

# Jobs, Regeneration and Assets Overview and Scrutiny Committee

## Agenda

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<b>Date:</b>	<b>Monday, 23rd November, 2015</b>
<b>Time:</b>	<b>2.00 pm</b>
<b>Venue:</b>	<b>Committee Suite 1,2 &amp; 3, Westfields, Middlewich Road, Sandbach CW11 1HZ</b>

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

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

1. **Apologies for Absence**

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

To approve the minutes of the meeting held on 19 October 2015

3. **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.

4. **Declarations of Party Whip**

To provide an opportunity for Members to declare the existence of a party whip in relation to any item on the Agenda

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

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For requests for further information

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**E-Mail:** [james.morley@cheshireeast.gov.uk](mailto:james.morley@cheshireeast.gov.uk) with any apologies

A total period of 15 minutes is allocated for members of the public to make a statement(s) on any matter that falls within the remit of the Committee.

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

Note: in order for officers to undertake any background, it would be helpful if members of the public notified the Scrutiny Officer listed at the foot of the Agenda at least one working day before the meeting with brief details of the matter to be covered.

6. **Crewe Town Centre Regeneration update**

To consider a briefing providing an update on the regeneration of Crewe town centre  
(documentation to follow)

7. **Skills and Growth ASDV** (Pages 5 - 10)

To examine a report on the creation of a new ASDV for Skills and Growth and provide comments for be submitted for consideration prior to a decision by the Regeneration and Assets Portfolio Holder

8. **Work Programme** (Pages 11 - 16)

To review the current Work Programme

**CHESHIRE EAST COUNCIL**

Minutes of a meeting of the **Jobs, Regeneration and Assets Overview and Scrutiny Committee**  
held on Monday, 19th October, 2015 at Committee Suite 1,2 & 3, Westfields,  
Middlewich Road, Sandbach CW11 1HZ

**PRESENT**

Councillor J Weston (Vice-Chairman in the chair)

Councillors D Bebbington, S Brookfield, L Durham and B Roberts

**Apologies**

Councillors H Wells-Bradshaw and C Browne

**8 MINUTES OF PREVIOUS MEETING**

RESOLVED - That the minutes of the meeting held on 20 July 2015 be approved as a correct record and signed by the Chairman.

**9 ALSO PRESENT**

Councillor Ainsley Arnold – Housing and Planning Portfolio Holder  
Councillor Don Stockton – Regeneration and Assets

**10 OFFICERS PRESENT**

Julian Cobley – Head of Investment  
John Willis - Inward Investment and Business Engagement Manager  
Jo Wise - Principal Planner - Major Projects

**11 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**12 DECLARATIONS OF PARTY WHIP**

There were no declarations of the existence of a party whip.

**13 PUBLIC SPEAKING TIME/OPEN SESSION**

There were no members of the public present who wished to speak.

**14 MACCLESFIELD TOWN CENTRE REGENERATION UPDATE**

Jo Wise provided presentation on the latest position in connection with proposals for the redevelopment Macclesfield Town Centre.

A long standing redevelopment scheme started by the former Macclesfield Borough Council was abandoned in April of this year when the proposed anchor tenant Debenhams withdrew from the scheme.

The current proposal involved two potential sites at Churchill Way and Duke Street for a new leisure led proposal. A process regarding the potential development of these two sites was currently for which submissions had to be made by 2 November 2015. .

Jo explained that there had been considerable interest expressed from a variety of potential developers in respect of both sites but due to commercial confidentiality, the identity of the potential developers could not be divulged at this point in time.

There were arrangements in place to consult widely on the proposals and Jo described the make-up of a stakeholder panel comprising representatives of local business, banks, retailers, civic society, brewery, members of the public etc. which had been set up following the abandonment of the Silk Street proposals.

In addition to the two proposals outlined above, there were also 4 public realm initiatives at Sparrow Park, the Gas Road underpass, the Bus station and Lower Mill Street.

Members sought assurances about the land sale method that the Council was pursuing and questioned whether the Council could maintain control of the development to ensure completion through this method.

Jo explained that although there was less control through this mechanism there would be a number of covenants included within the legal agreements between the Council and developer to ensure that the development would be completed in a timely manner.

