

Cabinet Agenda

Date: Tuesday, 8th September, 2020

Time: 1.00 pm

Venue: Virtual Meeting

For anybody wishing to view the meeting please click on the link below:

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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 in the report.

It should be noted that Part 1 items of Cheshire East Council decision-making meetings are audio recorded and the recordings are uploaded to the Council's website.

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 - Virtual Meetings**

In accordance with paragraph 3.33 of the Cabinet Procedure Rules, 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 Cabinet. Individual members of the public may speak for up to two minutes. The Chairman or person presiding will have discretion to vary this requirement where he/she considers it appropriate.

Members of the public wishing to ask a question or make a statement 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 - Virtual Meetings**

A period of 20 minutes is allocated for questions to be put to Cabinet Members by members of the Council. A maximum period of two minutes will be allowed for each member wishing to ask a question. The Leader will have discretion to vary this requirement where he considers it appropriate. Members wishing to ask a question at the meeting should register to do so in writing by not later than 4.00 pm on the Friday in the week preceding the meeting. Members should include the general topic their question will relate to and indicate if it relates to an item on the agenda. Questions must relate to the powers, duties or responsibilities of the Cabinet. Questions put to Cabinet Members must relate to their portfolio responsibilities.

Where a question relates to a matter which appears on the agenda, the Leader may allow the question to be asked at the beginning of consideration of that item.

5. **Minutes of Previous Meeting** (Pages 5 - 16)

To approve the minutes of the meeting held on 7th July 2020.

6. **Covid-19 - Update on Response and Recovery** (Pages 17 - 50)

To consider a further update on the work that has been undertaken in response to the pandemic and on the work being undertaken to support the recovery from the pandemic.

7. **Brooks Lane (Middlewich) Development Framework Supplementary Planning Document** (Pages 51 - 162)

To consider a report which seeks approval to adopt the Brooks Lane (Middlewich) Development Framework as a Supplementary Planning Document.

8. **Digital Cheshire** (Pages 163 - 180)

To consider a report on a three-year programme of activity to enhance access to digital technology in Cheshire.

9. **Regional Adoption Agency - Adoption Counts** (Pages 181 - 188)

To consider a report which seeks approval to enter into an arrangement with the Regional Adoption Agency, Adoption Counts.

10. **Proposed Expansion of Wilmslow High School - Authority to Enter into a Construction Contract** (Pages 189 - 198)

To consider a report which seeks approval to enter into a construction contract for works at Wilmslow High School.

11. **Microsoft Licence Agreements** (Pages 199 - 210)

To consider a report which proposes that the Council's agreements for Microsoft Licences be aligned where appropriate and that a single contract be awarded to a Microsoft Licence Reseller.

12. **Capital, Investment and Treasury Management Strategies Annual Review 2019/20** (Pages 211 - 258)

To consider a review of the Capital, Investment and Treasury Management Strategies for the 2019/20 financial year.

13. **Schedule of Urgent Decisions taken on behalf of Cabinet and Council** (Pages 259 - 262)

Details of urgent decisions taken, for information.

THERE ARE NO PART 2 ITEMS

Membership: Councillors C Browne (Vice-Chairman), S Corcoran (Chairman), L Crane, K Flavell, T Fox, L Jeuda, N Mannion, J Rhodes, A Stott and M Warren

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CHESHIRE EAST COUNCIL

Minutes of a virtual meeting of the **Cabinet**
held on Tuesday, 7th July, 2020

PRESENT

Councillor S Corcoran (Chairman)
Councillor C Browne (Vice-Chairman)

Councillors L Crane, K Flavell, T Fox, L Jeuda, N Mannion, J Rhodes and
A Stott

Councillors in attendance

Councillors S Akers Smith, R Bailey, M Beanland, M Benson, D Brown,
J Buckley, C Bulman, R Burkhill, J Clowes, T Dean, H Faddes,
J P Findlow, R Fletcher, L Gilbert, A Harewood, M Houston, D Marren,
A Moran, J Parry, B Puddicombe, J Saunders, M Simon, J Smith, D Stockton,
L Wardlaw, J Weatherill, P Williams and N Wylie

Officers in Attendance

Lorraine O'Donnell, Chief Executive
Frank Jordan, Executive Director Place
Mark Palethorpe, Executive Director People
Jane Burns, Executive Director Corporate Services
Jan Bakewell, Director of Governance and Compliance
Alex Thompson, Director of Finance and Customer Services
Paul Mountford, Executive Democratic Services Officer
Brian Reed, Head of Democratic Services and Governance

Apologies

Councillor M Warren

The Leader was proud to announce that Cheshire East Council had one of the strongest records of maintaining its public meetings during the current public health emergency. He was grateful to members for their willingness to adapt to remote meetings and he placed on record his thanks to officers for the extensive support and planning that had been involved.

The Leader announced that Jan Bakewell, Director of Governance and Compliance and the Council's Monitoring Officer, would be leaving the Council at the end of July. He thanked Jan for her work at Cheshire East Council. Jan in turn thanked members and officers for their support during her time at Cheshire East.

The Leader announced the following appointments to ASDV directorships, which he had made, in consultation with the Deputy Leader, in accordance with the authority delegated to him by Cabinet on 11th June 2019:

- Councillor Q Abel had been appointed to the Board of Tatton Park

Enterprises.

- Councillor Q Abel had been appointed a Director of Transport Service Solutions.
- Councillor M Hunter had moved from Transport Service Solutions to become a Director of Ansa.

11 DECLARATIONS OF INTEREST

There were no declarations of interest.

12 PUBLIC SPEAKING TIME/OPEN SESSION - VIRTUAL MEETINGS

Matthias Bunte of Cycling UK Sandbach referred to the Council's decision to review the downgrade of a proposed toucan crossing to a pedestrian refuge on the Middlewich Road at School Lane/Vicarage Lane in Sandbach and asked that the review consider the needs of pedestrians, cyclists, users of mobility scooters and wheelchairs, as well as drivers.

The Portfolio Holder for Highways and Waste thanked Mr Bunte for his question, noting the considerable amount of background information that had been provided to accompany the question. This had been shared with officers, so that it could inform their approach to the issue. The review would establish the details of crossing facilities to be implemented at the location.

Sue Helliwell referred to an application for a housing development in Alsager, ref. 11/4109, which provided that £93,050 of S106 money would go towards footpath FP26, which stopped at the bridge and did not continue down the steps towards Alsager Train Station. She asked if the Council would confirm that it would be adopting the rest of the footpath, which had been used by residents for a good number of years.

The Portfolio Holder for Highways and Waste responded that the Council was in discussion with Network Rail regarding the status of the footpath. The Public Rights of Way team were aware of the S106 funds that would become available when the trigger point for the development in question was met and would be working up a scheme to improve the footpaths in that area. The team would be pleased to discuss the proposals with Mrs Helliwell.

13 QUESTIONS TO CABINET MEMBERS - VIRTUAL MEETINGS

Councillor R Bailey referred to the Council's active travel scheme and asked for confirmation that Audlem Parish Council, as one of the first to respond to the consultation, was being considered for active travel interventions. She also sought clarification on the timetable for the measures to be introduced, having regard to the school holiday period.

The Portfolio Holder for Highways and Waste responded that numerous town and parish councils had submitted recommendations in response to the Council's consultation and that the first tranche of measures would be released by the end of the month. Further information would be available shortly.

Councillor M Beanland asked for a detailed explanation of the figure of £70M quoted as the additional expenditure incurred by the Council in relation to the Covid pandemic.

The Portfolio Holder for Finance, IT and Communication responded that overview and scrutiny committees, and the shadow cabinet, had received regular briefings on the matter and that the Council was working well given the uncertainty involved and a lack of clarity on government funding. The Leader added that schools were to return from September and that the need for social distancing would have a significant impact on the cost of school transport. He also suggested that the returns submitted by local councils to the government on Covid-related expenditure should be made public.

Councillor J Buckley asked why 114 businesses had not been successful in their applications for business rate support grant.

The Portfolio Holder for Environment and Regeneration replied that the businesses in question fell outside the eligibility criteria under phase 1 of the scheme. Those businesses would be carried forward to phase 2 for review without their having to re-apply.

Councillor J Clowes referred to the recommendations of the Council's overview and scrutiny committees and the Audit and Governance Committee that a sub-group of the Corporate Scrutiny and Audit Committees be established to examine Council finances during the Covid-19 crisis in order to provide a sound evidence-base for the effective lobbying of Central Government. Councillor Clowes commented that the Council had not acted on the recommendations. She asked that her comments be minuted in full to place on record that Members had sought to fulfil their audit and scrutiny functions in the matter but had been denied the opportunity to do so.

The Leader responded that the meeting was being recorded and therefore all questions were on the record. At the Leader's invitation, the Chief Executive referred to a request she had received from Councillor Clowes for an additional body to be set up to review Covid-related expenditure. The Chief Executive had reluctantly declined the request in view of the significant pressures officers were already facing at this time. She had also suggested alternative routes for providing information to help inform the Covid-related reports coming to Cabinet.

Councillor L Gilbert asked why the police could not be provided with copies of the traffic regulation orders for 129 locations across the Borough.

He also referred to the Government's proposal to relax some planning controls and asked if the Council had considered the implications of this and had made representations to the Government.

With regard to the question on traffic regulation orders, the Portfolio Holder for Highways and Waste undertook to provide a written response. The Deputy Leader added that many of the orders had been served under predecessor authorities and were held in archives that were either unknown to or unavailable to the Council.

With regard to the question on planning controls, the Portfolio Holder for Planning replied that further details were awaited and the Council was monitoring the situation closely.

Councillor J Saunders referred to an additional £10M of Covid-related expenditure ostensibly to cover the cost of providing home to school transport. She asked for details of the original budget for home to school transport and an explanation for the increase in costs.

The Portfolio Holder for Children and Families responded that this was a projection and that the Council was undertaking parental surveys to establish the likely demand for the service. There was also work underway to try to mitigate some of the costs. She undertook to provide a more detailed response.

Councillor M Simon asked if the Council's policy on not allowing mirrors to be placed on the highway could be reviewed and for each request for a mirror to be considered on its merits.

The Portfolio Holder for Highways and Waste responded that the Council was reviewing all of its highways policies and that she would give Councillor Simon an update when a firm date had been established.

Councillor D Stockton commented that it appeared that the Handforth Garden Village now had a larger footprint than was previously the case. He asked if the Council was proposing a reduction in the public open space to support the further provision of homes and, if so, what the effect would be on local infrastructure and whether there were plans to put this in place before development.

The Portfolio Holder for Environment and Regeneration responded that there were no proposals to use open space in the Council's or any other ownership to provide social or affordable housing. In addition, any housing proposals relating to Council-owned land would have to go through the usual planning process and were subject to the Local Plan.

Councillor P Williams referred to an unadopted path in the vicinity of the level crossing on Sandbach Road South/Audley Road, Alsager which had been used by residents following the recent closure of the crossing due to an accident. Councillor Williams asked if it would be possible for Cheshire

East to adopt and maintain the path and other pathways in that area to bring about improvements. He also referred to a number of recent notifications of significant planning applications in the Alsager area which had been either not been delivered or been misdirected. He asked if in future such notifications could be given by email as well as by post.

The Portfolio Holder for Highways and Waste advised that members could progress the adoption of footpaths through the Members Enquiry Service.

The Portfolio Holder for Planning advised that a weekly list of planning applications was produced and that members should inspect this to ensure that they were being notified of planning applications in their area for which they should have received separate notification as a matter of course.

Councillor N Wylie referred to the return to school of Year 6 primary school children with effect from 29th June and asked what percentage of children had actually attended school. She also asked if the Council was providing assistance to those unable to attend.

The Portfolio Holder for Children and Families responded that 2,364 Year 6 children had returned to school and the Council was offering assistance where social distancing requirements had made this difficult for schools. She undertook to provide further details in writing. The Leader added that the Government's rules currently prevented nearby buildings such as church halls from being used by schools to alleviate the problem and he urged members to make representations to the Government.

Councillor D Brown expressed disappointment that the Nantwich Show had lost its cheese stand to Staffordshire. He asked what action had been taken to try to prevent this loss of tourism in Cheshire and what further action was now being considered.

The Portfolio Holder for Environment and Regeneration agreed that this was disappointing and he undertook to provide a written response.

Councillor T Dean referred to the chaotic situation with Cheshire East Council car parks in Knutsford and elsewhere as a result of the re-introduction of charges. Many of the pay machines were not working. Where machines were working, massive queues were forming due to the slowness of the card payment system. Councillor Dean asked that the charges be removed for a further period to help local businesses and to give officers time to bring all the pay machines back into operation, if possible with a cash payment option to prevent queues. Councillor Dean did not wish to receive an answer at the meeting as he felt it required careful thought.

Councillor D Marren commented that shoppers and shop owners in Nantwich were unhappy with the banning of cash in car parking machines. Many people did not have contactless cards for payment and others did not understand how the machines worked. Fewer people were therefore

visiting the town and this was damaging business income. Councillor Marren asked if the equality impact assessment that accompanied the decision to go cashless could be published. He also asked if the Council would consider re-introducing cash payments as he felt that the cashless policy was discriminatory.

