give reasons for their preferences and can, if appropriate, provide any additional documents in support of their preference/s.

3.8 The School Admissions Code states at paragraph 2.23 (a) that local authorities can only make one offer per child. Therefore, where parents are unable to reach an agreement and more than one application is submitted, the Local Authority will process the application of the parent who is the primary carer i.e. where the child lives for the majority of the week including weekends. Supportive documentation may be required.

3.9 Where care is shared jointly and it is not possible to determine which parent is the principle carer the Local Authority will determine primary residence based on where the child is registered for purposes of child benefit or (where no benefit is claimed) where the child is registered for GP purposes.

3.10 Parents will be asked to submit the completed application form directly to this Local Authority by the statutory closing dates published in part two.

3.11   Parents will be asked to provide details, where applicable, of any siblings attending the preferred school at the time of application and who will be attending at the time of admission, details of the current school attended and the length of time resident at the address provided.

3.12   If a parent expresses a preference for a school designated as having a religious character (faith school) they will be asked to state the religious denomination of their child on their application form. Parents will be advised to contact the school as they may also be required to complete a supplementary information form. Forms will be available on the Local Authority's website or direct from the school. Supplementary information forms (SIFs) will request information in addition to that provided on the common application form. Such request must be made in accordance with paragraphs 2.4 of the School Admissions Code (2012). Examples of additional information that can lawfully be requested include membership of, or relationship with the church, or a reference from a priest or other religious minister as proof of religious commitment.

3.13   All preferences will be considered on the basis of the **equal preference model** for allocating places, in accordance with legal requirements. This means that in the first instance, all preferences will be considered against the relevant published oversubscription criteria **only**, i.e. <u>without</u> reference to the preference ranking. Thereafter, where a pupil can <u>potentially</u> be allocated more than one school place stated on the application form, the **single offer,** determined by the home local authority, will be for the school ranked highest by the parents.

3.14   Preference ranking will not be shared with admission authorities in accordance with paragraph 2.7 of the School Admissions Code 2012 as this cannot lawfully be used when applying oversubscription criteria.

3.15   Where a school receives a supplementary information form, this Local Authority will not consider it to be a valid application unless the parent has also listed the school on their home LA's Application Form, Supplementary information forms should be returned direct to the school concerned.

3.16   When a parent has submitted their application on the common application form but has not also submitted a supplementary information form (where relevant), the admission authority must nevertheless consider the application in accordance with legal requirements (Para 4.3 of Section 86(2) of the School Standards and Framework Act 1998). In circumstances where a SIF has been received the admission authority must be proactive in ensuring that there is an application, in order for the preference to be considered. In circumstances where a SIF has not been completed the application will be assessed on the basis of the information submitted to the governing body on the home local authority's common application form.

3.17   For secondary transfer only, the Local Authority will have records for all children resident within its area who attend Cheshire East primary schools. In order to make sure that all resident pupils are included in the co-ordinated admissions process, this Local Authority will also request data from neighbouring authorities and from independent schools in the area at the end of the summer term in the year preceding admission for details of resident pupils who attend their schools.

3.18   The Local Authority's composite prospectus will be available electronically on its website from the 1 September. Hard copies will be available on request from the Local Authority at the start of the autumn term.

3.19   The composite prospectus will include information on the application process including key dates, a copy of the common application form, details of Cheshire East schools and allocation data relating to applications for the previous year.

4   CHANGING PREFERENCES

4.1   After the closing date for applications, the Local Authority will not accept a change of preference unless it is satisfied that there is a genuine reason for doing so, such as a recent house move. Full details must be provided to the Local Authority for consideration and by the published deadline for receipt of supporting information.

4.2   Any parent wishing to change a preference after the closing date for applications without a genuine reason for doing so in the opinion of the Local Authority will be advised that the application will be treated as a late application.

4.3   In the case of a recent house move, evidence such as a letter from the solicitor confirming the completion date or a signed rental agreement* showing the start of the tenancy will be required. Further confirmation may also be required including evidence of disposal of previous property and recent utility bills to confirm the actual place of residency. *A signed rental agreement must cover the date published as the deadline for receipt of supporting information.

4.4   A panel of officers will consider information presented in support of the late change of preference. The parent will be notified of the decision.

5   PROCESSING APPLICATIONS

5.1   The following actions will be implemented in accordance with the dates published in part two of these arrangements.

5.2   Cheshire East Council will exchange applications for schools in other local authorities' areas with all relevant local authorities and will provide reports containing details of applications to its voluntary aided and foundation schools for consideration by governing bodies in accordance with the school's own published admission arrangements.

5.3   Cheshire East voluntary aided and foundation schools will inform the Local Authority of the pupils eligible for a place under its admissions criteria and provide lists of pupils in criteria order who cannot be offered places.

5.4   Cheshire East Council will inform other local authorities of offers to be made to pupils resident within their boundaries and request details of offers they will be making to Cheshire East residents.

5.5   Places will normally only be offered up to the published admission number, which applies to the normal year of entry. A child cannot be refused admission to the normal year of entry on the grounds of prejudice to the provision of efficient education and efficient use of resources unless the published admission number has been reached. In respect of admission to year groups other than the normal

point of entry, it is expected that the admission number will continue to be applied. However, if circumstances have changed since the year of entry, a place may be refused even if the admission number has not been reached.

5.6   Admission authorities that intend to admit above the published admission number (PAN) where it is considered that further admission/s would not have a detrimental effect on the school, should notify the Local Authority by the dates specified in part two of these arrangements to enable the local authority to deliver its coordination responsibilities effectively.

5.7   The Local Authority will finalise allocations on the basis of equal preferences and in line with the agreed dates, as far as possible:

6   NOTIFYING PARENTS OF DECISIONS

6.1   Cheshire East Council will send the parents of pupils who reside in Cheshire East written confirmation of the decision on the application. This will include offers for places in Cheshire East schools and schools in other local authorities, as appropriate. Where online applications have been received, the parent making the online application can logon to their online account on the published date to view the school place offered and can also request to receive their offer by e-mail. Offers confirmed by letter will be sent out on the published offer day by second class post.

7   LATE APPLICATIONS

7.1   Applications received after the closing date will be recorded as 'late' and considered after all on-time applications unless the Local Authority confirms that the reasons presented in support of the late submission justify the application being considered alongside on-time applications. Reasons can include exceptional medical reasons preventing an earlier application or late removal into the area. Reasons must be presented at the time of application and supporting documentation **must** be provided, which must be received by the dates specified in part two.

7.2   Late applications received after the published deadline for the receipt of supporting information will be processed after all on-time applications even if there is a good reason for the late submission.

7.3   The initial (provisional) allocation date will vary and any late applications received after this date may not be processed until after offers have been made and in accordance with the dates set out in part two. There is therefore no guarantee that a late applicant will receive an offer of a school place on the published offer day.

7.4   In the case of a recent house move, the Local Authority will require supporting evidence to show that the place of residency has changed. This should include a letter from the solicitor confirming the completion date, or if relevant, a signed rental agreement showing the start date of the tenancy. Any rental agreement must include residency on the date published as the deadline for receipt of supporting information. Further information may be requested to confirm residency, for example, recent utility bills or evidence of disposal of previous property.

7.5   In respect of medical reasons preventing an earlier application, a letter of confirmation from a medical practitioner will be required.

8   MOVING HOUSE

8.1   Parents must inform the Local Authority immediately of a change of address, even if details of a future change of residency were included on the application form. The Local Authority will require supporting evidence to show that the place of residency has changed. This should include a letter from the solicitor confirming the completion date, or if relevant, a signed rental agreement showing the start date of the tenancy. Any rental agreement must include residency on the date published as the deadline for receipt of supporting information. Further information may be requested to confirm residency, for example, recent utility bills or evidence of disposal of previous property.

8.2   Proof of residency received after the deadline published for the receipt of supporting information will not be used to assign a higher criterion for admission, but will be used to send the decision on the published offer date.

9   ACCEPTING AND DECLINING PLACES

9.1   Parents will be required to **accept or decline** the school place offered by the dates published in part two. The Local Authority reserves the right to withdraw places not accepted by this date.

9.2   For late applications notified after the offer date parents will be required to accept the place offered within **10 working days** of the date of the offer.

10   WAITING LISTS

10.1   Waiting lists for oversubscribed schools will consist of those children whose parents have specifically requested in writing (including e-mail) that they remain on the waiting list, along with late applicants and those for whom an appeal application has been received. Waiting lists will be held in criteria order and not on a first come first served basis.