RESOLVED – That the presentation be noted

### 15 **STRATEGIC ASSET MANAGEMENT PLAN IMPLEMENTATION PROCESS**

Julian Cobley gave an update on the progress of the Council's Asset Management plan which was approved by Cabinet in May 2015.

The Council's portfolio of land and buildings was currently valued at approximately £500 million and included buildings such as the Council's headquarters at Westfields, investment buildings, farms, business hubs and various land holdings.

The plan provided an overview as to the Council's reason for retaining each asset, and included a programme for disposal of assets no longer required by the Council. This was achieved under a rolling programme which helped to support the Council's capital programme through the generation of capital receipts and in the long term, reduced the Council's overheads.

In addition, the Council also acquired assets, where strategic development opportunities were available such as the Royal arcade at Crewe which was purchased for £6 million twelve months ago.

The Council co-ordinated its activity with colleagues across the public sector including health providers, police and fire and was increasingly using shared assets where possible.

In respect of this committee's involvement in the process to Manage the Council's assets, Julian suggested that there was a role for the committee to review progress by utilising an existing performance framework which identified key performance indicators to review t action plans in respect of acquisitions and disposals to ensure that the Council as delivering against its strategic targets.

RESOLVED –

- (a) That Julian Cobley be requested to circulate a copy of the acquisition and disposal plan to all members of the committee as soon as possible to provide background information on the scale of the plan before the committee commits itself to adding a piece of work in its work programme;
- (b) That the Director of... be invited to provide a briefing to the committee in November on proposals for the redevelopment of Crewe town centre;
- (c) That the Director be requested to also provide a briefing on the proposed Skills and Enterprise ASDV at the November meeting;

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### 16 BUSINESS ENGAGEMENT

The Committee considered a report of the Executive Director of Economic Growth & Prosperity informing members of the Council's recent activity to support 'Cheshire East's top 100 Investors.' This report followed on from a report on the same matter considered by the Committee on the 19th of December 2014.

Cheshire East's Top 100 Investors were defined as those existing companies that 'had the most significant impact on the boroughs economic prosperity.'

Cheshire East's Top 100 was determined by the number of employees (at site), company function and activity, turnover and recent growth. The composition of the Top 100 was reviewed on an annual basis. The top 100 companies employed 23% of the work force in Cheshire East.

The business engagement team co-ordinated the council's relationship with the companies and provided a single point of contact for the companies. At the present time, the Council had an active relationship with 39 of the top 100 companies.

He Committee was informed that the business engagement team was keen to increase the number of active relationships the Council had and was interested in exploring the possibilities of greater Member involvement in that process.

RESOLVED –

- (a) That the report be received;
- (b) That John Willis be invited back to the committee in 6 months' time to update the Committee with a further progress report to enable Members to assess how successful the new initiatives have been to improve the council's business engagement with the top 100 companies.

**17 WORK PROGRAMME**

The committee reviewed its work programme.

RESOLVED – That a presentation be provided on EON

The meeting commenced at 2.00 pm and concluded at 3.50 pm

Councillor (none)

## **CHESHIRE EAST COUNCIL**

### **REPORT TO: Jobs, Regeneration & Assets Overview and Scrutiny Committee**

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**Date of Meeting:** 23 Nov 2105  
**Report of:** Julian Cobley  
**Subject/Title:** Skills & Growth ASDV  
**Portfolio Holder:** Cllr Don Stockton

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#### **1.0 Report Summary**

- 1.1 Our traditional local authority skills model is not effectively addressing the current and future labour market demands and to this end, a unique opportunity has arisen to progress the Skills & Growth Company ASDV as a key delivery agent for the Council. The Skills and Growth ASDV will bring together key service functions from within the Council and then see a transformation over the next 5 years into a credible company operating with a much larger remit for the benefit of our residents and businesses.
- 1.2 The decision to proceed with the company was delegated by Cabinet (21 July) to the Portfolio holder for Regeneration and Assets who is scheduled to receive a detailed business case and make that decision on 7 Dec 2015. This report aims to brief this Committee with sufficient information to allow them to provide comments to further inform that decision

#### **2.0 Recommendation**

- 2.1 The Committee is recommended to:
  - 2.1.1 note the contents of the report
  - 2.1.2 submit any comments to the Regeneration and Assets Portfolio Holder for consideration

#### **3.0 Reasons for Recommendation**

- 3.1 To ensure that any decision taken by the Regeneration and Assets Portfolio Holder is fully informed

#### **4.0 Wards Affected**

- 4.1 All wards

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

- 5.1 All Members

## 6.0 Background

6.1 Following the 2008-2011 recession Cheshire East has experienced a sustained growth in employment and seen its GVA accelerate faster than other neighbouring local authorities and regions; however the skills agenda within the Council and sub region is not operating to its maximum and represents a huge area for future growth.