The Portfolio Holder for Highways and Waste responded that the equality impact assessment did not find that any particular group was discriminated against. Cash handling by staff had also been a consideration. However, the situation was under constant review. The Deputy Leader added that this was a policy that had been forced upon the Council by Covid and the safety of staff handling cash had to be considered. The Council would seek to rescind the policy when it was able to do so.

14 MINUTES OF PREVIOUS MEETING

RESOLVED

That the minutes of the meeting held on 9th June 2020 be approved as a correct record.

15 COVID-19 - UPDATE ON RESPONSE AND RECOVERY

Cabinet considered an update on the work undertaken in response to the current national and international public health emergency on COVID-19. The report also provided an update on the projected financial impact on the Council, the work undertaken to support communities and businesses in the Borough and the plans the Council was developing to support longer-term recovery from the pandemic.

RESOLVED

That Cabinet

1. notes the issues outlined in the report;
2. notes the financial implications of COVID-19 to date and the ongoing lobbying to press for the Government to fund the total financial impact of the pandemic on Cheshire East Council;
3. notes that a detailed report on the financial impact on the agreed budget for 2020/21 will be presented to a forthcoming Cabinet meeting; and
4. notes the content of the Outbreak Plan for Cheshire East that was published on 30th June on the Council's website.

16 NOTICE OF MOTION - PAVEMENT PARKING

Cabinet considered a report in response to the following Notice of Motion which had been moved by Councillor S Akers Smith and seconded by Councillor S Brookfield at the Council meeting on 17th October 2019 and referred to Cabinet for consideration:

“This Council requests that Cabinet give consideration to developing a Borough wide policy on pavement parking and a separate Borough wide policy on pavement obstruction, which should be sufficiently flexible to recognise the varied needs and demands within different areas of the Borough. Council further calls on the Cabinet to bring a draft policy on pavement parking to a future meeting of Full Council for debate.”

Councillor Akers Smith spoke on the motion.

RESOLVED

That Cabinet

1. agrees that any new approach to restricting pavement parking in the Borough be informed by the Department for Transport's review of current practice and the procedures for making and enforcing Traffic Regulation Orders; and
2. agrees that Cheshire East Council respond to the forthcoming DfT consultation with evidence, including that provided as background to the Notice of Motion to Council, the details of the response to be delegated to the Director of Highways and Infrastructure in consultation with the Portfolio Holder for Highways Waste.

17 WILMSLOW AND CREWE WALKING AND CYCLING SCHEMES

Cabinet considered a report on the delivery of walking and cycling schemes in Wilmslow and Crewe, details of which were set out in the report.

RESOLVED

That Cabinet

1. approves the delivery of the A530 scheme in Crewe and the Wilmslow Strategic Walking and Cycling Scheme through the Highway Service Contract, subject to £1.6m of Local Growth Funding being received from Cheshire and Warrington Enterprise Partnership and that Ringway Jacobs' target costs for the schemes satisfy the Council's best value requirements;

2. authorises the Director of Highways and Infrastructure, in consultation with the Portfolio Holder with responsibility for Strategic Transport and the Portfolio Holder for Highways and Waste, to take all necessary actions to implement the two schemes; and
3. approves the preparation of a Compulsory Purchase Order (CPO) in respect of land and/or rights required to deliver the A530 Scheme, where such land and/or rights cannot be acquired by agreement; and that in the event that a CPO is required, Cabinet authority to make the Order be sought at that stage.

18 MIDDLEWICH EASTERN BYPASS - APPROVAL TO PROCEED WITH THE USE OF CPO POWERS

Cabinet considered a report which sought approval to proceed with the use of compulsory purchase powers in connection with the Middlewich Eastern Bypass.

RESOLVED

That Cabinet

1. confirms that the acquisition of the land identified on the Order Map attached to the report is necessary for highway purposes;
2. approves the draft Statement of Reasons and the draft Order Map both substantially in the form annexed to the report for the purposes of the Compulsory Purchase Order but delegates to the Director – Infrastructure and Highways, in consultation with the Director of Governance and Compliance, authority to modify them as necessary;
3. approves the draft SRO Plans substantially in the form annexed to the report for the purposes of the Side Roads Order and delegates to the Director – Infrastructure and Highways, in consultation with the Director of Governance and Compliance, authority to modify them as necessary;
4. authorises the Director – Infrastructure and Highways, in consultation with the Director of Governance and Compliance, to determine the form and contents of the Schedules (“the Schedules”) necessary as part of the CPO to identify the land contained within the Order Map;
5. authorises the Director of Governance and Compliance to make The Cheshire East Council (Middlewich Eastern Bypass) Compulsory Purchase Order 2020 (“the CPO”) pursuant to Section(s) 239, 240, 246, 250 and 260 of the Highways Act 1980, Schedule 3 to the Acquisition of Land Act 1981 and all other powers as appropriate for the purpose of acquiring the land and interests shown on the Order Map and described in the Schedules (or such lesser area of land should this in his opinion be appropriate) to facilitate the construction of

the Scheme, and that the Common Seal of the Council be affixed to the CPO and to the Order Map;

6. authorises the Director of Governance and Compliance to make The Cheshire East Borough Council and Cheshire West and Chester Borough Council (Middlewich Eastern Bypass) (Classified Road) (Side Roads) Order 2020 ("the SRO") under Sections 8, 14 and 125 of the Highways Act 1980 and all other necessary powers to improve, stop up existing highways, stop up and/or amend private means of access and provide replacement private means of access, and construct lengths of new highway as required to deliver the Scheme;
7. authorises the Director – Infrastructure and Highways, in consultation with the Director of Governance and Compliance, to make any amendments necessary to the contemplated CPO and/or SRO ("the Orders") arising as a result of further design work or negotiations with landowners or affected parties or for any connected reasons in order to enable delivery of the Scheme;
8. authorises the Director of Governance and Compliance to advertise the making of the CPO and the SRO ("the Orders") to comply with all associated requirements in respect of personal, press and site notices, and to take all other relevant action thereon to promote the confirmation of the Orders;
9. agrees that in the event that no objections are received to the CPO, or if any objections made are subsequently withdrawn, or the Director of Governance and Compliance certifies that they may be legally disregarded, the Director of Governance and Compliance be authorised to obtain the appropriate Certificate under Section 14A of the Acquisition of Land Act 1981 enabling the Council to confirm the CPO as made;
10. agrees that in the event that relevant objections are received to the Orders (or any of them) and are not withdrawn, or that modifications are made to the Orders, the Director of Governance and Compliance be authorised to submit the Orders to the Secretary of State with a request that they be confirmed in the required form;
11. agrees that in the event that any Public Inquiry is convened to consider objections to the Orders (or any of them), the Director – Infrastructure and Highways be authorised, in consultation with the Director of Governance and Compliance, to prepare and submit such evidence as is necessary in support of the Orders, including enlisting the assistance of outside consultants and Counsel to assist in the preparation and presentation of such evidence;
12. agrees that as soon as the Orders (or any of them) have been confirmed and become operative, the Director of Governance and Compliance be authorised to comply with all associated requirements

in respect of personal and press notices and to make and give notice of a General Vesting Declaration under the Compulsory Purchase (Vesting Declarations) Act 1981 and/or Notices to Treat and Notices of Entry in respect of those properties to be acquired compulsorily;

13. authorises the Head of Estates to negotiate terms and to acquire land and rights required for the Scheme by agreement and to instruct the Director of Governance and Compliance to negotiate and enter into the legal agreements necessary to complete such acquisitions including, but not limited to, licences, transfers, easements, deeds of release, land management agreements, settlement agreements and agreements entered into pursuant to Section 253 of the Highways Act 1980 for the purpose of mitigating any adverse effect which the construction, improvement, existence or use of the highway has or will have on the surrounding of the highway;

14. authorises the Head of Estates to negotiate and approve the payment of any compensation and any relevant and reasonable professional fees incurred by landowners and others with compensatable interests in taking professional advice in connection with the acquisition of their interests required for the Scheme and to negotiate, approve and document by way of settlement or other legal agreement payment of all related compensation claims in advancing the development or implementation of the Scheme, including the settlement of any claims made pursuant to Part 1 of the Land Compensation Act 1973;

15. agrees that in the event that any question of compensation in respect of such interests or rights is referred to the Upper Tribunal (Lands Chamber) for determination, the Director of Governance and Compliance be authorised to take all necessary steps in relation thereto including settlement of such proceedings if appropriate, advising on the appropriate uses and compensation payable and issuing the appropriate certificates and appointing Counsel (where required) to represent the Council in respect of any such reference; and

16. authorises the Council to enter into an agreement with Cheshire West and Chester Council pursuant to section 8 of the Highways Act 1980 facilitating the transfer of functions of Cheshire West and Chester Council's highway powers and duties in relation to that land which falls within the administrative boundary of Cheshire West and Chester Council and as is required for delivery of the Scheme.

19 APPROPRIATION FOR PLANNING PURPOSES OF LAND AT THE GARDEN VILLAGE, HANDFORTH

Cabinet considered a report on the appropriation for planning purposes of land at the Garden Village, Handforth.

RESOLVED

That Cabinet

1. authorises the advertising of the Council's intention to appropriate for planning purposes any part of the Open Space Land in accordance with the requirements of section 122(2A) of the Local Government Act 1972;
2. authorises the Director of Growth and Enterprise to consider any objections which may be received and to make a recommendation as to whether or not appropriation of any part of the Open Space Land should proceed;
3. subject to the proper consideration by the Director of Growth and Enterprise of any objections received in response to the advertising of the Open Space Land in 2 above, authorises the Council to proceed with the appropriation of the Council Land pursuant to section 122(1) of the Local Government Act 1972;
4. delegates authority to the Director of Growth and Enterprise, in consultation with the Director of Governance and Compliance and the Section 151 Officer, to negotiate and enter into agreements with third parties in order to secure the modification or release of the Rights (and the grant of new rights) which may otherwise be an impediment to the development of the Garden Village; and
5. failing such agreements being reached, delegates authority to the Director of Growth and Enterprise, in consultation with the Director of Governance and Compliance and the Section 151 Officer, to deal with the settlement of any claims for compensation made pursuant to section 204 of the Housing and Planning Act 2016 that may arise by virtue of the operation of the overriding power contained in section 203 of that Act.

20 LEVEL ACCESS SHOWERS FRAMEWORK

Cabinet considered a report on the procurement of level access showers on behalf of residents with disabilities.

RESOLVED

That Cabinet

1. approves the procurement and establishment of a Framework to commission level access shower works on behalf of residents with disabilities; and
2. delegates authority to the Executive Director Place, in consultation with the Portfolio Holder for Environment and Regeneration, to award and

enter into a Framework Agreement with a single supplier who meets the procurement criteria and requirements of the Framework.

The meeting commenced at 1.00 pm and concluded at 3.39 pm

Councillor S Corcoran (Chairman)



Working for a brighter future together

Key Decision: Y

Date First

Published: 31/07/20

Cabinet

Date of Meeting: 8 September 2020

Report Title: Covid-19 – Update on Response and Recovery

Portfolio Holder: Cllr Sam Corcoran - Leader of the Council

Cllr Craig Browne - Deputy Leader of the Council

Senior Officer: Lorraine O'Donnell - Chief Executive

1. Report Summary

- 1.1. Cabinet have received reports in June and July on how the Council, working with its partners, continues to respond to the COVID-19 pandemic.
- 1.2. This report provides a further update of the work that has been undertaken in response to this national and international public health emergency.
- 1.3. In addition, this report provides a further update on the work being undertaken to support the recovery from this pandemic.
- 1.4. Furthermore, the report provides a more detailed update on the financial impact the pandemic has had on the council to date. The financial impact is significant and represents additional expenditure and losses in income compared the 2020/21 Budget, which was balanced when set in February 2020.
- 1.5. The report includes the government funding received to date in response to the financial pressures faced by local authorities. This comprises both un-ringfenced funding and funding provided for specific purposes.
- 1.6. The financial implications of COVID-19 are likely to affect the Council's Medium-Term Financial Strategy for several years. This report identifies financial allocations of funding to date but also identifies possible mitigating actions required to manage the future financial strategy.

2. Recommendations

2.1. That Cabinet:

- 2.1.1. Notes the issues outlined in the report;
- 2.1.2. Notes the significant financial implications relating to COVID-19 as detailed in Section 7 and Appendix 1; and
- 2.1.3. Continues to lobby to press the Government to fund the total financial impact of the pandemic on Cheshire East Council.

3. Other Options Considered

- 3.1. Not applicable.

4. Background

- 4.1. As at 11 August 2020, over 200 countries/territories have been affected; there were 20,075,600 confirmed cases globally; and 736,372 confirmed deaths. (Source WHO)
- 4.2. In the UK, as at 11th August, there were 311,641 confirmed cases and 46,526 confirmed deaths. In Cheshire East there were 2284 confirmed cases and 430 registered deaths . (*Source GOV.UK*)
- 4.3. In terms of the daily confirmed case rate, this has increased. The contingency plans that have been put in place across all public services including health and social care have enabled essential services to be able to continue throughout the period of this pandemic to date.
- 4.4. The latest international, national and local statistics are available from the following data dashboards:
 - 4.4.1. <https://covid19.who.int/>
 - 4.4.2. <https://coronavirus.data.gov.uk/>
 - 4.4.3. <https://lginform.local.gov.uk/reports/view/lga-research/covid-19-case-tracker>

5. Response

5.1. Sub-regional

5.1.1. The sub-regional response continues to be led by the Cheshire Local Resilience Forum (LRF), which includes Cheshire East, Cheshire West and Chester, Halton and Warrington Councils, Cheshire Constabulary, Cheshire Fire and Rescue, Public Health England and the NHS.