10.2   Vacancies will be re-allocated to children held on the school's waiting list in line with the dates published in part two.

10.3   After the start of the school term in September, the Local Authority will hold up-to-date information on waiting lists through liaison with schools until the end of the autumn term only. After this date all waiting list information will be closed. Admission authorities that have published that they will continue to hold waiting lists after this date will be responsible for maintaining their waiting lists in accordance with their own published admission arrangements.

11   ADMISSIONS APPEALS

11.1   The application decision letter/e-mail will explain the parents' right of appeal and how appeals may be made. Applications for appeal should be received by the dates published in part two.

11.2   Parents can submit an appeal in respect of each school for which admission has been refused.

11.3   Appeals against decisions notified after the published offer day will be heard within 40 days of the published appeals deadline where possible, or if received too late, within 30 school days of appeal being lodged.

11.4   All appeal applications should be sent to the admission authority for the school for which admission has been refused.

'IN YEAR' ADMISSIONS

12   APPLICATION PROCESS

12.1   'In year' applications are those made during the school year into any year group other than the normal point of entry (i.e. normal admission round). This will include applications from parents of children moving into Cheshire East from another local authority's area, moving within Cheshire East, or seeking to transfer to an alternative school for other reasons.

12.2   Parents seeking Cheshire East school places 'in year' will be required to complete the Cheshire East 'in year' application form. Forms will be published on the Local Authority's website and will be available in hard copy on request.

12.3   In all cases, parents will be advised to contact their preferred school to progress their application.

12.4   Parents will be invited to provide additional information in support of their application. Application details will be shared with the relevant schools.

12.5   Parents will be asked to provide details, where applicable, of any siblings attending the preferred school at the time of application and who will be attending at the time of admission, details of the current school attended and the length of time resident at the address provided.

12.6   Personal or sensitive information provided for the purpose of school admissions will be held in accordance with the Data Protection Act 1998 and its eight principles, details of which are published on the Council's website. In order that applications can be processed in accordance with parents' wishes, personal information may be shared within the Local Authority, with other relevant local authorities and with relevant schools. Relevant local authorities include the home local authority (where resident) and local authorities where the schools named on the application form are located; relevant schools include the schools listed as preferences and the current or most recent school.

12.7   In order to ensure that a place is offered at a suitable school as quickly as possible, some applications will be processed in accordance with the Local Authority's agreed Fair Access Protocol. The operation of Fair Access Protocols is outside the arrangements of co-ordination and is triggered when a parent of an eligible child has not secured a school place under in-year admission procedures. In all cases, where this is deemed necessary to ensure a positive outcome for the family, parents will receive full information before this procedure is implemented. The Local Authority's Fair Access Protocol; agreed in partnership with the

headteachers of both primary and secondary schools, will only progress with agreement of parents and will not affect the parent's right to express preferences for schools of their choice or to challenge unsuccessful applications through the appeals process. All permanently excluded pupils ready to be admitted into a new school will be offered admission under the Fair Access Protocol. Full information about the process is published on the Council's website.

12.8 If a parent expresses a preference for a school designated as having a religious character (faith school) they will be asked to state the religious denomination of their child on their application form. Parents may be required by the school to complete a supplementary information form. Forms will be available from the school or on the Local Authority's website. Supplementary information forms (SIFs) will request information in addition to that provided on the common application form. Such request must be made in accordance with paragraphs 2.4 of the School Admissions Code (2012). Examples of additional information that can lawfully be requested include membership of, or relationship with the church, or a reference from a priest or other religious minister as proof of religious commitment.

12.9 The Local Authority will publish on its website a list of the vacancies in Cheshire East publicly funded schools for parents seeking places outside the normal admission round.

12.10 Parents of children who are seeking a transfer to an alternative school for reasons other than a house move will be strongly advised to discuss the proposed transfer with the current school before submitting an application.

12.11 The Local Authority will maintain up-to-date records of applications and their outcomes through liaison with schools.

12.12 The process of completing the application for a school place can be facilitated by the school by inviting the parent to complete an online application during a school visit or by the parent prior to contacting or visiting the school. Hard copy application forms are available on request from the Local Authority.

12.13 Parents making applications for schools in other local authorities' areas will be advised to contact the relevant local authority for advice about their own application process.

12.14 Applications will not normally be accepted more than 6 school weeks prior to the intended date of admission. An exception to this is where an application is made during the summer term, for admission at the beginning of the following September. In this case, applications will be accepted up to 8 school weeks prior to intended date of admission.

13   PROCESSING APPLICATIONS

13.1 All applications should be processed within no more than 10 working days from the receipt of application. Different time scales will apply to applications processed in accordance with the Local Authority's Fair Access Protocol.

13.2 Where there are spaces in the relevant year group a place will normally be offered to the parent.

13.3 **If the year group in question is full, a decision to refuse admission must be referred to the admission authority.**

13.4 In cases where a school is oversubscribed, the admission authority will rank the applications in accordance with their published oversubscription criteria.

13.5 **All decisions will be confirmed by the school in writing to the parent and the letter/e-mail will include information about the legal right of appeal and a start date, where relevant.** Optional letter/e-mail templates will be made available online for admission authorities that choose to use them.

13.6 Where a preference has been unsuccessful, written correspondence will confirm the decision on the application and will advise the parent to contact the Local Authority for advice about alternative schools with vacancies.

13.7 Written correspondence confirming offers will advise the parent to contact the school to accept or decline the school place within no more than 10 school days from the offer date.

13.8 In cases where a school feels that further admissions can be agreed on the basis that to do so will not result in a breach of infant class size legislation or will not prejudice the provision of efficient education or efficient use of resources, the application must be referred to the admission authority for a decision.

13.9 Decisions on applications will be notified to the Local Authority to enable the Local Authority to keep up-to-date records.

13.10 **Admission will normally take place for primary school admissions within 10 school days from the date of offer and for secondary school admissions within 20 school days from the date of offer.**

13.11 Repeat applications will not be considered within the same school year, unless the parent's or the school's circumstances have changed significantly since the original application was made. Full details of the change of circumstances must be provided on the applications form for consideration.

14 **WAITING LISTS**.

14.1 Waiting lists will not be held for community or voluntary controlled schools other than in accordance with legal requirements, which require that they are held up until the end of the autumn term for the normal year of admission (i.e. reception and year 7 admissions). Where waiting lists are held by other admission authorities, children will be added to waiting lists in criteria order and not on a first come first served basis.

14.2 For 'in year' waiting lists only, children who are subject of a direction by a local authority to admit, are part of a managed transfer from a closing school or who are allocated to a school in accordance with the Local Authority's Fair Access Protocol will take precedence over those on the waiting list.

15 **'IN YEAR' APPEALS**

15.1   Applications for appeal should be submitted within 20 school days from the date of notification that the application for admission was unsuccessful.

16 Part Two – Key Dates

Process	Secondary Transfers	Primary Admissions
Application process starts – letters to parents, online application form and composite prospectus available.	1 September 2014	1 September 2014
Closing date for applications	**31 October 2014**	**15 January 2015**
Preferences forwarded to other LAs	14 November 2014	5 February 2015
Preferences forwarded to Academies, Free, VA and Foundation Schools	21 November 2014	12 February 2015
Deadline for receipt of supporting documentation	**8 December** 2014	**16 February 2015**
Academies and Free Schools, VA and Foundation Schools to respond	15 December 2014	6 March 2015
Provisional allocations of places at Cheshire East schools sent to other LAs for their residents	Around 16 January 2015	Around 13 March 2015
Responses to other LAs on potential offers of places in their schools for Cheshire East residents (so far as possible)	16 January 2015	13 March 2015
Representations from schools re admission over PAN	By 30 January 2015	By 20 March 2015
Allocations to be finalised	13 February 2015	31 March 2015
Offers released	**2 March 2015**	**16 April 2015**
Deadline for accepting or declining places	**16 March 2015**	**30 April 2015**
Waiting lists prepared, late applications processed and vacancies allocated. Waiting lists will be held in criteria order. Parents offered places on this basis will be required to accept or decline the place offered within 10 schools days.	**After 16 March 2015**	**After 30 April 2015**
Appeals Application Deadlines	**30 March 2015**	**18 May 2015**
Appeal Hearings	By 19 June 2015	By 21 July 2015
Appeal Hearings – late Applications	Within 40 days of deadline where possible, or 30 school days of appeal being lodged	
Appeal Applications – 'In Year' Admissions	Within 20 school days from the date of notification that the application for admission was unsuccessful.	
Appeal Hearings – 'In Year' Applications	Within 30 school days of appeal being lodged	Within 30 school days of appeal being lodged
Please note: Deadline for Admission Authorities to publish Appeal Timetables on their website		28 February of relevant year

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LOCAL AUTHORITY ADMISSION ARRANGEMENTS 2015-16
COMMUNITY AND VOLUNTARY CONTROLLED SCHOOLS.