6.2 For all the economic good news within Cheshire East, there are a series of employment challenges facing the Borough's companies and acting as a barrier to unlocking higher productivity. These challenges include an ageing workforce, graduate retention, ensuring young people are work ready, equipping industry with the correct skills, lack of business engagement with colleges and universities, long term unemployment, pockets of deprivation in our towns and rural communities and accessing employment solutions for more difficult to engage with groups such as NEET's and adults with learning difficulties.

6.3 The Skills and Growth Company will be a national exemplar of best practice, a spearhead for skills and growth delivery in Cheshire East, aligning all employment related services to a common goal; to get people into work, increase their skills and ensure businesses thrive, creating jobs and growth opportunities. The Company has key actions over the next 5 years and will:

- Establish a recognised and trusted business, being the first port of call for skills and business growth needs
- Drive prosperity through business growth and investment within the Borough, generating year-on-year growth of new business rates
- Attract funding by way of government grants, subsidies and contracts
- Directly contribute to the creation of new jobs in high growth sectors per annum, which will provide an additional Gross Value Added (GVA)
- Turn a predicted loss to the council of £213k due to government grant cuts into a profit of £218k – a net benefit of £431k. It will do this from a range of activities including:
  - Management fees associated with securing grants and contracts
  - Commercialisation of business growth functions
  - Royalty payments from the sale of our proprietary Skills Management Information System
  - Finders fee for assets and lead generation campaigns for strategic assets
  - Commercialisation of project management services

## 7.0 Service Delivery

7.1 The services to be delivered by the company will be those currently delivered by the teams mentioned below, which employ some 34.1 FTE staff and have a combined budget of £2.1m.

- Major Projects
- Business Engagement & Inward Investment plus Rural Enterprise
- 14+ Skills and Lifelong Learning

7.2 There remains an aspiration to deliver apprenticeship, leaderships and talent services commercially should an opportunity arise from the review of Workforce Development team. Furthermore, the council may consider other services for inclusion of the company later, subject to any necessary approvals.

7.3 As part of its business plan the company will undertake the following activities including:

- Develop a skills and economic outcome plan for the borough to inform and shape skills and training need
- Work with the Borough's top strategic accounts and high growth SMEs per annum to establish growth and skills delivery plans
- Establish sectoral skills and growth boards to stimulate growth in high value sectors
- Lead a proactive and high profile communications and marketing campaign to raise the profile of the company
- Leverage the full council's resources to establish strong and agile relationships with schools, colleges, universities and skills providers
- Become a Registered Training Organisation securing funding to bid for services delivery contracts
- Accelerate delivery of the council's top strategic employment sites by stimulating market demand
- Provide a proactive service to help businesses get to grips with changes to the Skills and Apprenticeship system including Trailblazers, The Employee Levy, The Youth Obligation, Traineeships, work placements and much more
- Provide a single gateway service for growth and skills enquiries from businesses and residents and seek to increase apprenticeships – specifically at degree level

7.4 The Skills and Growth Company will be agile and fleet of foot to adapt to new business opportunities and maximise the impacts of changes to the skills regime. It will be managed by an experienced and competent Board of Directors and will co-opt representatives from the public and private sector onto the board to meet business priorities.

### **8.0 Other options**

8.1 A range of alternative delivery options were considered by a working party on 16 Oct 2015 using an appraisal tool developed by PWC. They concluded that the preferred option was to create a single wholly-owned company limited by shares.

8.2 The options considered were:

- No-change
- Keep it all in-house – but consolidated with all skills, employment and business engagement activities in one council team, including Work Choice and Community Learning delivery functions
- Keep it in-house with ethical walls. Distinctive roles for a provider neutral business engagement, skills/employment policy and research team; separate from any delivery functions (e.g. Work Choice and Community Learning).