5.1.2. The Council is a major LRF partner and has played a significant role at all levels of response – participating in the strategic coordinating groups (SCG) and tactical coordinating groups (TCG) and resourcing all the multi-agency support cells established to manage the sub-regional response to the pandemic.

5.2. Council Actions

5.2.1. Cheshire East Council continues to respond to the Coronavirus pandemic. At the same time the Council has continued to strive to:

- deliver essential local services
- protect our most vulnerable people
- support our communities and local businesses.

5.2.2 The response phase is still likely to continue for some time to come. In addition, the Council is planning for potential second waves of the pandemic and/or localised outbreaks. A summary of the actions that have continued to be delivered by the Council is provided below.

5.2.3 *Test and Trace and Outbreak Management* – Cheshire East Council is supporting the national approach to Test, Trace, Contain and Enable through the creation of a Test and Trace hub within the council and supporting a Cheshire and Merseyside hub with staff who have been trained as call handlers. The Cheshire and Merseyside Test and Trace hub and the Cheshire East Test and Trace Hubs are both working in a shadow form as staff are recruited and trained. These hubs will be responsible for the local elements of the Test and Trace programme where cases and contacts are more complicated and local knowledge is needed.

5.2.4 Locally the programme is supported by several boards. A Local Health Protection Board provides technical advice. A Local Engagement Board focusses on the role of our elected members and

communications. This is overseen by the Cheshire East Health and Wellbeing Board.

- 5.2.5 The Director of Public Health attends regular meetings with the other Directors across the North West. This allows the lessons learned from areas with higher levels of Covid-19 to be added into our planning and response.
- 5.2.6 Rates of infection in Cheshire East Council have risen to 8.9 per 100,000 population for the last 7 days. These rates are still lower than the England average and much lower than the areas in the North West where enhanced lockdown measures have been put in place.
- 5.2.7 Recent small outbreaks are situated in care homes. These are being identified as a result of the whole home tracing programme. These cases have been symptom free and this means that we have been able to identify them early and put in infection control measures to prevent a larger outbreak. (An outbreak in a care home is where there are at least 2 cases who test positive regardless of whether or not they have symptoms).
- 5.2.8 Contact tracing for known cases is robust; The local contact tracing work being carried out by Public Health England and the Cheshire and Merseyside contact tracing hub has successfully followed up 100% of the cases that have been referred to it. For Cheshire East residents followed up by the national NHS Test and Trace system 67% are completed.
- 5.2.9 Our Public Health Intelligence team review information on cases and contacts daily including mapping the cases and looking to identify any patterns or trends that would allow us to take prompt and targeted action. At least once a week the Intelligence team review the data with specialists from Public Health England.
- 5.2.10 We continue to work with local authorities and PHE across Cheshire, Merseyside and Staffordshire to share intelligence and good practice.
- 5.2.11 *Communities - People Helping People* is a service created by Cheshire East Council which works collaboratively with new and existing Voluntary, Community, Faith and Social Enterprise (VCFSE) sector partners and local volunteers to channel community-based support to meet the needs of our residents. The service is delivered for the local community, by the local community. To date the service has provided

support to over 3600 residents with 1400 active cases still receiving support. This service has been instrumental in reducing immediate demands on public services so will continue during August and September.

- 5.2.12 The government shielding service was paused on 31st July 2020. Previously, residents of the borough identified as clinically vulnerable were invited to register with the NHS central system and their support needs were assessed then met by local (PHP) and central Government (food parcel) resources. In line with Cheshire East's Outbreak Prevention, Management and Support Plan, a contingency plan has been developed to detail how the shielding response will be reinstated in the event of a local, regional or national lockdown.
- 5.2.13 The reintroduction of shielding in a local area is a decision that must be taken by ministers on advice of the Chief Medical Officer (CMO). Similarly, the decision to end shielding also rests with minister's advice of the CMO. The shielding contingency plan outlines the preparations underway for any future shielding periods, and how the response will be reinstated if required. The Cheshire East Shielding Cell remains in place and emergency food supplies are held at Macclesfield Community Centre, with commitment from all logistical partners ongoing.
- 5.2.14 The Communities Team are leading on the 'high risk places, location and communities' and 'vulnerable people' workstreams of the Test, Trace, Contain and Enable plan. Extensive mapping has taken place to identify the locations/settings where communities gather, in addition to categorising vulnerable residents into target groups, including clinically vulnerable (shielded) and non-shielded vulnerable people (NSVP). The information gathered informs the wider outbreak plan in addition to identifying channels for proactive and reactive communications.
- 5.2.15 Cheshire East Council has worked alongside the Social Action Partnership to mobilise various voluntary and statutory organisations to become Volunteer Coordination Points (VCPs). The VCPs locally co-ordinate residents who have volunteered their help and match them with vulnerable people in their community. VCPs have formed local networks to share best practice, volunteers and a range of resources. Social Action Partnership are working with VCPs to develop their infrastructure and provide support to sustain delivery of this mutual aid approach.

- 5.2.16 The Covid-19 Community Response and Recovery Fund was launched at the end of June 2020 and has since provided funding to 21 successful applicants, totalling just over £68,000. The fund supports VCFSE organisations to adapt to new ways of offering support to communities, both during and following the coronavirus pandemic. In addition, a further grant of nearly £330,000 nationally has been made available from the MHCLG to support VCFSE sector groups who are addressing Covid-related food poverty in their community. This additional funding will build on the success of our community response and recovery fund and will be available in the coming weeks.
- 5.2.17 *Adult Social Care* - The Commissioning Team have provided significant support for the Adults Social Care Market during the Covid-19 pandemic to ensure market stability and the safe provision of care for the residents of Cheshire East. This includes Care Homes, Care at Home (Domiciliary Care), Complex Needs and Supported Living. Continued actions are set out below.
- 5.2.18 Infection Prevention Control training, including the safe use and removal of PPE, continues to be delivered to our Care Providers. Commissioners have increased communications and support for our Care Providers which includes the provision of regular briefings and updates on the national guidance and developments with the national PPE Portal; the facilitation of virtual mutual aid calls; regular support calls from Contract Managers and Quality Assurance Officers; and ongoing support from our Infection Prevention Control Team.
- 5.2.19 There has been a strong focus on support for Care Homes, and our Care Home recovery planning includes the development of an Outbreak Plan for each Care Home; supported by an Outbreak Management Toolkit; Care Home visiting guidance; ongoing PPE support in emergencies or when Providers experience difficulties with their PPE supply chain; and Infection Prevention Control (IPC) recovery visits to provide advice and support. Commissioners are also undertaking scenario planning including localised outbreaks and also the possibility of second wave in conjunction with winter planning such as flu vaccinations. Commissioners have also commissioned an 'Emotional & Psychological Support' service specifically for Care Home Staff (Project 5) which is now underway. The aim of the service is to support the mental health and wellbeing of the care workforce who have worked on the frontline of Covid-19 for the past 6 months. Healthwatch are also assisting the Council to look at emotional and physical impact on residents and how we can improve outcomes.

5.2.20 “Care Homes” is one of the seven mandated workstream areas for the Test and Trace Programme within our Local Outbreak Plan. This includes the Whole Home Testing Programme, which ensures the testing of Care Home staff weekly and residents monthly, underpinned by a Test and Trace standard operating procedure linked to Test and Trace alerts within Care Homes.

5.2.21 PPE support has been key to our Covid-19 response and recovery. The position changes rapidly but the current position at the time of writing is as follows:

- The Local Authority have been supplied with PPE via the Local Resilience Forum (LRF) and the Department for Health and Social Care (DHSC) since the 24th March 2020. The Council have distributed PPE to eligible organisations across Cheshire East. We have been notified that this will now close at the end of August.
- All registered adult social care providers, opticians, pharmacists and urgent dental care have now been requested to register on to the government PPE Portal to continue to access free supplies. Orders are subject to limits according to capacity. Providers are asked to continue to develop their own supply chain. However, it is widely recognised that PPE market has not recovered from the impact of Covid-19.
- To ensure all agencies are supported and services are able to deliver safe care to local residents, as well as protecting the care workforce, we are currently reviewing various options and opportunities to support external Care Providers to access PPE in emergencies or when they have issues with their PPE supply chain.
- A stock has been locally purchased as part of the Council’s recovery and outbreak planning, and we continue to replenish stock to meet the needs internally to resume services for example the re-opening of Day Services.
- A survey will be distributed to Care Providers to fully understand the impact of COVID-19 re PPE, current needs and issues.

5.2.22 Adults and Children’s Commissioning - Commissioners have worked closely with our ‘Early Intervention and Prevention’ ‘Community Wellbeing’ and ‘Public Health’ contracted providers which have adapted but continued to deliver effective services during the Covid-19 Pandemic. Contingency Plans were implemented straight away with our Providers during the response phase of the Pandemic, and now Commissioners are working with Providers to implement their recovery

Plans. Examples of recovery plans include: Substance Misuse Services, Healthy Child Programme, Social Action Partnership and Carers Hub:

- Substance Misuse Service: The Community Hubs delivered by our Provider CGL in Crewe and Macclesfield have remained open during Covid for the purpose of needle exchange, blood clinics and drug screening. The service runs a 24-hour help and advice line which has been well utilised during the pandemic allowing service users 24-hour access to advice and support. CGL have implemented new fingerprint drug testing technology during the pandemic. This has helped support local people and to keep them safe. Fingerprint drug testing is a new way to carry out standard drug testing in a safe way. This has worked effectively for completing drug screening during this time. The pandemic offered a clear opportunity to use this technology in line with social distancing and shielding. At the beginning of the pandemic 100% of Opioid Service users have received a risk assessment, and as a result, service users received safety deposit boxes for drug treatments and also naloxone (an overdose intervention). CGL continue to provide several ways to access the service for all service users via online, telephone, face to face and home visits for the most vulnerable, abiding by Covid-19 risk assessments.
- Healthy Child Programme: Wirral Community Health and Care NHS Foundation Trust were awarded the new contract for the Healthy Child Programme that goes live in October 2020. Mobilisation for the new service is going well despite the Covid-19 pandemic, and the service are working closely with Commissioners to implement the new service model that has been co designed with partners, children and young people.
- During the pandemic the service has worked innovatively to reach and support families, children and young people in Cheshire East, delivering a large number of virtual and telephone consultations. The service has been able to deliver aspects of the healthy child programme including antennal contacts, new birth contacts, 4-8 week, 9-12 months and 2-year reviews, and 353 packages of care have been delivered to families like behaviour management.
- The service has continued to contribute to support some of our most vulnerable children attending 1312 safeguarding meetings during the pandemic. Home visits have been available for those most in need of support. Staff members have attended multiagency meetings to support families during the pandemic. The service has continued to support families with breastfeeding

via the Cherubs offer. The Cherubs Facebook page has facilitated 2059 engagements in videos and 572 parent-to-parent support conversations. 6115 people are members of the Cherubs support group. There has also been 241 face to face breastfeeding support appointments delivered.

- Social Action Partnership: The Social Action Partnership Service launched at 1st April 2020. As this was during the Covid-19 crisis, the focus of delivery was diverted from 'business as usual' functions to supporting the Council's Communities Team Covid-19 People Helping People response. Working with People Helping People they have set up a Virtual Volunteer Network consisting of 15 Volunteer Co-ordination Points (VCPs). The VCPs cover all 8 Care Community areas using a 'hub and spoke' model with the VCP being the key hub in their local area. Whilst many were mobilised using existing community support groups some were established from the ground up by SAP (e.g. Haslington Support Group). VCPs are being supported with Recovery workshops to consider the impact of Coronavirus on their local area and identify where support is needed. Going forward the Social Action Partnership will be working with the Communities team to see how the VCPs can fit with the Neighbourhood and Town Partnerships and avoid duplication of work.
- The 974 volunteers that signed up to support People Helping People were signposted to the VCPs. VCPs supported volunteers with guidance packs developed by the Social Action Partnership. The next focus is to keep the level interest in volunteering and build on the response both for recovery phase and for future social action. The Social Action Partnership are working with our Community Development Officers on a volunteer skills audit.
- The Social Action Partnership is also starting to move to business as usual and their core service provision, including the Social Value Charter, Social Value Award, the Social Action Charter, and further raising the profile of the service through relationship building and links into other partnerships including building the connections between the public sector, business and industry and the Voluntary, Community, Faith and Social Enterprise Sector.
- Carers Hub: n-Compass are the Provider of the Carers Hub and have made a number of changes to the delivery of the service during the Covid-19 Pandemic including virtual appointments reduced face-to face, they are moving forward with their recovery plan and are planning a part time return to their offices from September. They have enhanced risk assessments and PPE in

place for face to face assessments of Carers. These are only to be carried out if necessary and have to be approved by managers before going ahead. They plan to continue to offer digital assessments and support first, over face to face visits. Face to face groups are still on hold; as Carers are supporting vulnerable people, and they are aware that many may not want to risk attending a group session.