These admission arrangements apply to applications for all Cheshire East **community and voluntary controlled schools** in the school year 2015-16 and for subsequent years, subject to any review. In its role as the admission authority for these schools, Cheshire East Council (the Local Authority) will be responsible for determining who can be allocated a place in accordance with these arrangements.

Applications for school places received for the normal admission round (i.e. into reception at 4+ and secondary transfer at 11+) and 'in year' (i.e. into any year group outside the normal admission round) shall be considered in accordance with the arrangements set out below and in accordance with the provisions set out in the Local Authority's agreed scheme, full details of which are published on the Local Authority's website at www.cheshireeast.gov.uk .

PUBLISHED ADMISSION NUMBERS (PANs)

The Local Authority has agreed admission numbers (PANs) for its community and voluntary controlled schools, which is the number of children that will normally be admitted into the *relevant age group* (e.g. into the reception year in a primary school and into year 7 as a secondary transfer in September for the first time). The admission number is set based on the number of pupils the school can accommodate and therefore normally, PANs will continue to be applied i.e. to all subsequent year groups in addition to the relevant age group. Admission numbers for schools in Cheshire East are published on the Local Authority's website at the start of the application process on 1 September. Hard copies can be requested.

The Local Authority, in its role as the admission authority for community and voluntary controlled schools, may agree (through consultation with the governing body) admission over PAN where to do so would not result in prejudice to the provision of efficient education or efficient use of resources at the school. The Local Authority will not normally be able to agree admission over the published admission number where to do so would result in a breach of infant class size legislation, which requires that infant classes (those classes where the majority of children will reach the age of 5, 6, or 7) contain no more than 30 pupils with a single qualified teacher.

The published admission number will continue to be applied as the relevant age group progresses through school, unless the circumstances for the school have changed since the PAN was agreed.

Admission numbers to be published for 2015 and subsequent years, subject to any review, are set out in **Appendix 1.**

CHILDREN WITH STATEMENTS OF SPECIAL EDUCATIONAL NEEDS

A Statement of Special Educational Need is a statement made by the local authority under Section 324 of the Education Act 1996 that specifies the special educational provision required for that child. Schools must admit a child with a **Statement of Special Education Needs** that names their school.

OVERSUBSCRIPTION CRITERIA

Where more applications are received than there are places available, after Children with Statements of Special Educational Needs, priority for admission will be based on the Local Authority's published oversubscription criteria as follows:

i) **'Cared for Children' and Children who were 'Previously Cared for'.**

§ A 'cared for child' is a child who is in the care of a local authority or provided with accommodation by that local authority (as defined in section 22 of the Children Act 1989).

§ Children previously 'cared for' are children who were 'cared for' as defined above, but immediately after being 'cared for' became subject to an adoption, residence, or special guardianship order. An adoption order is an order under section 46 of the Adoption and Children Act 2002. A 'residence order' is as an order settling the arrangements to be made as to the person with whom the child is to live under section 8 of the Children Act 1989. Section 14A of the Children Act 1989 defines a 'special guardianship order' as an order appointing one or more individuals to be a child's special guardian (or special guardians).

(ii) **Siblings** – pupils with brothers or sisters, step-brothers or step-sisters, foster brother or sisters, half-brothers or half-sisters, adopted brothers or adopted sisters living together as part of one household, already attending the preferred school (in years *Reception* through to *Year 10*) and expected to continue at the school in the following school year. (i.e. at the time of admission)

(iii) **Children resident within the designated catchment area of the school.** Children will be classed within this criterion if they and their parents are resident within the area served by the school. (see notes below)

(iv) **Children** not resident within a school's designated catchment area but **attending a school nominated as a feeder/partner primary school for admissions purposes.**

(v) **Pupils living nearest to the school** measured using an Ordnance Survey address-point system which measures straight line distances in miles from the address point of the school to the address point of the place of residence.

Notes:

Where a school cannot accommodate all pupils qualifying under one of the criteria stated above, the next criteria will also be applied to determine priority for admission. For example,

if a school cannot accommodate all *children resident within the catchment area (criterion iii)*, the priority will be in the order of:

> § Resident in the catchment area (criterion iii) attending a feeder school (iv) and living nearest to the school (v)
> § Resident in the catchment area (criterion iii) <u>not</u> attending a feeder school (iv) and living nearest to the school (v)

All applicants within each criterion will be put into a distance order with priority being given to those that live nearest to the school, as stated in criterion v above. Where it is identified that there are a limited number of places available and the Local Authority cannot differentiate between the applications using the distance criterion (criterion v) a random allocation tie-breaker will be applied. This may be required for example, where applicants reside in the same block of flats or are children of a multiple birth living at the same address.

In the case of previously looked after children (criterion i) admission authorities may request a copy of the adoption order, residence order or special guardianship order and a written correspondence from the local authority that last looked after the child confirming that he or she was looked after immediately prior to that order being made.

Children will be considered within criterion (iii) if they and their parents are resident on the date published for the receipt of supporting documentation (see part two below). Supporting information may be requested to verify the place of residence. For children of UK service personnel (UK Armed Forces) a Unit postal address or quartering area address will be accepted in advance of removal into the area, subject to official written confirmation of the address and relocation date. Preferences for the catchment area school for the confirmed address will be considered under criterion iii, unless a higher criterion is applicable.

CHILDREN OF MULITPLE BIRTHS

In relation to children of multiple births, exceptionally it may be necessary to offer places over the published admission number to ensure that, as far as possible, siblings (i.e. twins, triplets or children from other multiple births) can attend the same school.

PARENTS WITH SHARED RESPONSIBILITY FOR A CHILD

Where parents have shared responsibility for a child the place of residency will be determined as the address where the child lives for the majority of the week (e.g. where the child wakes up between Monday to Friday). Full details must be submitted in writing to enable the Local Authority to determine which address will be used for the purpose of admission. A panel of officers will consider the information provided. Where the Local Authority is unable to reach a decision based on the information received, e.g. where the child lives equally with both parents, the address provided for claiming Child Benefit and where appropriate, Child Tax Credits will be applied to the admission application. In such circumstances, documentary evidence must be provided. Where care is shared jointly and it is not possible to determine which parent is the principle carer and no Child Benefit is claimed, the LA will consider the primary residence as the address where the child is registered for GP purposes.

MOVING HOUSE

Parents must inform the Local Authority immediately of a change of address, even if details of a future change of residency were included on the application form. The Local Authority will require supporting evidence to show that the place of residency has changed as follows:

- § A letter from the solicitor confirming the completion date;
- § A signed rental agreement showing the start of the tenancy (in accordance with the arrangements set out in the Local Authority's Coordination Scheme)

In addition the Local Authority may request further information including copies of council tax and utility bills. Other information may be required, such as evidence of disposal of previous property.

In respect of applications made as part of the normal admission round, (e.g. into the reception class in a primary school and into year 7 as a secondary transfer in September for the first time) information and supporting evidence must be received by the dates stated in part two of these arrangements. Satisfactory confirmation of residency at the property (as aforementioned) will result in the application being processed on the basis of the new address. Proof of residency received after the published dates will not be used to process the application, but will be used to send the decision letter/e-mail on the published offer date.

WAITING LISTS

Waiting lists will only be held for the normal admission round (September admissions into the reception class and year 7) and only until the end of the autumn term. They will be held in criteria order and not on a 'first come, first served' basis. Placing a child's name on a waiting list does not affect the statutory right of appeal. Waiting lists for oversubscribed schools will consist of those children whose parents have specifically requested in writing (including e-mail) that they remain on the waiting list, along with new applicants and those for whom an appeal application has been received. Vacancies will be re-allocated to children held on the school's waiting list in line with the dates published in part two of these arrangements.