- Keep policy/research/employer engagement functions in-house, set up delivery teams in an ASDV to manage risk, reduce overheads and enable more entrepreneurial management.
- Keep service delivery in-house and set up policy/research/employer engagement function teams in an ASDV to enable more entrepreneurial management. policy/research/employer engagement functions (NB: This option was a new one added at the workshop on 16 Oct)
- Create one ASDV for all policy, research, employer engagement and delivery functions
- Outsource to the commercial sector
- Any other options identified during the options appraisal workshop(s)
- Different company forms including:
  - Company Limited by Shares (CLS) – wholly owned by CEC
  - Company Limited by Guarantee (CLG) – wholly owned by CEC
  - Community Interest Company (CIC) limited by shares
  - Community Interest Company (CIC) limited by guarantee
  - Charitable Incorporated Organisation (CIO)
  - Industrial & Provident Society (IPS)
  - Co-operative/Mutual
  - Limited Liability Partnership (LLP)

### **9.0 Next Steps**

- 9.1 Subject to the necessary due diligence it is expected the Portfolio Holder for Regeneration and Assets will give approval on 7 December 2015 to establish the company. Shadow operation will commence from 1 January 2016, with full Go-Live 1 April 2016.
- 9.2 Following Portfolio Holder approval work will begin to negotiate an operating agreement between the Council and the company. It is expected that this will follow the same format as with previous ASDVs and will therefore include:
- Financial details which align with the Council's MTFS and budget setting process and which reflect the company's business plan.
  - A performance framework designed to measure both the company's financial performance and its contribution towards both its own declared objectives and those of the Council.
- 9.3 Staff and stakeholder engagement is recognised as a vital part of establishing the company. Informal briefings to staff, directors, members and other relevant parties have already begun, as has discussion with trades unions. These will continue throughout the set up and mobilisation of the company.

**10.0 Other details**

- 10.1 It is expected that the company will be based either in Crewe or Sandbach
- 10.2 In common with other council ASDVs it is planned that the company will buy-back relevant back office support services (e.g. HR, Finance, ICT) from the council

**11.0 Access to Information**

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

Name:	Julian Cobley
Designation:	Head of Investment
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## CHESHIRE EAST COUNCIL

### REPORT TO: Informal Jobs Regeneration and Assets Overview and Scrutiny Committee

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**Date of Meeting:** 23 November 2015  
**Report of:** Democratic Services  
**Subject/Title:** Work Programme update

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#### **1.0 Report Summary**

- 1.1 To review items in the 2015/16 Work Programme, to consider the efficacy of existing items listed in the schedule attached, together with any other items suggested by Committee Members..

#### **2.0 Recommendations**

- 2.1 That the work programme be received and noted.

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

- 3.1 It is good practice to agree and review the Work Programme to enable effective management of the Committee's business.

#### **4.0 Wards Affected**

- 4.1 All

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

- 5.1 Not applicable.

#### **6.0 Background and Options**

- 6.1 In reviewing the work programme, Members must pay close attention to the Corporate Priorities and Forward Plan.
- 6.2 Following this meeting the document will be updated so that all the appropriate targets will be included within the schedule.
- 6.3 In reviewing the work programme, Members must have regard to the general criteria which should be applied to all potential items, including Task and Finish reviews, when considering whether any Scrutiny activity is appropriate. Matters should be assessed against the following criteria:

- Does the issue fall within a corporate priority

- Is the issue of key interest to the public
- Does the matter relate to a poor or declining performing service for which there is no obvious explanation
- Is there a pattern of budgetary overspends
- Is it a matter raised by external audit management letters and or audit reports?
- Is there a high level of dissatisfaction with the service

6.4 If during the assessment process any of the following emerge, then the topic should be rejected:

- The topic is already being addressed elsewhere
- The matter is subjudice
- Scrutiny cannot add value or is unlikely to be able to conclude an investigation within the specified timescale

### **7.0 Access to Information**

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

Name: James Morley  
Designation: Scrutiny Officer  
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## Jobs Regeneration and Assets Overview and Scrutiny Committee – 13 November 2015