- Following the success of online activities held during Carers Week, the Carers Hub have set up a further rolling programme of online zoom activities. These include craft sessions, cooking, bingo and a choir. They are also holding weekly coffee and chat groups over zoom, including an evening session. For Young Carers the Hub are continuing to hold a weekly Facebook Live session for young carers and their families. They have also recently completed a time capsule project. They have recently sent out an email briefing and are planning to return to a postal newsletter in October.
- Wishing Well were awarded a grant through the Carers Choice Awards for a Carers café, but due to Covid-19 have been unable to run it. They have changed the project slightly and have worked with the Carers Hub to deliver afternoon teas directly to Carers identified as needing a break. Seeing the positive impact this project has had on Carers, the Hub have worked with Poynton Tea Room so Carers in the north of the borough are able to benefit as well.
- As referral numbers have dipped following lockdown the Carers Hub are delivering online briefings for local partners in order to raise the profile of the service and let referrers know how the Carers Hub has adjusted to be able to support people.

5.2.23 *Children's Social Care*- All children open to Children's Social Care are receiving face to face visits unless it is not safe to do so, e.g. due to the risk of this to them as a result of their complex health needs or where children are living in an area with additional lockdown restrictions. A risk assessment is in place for the small number of children not receiving face to face visits. We have now been able to transition children to live with their adoptive families following the delay during lockdown. Staff are working with the courts to progress effective court hearings. Despite the revised arrangements for courts, children and young people within the court process will experience significant delays, which will also impact on demand and costs to services. The number of cared for children is likely to increase over the next few months.

- 5.2.24 We are supporting more of our care leavers to remain in their current accommodation as they turn 18 so that they are not isolated, and we have the opportunity to complete the independence work that has been delayed during the lockdown period. We continue to be worried about the impact of Covid-19 and the economic recession as it will disproportionately impact on our care leavers, particularly their ability to secure employment, apprenticeships and training. We are working to ensure their needs are prioritised in recovery groups.
- 5.2.25 We have continued to hold weekly Safeguarding Children Partnership meetings throughout this period to ensure the needs of children who are at risk of harm are prioritised. All services will be supporting children, young people and families with the return to education in September, as we recognise that this will be a real challenge for some families after being out of their routines for so long.
- 5.2.26 Services have seen an increase in the level of need from families, with needs escalating very rapidly for some families. We expect to continue to see an increase in the demand for services both in the coming months as children return to school, and also in the longer term as we start to see the economic impact of Covid-19 on families which will increase the number of children living in poverty and will exacerbate current inequalities.
- 5.2.27 *Prevention and Early Help* - The same picture of increasing need and complexity is also being found within Prevention and Early Help; cases open to the Cheshire East Family Service are increasingly becoming more complex. Lockdown has had an impact on the mental health of our children, young people and parents/carers so our intervention and existing plans and priorities within them are changing as a result. Face to face visits are now being carried out with families within their homes which is supporting effective safeguarding and support. We are providing a targeted face to face Summer Activity Programme for families and young people who need additional support, and this is working well.
- 5.2.28 The number of open early years settings has reduced following school closure from over 200 in July to 127 at 7 August. Settings that have closed are predominantly on school sites, or where the demand for childcare is low due to the summer holiday period. We expect to see the number of open settings increase again in September. There have been some instances of confirmed Covid-19 cases within settings, and these have been managed well.

- 5.2.29 *Education and Home to School Transport* - Over 11,200 pupils attended schools following the phased opening in June. The Department for Education (DfE) thanked us for our high attendance. Schools believe this is a result of the phased approach we agreed in Cheshire East, which allowed them to engage with parents and reassure them on all the measures that were being taken to make schools safe, and that our high attendance reflected parental confidence in the safety of our arrangements. Over 1,500 vulnerable children were attending school before the end of term, which was very positive, with the main area of increase being children with an Education, Health and Care plan (EHCP).
- 5.2.30 The majority of pupils continued to receive remote education during the summer term. We asked schools to ensure that children who were due to transition between schools in September were supported, and developed a minimum offer for our expectations on transition. We also asked schools to review their home learning arrangements and support for pupils' wellbeing, and ensure that they had regular contact with all children who were not invited back into school to encourage and support learning and wellbeing.
- 5.2.31 We have established a referral process for schools that have concerns about possible attendance in September, or for families that are anxious and need support to facilitate the return to school, so we can support these families over the summer to encourage attendance. We have developed a communications strategy around the return to school and key messages will be shared each day from mid August until September. We would appreciate support from members and services in promoting and sharing these messages widely.
- 5.2.32 We have developed a set of principles around expectations on attendance for all our schools. We are aware that some parents and children may be anxious about the return in September, and our focus will be on working with families and schools to support children back into education.
- 5.2.33 The Education Recovery Group has continued to meet over the summer to plan for the full opening of schools from September. As with the phased opening, we have discussed and agreed arrangements for September with all key stakeholders; teaching unions, the diocese, school heads and the Cheshire East Parent Carer Forum.
- 5.2.34 We are continuing to provide intensive support to schools around how to implement the DfE guidance to ensure we have a consistent and safe approach across all schools. We have provided all schools with a new

risk assessment checklist on their arrangements for pupils from September. Our 68 maintained schools were required to submit the risk assessment checklist before they finished for the summer to provide us with assurance that their risk assessment covers all the appropriate controls. We have reviewed these for all 68 schools to ensure they comply with the guidance as we did for the phased opening from June. We are establishing a process for schools to report positive cases of Covid-19 so we can manage potential outbreaks.

- 5.2.35 We are working with maintained schools to identify where curriculum support may be needed in September. A continual professional development programme will be put in place with a focus on remote learning, emotional wellbeing support for pupils, and catch up strategies.
- 5.2.36 The government has announced a £1 billion 'catch up' fund. This recognises that all young people have lost time in education as a result of the pandemic, regardless of their income or background. £650 million will be shared across all state primary and secondary schools over the academic year 2020-21. Schools' allocations will be calculated on a per pupil basis, providing each mainstream school with a total of £80 for each pupil in years reception through to 11. Special, Alternative Provision and hospital schools will be provided with £240 for each place for the 2020 to 2021 academic year.
- 5.2.37 £350 million will fund a National Tutoring Programme which will increase access to high-quality tuition for the most disadvantaged young people. This will help accelerate their academic progress and prevent the gap between them and their more affluent peers widening. The programme will comprise of at least 2 parts in the 2020 to 2021 academic year, including a 5 to 16 programme that will make high-quality tuition available to 5 to 16 year olds in state-funded primary and secondary schools from the second half of autumn term 2020 and a 16 to 19 fund for school sixth forms, colleges and all other 16 to 19 providers to provide small group tutoring activity for disadvantaged 16 to 19 students whose studies have been disrupted as a result of coronavirus (COVID-19).
- 5.2.38 We recognise the impact that Covid-19 has had on mental health and wellbeing. We will be developing an emotional wellbeing package for use in schools from September. This will include a suite of resources for schools to use with pupils and will provide clarity on the support that is available for schools and families. The pack will include resources for

carrying out debriefings with pupils and parents on the impact of lockdown. Training will be available to support teachers.

- 5.2.39 We have worked with schools to develop a set of principles for travel to school from September. These principles set out what the local authority and schools will do, along with expectations from parents and pupils. Based on these principles, we have been working to establish the travel to school arrangements required from September 2020. Two surveys have been conducted with families; one for those who are eligible to receive home to school transport from the local authority; the other is aimed at secondary school pupils, in particular to identify those who use public transport.
- 5.2.40 On 8 August, the government announced funding for transport to enable local authorities to provide additional transport capacity for journeys to schools and college for the first term. The government guidance on transport to school and other places of education was published on 11 August. This guidance sets out a number of requirements for local authorities and schools to ensure that arrangements for children's travel to school in September are as safe as possible. Whilst this is broadly in line with what we expected, there are some additional considerations, including the need to work with colleges, and the recommendation that the LA advises people aged 11 and over to wear a face covering when travelling on dedicated school transport to secondary school or college from the start of the autumn term.
- 5.2.41 Capacity on public transport could be limited to take into account social distancing; this will be particularly challenging for children and young people who travel to school or college by bus. We have been working with Transport colleagues and Transport Service Solutions on a number of solutions, including additional dedicated school transport for children who currently travel to school by public transport, supported by government funding that was allocated this week.
- 5.2.42 Promoting active travel to schools remains a key priority. We have launched a campaign #backtoschool and #activetravel in Cheshire East leading up to the full opening of schools.
- 5.2.43 Transport for pupils with special educational needs and/or disabilities (SEND) is being prioritised to ensure 'meet and greets' can take place between families and drivers to help children and young people feel settled and supported and arrive at school prepared to learn.

- 5.2.44 Once all pupils return to school, this will increase the visibility of children and the impact of Covid-19 on all our children and young people will become clearer. There is growing evidence of a gap in knowledge between pupils who have completed home learning and those who haven't, and a need for an intensive review of the curriculum. We are yet to understand the impact of the lack of examinations for young people who would have taken their GCSEs and A Levels this year. As a result, we expect to see an increased demand on services within Education, and wider Children's Services.
- 5.2.45 *Environmental Services* – all kerbside household waste and recycling collections are operating as normal. All household waste and recycling centres are open. Access is restricted at Crewe only, based on vehicle licence plates due to nearby roadworks causing queues.
- 5.2.46 *Neighbourhood Services* – All Cheshire East libraries have now re-opened, including the Mobile Library Service, although there are restrictions to opening hours, services and activities to ensure the safety of staff and customers. The Council's leisure centres, operated by Everybody Sport & Recreation, re-opened on a phased basis during July, August and September, again with new protocols in place to ensure a safe environment for staff and customers. Play areas and outdoor gyms were also able to re-open from 6 July. Daily cleaning is being undertaken at the 15 largest play areas, with social distancing and hand hygiene promoted at all 150 sites.
- 5.2.47 *Homelessness and Rough Sleepers* - Cheshire East's Housing Options Team continue to work to prevent residents from becoming homeless and provide assistance to those who present as homeless. During June and July 96 households presented as homeless of which 74 were provided with accommodation. The number of rough sleepers varies between 3 – 10 some of which are transient and do not wish to stay in Cheshire East. The Rough Sleepers Team continue to work proactively with them where they wish to engage with services.
- 5.2.48 The service have worked with MHCLG to repurpose the funding allocated through the Rough Sleepers Initiative to enable us to commission emergency accommodation and support to those who present with complex issues. We are also working with MHCLG and Housing Providers to co-produce a bid to the Next Steps fund, which was recently announced by Government. If successful this will enable us to provide additional accommodation and support for those leaving

emergency accommodation and enabling better access to the private rented sector.

- 5.2.49 *Town Centres* - Traffic Management measures have been introduced to facilitate social distancing thereby supporting businesses to open and operate safely. A new streamlined, low cost process for obtaining Pavement Licences has been developed to facilitate bars, cafes and restaurants looking to expand onto pedestrian areas to improve viability. Working collaboratively with Town Councils a '*Welcome back - We've missed you campaign*' was launched with posters, banners and bunting to encourage people to support local town centre businesses, supplemented by media releases asking residents to support their local centre and utilise the Government's '*Eat out to Help out*' scheme. A grant application has been submitted seeking ERDF Reopening High Street Safely Funding proposing further town centre focused communications and public realm measures subject to funding being available.
- 5.2.50 *Highways, Transport & Parking* - All highway maintenance operations and improvement projects continue to be delivered and are following Government COVID guidelines. Other activity has also increased on the network, with traffic flows at around 80% of pre COVID levels and utility companies dealing with a backlog of works. Parking Service operations have been fully remobilised as of the 17 August. Usage has recovered to approximately 60% of 2019 levels, whilst income sits at around 55% reflecting shorter stays in our car parks. A two phase programme of active travel measures are progressing across the borough following considerable engagement from community groups, local ward councillors and town and parish councils. The local bus network continues to grow with service levels back to around 85% pre COVID and the Council's FlexiLink back into operation, with overall patronage levels at around 30%.
- 5.2.51 *Workforce and Workplace* - Those staff who can work from home were encouraged to do so when the lockdown was introduced. That has continued to be the case. We have made a significant investment in mobile IT to allow staff to operate as effectively remotely.
- 5.2.52 We are continuing to monitor COVID-19 related absences on a regular basis, including the numbers of staff self-isolating and/or off sick. There are currently 23 staff self-isolating, 94 off sick, 1995 staff working from home and 795 on leave. We have recently carried out a Pulse Survey of staff to get their feedback on how we have responded

to COVID-19. Appendix 2 presents the headline results. It is pleasing to note that 4 out of 5 staff agree that communications from the organisation has been effective and the 3 out of 4 staff agree that the council has provided effective wellbeing support during COVID-19.

5.2.53 As part of our recovery planning, a cell has been established which is developing arrangements for COVID-secure workplaces, designed to keep staff safe. An important element of the cell's work is risk assessment. We have adopted a 3-level model: Level 1 in the Workplace; Level 2 as a Workforce, Level 3 as an individual. This has been done in consultation with and good co-operation from the Trade Unions. Another important element is culture, building on the work the Council has done to embed a positive culture. We are also looking at what our estate could be in the light of the changing demands and to maximise the return on the IT investment we have made.