LATE APPLICATIONS – NORMAL ADMISSION ROUND ONLY

Late applications will be considered after all on-time applications unless the Local Authority considers that there are good reasons for the application being late, which must be stated at the time of application, i.e. exceptional medical reasons preventing an earlier application, late removal into the area. Supporting documentation **must** be provided. Where supporting documentation has been received by the dates specified in part two of these arrangements and the Local Authority has accepted reasons stated for the late application, the application will be considered as if it had been received on-time. Late applications and supporting documentation received after the dates specified will be considered after all on-time

applications and in accordance with the Local Authority's Coordinated Admissions Scheme. This will apply even where the Local Authority accepts that there are good reasons for the late application and as such these applications may be disadvantaged.

ACCEPTING AND DECLINING PLACES

All parents will be required to **accept or decline** the school place offered by the published date as stated in part two of these arrangements. The Local Authority reserves the right to withdraw places not accepted by this date.

RIGHT OF APPEAL

Parents who are not offered a place for their child at a school stated as a preference have a right of appeal to an independent appeals panel. Parents can submit an appeal in respect of each school for which admission has been refused. For appeals against decisions on preferences for community and voluntary controlled schools, forms are available on the Local Authority's website. Hard copies can be requested. Outside the normal admissions process, completed forms should be returned to the Local Authority within 20 school days from the date of notification that the application for admission was unsuccessful.

REPEAT APPLICATIONS

Repeat applications will not be considered within the same school year, unless the circumstances for the parent or school have changed significantly since the original application was made. Full details must be provided to the Local Authority for consideration.

PART TWO - TIMETABLE FOR APPLYING FOR PLACES

Process	Secondary Transfers	Primary Admissions
Application process starts – letters to parents, online application form and composite prospectus available.	1 September 2014	1 September 2014
Closing date for applications	**31 October 2014**	**15 January 2015**
Deadline for receipt of supporting documentation	**8 December 2014**	**16 February 2015**
Allocations to be finalised	13 February 2015	31 March 2015
Offers released	**2 March 2015**	**16 April 2015**
Deadline for accepting or declining places	**16 March 2015**	**30 April 2015**
Waiting lists prepared, late applications processed and vacancies allocated. Waiting lists will be held in criteria order. Parents offered places on this basis will be required to accept or decline the place offered within 10 schools days.	**After 16 March 2015**	**After 30 April 2015**
Appeals Application Deadlines	**30 March 2015**	**18 May 2015**
Appeal Hearings	By 19 June 2015	By 21 July 2015
Appeal Hearings – late Applications	Within 40 days of deadline where possible, or 30 school days of appeal being lodged	
Appeal Applications – 'In Year' Admissions	Within 20 school days from the date of notification that the application for admission was unsuccessful.	
Appeal Hearings – 'In Year' Applications	Within 30 school days of appeal being lodged	Within 30 school days of appeal being lodged
Please note: Deadline for Admission Authorities to publish Appeal Timetables on their website		28 February of relevant year

PART THREE - ADMISSIONS TO YEAR 12 OF SCHOOLS WITH SIXTH FORMS

Applications for admission to the Sixth Form of a Cheshire East school are dealt with by the school in accordance with the published admissions arrangements and not by Cheshire East Council.

Children already in the school are **not** required to apply formally for places in Year 12 but should have reached the minimum entry requirements for admission into the sixth form. Minimum entry requirements are the same for internal and external applicants.

Schools will not interview pupils or their families for entry to year 12, although meetings may be held to provide advice on options and entry requirements for particular courses.

SIXTH FORM MINIMUM ENTRY REQUIREMENTS

- The minimum entry requirement for admission to the sixth forms of Cheshire East community and voluntary controlled schools to study primarily at A level is **5 GCSEs grade A* to C (or equivalent).** Individual subjects may require a specific level of attainment. Further information will be provided by the school.

- Minimum entry requirements for admission onto specific vocational courses vary and a full list of requirements can be obtained from the school. Parents are advised to contact the school for further information.

COMMUNITY AND VOLUNTARY CONTROLLED SCHOOLS - OVERSUBCRIPTION

In the event that the number of eligible applicants exceeds the number of places available, the oversubscription criteria to be applied are:

i) **'Cared for Children' and Children who were Previously 'Cared for'.**

§ A 'cared for child' is a child who is in the care of a local authority or provided with accommodation by that local authority (as defined in section 22 of the Children Act 1989).

§ Children previously 'cared for' are children who were 'cared for' as defined above, but immediately after being 'cared for' became subject to an adoption, residence, or special guardianship order. An adoption order is an order under section 46 of the Adoption and Children Act 2002. A 'residence order' is as an order settling the arrangements to be made as to the person with whom the child is to live under section 8 of the Children Act 1989. Section 14A of the Children Act 1989 defines a 'special guardianship order' as an order appointing one or more individuals to be a child's special guardian (or special guardians).

ii) **Children resident within the designated catchment area of the school.** Children will be classed within this criterion if they and their parents are resident within the area served by the school. (Refer to previous notes regarding Children of UK Service personnel).

iii) **Pupils living nearest to the school** measured using an Ordnance Survey address-point system which measures straight line distances in miles from the address point of the school to the address point of the place of residence.

PUBLISHED ADMISSION NUMBERS – EXTERNAL CANDIDATES ONLY

This number relates to the admission of **external candidates only.** The admission numbers included in the table are based on an estimate of the minimum number of external candidates likely to be admitted, although it would be acceptable to exceed this if demand for available courses can be met.

Sixth Form Admissions Community Secondary Schools	September 2015
Poynton High School And Performing Arts College	50
Wilmslow High School	50

SIXTH FORM ADMISSION APPEALS

Any applicant refused a place in Year 12 is entitled to make an appeal to an independent appeal panel, whether the child is already attending the school or is an external candidate.

Parents or children* refused admission to a sixth form in a Cheshire East community or voluntary controlled school will be advised to contact the Local Authority for an appeal application form and details on the appeals process.

*The Education and Skills Act 2008 made changes to the law relating to admissions and appeals placing a new duty on local authorities to make arrangements:

a) for children to express a preference as to the school at which they wish to receive sixth-form education (i.e. secondary education suitable to the requirements of pupils who are over compulsory school age); and

b) for children who are above compulsory school age, or will be above compulsory school age by the time they start to receive education at the school, to express a preference as to the school at which they wish to receive education other than school sixth-form education.

Regulations give a corresponding right of appeal to a child who expresses a preference for a school place. This right is in **addition** to the rights of parents to express a preference as to the school at which they wish their child to receive education.

Cheshire East Council

Equality impact assessment is a legal requirement for all strategies, plans, functions, policies, procedures and services under the Equalities Act 2010. We are also legally required to publish assessments.

Section 1: Description

Department	Children and Family Services	Lead officer responsible for assessment	Tony Crane
Service	School Admissions	Other members of team undertaking assessment	Barbara Dale
Date	12 February 2014	Version	1

Type of document (mark as appropriate)	Strategy	Plan	Function	Policy √	Procedure	Service

Is this a new/existing/revision of an existing document (mark as appropriate)	New		Existing		Revision	

Title and subject of the impact assessment (include a brief description of the aims, outcomes , operational issues as appropriate and how it fits in with the wider aims of the organisation) Please attach a copy of the strategy/plan/function/policy/procedure/service	**LOCAL AUTHORITY ADMISSION ARRANGEMENTS 2015-16 , COMMUNITY AND VOLUNTARY CONTROLLED SCHOOLS.** The Local Authority must comply with statutory deadlines and regulations as set out in School Admission Code 2012. These admission arrangements apply to applications for all Cheshire East **community and voluntary controlled schools** in the school year 2015-16 and for subsequent years, subject to any review. In its role as the admission authority for these schools, Cheshire East Council (the Local Authority) will be responsible for determining who can be allocated a place in accordance with these arrangements. Applications for school places received for the normal admission round (i.e. into reception at 4+ and secondary transfer at 11+) and 'in year' (i.e. into any year group outside the normal admission round) shall be considered in accordance with the arrangements set out below and in accordance with the provisions set out in the Local Authority's agreed scheme, full details of which are published on the Local Authority's website at www.cheshireeast.gov.uk . The arrangements and scheme sets out the priority criteria for allocating places to an oversubscribed school