### Essential items

Item	Description/purpose of report/comments	Lead Officer/organisation/Portfolio Holder	Suggested by	Current position	Key Dates/Deadlines
Apprenticeships	To carry out a task group looking at how apprenticeships can be increased and how SMEs can be engaged	Peter Cavanagh Steve Bellairs Sue Malec	Committee	Scope drafted. 2 <sup>nd</sup> meeting held on 28 Oct	Next meeting TBA
S106 Agreements	To examine whether agreements are being managed well, if funds are used effectively and how are ward members engaged	David Malcolm Fiona Seddon	Committee	Requested data on current S106s. Chairman to propose T+F at Nov meeting	23 November
CIL	There is potential for the committee to assess whether CIL should be used by the Council	David Malcolm	Corporate Scrutiny Committee	Corporate agreed item to be added to the WP in Oct 15	On hold until an appropriate time
Cheshire East Engine of the North	To monitor the performance of EotN and whether it is delivering on its targets	Caroline Simpson	Committee	At Oct 15 meeting the Committee requested a report for a future meeting	TBA – potentially January 2016
Cheshire and Warrington LEP	To receive a briefing about the LEP and consider how a relationship with the Committee can be developed	Julian Cobley Aiden Manley	Committee	Approach to scrutiny of LEP to be developed, potentially as joint work with CWAC and Warrington	TBA
Skills and Growth ASDV	To monitor the implementation of Cabinet decision to set up new ASDV and have an input into its role and services	Julian Cobley	Committee	Report of the ASDV requested for Sept, deferred to Nov	23 November meeting Agenda 13 Nov

## Jobs Regeneration and Assets Overview and Scrutiny Committee – 13 November 2015

Regeneration of Towns and Villages	To assess the regeneration needs of Cheshire East's towns and villages	Julian Cobley	Committee	Agreed at workshop	TBA
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### Monitoring Items

Item	Description/purpose of report/comments	Lead Officer/organisation/Portfolio Holder	Suggested by	Current position	Key Dates/Deadlines
High Growth City Project	A task and finish group conducted a review to help council prepare for the potential impact of Crewe being part of HS2 and submitted a report to Cabinet with recommendations.	C Simpson K Tierney A Ross	Chairman	TG report submitted to Cabinet 11 Feb. Response to recommendations requested.	Date to receive response to be agreed
Cheshire Neighbours Credit Union	To monitor the progress of the credit union following the reward of a further grant, subject to required actions, by the Cabinet	Sharon Angus Crawshaw CNCU	Committee	Cabinet agreed funding in Sept 15. Committee to consider monitoring	TBA
Business Engagement	Monitor engagement with Top 100 business in CE. Consider how CE supports SMEs (high growth). How do we stimulate the market and enable development	John Willis	Committee	Report received in October. Update requested in six months	25 April 2016 meeting Agenda 15 April
Strategic Asset Management Plan	To monitor the implementation of SAMP and the transfer of surplus assets	Heather McManus	Committee	Report received in October. Implementation plan for strategy requested	Future meetings to be considered

## Jobs Regeneration and Assets Overview and Scrutiny Committee – 13 November 2015

Macclesfield Town Centre Regeneration	To receive a paper about the strategy for the town and potential risks and ongoing issues	Jo Wise	Caroline Simpson	Presentation received at October meeting	
Crewe Town Centre Regeneration	To receive a briefing about the regeneration framework for Crewe Town Centre	Jez Goodman	Committee	Committee requested briefing	23 Nov meeting Agenda 13 Nov
HS2	To receive an update on developments	Caroline Simpson/Andrew Ross	Committee	Agreed at workshop	2016
Local Plan	Monitor site allocations, housing delivery and impact on regen and other strategies	Adrian Fisher	Committee	Agreed at workshop	TBA

### Possible Future/ desirable items

- End to End Planning Process
- Homelessness Task Group – postponed in sept 15
- Civicance progress report – Jan 2016

### Dates of Future Committee Meetings

23 November, 18 January 2016, 21 March

### Dates of Future Informal Meetings

14 December, 22 February 2016, 25 April

### Dates of Future Cabinet Meetings

8 December, 12 January 2016, 9 February, 8 March, 12 April, 10 May

### Dates of Future Council Meetings

17 December, 25 February 2016, 18 May

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