5.2.54 *Governance and Decision Making* - The Council moved quickly to facilitate remote meetings. All Members were provided with laptops and support to operate effectively. Since May, 32 formal remote meetings have been held. All categories of meeting have taken place – Cabinet, Overview and Scrutiny Committees, Audit and Governance Committee, Staffing Committee and Planning Committees. The July meeting of Council was cancelled as there was no urgent business. In addition, 13 Working Groups meetings/forum have been held and 29 school appeals. The Council has participated in an LGA Webinar to share our learning with other councils.

6 Recovery

6.1 Cheshire East Council continues to lead and support the Local Resilience Forum in developing its future planning for the recovery from this pandemic. The Strategic Co-ordinating Group of the LRF has established a Strategic Recovery Co-ordinating Group leading on this Recovery. This is chaired by the Chief Executive of Cheshire East Council and includes senior colleagues from local authorities, the NHS, Public Health, Police and Fire.

6.2 This group is focused on longer-term recovery with the strategic aims: to enable the sub-region to deliver its ambitions around delivering continued economic growth in a sustainable and inclusive way, to instil confidence and provide clarity to our communities and business in relation to recovery and to take advantage of the opportunities that the response to the pandemic has created.

6.3 The initial focus of the group has been to co-ordinate the easing of restrictions and supporting the reopening of high streets and town centres across the sub-region including the management of the reopening of the night-time economy. The group is now co-ordinating the sub-regional approach relating to:

- Anticipating and managing future demands on public services such as additional safeguarding referrals, increases in domestic abuse, increases demand on health services and social care
- Planning for winter in relation to the management of Covid-19 related pressures on top of the winter pressures such as seasonal flu, and adverse weather events.
- Reviewing and managing any issues that arise in relation to community safety, crime and community cohesion.
- Developing a sub-regional strategy for economic recovery.
- Providing future support packages relating to mental health, skills development and employment support
- Developing appropriate plans to support the effective day to day running of the sub-region e.g. support for transport and traffic management.
- Reviewing the sub-regional risk assessments and management of risks associated with EU Exit.

6.4 Within the Borough the Council is anticipating and preparing for the longer-term impacts of the Pandemic

6.4.1 *Community* - the Council and its partners anticipate that there will significant long-term impacts on communities in Cheshire East. For example, there is expected to be a significant increase in unemployment and reduction in household income. It is expected that services will see an increase in demand as referrals increase in relation to safeguarding, domestic abuse and social care support. The council, working with its partners will be ensuring that it continues to support vulnerable people as well providing appropriate support in relation skills, employability, mental health and personal resilience.

6.4.2 *Economy* - Cheshire East Council continues to work with local businesses and business organisations (including Chambers of Commerce, Cheshire and Warrington Local Enterprise Partnership, Federation of Small Businesses and National Farmers Union) to channel business-based support to meet local need and to enable businesses to support each other.

- 6.4.3 In response to these issues the council and its partners have started to put measures in place to support people as they face unemployment. This includes a job matching service which sign post available jobs that are available, the running of jobs fairs and the provision of skills training, work experience and apprenticeships.
- 6.4.4 The Council has also delivered three phases of funding through its Discretionary Business Grant Scheme. 327 Businesses have been provided with support through this scheme and total of £2.7m has been awarded to date. Phase Three of the scheme was launched on Friday 7 August and closed on Monday 17 August. It is anticipated that the full grant amount will be allocated to businesses by end of September.
- 6.4.5 Furthermore, the Council and its partners have developed plans for the longer term economic recovery of the Borough. This approach includes:
- Understanding how the pandemic has impacted on the economy and development in the Borough including the opportunities this presents for the Borough for future inward investment.
 - Understanding the implication of these impacts on income for the council and on key strategic services such as Planning, Economic Development and Strategic Transport.
 - Support to businesses in the Borough including a focus on the sectors most likely to be impacted by the pandemic such as the hospitality sector. In addition support will continue to be provided to the key businesses and key sectors in the local economy.
 - Continuing to support our town centres and businesses that operate from them.
 - Developing a future pipeline of development and regeneration projects that can stimulate the local economy
 - Ensuring that the Borough has an effective place marketing approach so that it is able to promote itself for inward investment in the future.

7 Implications of the Recommendations

7.1 Legal Implications

- 7.1.1 The Coronavirus Act 2020 received Royal Assent on 25 March 2020. The Act has extensive schedules setting out a wide framework to life under lockdown. The Act has been followed with copious and frequent guidance notes, frequently with implementation dates ahead of what is

practically possible, e.g. Household Waste and Recycling Centres, administration of School Admission Appeals, restrictions on and subsequent opening of certain business premises, Test and Trace.

- 7.1.2 The Coronavirus Act also set out a framework by which Local Authorities could reduce their statutory duties in relation to the Care Act 2014, for Adult Social Care. These Care Act Easements could be implemented should the capacity of Adult Social Care staff become so reduced that it could not continue to meet its duties. To date Cheshire East Council has not initiated any Care Act Easements.
- 7.1.3 Any necessary urgent decisions have followed the process set out in the Constitution. To date 12 urgent decisions have been made. This are reported elsewhere on the agenda.
- 7.1.4 Local authority meetings - on Friday 31 July 2020, the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) (Amendment) Regulations 2020 came into force and will expire on 7 May 2021 unless extended. It removes the requirements to hold annual meetings; allows councils to hold all necessary meetings virtually, to alter the frequency and occurrence of meetings, without the requirement for further notice and to enable members, officers and the public to attend and access meetings and associated documents remotely. However, the amended regulations do not specifically mention 'hybrid' meetings.
- 7.1.5 The Health Protection (Coronavirus, Restrictions) (England) (No 3) Regulations 2020 came into force on 18 July 2020 and will expire at the end of 17 January 2021. They give local authorities (LA) power to give directions which impose prohibitions, requirements or restrictions relating to premises, events and public outdoor spaces, more commonly known as local lockdowns in order to tackle local coronavirus outbreaks. The LA must ensure the conditions set out in the Regulations are met before it can give such a Direction. It must also have regard to advice from its Director of Public Health when deciding whether or not to make a Direction. If a Direction is made, the Secretary of State (SoS) must be notified as soon as reasonably practicable, and the Direction must be reviewed at least once every seven days to ensure the conditions for making it are still met. Similarly, the SoS has the power to direct a LA to make a Direction under the Regulations, if the SoS considers the conditions for making a Direction are met.

- 7.1.6 Directions relating to premises may require closure of premises, restriction of entry or restrictions relating to the location of persons in the premises. A LA may not make a Direction relating to premises which form part of essential infrastructure.
- 7.1.7 Directions may be given in relation to specified events or events of a specified description.
- 7.1.8 If the LA gives a direction which imposes a prohibition, requirement or restriction on a person specified by name, the LA must give notice in writing to that person and also publish the notice to bring to the attention of persons who may be affected by it. Persons who are given a direction under the Regulations have a right of appeal against the direction to a magistrate's court and also to make representations to the SoS.
- 7.1.9 LA designated officers and constables have enforcement powers. Persons who contravene directions under the Regulations or obstruct persons carrying out functions under the Regulations commit offences.

7.2 Finance Implications

- 7.2.1 An update on the COVID-19 response was reported to Cabinet on 7 July 2020 and the Audit & Governance Committee on 30 July 2020. This report presents the latest financial position and identifies Government funding supplied to date. The extraordinary impact of the pandemic creates significant uncertainty for the Council that must continue to be managed throughout the 2020/21 financial year. All councils are currently analysing the impacts of the latest financial allocations and their projections.
- 7.2.2 The financial issues facing Cheshire East Council are just part of a significant national issue for public services, and the UK economy as a whole. Public Sector deficits and reductions in GDP are at levels not seen before, and Central Government continues to react with funding support packages both for general and specific purposes. The Council has continued to support MHCLG in gathering evidence, on a monthly basis, of the potential costs and income losses for 2020/21 based on information and guidance available at the date of the government return. The information from the Council contributes to the ongoing negotiations between the LGA, MHCLG, HM Treasury and other government departments and sector led organisations such as the County Councils Network.

- 7.2.3 The nature of financial issues, and the approach to funding costs and income losses associated with the pandemic, has inevitably changed over time as lockdown measures have eased. This creates issues with producing an accurate forecast of financial consequences compared to the Council's Medium-Term Financial Strategy which had been approved by Council on 20 February 2020. This is not just a Cheshire East issue. Recent estimates from the Institute for Fiscal Studies suggests that councils, for example, only have access to useable reserves equal to half of the required costs of the COVID-19 Pandemic response and recovery. This observation is further complicated by the mix of Revenue, Capital and Collection Fund budgeting required by a Local Authority. The IFS report is available here:
<https://www.ifs.org.uk/publications/14977>
- 7.2.4 Cheshire East Council's MTFS is under unprecedented pressure due to the response required to protect both the health and economic wellbeing of local people and businesses during the COVID-19 Pandemic. When responding to the MHCLG data requests in June, of gross the cost financial impact of COVID-19 in 2020/21, the local costs were estimated at £70m. The high-level detail behind this estimate was considered by the Audit & Governance Committee on 30th July. The Committee was advised that estimates were due to significant change due to ongoing relaxation of the lockdown (allowing some facilities to re-open), changing guidelines (particularly in relation to home to school transport) and the emerging approach by Central Government to fund some elements via direct funding (such as the PPE requirements of local care providers).
- 7.2.5 This report considers the latest estimates of the financial impact of COVID-19 on the Council. A further MHCLG return is due on 4th September, which will be submitted by the S.151 Officer based on the forecasts available on that day. Due to the emerging nature of the financial position and the overlapping timing of reporting to Scrutiny and Cabinet, the MHCLG figures may at any point in time be out of date and subject to change. Every effort is made to ensure members are suitably informed, and where changes to the Council's budget are required this will be reported in accordance with the Council's constitution.
- 7.2.6 The returns to Central Government identify three main types of financial pressure:

(i) Un-ringfenced Expenditure and Income Losses

Appendix 1 provides an indication of the latest forecasts of the financial pressures from COVID-19 on the Council's 2020/21 budget. This level of detail provides further information, at Director level, as requested by the Audit & Governance Committee and supported by members of the Corporate Overview and Scrutiny Committee. The information in the appendix also reiterates the most significant areas of financial pressure, both revenue and capital.

Grant funding to support un-ringfenced expenditure and income losses is detailed in Table 1 below, in a format consistent with previous Cabinet and Audit & Governance Committee reports.

(ii) Collection Fund

Collection Fund potential losses relate to Council Tax and Business Rates income. At the time of writing, the Council expects to have to bear these losses, but to be permitted to spread the impact over the next three years. There is ongoing consideration from MHCLG and the LGA on this issue and further information will be provided when it is available.

(iii) Ringfenced Expenditure

Table 2 below provides information about the activities the Council has been undertaking which have received specific government funding.

Table 1: The approach to un-ringfenced funding has changed over time

Announced	Funding for CEC (England total)	Notes
19th March	£9.150m (£1.6bn)	Adult Social Care based payment
18th April	£10.539m (£1.6bn)	Payment per capita to help reflect lost income
Sub-Total	£19.689m (£3.2bn)	
2nd July	£2.712m (£0.5bn) for Expenditure	Adult Social Care / deprivation based payment
Total	£22.401m (of £3.7bn)	
2nd July	£n/k (£n/k) for Income	Paid at 75p in £1 above 5% losses.

		(Note: Guidance has been issued and a claims process is being established for the 2020/21 Financial Year. No recompense to date).
2nd July	£nil for Collection Fund	Defer Collection Fund Deficit over 3yrs

7.2.7 Based on the latest guidance and changes to direct funding via specific grants the value of un-ringfenced Revenue, Capital and Collection Fund financial impacts are currently estimated to be in the region of **£50m**. Taking in account the government funding received to date, as detailed in Table 1 (above) is currently £22.401m the estimated shortfall currently stands at c.£28m.

To understand the potential shortfall between un-ringfenced financial impacts and the funding provided by Government, the Council is engaged in several activities:

1. Continuing to manage and review the financial forecasts in response to emerging guidance and the local response to the emergency and how this affects the Council's revenue budget.
2. Analysing the Government proposals to compensate losses from Sales, Fees and Charges.
3. Analysing the level of Collection Fund losses across the three financial years 2021/22 to 2023/24.
4. Reviewing the consequences of funding shortfalls on the Council's capital programme and how this impacts on the Council's long term funding of capital expenditure.