1

	together with information and advice on the application process, processing applications, changing preferences, notification of decisions, late applications, moving house, accepting and declining places, waiting lists, and admission appeals.
	The Authority has a duty to comply with the mandatory requirements imposed by all relevant legislation including the:-
	• School Admissions Code (or by statutory provisions). The School Admissions Code has been issued under Section 84 of the School Standards and Framework Act 1998 ('SSFA 1998') Chapter 1 of Part 3 of the School Standards and Framework Act (SSFA) 1998 contains the key provisions regarding schools admissions, including the statutory basis for the Code. The Code reflects changes to the law made by the Education Act 2011 and Regulations.
	• The Regulation that applies is the School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012.
Who are the main stakeholders? (eg general public, employees, Councillors, partners, specific audiences)	• Parents/ Carers • Children and Young People • Headteachers and Governors of Cheshire East Council's Community and Voluntary Controlled Schools

Section 2: Initial screening

Who is affected? (This may or may not include the stakeholders listed above)	• Children aged 4 to 18 • Parents and Carers • Head Teachers/Governing Bodies • other LAs
Who is intended to benefit and how?	• Parents/ Carers • Children and Young People • Headteachers and Governors of Cheshire East Council's Community and Voluntary Controlled Schools

Could there be a different impact or outcome for some groups?											
Does it include making decisions based on individual characteristics, needs or circumstances?	Admissions to the schools are made in accordance with the published admission arrangements and over subscription criteria. All applications are considered against the over subscription criteria on a equal basis and in line with the School Admissions Code.										
Are relations between different groups or communities likely to be affected? (eg will it favour one particular group or deny opportunities for others?)	Some schools will receive more applications than there are places available and inevitably some parents will not secure a place at their preferred school whihc leads to dissatisfaction with the service. However, admission arrangements must comply with the regulations in the School Admission Code 2012 and must be fair and administered consistently. The coordination scheme requires that Cheshire East children are allocated a place at their nearest school with a vacancy in the event that an application for a preferred school is unsuccessful. All unsuccessful applicants are entitled to their legal right of appeal to an independent appeal panel.										
Is there any specific targeted action to promote equality? Is there a history of unequal outcomes (do you have enough evidence to prove otherwise)?											

Is there an actual or potential negative impact on these specific characteristics? (Please tick)

Age	Y	N	Marriage & civil partnership	Y	N	Religion & belief	Y	N	Carers	Y	N
		√			√			√			√
Disability	Y	N	**Pregnancy & maternity**	Y	N	**Sex**	Y	N	**Socio-economic status**	Y	N

3

		√			√			√			√
Gender reassignment	Y	N	**Race**		Y	N	**Sexual orientation**	Y	N		
		√				√			√		

What evidence do you have to support your findings? (quantitative and qualitative) Please provide additional information that you wish to include as appendices to this document, i.e., graphs, tables, charts		Consultation/involvement carried out	
		Yes	No
Age	Admissions Policy applies to all school age children whose parents/carers are requesting a place in a mainstream school. It sets out the process and procedure which is adopted and also the criteria used for allocating places to an oversubscribed school.		
Disability	The Local Authority and schools are bound by the School Admissions Code 2012, Regulations and Disability Discrimination Act and these do not allow for any discrimination in this respect.		
Gender reassignment	The Local Authority and schools are bound by the School Admissions Code 2012 and regulations and this does not allow for any discrimination in this respect. The majority of provision is co-educational and gender of the pupil is not an issue. However, there is one single sex boys school and one single sex girls school, both schools share the same catchment area serving the area of Sandbach thus ensuring sufficient parallel provision for boys and girls in the local vacinity		
Marriage & civil partnership	The Local Authority are bound by the School Admissions Code 2012 and		

	Regulations and this does not allow for any discrimination in this respect. Admissions to the schools are made following the published admission arrangements and over subscription criteria.All applications are considered against the over subscription criteria on a equal basis without reference to the marital status of the parent/carer		
Pregnancy & maternity	The Local Authority are bound by the School Admissions Code 2012 and Regulations and this does not allow for any discrimination in this respect. Admissions to the schools are made following the published admission arrangements and over subscription criteria. All applications are considered against the over subscription criteria on a equal basis without reference to the status of the parent/carer.		
Race	The Local Authority are bound by the School Admissions Code 2012 and Regulations and this does not allow for any discrimination in this respect. However, in some instances parents may be unsure as to how to secure a school place for their child. Translation services are available to assist parents who do not have English as their first language with their application.		
Religion & belief	The Local Authority are bound by the School Admissions Code 2012 and Regulations and this does not allow for any discrimination in this respect. Voluntary Aided Schools which are their own admission authorities may determine over subscription criterion based on faith grounds and in accordance with the regulations in the School Admissions Code 2012.		

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Sex	The Local Authority are bound by the School Admissions Code 2012 and Regulations and this does not allow for any discrimination in this respect.		
Sexual orientation	The Local Authority are bound by the School Admissions Code 2012 and Regulations and this does not allow for any discrimination in this respect.		
Carers	The Local Authority are bound by the School Admissions Code 2012 and Regulations and this does not allow for any discrimination in this respect. Children in public care or previously cared for child (as defined in section 22 of the Children Act 1989) continue to be given high priority for admission if the school is oversubscribed.		
Socio-economic status	The Local Authority are bound by the School Admissions Code 2012 and Regulations and this does not allow for any discrimination in this respect.		
Proceed to full impact assessment? (Please tick)	Yes	No √	Date 12 February 2014

If yes, please proceed to Section 3. If no, please publish the initial screening as part of the suite of documents relating to this issue

Section 3: Identifying impacts and evidence

This section identifies if there are impacts on equality, diversity and cohesion, what evidence there is to support the conclusion and what further action is needed

Protected characteristics	Is the policy (function etc….) likely to have an adverse impact on any of the groups? Please include evidence (qualitative & quantitative) and consultations	Are there any positive impacts of the policy (function etc….) on any of the groups? Please include evidence (qualitative & quantitative) and consultations	Please rate the impact taking into account any measures already in place to reduce the impacts identified **High:** Significant potential impact; history of complaints; no mitigating measures in place; need for consultation **Medium:** Some potential impact; some mitigating measures in place, lack of evidence to show effectiveness of measures **Low:** Little/no identified impacts; heavily legislation-led; limited public facing aspect	Further action (only an outline needs to be included here. A full action plan can be included at Section 4)
Age				
Disability				
Gender reassignment				
Marriage & civil partnership				
Pregnancy and maternity				
Race				
Religion & belief				
Sex				

Sexual orientation				
Carers				
Socio-economics				
Is this project due to be carried out wholly or partly by contractors? If yes, please indicate how you have ensured that the partner organisation complies with equality legislation (e.g. tendering, awards process, contract, monitoring and performance measures)				

Section 4: Review and conclusion

Summary: provide a brief overview including impact, changes, improvement, any gaps in evidence and additional data that is needed			
Specific actions to be taken to reduce, justify or remove any adverse impacts	How will this be monitored?	Officer responsible	Target date
Please provide details and link to full action plan for actions			
When will this assessment be reviewed?	When changes are proposed to the admission arrangements consultation must take place for at least 8 weeks between 1 November and 1 March. Where the admission arrangements have not changed from the previous year there is no requirement ot consult, subject to the requirement that admission authorities, must consult on their admission arrangements at least once every 7 years, even if there are no chnages during that period. However, all admission authorities , must determine their admission arrangements by 15 April each year, even if they have not changed from the previous years and a consultation has not been required.		

Are there any additional assessments that need to be undertaken in relation to this assessment?	No - Consultation has not been required this year as no changes to the determined 2014/2015 Admission Arrangements and Coordination Scheme have been proposed		
Lead officer signoff		Date	
Head of service signoff		Date	

Please publish this completed EIA form on your website

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School Name	School Status	Published Admission Number 2014	Indicative number (capacity)	Published Admission Number - Change for 2015
PRIMARY SCHOOLS				
Acton CE Primary School	Community	22	22	
Adlington Primary School	Community	15	15	
Alderley Edge Primary School	Community	30	29	
Ashdene Primary School	Community	60	60	
Audlem St James' CE Primary School	Voluntary Controlled	30	25	
Beechwood School	Community	45	42	
Bexton Primary School	Community	60	60	
Bickerton Holy Trinity CE Primary School	Voluntary Controlled	20	20	
Black Firs Primary School	Community	40	38	
Bollington Cross CE Primary School	Voluntary Controlled	25	22	
Bosley St Mary's CE Primary School	Voluntary Controlled	8	8	
Brierley Primary School	Community	30	30	
Broken Cross Community School	Community	30	30	
Buglawton Primary School	Community	30	29	
Calveley School	Community	15	15	
Chelford CE Primary School	Voluntary Controlled	9	8	
Cledford Primary School	Community	60	60	
Daven Primary School	Community	30	34	
Dean Oaks Primary School	Community	45	45	60
Dean Valley Community School	Community	30	30	
Disley Primary School	Community	30	30	
Edleston Primary School	Community	30	30	
Egerton Primary School	Community	30	30	
Elworth CE Primary School	Voluntary Controlled	40	40	45
Elworth Hall Primary School	Community	30	30	
Gainsborough Prmary & Nursery School	Community	60	60	
Gawsworth Primary School	Community	30	30	
Goostrey Community Primary School	Community	30	29	
Gorsey Bank Primary School	Community	60	60	
Haslington Primary School	Community	40	38	45
Havannah Primary School	Community	30	24	

School Name	School Status	Published Admission Number 2014	Indicative number (capacity)	Published Admission Number - Change for 2015
High Legh Primary School	Community	21	21	
Highfields Community Primary School	Community	30	30	
Hollinhey Primary School	Community	30	30	
Hungerford Primary School	Community	60	60	
Hurdsfield Community Primary School	Community	25	17	
Ivy Bank Primary School	Community	50	54	
Lindow Community Primary School	Community	30	30	
Little Bollington CE Primary School	Voluntary Controlled	15	15	
Lostock Hall Primary School	Community	21	21	
Lower Park School	Community	40	40	
Mablins Lane Community Primary School	Community	75	75	
Manor Park School and Nursery	Community	30	30	45*
Marlfields Primary School	Community	30	30	
Middlewich Primary School	Community	60	60	
Millfields Primary and Nursery School	Community	30	30	
Mobberley CE Primary School	Voluntary Controlled	20	20	30*
Monks Coppenhall Primary School	Community	60	60	
Nether Alderley Primary School	Community	15	15	
Offley Primary School	Community	45	45	60*
Peover Superior Endowed (Cont) Primary School	Voluntary Controlled	11	11	
Puss Bank Primary School	Community	50	60	60
Rainow Primary School	Community	25	25	
Rode Heath Primary School	Community	30	30	
Sandbach Community Primary School	Community	15	15	
Scholar Green Primary School	Community	30	25	
Shavington Primary School	Community	30	30	
Smallwood CE Primary School	Voluntary Controlled	20	18	
Sound and District Primary School	Community	19	19	
St Anne's Fulshaw, CE Primary School	Voluntary Controlled	19	19	
St Oswald's Worleston CE Primary School	Voluntary Controlled	12	7	
Styal Primary School	Community	17	15	
The Berkeley Primary School, Wistaston	Community	50	48	60

School Name	School Status	Published Admission Number 2014	Indicative number (capacity)	Published Admission Number - Change for 2015
The Dingle Primary School	Community	50	50	
The Marlborough Primary School	Community	60	60	
Underwood West Primary School	Community	60	67	
Upton Priory Primary	Community	60	60	
Vernon Primary School	Community	50	45	
Vine Tree Primary School	Community	30	30	
Weaver Primary School	Community	30	30	
Weston Village Primary School	Community	38	38	
Wheelock Primary School	Community	45	30	
Willaston Primary School	Community	30	30	
Wilmslow Grange Community Primary School	Community	30	30	45
Wistaston Church Lane Primary	Community	60	60	
Wrenbury Primary School	Community	20	20	
Wyche Primary School	Community	28	28	

PRIMARY SCHOOLS CONVERTING TO ACADEMY STATUS FROM 1.4.2014

School Name	School Status	Published Admission Number 2014	Indicative number (capacity)	Published Admission Number - Change for 2015
Hermitage Primary School	Community	30	30	
Mossley CE Primary School	Voluntary Controlled	55	50	60
Pear Tree Primary School	Community	30	30	

In the event that these schools do not convert to Academy Status on 1.4.2014 and determine Admission Arrangments
for 2015/16 as part of the Education Funding Agency's Funding Agreement the PAN shall be determined by the Local Authority.

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CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting:	1st April 2014
Report of:	Chief Operating Officer
Subject/Title:	Total Facilities Management (Forward Plan Ref: CE 13/14-85)
Portfolio Holder:	Cllr Peter Raynes, Finance

1.0   Report Summary

1.1   Cheshire East Council has a land and property portfolio worth over £600m; and a net operational property budget of £14,638,000.

1.2   Under Major Change Project 7.5 – Asset Major Change, the Council will be considering options for the future delivery of all property-related services building on the achievement of the Corporate Landlord model and the formation of the Development Company.

1.3   A number of facilities management contracts, which ensure buildings can continue to operate, are due to expire within the next 12 months. In order to ensure continuity of service it will be necessary to publish a contract notice in the OJEU (Official Journal of the European Union) for such works.

1.4   Linked to the wider project, this report deals with mechanisms that must be put in place to ensure that effective service delivery is maintained during this transformation process, with particular focus on Facilities Management, and to consider all options. Options considered, which can be seen in more detail later in this report, include:-

- Continue on an as is basis, with individual contracts in place for each facilities management service

- Increase the number of suppliers by putting in place a framework with multiple suppliers on the various lots to give SMEs the opportunity of tendering

- Reduce the number of contracts, by tendering integrated/bundled packages of work where there are clear synergies

- Enter into one Total Facilities Management contract

- Utilise the supply chain of the Stockport Strategic Property Partnership, if possible

1.5 The current arrangements for the delivery of facilities management services are through a variety of contracts, the largest being the response and cyclical maintenance contract. This contract expires on the 31 March 2015 and cannot be extended within EU Procurement Rules.

1.6 As a legacy of pre-corporate landlord delivery models, and in order to ensure compliance with the Council's financial and procurement regulations, a number of contracts are in place, many of which coincide, with end dates on or around 31 March 2015.

1.7 The transformation process mentioned in paragraph 1.2 and its implementation could extend beyond the March 2015 expiry date mentioned in paragraphs 1.4 and 1.5 and it is essential that a mechanism is in place to enable the Council to continue to effectively deliver facilities management services.

1.8 The value of the services required means that the following contracts would be subject to EU Procurement Rules, requiring a contract notice to be published in the OJEU (Official Journal of the European Union), such notice would be required early in April 2014 in order to be able to re-procure before the expiry date of the current contracts:-

- Response and Cyclical Maintenance
- Re-roofing and Refenestration
- Security
- Waste Management
- Asbestos Management
- Legionella Management

1.9 All these contracts, together with services currently undertaken internally, could be either procured as 'lots' by merging together various elements, or as a Total Facilities Management Contract. All potential services for inclusion in such a contract can be seen in Appendix 1.

1.10 Cabinet approval was given in December 2013 to further investigate the Strategic Property Partnership between Stockport Metropolitan Borough Council, Carillion and CBRE ("SSPP") to identify whether there is potential for Cheshire East Council to utilise this Contract, either at Partnership or Supply-Chain level. The investigation into this is continuing as the Partnership establishes it's Supply Chain. This will continue at the same time as initiating the OJEU procurement process outlined in paragraph 1.7. This will keep the Council's options open whilst also protecting its position by ensuring that a mechanism for facilities management services can be in place when the current arrangement expires.

2.0 Recommendations

2.1 That

2.2 Approval be given to publish a contract notice in the OJEU (Official Journal of the European Union).

2.3 Approval be given to the establishment of Facilities Management contracts or a Total Facilities Contract, should this be the most cost effective route following the tender process.

2.4 Delegated authority be awarded to the Chief Operating Officer, in consultation with the Portfolio Holder for Finance and Assets, to award contracts to providers meeting the requirements of the Contract/s.

2.5 Delegated authority be awarded to the Chief Operating Officer, in consultation with the Portfolio Holder for Finance and Assets, to abort the procurement, should the need for the Contract no longer be required.

2.6 Delegated authority be awarded to the Chief Operating Officer, in consultation with the Portfolio Holder for Finance and Assets, to utilise the Stockport Strategic Property Partnership on the basis of recommendations from Assets, Finance, Procurement and Legal Services.

3.0 Reasons for Recommendations

3.1 To ensure that the council examines options for alternative delivery models for asset-related services, whilst maintaining the short-term ability to secure value for money in the procurement and delivery of facilities management services.