Table 2: Specific Grants are valued at c.£185m

Activity (National Total)	Spending forecast	Funding	Variance
Test & Trace (£300m)	£1,533,331	£1,533,331	£0
Rough Sleeping (£32m)*	£229,530	£6,000	(£223,530)
Active Travel (£225m)	£774,000	£774,000	£0
Opening High Streets (£500m)	£339,533	£339,533	£0
Infection Control (£600m)**	£5,320,292	£5,320,292	£0
Business Grants (£12.3bn)	£86,500,000	£95,514,000	c.£9,000,000

Disc. Business Grants (£617m)	£4,200,000	£4,287,250	£87,250
Business Rate Holiday (£9.7bn)	£61,371,000	£58,785,655	(£2,585,345)
CT Hardship (£500m)	£2,500,000	£2,062,635	c.£500,000
Local Bus Network (£167m)	£229,632	£229,632	£0
Emergency Assistance (£63m)	£326,292	£326,292	£0
Towns Fund Capital (£5bn)	£750,000	£750,000	£0
Additional Dedicated Home to School and College Transport (£400m)	£294,536	£294,536	£0
Wellbeing for Education Return (£8m)	£55,403	£55,403	£0
Food and basic necessities (essential supplies)	£326,393	£326,393	£0
Bus Service Support Grant (CBSSG) Restart scheme	£122,769	£156,600	£33,831

7.2.8 The Business Grants and Discretionary Business Grants schemes close to new applicants on 28th August. The Council has run three phases of the discretionary scheme and will ensure the full allocation of this scheme is provided to local businesses.

7.2.9 In relation to other Business Grants, linked to the Business Rates database, staff and members have been using all forms of media and even visiting premises to ensure eligible businesses received their funding allocations. BEIS have confirmed that unspent funding provided for these schemes should be returned to government. The amount of funding allocated to Cheshire East Council, which could potentially be returned to government, is estimated at £9m. The Council will continue to lobby and support the LGA, the FSB and other bodies in requesting that this funding is retained locally to provide further support to the local economy.

7.2.10 The LGA and CCN collate returns from all member councils, though the types of financial pressure vary from council to council depending on their circumstances. For example, whether they provide social care, have a strong tourist economy or the extent of deprivation. The overall impacts are similar across councils and Cheshire East Council is not an outlier. The Council will continue to support lobbying by the LGA and CCN in their aim to ensure fair settlement of the financial pressures facing local authorities.

7.3 Policy Implications

7.3.1 COVID-19 is having a wide-ranging impact on many policies. Any significant implications for the council's policies are outlined in this report.

7.4 Equality Implications

7.4.1 Implications of the changes will continue to be reviewed. We are carrying out individual risk assessments for staff with protected characteristics, particularly in relation to BAME colleagues and staff with a disability.

7.5 Human Resources Implications

7.5.1 Paragraphs 5.2.51 to 5.5.53 provide information in relation to the Council's workforce and workplace. Throughout the pandemic, there has been regular communication with staff and good co-operation with the Trade Unions.

7.6 Risk Management Implications

7.6.1 Risk registers have been maintained as part of the Council's response to date and the plans for recovery. Business Continuity Plans are being kept under review and plans have been tested against concurrent risks.

7.7 Rural Communities Implications

7.7.1 COVID-19 is having an impact across all communities, including rural communities. The support for small businesses will support rural business.

7.8 Implications for Children & Young People/Cared for Children

7.8.1 There are implications for children and young people. There are implications for schools, early help and prevention and children's social care which are summarised in the report.

7.9 Public Health Implications

7.9.1 COVID-19 is a global pandemic and public health emergency. There are implications for Cheshire East which are summarised in the report.

7.10 Climate Change Implications

7.10.1 They have been positive benefits of fewer cars on the road. This includes most staff who have been working from home. There has also been lower demand for heating/lighting offices. This is outlined in paragraph 6.5.14.

8 Ward Members Affected

8.1 All Members.

9 Consultation & Engagement

9.1 Formal consultation activities have been paused due to the lockdown restrictions. The Council is considering how and when they can be restarted.

10 Access to Information

10.1 Comprehensive reports on COVID-19 can be found on the Council's and the Government's websites.

11 Contact Information

11.1 Any questions relating to this report should be directed to the following officers:

Frank Jordan, Executive Director Place and Deputy Chief Executive

Mark Palethorpe, Executive Director People

Jane Burns, Executive Director Corporate Services

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Covid19 Financial Update by Directorate

People Directorate

2020/21 Outturn Review	2020/21 Budget	Covid Financial Pressures		Forecast Over / (Underspend)	2019/20 Outturn
(GROSS Revenue Budget £647.2m)	(NET)	Expenditure	Income		
£000	£000	£000	£000	£000	£000
Directorate	881			-	883
Children's Social Care	40,190	1,176		1,176	36,995
Education & 14-19 Skills - Revenue	15,068	215	944	1,159	14,471
Education & 14-19 Skills - Capital	-	2,000		2,000	
Prevention & Early Help	8,351	69	35	104	8,221
Adult Social Care - Operations	28,077			-	24,743
Commissioning	88,778	6,674	1,146	7,820	85,121
Public Health	-	78		78	-
Public Sector Transformation	-			-	-
People	181,345	10,212	2,125	12,337	170,434

The most significant element of expenditure incurred by the Council involves financial support to the social care market, and some funding has already been provided to support care providers in dealing with increasing costs linked to demand, staffing shortages and PPE. Current forecasts indicate that total costs in this area could be up to £4m, although this does reflect the risk of potential future outbreaks and further increases in demand.

The other significant area of expenditure is the provision of Personal Protective Equipment (PPE), both to external care providers and for the Council's employees. This is estimated to be in the region of c£2m.

The cost of the shielding hub, as shown under Public Health, is estimated to be £78k, in addition to this there are additional staffing resources from across the Council services involved in shielding.

The loss of fees and charges and increased debt from Adult Social Care is expected to be in the region of £1m.

The increased cost of children's social care is £1.176m mainly due to the rise in agency placements. Loss of income from school catering services is estimated to be £0.9m.

Delays in the schools building programme are expected to lead to additional costs in the second part of the year.

Place Directorate

2020/21 Outturn Review	2020/21 Budget	Covid Financial Pressures		Forecast Over / (Underspend)	2019/20 Outturn
(GROSS Revenue Budget £647.2m)	(NET)	Expenditure	Income		
£000	£000	£000	£000	£000	£000
Directorate	977			-	654
Environment & Neighbourhood Services	40,744	3,640	1,569	5,209	39,607
Environment & Neighbourhood - Capital	-	255		255	
Growth & Enterprise	20,434	809	3,351	4,160	20,547
Highways & Infrastructure - Revenue	11,909	1,133	4,375	5,508	
Highways & Infrastructure - Capital		4,300		4,300	12,312
Place	74,064	10,137	9,295	19,432	73,120

The Council's wholly owned company ANSA has experienced significant challenges in delivering waste and environmental services throughout this pandemic. The cost of employing additional agency staff, purchasing PPE and the increased tonnage from kerbside collections is estimated to be over £2m.

The bereavement service has incurred additional costs including a contribution to a body storage facility.

The loss of income from fees and charges is significant for the Place directorate, car parking income losses alone is estimated to be over £3m, income from cultural activities such as Tatton Park is expected to be down by £2.4m and income from planning fees is expected to have a shortfall £0.9m.

Additional costs relating to the running of the leisure centres and the loss of income is estimated to be in the region of £1m.

Delays in major highway construction schemes are expected to lead to additional costs in the second part of the year although these may be able to be absorbed within existing contingency budgets for these capital projects.

Corporate Directorate

2020/21 Outturn Review	2020/21 Budget	Covid Financial Pressures		Forecast Over / (Underspend)	2019/20 Outturn
(GROSS Revenue Budget £647.2m)	(NET)	Expenditure	Income		
£000	£000	£000	£000	£000	£000
Directorate	693			-	778
Finance & Customer Services	8,678	1,322	740	2,062	7,550
Governance & Compliance Services	9,984	57	931	988	9,994
Transformation - Revenue	-	558		558	
Transformation - Capital	14,728	2,780		2,780	12,047
Corporate	34,083	4,717	1,671	6,388	30,369

To enable council employees to work from home since the start of the pandemic has required the ICT service to accelerate and extend of deployment of Windows 10 mobile

Appendix 1

devices. An increased number of devices have been purchased and the resources required to deliver this redeployment in a short space of time has placed significant pressure on the service.

ICT has also delivered a number of specific projects specifically to facilitate the remote working environment, these include e-signatures, virtual council meetings, virtual child protection conferences, virtual hearings for both internal and external participants, remote door solution etc.

The registration service is expecting a loss of income from marriage services in the region of £859k.

The loss of Housing Benefit overpayment recoveries and the loss of court cost income for Council Tax and Business Rates is also expected to be in the region of £740k.

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PULSE SURVEY HEADLINES – EXECUTIVE SUMMARY – APPENDIX 2



Covid-19 Response

Key findings

Response rate: 55%

No of responses: 1977 of 3601



83%

Happy with level of line manager communication



83%

Agree communication from the organisation has been effective



75%

Agree the council has provided effective wellbeing support during Covid-19



72%

Have had access to necessary systems and equipment



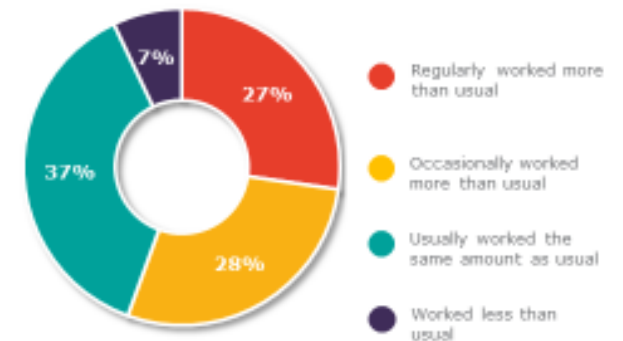
50%

Have been migrated to Teams

Top areas of concern in relation to working at usual working location(s)	% concerned
The use of 'hot-desks' / shared-desks	79%
The use of shared kitchens to make drinks, prepare and eat food	74%
That people will follow public health guidelines relating to social distancing when we all start returning to the 'new normal'	73%
The ventilation of working spaces	73%
The use of shared equipment (e.g. printers)	72%

Concerns: what are employees most concerned about in relation to working at their usual place of work?

Since lockdown in March 2020, have you...



Working patterns: how have workloads changed during Covid-19?

3

The council's Covid-19 response



Part of the DJS Research group

Views of the management of the response

The council has provided effective wellbeing support during Covid-19

75%

I have the systems / equipment to work from home effectively

72%

Communication from the council has been effective
83%

I am happy with the amount of communication I have had with my manager

83%

The council's response to implementing social distancing and hygiene measures has been effective

65%

Top safety concerns when returning to usual work location

The use of 'hot-desks' / shared desks

79%

The use of shared kitchens to make drinks, prepare and eat food

74%

The use of shared equipment (e.g. printers)

72%

That people will follow social distancing guidelines

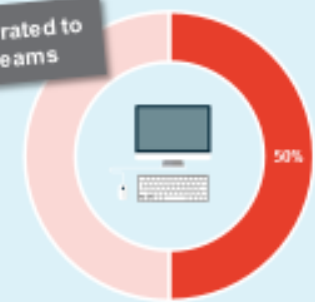
73%

The ventilation of workspaces

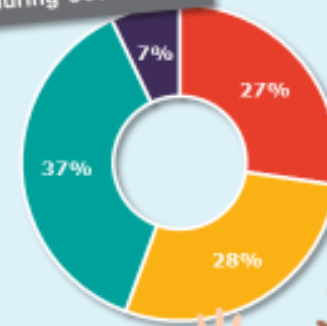
73%

% concerned

50% have migrated to Microsoft Teams



Change in workload during Covid-19



- Regularly worked more than usual
- Occasionally worked more than usual
- Usually worked the same amount as usual
- Worked less than usual

Data collection in June 2020.
Response rate: 55%. No. of responses: 1,977 of 3,601



Working for a brighter future together

Key Decision: Y

Date First
Published: 3/6/20

Cabinet

Date of Meeting: 8 September 2020

Report Title: Brooks Lane (Middlewich) Development Framework
Supplementary Planning Document

Portfolio Holder: Cllr Toni Fox - Portfolio Holder for Planning

Senior Officer: Frank Jordan - Executive Director - Place

1. Report Summary

- 1.1. This report seeks approval to adopt the Brooks Lane (located in Middlewich) Development Framework ("Framework") as a Supplementary Planning Document ("SPD"). As a SPD, it would be a material consideration in the determination of relevant planning applications. The Framework has been subject to two separate six-week consultation stages, the most recent of which took place in January / March 2020.
- 1.2. The Framework provides detailed planning guidance to illustrate how high quality, mixed use development can be realised across the area in line with its status as an allocated Strategic Location in the Council's Local Plan Strategy ("LPS") adopted in July 2017 (reference LPS 43; Brooks Lane, Middlewich).
- 1.3. The report outlines the consultation process that has been undertaken, the representations received and how they have informed the final draft of the Framework.

2. Recommendations

- 2.1. That Cabinet

- 2.1.1 Consider the views of Strategic Planning Board on the Brooks Lane (Middlewich) Development Framework Supplementary Planning Document.
- 2.1.2 Consider the key issues raised in the responses received to the public consultation that took place between January and March 2020 and the corresponding modifications to the Brooks Lane (Middlewich) Development Framework Supplementary Planning Document as set out in the Report of Consultation (Appendix 1).
- 2.1.3 Having considered the consultation results and the views of the Strategic Planning Board, determine whether to approve the Brooks Lane (Middlewich) Development Framework (Masterplan) as a Supplementary Planning Document.

3. Reasons for Recommendations

- 3.1. The preparation of the Framework fulfils the requirement of the Local Plan Strategy that development on this designated Strategic Location (LPS 43, Brooks Lane, Middlewich) will be achieved through a masterplan-led approach. Its preparation has been informed by engagement with landowners, businesses and residents across the area and the feedback received during two rounds of six-week public consultation.

4. Other Options Considered

- 4.1. There are no other appropriate options available. The preparation of a masterplan is a requirement of policy LPS 43 (Brooks Lane, Middlewich) in the Local Plan Strategy and the preparation of a SPD is the only way that is recognised in national planning policy of putting in place local planning guidance to supplement policies in an adopted local plan.

5. Background

- 5.1. The LPS identifies the Brooks Lane area (site reference LPS 43) as an area of potential future regeneration. The site area is shown in figure 1 (below). The LPS requires a masterplan led approach to the Strategic Location in line with a number of key principles, including:-

- the delivery of around 200 homes;
- the delivery of leisure and community facilities to the north of the site;
- the provision of appropriate retail facilities to meet local needs;
- the incorporation of green infrastructure;
- the provision of new and improved pedestrian and cycle links to connect development to existing employment, residential areas,

shops, schools health facilities, recreation and leisure opportunities and the town centre;

- the potential development of a marina at the Trent and Mersey Canal; and
- the provision of land for a new railway station including lineside infrastructure, access and forecourt parking.

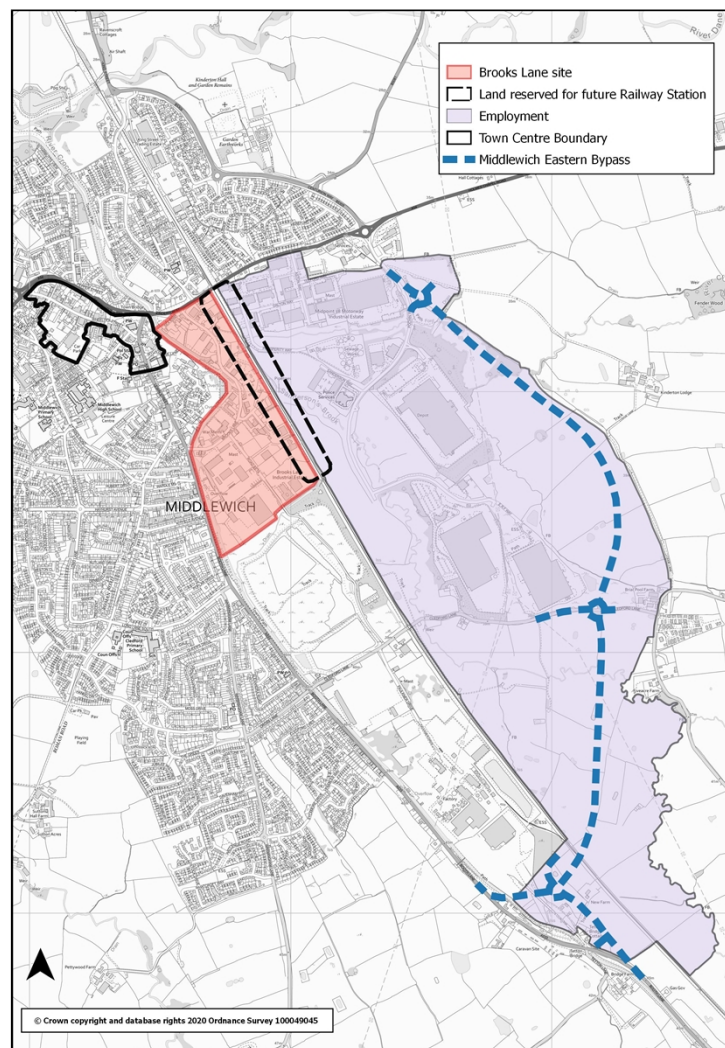


Figure 1: LPS 43 Brooks Lane Site

5.2. The Framework provides detailed planning guidance to illustrate how high quality, mixed-use development can be realised across the site in line with the Local Plan Strategy. The Framework can be used to inform the preparation of development proposals (largely private sector led) for the site, setting out key matters that proposals should address in order to achieve high quality new development that will significantly enhance the area and benefit the town as a whole.

- 5.3. The Framework recognises the opportunities for regeneration, particularly of the canal-side area of the site, the ability to provide new and enhanced green infrastructure, open spaces and pedestrian and cycle links. Specifically, it illustrates how around 200 homes could be achieved adjacent to the Canal as a shorter-term opportunity. The Framework has been developed through a careful analysis of the site and its context. It also illustrates how a new railway station could be created, supporting the long-standing aspiration to see the Sandbach-Middlewich-Northwich rail line re-opened for passenger services.
- 5.4. The Council's Economic Development Team will explore opportunities identified within the SPD to bring forward delivery to support the growth of Middlewich and its town centre.
- 5.5. The production of the Framework has been informed by engagement and consultation stages including:-
- Workshops with residents, businesses and landowners across the site in April and August 2018. Individual meetings have also been held with Middlewich Town Council and the Canal & River Trust.
 - Public consultation on the initial draft of the SPD in January / February 2019.
 - Public consultation on the final draft of the SPD in January / March 2020, alongside a report of consultation detailing the comments received on this initial draft of the SPD.
- 5.6. The final draft of the SPD and Report of Consultation (regarding the initial draft) were the subject of six weeks public consultation concluding on the 4 March 2020. The documents were published on the Council's website and hard copies were placed in the customer service centres at Crewe and Macclesfield, the Council offices at Westfields and Middlewich Library.
- 5.7. In total 24 representations were received from 23 parties (including three comments received after the closing date). A summary of the issues raised and the proposed response to these is set out in the Report of Consultation, prepared for the final draft of the Framework, in Appendix 1 of this report.
- 5.8. The representations received covered a wide range of matters, however the key issues raised by businesses and residents related to:
- the provision of infrastructure on the site;
 - improvements to highways, particularly access into the area;

- the provision of a train station; and
- the relationship of new housing with existing retained employment uses on the site.

5.9. The responses have been carefully considered and a number of modifications are proposed to the document in the light of this feedback. This is set out in the Report of Consultation (Appendix 1) and are incorporated into the final draft of the Framework (Appendix 2). These final changes to the framework are quite limited, as might be expected at this late stage of its development, and include:

- Additional reference to cycle parking added to section 5.1.2 (use, amount and density parameter) under the Train Station heading;
- Additional text added to section 5.1.3 (access parameter) to make reference to 'active design' principles advocated by Sport England;
- Additional text added to section 5.1.3 (access parameter) to refer to development proposals having appropriate regard to any material impact on railway crossings.
- Additional guidance about sustainable drainage considerations associated with new development proposals added to section 5.2 (development parameters and delivery considerations (point 5));
- Additional text added to section 5.3.1 (point 4) to ensure appropriate regard is given to connectivity with the canal.

5.10. Strategic Planning Board will consider the proposed adoption of the Framework as a SPD at its meeting on 26 August 2020. As this post-dates the publication of this Cabinet report, the Strategic Planning Board's views will be reported at the Cabinet meeting.

6. Implications of the Recommendations

6.1. Legal Implications

6.1.1 The Planning and Compulsory Purchase Act 2004 (as amended) and the Town and Country Planning (Local Development) (England) Regulations 2012 provide the statutory Framework governing the preparation and adoption of SPDs. These include the requirements in Section 19 of the 2004 Act and various requirements in the 2012 Regulations including in Regulations 11 to 16 that apply exclusively to producing SPDs.

- 6.1.2 Amongst other things, these require a SPD to contain a reasoned justification of the policies within it and for it not to conflict with adopted development plan policies.
- 6.1.3 The National Planning Policy Framework and the associated Planning Practice Guidance also set out national policy about the circumstances in which SPDs should be prepared.
- 6.1.4 Supplementary Planning Document(s) provide more detailed guidance on how adopted local plan policies should be applied. They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. Supplementary Planning Document(s) are capable of being a material consideration in planning decisions but are not part of the development plan.
- 6.1.5 The process for preparing a SPD is similar in many respects to that of a Local Plan document. However, they are not subject to independent examination by the Planning Inspectorate. There are a number of stages in their production:
- Publish the initial draft SPD for six weeks public consultation.
 - Consider feedback received and make any changes necessary.
 - Publish the final SPD along with a consultation statement setting out who has been consulted in its preparation, the main issues raised in feedback and how those issues been addressed in the final draft SPD.
- 6.1.6 Having considered representations, the SPD may then be adopted. Following adoption it must be published and made available along with an adoption statement in line with the 2012 Regulations. There is no legal requirement for SPDs to be accompanied by Sustainability Appraisal, and this is reinforced in national planning guidance. However, “in exceptional circumstances” there may be a requirement for SPDs to be subject to Strategic Environmental Assessment (SEA) where it is considered likely that they may have a significant effect on the environment that has not already been assessed within the SEA of the Local Plan. A screening assessment has been undertaken and consulted upon in the development of the SPD which has determined that a SEA (or an appropriate assessment under the Habitats Regulations) is not required.
- 6.1.7 The final proposed changes to the framework are limited in their extent and do not give rise to the need to revisit the SEA (or Habitats Regulations Assessment) screening.

6.2 Finance Implications

- 6.2.1 There are no significant direct financial costs arising from the approval to adopt the SPD. The costs of printing and the staff time in developing the SPD are covered from existing budgets of the planning service.

6.3 Policy Implications

- 6.3.1 The SPD will expand and amplify existing development plan policy.

6.4 Equality Implications

- 6.4.1 The Council has a duty under Section 149 of the Equalities Act to have due regard to the need to: eliminate discrimination; advance equality of opportunity between persons who share a “relevant protected characteristic” and persons who do not share it; foster good relations between persons who share a “relevant protected characteristic” and persons who do not share it.
- 6.4.2 The SPD provides guidance on the regeneration of an existing site and is intended to provide a range of homes. The SPD is consistent with the Local Plan Strategy which was itself subject to an Equalities Impact Assessment (EqIA) as part of an integrated Sustainability Appraisal.
- 6.4.3 An EqIA screening assessment has been carried out and this has not identified any actual or potential negative impact on people with protected characteristics that would warrant a full assessment being carried out. It is available to read at:
https://www.cheshireeast.gov.uk/council_and_democracy/council_information/equality-and-diversity/equality_analysis.aspx
- 6.4.4 The final proposed changes to the framework are limited in their extent and do not give rise to the need to revisit the EqIA.

6.5 Human Resources Implications

- 6.5.1 There are no implications for human resources.

6.6 Risk Management Implications

- 6.6.1 The subject matter of the report does not give rise to the need for any particular risk management measures because the process for the preparation of an SPD is governed by legislative provisions (as set out in the legal section of the report).
- 6.6.2 Adoption of the SPD is subject to a three month period during which legal challenges can be made.

6.7 Rural Communities Implications

- 6.7.1 There are no implications for rural communities. The SPD addresses a brownfield site in the settlement of Middlewich.

6.8 Implications for Children & Young People/Cared for Children

- 6.8.1 The Framework includes the provision of family housing, community facilities and enhanced connections from the site into the town centre. The future development of the site should be supported by active design principles (advocated by Sport England) to support physical activity and healthy and sustainable communities.

6.9 Public Health Implications

- 6.9.1 To ensure that any new residents on the site achieve acceptable living conditions, the SPD highlights the need for development proposals to carefully address the relationship between any new homes and existing employment uses. The regeneration of the area brought about by the proposals within the SPD and the enhancement of the local environment, coupled with improved opportunities for walking and cycling could have a beneficial effect on public health.

6.10 Climate Change Implications

- 6.10.1 The construction of new buildings generally gives rise to additional carbon emissions. However, the site is located within the built up area of Middlewich and future residents would generally have less reliance on the car, having opportunities to walk and cycle to a range of local services and facilities and be close to bus services. The provision of a new rail station and passenger service, if this is achieved in the future, will provide some people with a more sustainable transport choice. Other policies in the Local Plan regarding climate change mitigation and adaptation will be relevant to any planning application proposals.

7 Ward Members Affected

- 7.1 The site is located within the Middlewich Ward. Councillor Carol Bulman, Councillor Mike Hunter and Councillor Jonathan Parry are the Ward Councillors.

8 Consultation & Engagement

- 8.1 This is set out earlier in this report and has most recently involved six weeks consultation during January / March 2020. Following this, all comments have been considered and modifications proposed to the SPD, so that it is ready for adoption.

- 8.2 The consultation period for the Brooks Lane Masterplan was between Wednesday 22 January and Wednesday 4 March 2020. At the close of the consultation, the public was not in formal 'lockdown' in relation to COVID 19 and libraries / council buildings remained open throughout the consultation period.