3.2 To ensure that the commissioning of facilities management services complies with the Public Contracts Regulations 2006 and the Council's Finance and Contract Procedure Rules.

3.3 To explore all options for securing value for money in the delivery of facilities management services.

4.0 Wards Affected

4.1 All

5.0 Local Ward Members

5.1 All

6.0 Policy Implications

6.1 The recommendations in this report support the delivery of the council's priorities by ensuring that key compliant mechanisms are in place to enable the controlled delivery of facilities management services.

7.0 Financial Implications

7.1 The recommendations within this report support the delivery of facilities management services and ensure that the Contractor selected for the delivery of such services satisfies the requirements of the Council's Financial Rules and comply with EU requirements.

7.2 The proposed OJEU procurement process will be undertaken by Facilities Management officers supported by Procurement and Legal Services colleagues, therefore there are no external costs for this procurement. Significant officer time will not be required until August - Octoberat which time it should be apparent whether the Stockport option is beneficial. These procurement costs and the costs of accessing any other alternative contracts/frameworks will be taken into account in deciding whether to abandon this procurement in favour of other options, e.g., the Stockport Strategic Property Partnership.

8.0 Legal Implications

8.1 The current contracts for facilities management services are due to expire in March 2015 and cannot be extended further. Once the preferred options is known the service will need to ensure that any new contracts are procured in accordance with the Public Contracts Regulations 2006 ("the Regulations") and the Council's Finance and Contract Procedure Rules

8.2 The Facilities Management Service will be advised and will need to engage with Legal Services to ensure that the Council's duties under the Public Services Social Value Act, as it applies to contracts, are fulfilled. The Act requires the Council to:

- consider how what is proposed to be procured might improve the social economic and environmental well-being of the relevant area
-
- how in conducting a procurement process it may act with a view to securing that improvement

9.0 Risk Management

9.1 A failure to establish a contact/s for facilities management services through which these services can be provided will mean that each contract for each area of the service will need to be tendered individually. This is prohibitive both in terms of time and cost.

10.0 Background and Options

10.1 As part of the its business planning for 2014/15, the Council will be considering options for the future delivery of all asset-related services, building on the achievement of the Corporate Landlord model and the formation of the Development Company. These options will be outlined

in a future report to Cabinet and will take into account the imperatives with public sector reform and the objectives of Cheshire East Council to make better use of our operational and non-operational property portfolio.

10.2 It is envisaged that the full implementation of this piece of work to review strategic and operational asset management will continue throughout 2014/15 and possibly 2015/16 and will therefore require the maintenance of "Business as Usual" processes and procedures in the short-medium term, whilst ensuring that options for future major change are not compromised.

10.3 The delivery of both hard and soft facilities management has historically been provided through both internal and external resources. Such services include, but are not limited to:

Facilities Management	In House	External
• Hard & Soft FM planning & contract/framework management	✓	
• Property Helpdesk	✓	✓
• Maintenance Surveyors / property liaison	✓	
• Property Compliance – asbestos and legionella monitoring		✓
• Property Compliance – Fire risk assessments, access audits	✓	
• Energy Management	✓	
• Carbon Management / strategy	✓	
• Planned cyclical and responsive maintenance works		✓
• Reroofing & refenestration works		✓
• Cleaning Services	✓	
• Security Services		✓
• Mailroom Solutions	✓	
• Waste Management		✓
• Washroom Services		✓
• Window Cleaning		✓
• Janatorial Services	✓	
• Room booking/building management	✓	
• Office accommodation strategy	✓	
• Space/utilisation planning	✓	
• Move management delivery		✓

10.4 The largest of the contracts currently in place is the response and cyclical maintenance element, which covers both the operational and non-operational estate. This is a four year framework, which expires on 31 March 2015, with no option to extend.

10.5 As a result of the Corporate Landlord project, the Asset Management Service inherited a variety of contracts, many of which were non-

compliant. In order to rationalise the number of contracts, procurement exercises have taken place to ensure that the Council meets its financial and procurement regulations, whilst making savings through the new procurement route. Where possible, these contracts have been entered into with an end date to match that of the response and cyclical maintenance contract, enabling the Council to move towards a Total Facilities Management approach, should this be the desired route.

10.6   Approximately £3.3m per year is spent externally on facilities management services, which excludes any planned maintenance such as boiler replacement, reroofing and refenestration. Contract end dates and values can be seen in Appendix 3 attached.

10.7   A range of options for procuring facilities management services have been considered including:

  10.7.1   Option 1 – Maintain the status quo and re-procure each contract/framework separately
  10.7.2   Option 2 -   Increase the number of contracts by putting in place a preferred contractors list focussing, as far as is practicable, on local businesses
  10.7.3   Option 3 – Creation and procurement of integrated/bundled 'work packages' (see Appendix 2)
  10.7.4   Option 4 - Procure a single Total Facilities Management contract
  10.7.5   Option 5 - Enter into access agreements for existing frameworks, e.g. GPS Frameworks, Stockport Strategic Property Partnership (SSPP), etc.

10.8   Cabinet approval was given in December 2013 to further investigate the Strategic Property Partnership between Stockport Metropolitan Borough Council, Carillion and CBRE to identify whether there is potential for Cheshire East Council to utilise this Contract, either at Partnership or Supply-Chain level.

10.9   Whilst acknowledging the work that is taking place to consider a future operating for the whole of the previous Asset Management Service, and in the event that it is not possible to enter into the SSPP, it has been concluded an EU Procurement process should be undertaken. This will continue at the same time as initiating the OJEU procurement process to ensure business continuity. This will keep the Council's options open whilst also protecting its position by ensuring that a mechanism for facilities management services can be in place when the current arrangement expires

10.10 Having examined the options in 3, it has been concluded that the preferred option involve a tender process which should   identify integrated/bundled 'lots', with bidders being given the opportunity to offer a Total Facilities Management solution, if this demonstrates added cost and efficiency benefits.

10.11 It will be necessary to publish a contract notice in the OJEU (Official Journal of the European Union) in early April 2014 to ensure that the new arrangements are in place when the existing contracts expire, and allowing for a period of mobilisation.

10.12 Tender documentation would indicate a requirement that a local workforce should be considered and would include provision for Town and Parish Councils, wholly owned companies of the Council, schools, Academies and other community groups to access the Councils Framework on a direct relationship basis.

10.13 The option analysis process for facilities management identified that there is an opportunity to access existing frameworks, as follows:-

   10.12.1   Fusion 21 facilities Management framework – Lot 11 Total FM
             Fusion 21 is a Liverpool based company who specialise in
             Social Housing and Local Authority Procurement Services

   10.12.2   GPS Facilities management framework – Lot 2 Total FM
             Due to be in place Jan/Feb 2015 (high risk if delayed -
             potentially insufficient mobilisation period

10.14 The Stockport Partnership is currently in mobilisation stage and did not have supply-chains in place until February 2014. Whilst it is too early to be sure, it seems that this Partnership may have potential benefits for Cheshire East Council for a wide range of asset-related services, subject to Legal Services being satisfied that the Council can access this contract

10.15 Further investigation would be needed to identify whether the Stockport Partnership would be able to be fully accessed by the Cheshire East Council's Alternative Service Delivery Vehicles as they were not specifically named in the procurement process. It is therefore recommended that the Stockport Strategic Property Partnership is further explored by officers with due diligence undertaken and service delivery options explored at the same time as initiating the OJEU procurement process previously outlined. This will protect the Council's interests by ensuring that a mechanism for commissioning total facilities management services can be in place when the current arrangements expire.
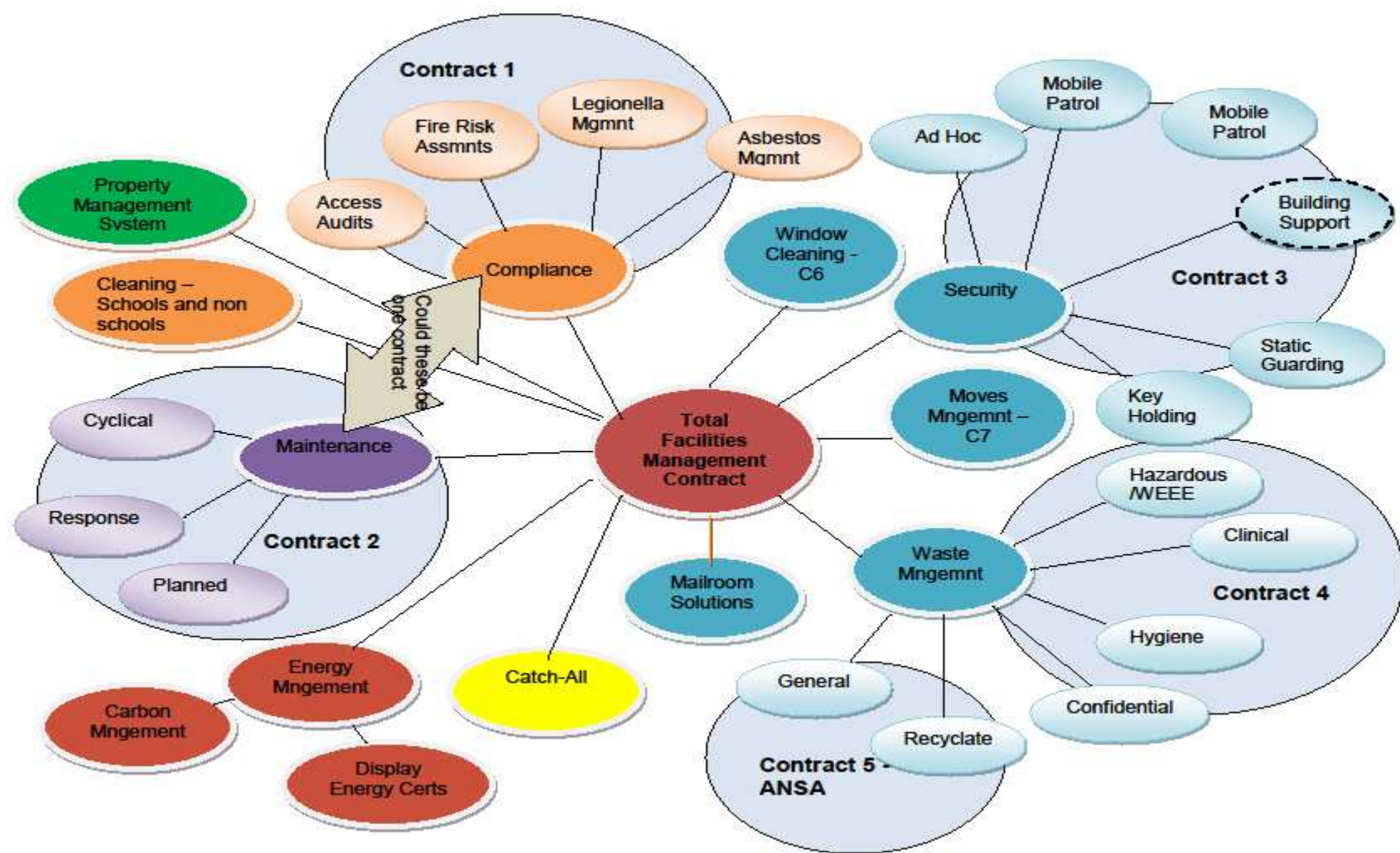
11.0   Access to Information

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

Name: Denise Griffiths
Designation: Facilties Manager
Tel No: 01270 686125
Email: denise.griffiths@cheshireeast.gov.uk

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Appendix 1 – Facilities Management Roadmap

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APPENDIX 2 – EXISTING CONTRACTS

Facilities Management	In-House	External	Supplier	Contract/Framework Expiry Date	Comment	Contract Value
						£,000
Hard & Soft FM planning & contract/framework management						
Property Helpdesk						
Maintenance Surveyors/Property Liaison						
Property Compliance - asbestos			AEC	Aug-14	None	250
Property Compliance - legionella			Hertel	Mar-15	In extension	1,250
Property Compliance - access audits						
Property Compliance - Fire safety						
Energy Management						
Energy Supply			WME			
Energy Compliance - Display Energy Certificates			Bewire			8
Water Supply			United Utilities	N/A		
Carbon Management / strategy						
Cyclical and Response maintenance works			Integral	Mar-15	None	9,000
Planned Maintenance - Boiler replacement					Through low value framework	
Planned Maintenance - Reroofing & refenestration works			Harry Fairclough	Jun-15		8,000
Cleaning Services - Schools						
Cleaning Services - Council buildings						
Security Services			Leisuresec	Mar-15	3 months	600
Mailroom solutions						
Waste Management - General waste & Recyclate			SITA	Aug-14	None	120

Facilities Management	In-House	External	Supplier	Contract/Framework Expiry Date		Contract Value
Waste Management - Confidential Waste			Restore Shred	Jan-15	3 months	16
Waste Management - Hazardous/WEEE					Currently through Integral contract	
Washroom Services			No contract in place			
Window Cleaning			Corwoods	Mar-15	Westfields & libraries only	2.5
Janatorial Services						
Building Management/Room booking						
Office accommodation strategy						
Space utilisation/planning						
Move management			The Removal Team	Mar-16	12 months	75

APPENDIX 3 – OPTIONS APPRAISAL

Option	Advantages	Disadvantages
Option 1 Maintain the status quo and procure each service area separately.	• Direct control over resources and priorities for services that remain in-house • Greater market choice • Ultimate competition achieved for every service area.	• Significant requirement for contract management and administration support • Provides no ongoing relationship across FM functions, so cannot develop a partnership approach with continuous improvement in line with Government Best Practice • Resources required to advertise and procure each service area • Inconsistency of approach • Fragmentation of provision increases the risk of gaps or duplication in service
Option 2 Increase the number of suppliers by putting in place a framework with multiple suppliers on the various lots to give SMEs the opportunity of tendering	• Direct control over resources and priorities for services that remain in-house • Greater market choice • Ultimate competition achieved for every service area. • Reduced contract management requirement • Opportunity to procure through local SME's	• Significant requirement for contract management and administration support • Provides little ongoing relationship, so difficult to develop a partnership approach with continuous improvement in line with Government Best Practice • Resources required to advertise and procure each work package • Some inconsistency of approach
Option 3 Creation and procurement of integrated/budled 'work packages' where there are synergies	• Direct control over resources and priorities for services that remain in-house • Greater market choice • Ultimate competition achieved for every service area. • Reduced contract management requirement	• Reduced, but still significant requirement for contract management and administration support • Provides little ongoing relationship, so difficult to develop a partnership approach with continuous improvement in line with Government Best Practice • Resources required to advertise and procure each work package • Some inconsistency of approach
Option 4 Creation of a wholly owned company, staff mutual etc	• Lack of competitive tension • Ability to offer services to other Local Authorities, Town and Parish Council, Schools etc to create an income. • Control over companies owned by the Council with any surpluses being recycled	• Increased requirement for administration support • Resources required to advertise and procure each service area • Substantial set up time and cost • Potential incentive to increase in-house staffing within the WOC.to increase company turn-over
Option 5 Single service provider, via own procurement (Total Facilities Management)	• A single point of contact • No delays in appointing at the earliest opportunity for each service • Ultimate opportunity to build partnership working with ongoing relationships and shared objectives	• Would need to attract the interest of large multi-disciplinary consultants/consortia able to provide the full range of services • Difficult to address complacency by the single provider when competitive tension is not present during the life of the contract • Significant procurement costs
Option 6 Strategic partner JV for the full range of asset management services	• Could provide a catalyst for wider outsourcing of Council asset management functions. • A neighbouring authority (Stockport Metropolitan Borough Council) has recently undertaken this route and there may be the ability for CEC to utilise that JV contract (needs further exploration) for a range of asset management support functions. Note: CEC are	• Long lead-in time including the requirement for a fundamental Service Review, staff consultation and subsequent OJEU Procurement • Similar transformational projects have required significant consultant support costing in the region of £500k • Usually undertaken as part of a large outsourcing initiative.

	named in the new Stockport Strategic Property Partnership.	
Option 7 Access other frameworks/ contracts via mini-competition	• Maintains competitive tension amongst framework service providers • Allows ability to directly appoint in certain circumstances • Potential for reduced costs by avoiding costly procurement	• Whilst frameworks exist that provide all services required and that CEC can easily access (e.g., government GPS framework, Stockport Strategic Property Partnership) timescales may be a risk • Framework consultant loyalty can be divided or skewed towards the "host" authority • Less chance than option 5 to build continuous improvement