9 Access to Information

9.1 Key Documents:

Cheshire East Local Plan Strategy (July 2017)

Appendix 1: Report of Consultation including summary of representations and responses

Appendix 2: Brooks Lane (Middlewich) Development Framework (Masterplan)

Brooks Lane Masterplan Equalities Impact Assessment -

https://www.cheshireeast.gov.uk/council_and_democracy/council_information/equality-and-diversity/equality_analysis.aspx

10 Contact Information

- 10.1 Any questions relating to this report should be directed to the following officers:

Name: Allan Clarke

Job Title: Principal Planning Officer, Strategic Planning

Email: allan.clarke@cheshireeast.gov.uk

Name: Jeremy Owens

Job Title: Development Planning Manager, Strategic Planning

Email: jeremy.owens@cheshireeast.gov.uk

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Cheshire East Local Plan

Report of Consultation: Brooks Lane (Middlewich) Development Framework (Masterplan)

September 2020

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1. Introduction

- 1.1 The Brooks Lane site is identified as a strategic location in the Council's Local Plan Strategy (adopted July 2017) as site reference 'LPS 43'. The Local Plan Strategy ('LPS') requires that future re-development of the site will be supported by a masterplan led approach that will help determine the nature and quantum of development that is appropriate for the site.
- 1.2 Consultants Barton Willmore, on behalf of the Council, prepared a development framework to support the future development of the site. The development framework was prepared as a Supplementary Planning Document (SPD) and intended to provide over-arching guidance for the future development of the site.
- 1.3 The Brooks Lane (Middlewich) initial draft Development Framework (masterplan) SPD was published for consultation between 14 January and 25 February 2019 and a report of consultation prepared summarising the feedback that was received and how this influenced the final draft of the SPD.
- 1.4 The final draft of the Brooks Lane Development Framework, alongside a report of consultation prepared for the initial draft SPD, was consulted on from the 22 January until the 04 March 2020.
- 1.5 This final report of consultation sets out how this consultation was carried out and addresses the feedback received, including the final changes to the SPD made in response to the feedback received.
- 1.6 Consultation was carried out in line with the requirements of the council's Statement of Community Involvement (December 2018).

2. Consultation documents

- 2.1 Comments were invited on the final draft Brooks Lane (Middlewich) Development Framework (masterplan) SPD and accompanying report of consultation. A Sustainability Appraisal and Habitats Regulations Assessment Screening Assessment were also included as an appendix.

3. Document availability

- 3.1 Electronic copies of the consultation documents were available on the council's consultation portal which could be accessed via the council's website.
- 3.2 A printed copy of the consultation documents were available for inspection at the council's principal offices at Westfields, Middlewich Road, Sandbach CW11 1HZ.

- 3.3 Printed copies of the consultation documents were also available for inspection at:
- Crewe Customer Service Centre, Delamere House, Delamere Street, Crewe CW1 2JZ;
 - Macclesfield Customer Service Centre, Town Hall, Macclesfield SK10 1EA;
 - Middlewich Library, Lewin Street, Middlewich, CW10 9AS.

4. Publicity and engagement

Consultation notifications

- 4.1 Notification of the consultation was sent to all active stakeholders on the council's local plan consultation database. This consisted of 280 printed letters and 2,382 emails sent on 22 January 2020. The stakeholders on the consultation database include residents of Cheshire East, landowners and developers, as well as planning consultants, businesses and organisations.
- 4.2 Copies of the notification email and letter are included in Appendix 1.
- 4.3 Separate email letters were also sent to Natural England, Historic England, the Environment Agency and Natural Resources Wales as statutory consultees.
- 4.4 Town and parish councils adjoining Cheshire East in neighbouring authorities are included in the local plan consultation database and received the notification letter / email as detailed in paragraph 4.1.
- 4.5 A notice of the consultation also appeared on the consultation page of the council's web site (see Appendix 2).

Other publicity

- 4.6 A number of pages on the Cheshire East Council website provided information and links to the consultation. These pages included:
- The homepage (in the 'have your say' section): www.cheshireeast.gov.uk
 - The Cheshire East Local Plan page: www.cheshireeast.gov.uk/localplan
- 4.7 A press release was issued; informing people of the consultation (Last chance to comment on marina and homes plan). A copy of the press release is included in Appendix 3.
- 4.8 An item relating to the consultation on the Brooks Lane Development Framework SPD was also included in the Strategic Planning Update (February 2020 edition). The Strategic Planning Update is sent to all town and parish councils and Council Members in Cheshire East. A copy is also published on the Council's website and included in Appendix 4.

4.9 News articles relating to the consultation were published, including:

- Marina Masterplan Comes Under Fire (Winsford and Middlewich Guardian, 21 January 2020);
- Have your say on homes and marina vision for Brooks Lane (Winsford and Middlewich Guardian, 29 January 2020).

5. Submitting comments

5.1 Comments could be submitted in a number of ways:

- Using the online consultation portal, linked from the council's website;
- By email to locaplan@cheshireeast.gov.uk; or
- By post to Strategic Planning (Westfields), C/O Municipal Buildings, Earle Street, Crewe CW1 2BJ.

5.2 Printed copies of consultation response forms were available for people to take away from the council's offices at Westfields, Sandbach and the locations listed in paragraph 3.3. The response form is shown in Appendix 4.

5.3 Information on how to submit comments was included on the consultation portal; the public notice; in the foreword of the printed and PDF versions of the draft SPD; and on the printed comments form.

6. Representations received

6.1 In total, 21 comments from 21 parties were received during the consultation period. A further three comments from two consultees were late submissions received after the closing date of the consultation. These comments can be viewed on the consultation portal at <https://cheshireeast-consult.objective.co.uk/portal/planning/spd/brookslaneddevelopmentframework>

6.2 The comments received covered a wide range of topics and issues. However the key matters raised in the feedback related to:

- Provision of infrastructure on the site
- Improvements to highways, particularly access into the site
- Provision of a train station
- The relationship of new housing with existing retained employment uses on the site

6.3 A full summary of the key issues raised alongside the council's response and how the SPD has been amended as a result is set out in Appendix 5.

Appendix 1: Notification letter and email



Working for a brighter future: together

address

**Environment and Neighbourhood
Services**

1st Floor, Westfields
c/o Municipal Buildings
Earle Street
CREWE
CW1 2BJ
01270 685893

localplan@cheshireeast.gov.uk
www.cheshireeast.gov.uk

DATE: 22/01/2020

OUR REF: BLDF

Cheshire East Local Plan - update on planning policy preparation

You have received this letter because, according to our records, you have previously responded to a Local Plan consultation or you have been asked to be kept informed about the development of planning policies in Cheshire East.

I am writing to update you on two matters, firstly, progress with the Council's Site Allocations and Development Policies Document ('SADPD') and, secondly, to notify you that the Council has published a final draft masterplan for the Brooks Lane site in Middlewich for public consultation.

SADPD

The SADPD is the second part to the Council's Local Plan. It will set out detailed, non-strategic planning policies to support the delivery of the Local Plan Strategy adopted in 2017.

As you may know, six weeks of consultation took place on the Publication version of the SADPD between 19 August and 30 September last year. The Council received over 2,700 representations and because of this significant level of feedback, it is now expected that a decision will be made during the summer about the next step towards the Plan's examination.

Careful consideration is being given to all of the comments received about the Plan including the need for any further changes to its proposed policies and allocations.

Brooks Lane, Middlewich - Draft Development Framework (masterplan)

In line with the council's adopted Local Plan Strategy, a development framework (masterplan) supplementary planning document ('SPD') has been prepared to support the delivery of the strategic development location at Brooks Lane, Middlewich (reference LPS 43).

OFFICIAL

All other enquiries 0300 123 5500

www.cheshireeast.gov.uk

An initial draft of the development framework SPD was consulted on in January / February 2019. A final draft version of the SPD has now been prepared, alongside a report of consultation which summarises the comments received to the initial draft SPD and how the final version of the document has been amended in the light of this feedback.

The council is now seeking views on the final draft SPD prior to it being considered for adoption as a SPD and the report of consultation. As a SPD, its guidance would need to be taken into account as a material consideration in deciding relevant planning applications affecting the site.

The consultation period begins on the 22 January and ends at 5pm on the 04 March 2020.

The document will be available to view on line at www.cheshireeast.gov.uk/localplan, at Middlewich Library (Lewin Street, Middlewich, CW10 9AS) and at the following Council Offices during their normal opening hours:

- Delamere House, Delamere Street, Crewe, Cheshire, CW1 2JZ;
- Macclesfield Town Hall, Macclesfield, Cheshire, SK10 1EA; and
- Westfields, Middlewich Road, Sandbach, CW11 1HZ

Comments forms are available at the above locations. We would encourage you to respond using the consultation portal on our website. Alternatively you can e-mail your views to localplan@cheshireeast.gov.uk or send comments by post to Strategic Planning (Westfields) C/O Municipal Buildings, Earle Street, Crewe, CW1 2BJ.

Please note that the deadline for the receipt of comments is 5pm on the 04 March 2020.

Your personal data will be processed in line with our privacy notice and your name and comments will be published and made available to view on the consultation portal.

Further information can be obtained from the Council's website or by contacting the Strategic Planning team on 01270 685893 or by e-mailing localplan@cheshireeast.gov.uk

Yours sincerely

|

Jeremy Owens
Development Planning Manager

□

Follow up. Completed on 22-Jan-2020.

From: LOCAL PLAN
To: LOCAL PLAN
Cc:
Subject: [OFFICIAL] Cheshire East Local Plan - Update on planning policy preparation

Sent: Wed 22/01/2020 11:26

You have received this e-mail because, according to our records, you have previously responded to a Local Plan consultation or you have been asked to be kept informed about the development of planning policies in Cheshire East.

I am writing to update you on two matters, firstly, progress with the Council's Site Allocations and Development Policies Document (SADPD) and, secondly, to notify you that the Council has published a final draft masterplan for the Brooks Lane site in Middlewich for public consultation.

SADPD

The SADPD is the second part to the Council's Local Plan. It will set out detailed, non-strategic planning policies to support the delivery of the Local Plan Strategy adopted in 2017.

As you may know, six weeks of consultation took place on the Publication version of the SADPD between 19 August and 30 September last year. The Council received over 2,700 representations and because of this significant level of feedback, it is now expected that a decision will be made during the summer about the next step towards the Plan's examination.

Careful consideration is being given to all of the comments received about the Plan including the need for any further changes to its proposed policies and allocations.

Brooks Lane, Middlewich - Draft Development Framework (masterplan)

In line with the council's adopted Local Plan Strategy, a development framework (masterplan) supplementary planning document ('SPD') has been prepared to support the delivery of the strategic development location at Brooks Lane, Middlewich (reference LPS 43).

An initial draft of the development framework SPD was consulted on in January / February 2019. A final draft version of the SPD has now been prepared, alongside a report of consultation which summarises the comments received to the initial draft SPD and how the final version of the document has been amended in the light of this feedback.

The council is now seeking views on the final draft SPD prior to it being considered for adoption as a SPD and the report of consultation. As a SPD, its guidance would need to be taken into account as a material consideration in deciding relevant planning applications affecting the site.

The consultation period begins on the 22 January and ends at 5pm on the 04 March 2020. The document will be available to view on line at www.cheshireeast.gov.uk/localplan, at Middlewich Library (Lewin Street, Middlewich, CW10 9AS) and at the following Council Offices during their normal opening hours:

- Delamere House, Delamere Street, Crewe, Cheshire, CW1 2JZ;
- Macclesfield Town Hall, Macclesfield, Cheshire, SK10 1EA; and
- Westfields, Middlewich Road, Sandbach, CW11 1HZ

Comments forms are available at the above locations. We would encourage you to respond using the consultation portal on our website. Alternatively you can e-mail your views to localplan@cheshireeast.gov.uk or send comments by post to Strategic Planning (Westfields) C/O Municipal Buildings, Earle Street, Crewe, CW1 2BJ.


Please note that the deadline for the receipt of comments is 5pm on the 04 March 2020.

Your personal data will be processed in line with our privacy notice and your name and comments will be published and made available to view on the consultation portal.

Further information can be obtained from the Council's website or by contacting the Strategic Planning team on 01270 686893 or by e-mailing localplan@cheshireeast.gov.uk

Jeremy Owens
Development Planning Manager
Strategic Planning team
Westfields, Middlewich Road, Sandbach, CW11 1HZ

Appendix 2: Screen shot from the council website



Enter Keywords

A to Z site index

Search

I want to find...

Jobs at the Council

Payments to the Council

Bins and recycling

Planning and planning applications

Schools and education

Council and democracy

Library books to renew or reserve

Council Tax

Benefits entitlements

Business and Business Rates

Roadworks and highway services

Car parks and parking

Bus timetables and travel information

Care and support for children and adults

Housing


Leisure and culture

Births, marriages and deaths

Rangers and outdoor recreation

Environment

In Focus



Food waste collections

Find out more about our food caddy deliveries.

News

28/01/2020 - Stay active during the colder months

28/01/2020 - Last chance to comment on marina and homes plan

24/01/2020 - Cheshire East Council unveils new deputy cabinet member

22/01/2020 - Council recognises and celebrates foster carers' long service

20/01/2020 - Year 8 HPV vaccinations to take place

Public Notices
Media Hub >>

Have your say

Consultations

Community Governance Review Part one - closes at 5pm 31 January 2020

SEND Survey to Parent/Carers - closes 5pm on 31 January 2020

Brooks Lane, Middlewich Draft Development Framework - closes 5pm on the 4 March 2020

Join the digital Influence panel

Planning applications

Comment on a current planning application






More consultations

Contact


Contact the council

Find your local councillor

Social media

Other social media channels



Cheshire East Family Information Service

Cheshire East Family Information Service

THE VoICE

The new Cheshire East Council resident magazine

livewell

Cheshire East

Live Well Cheshire East offers a range of services so you can find support, care and social activities for yourself or a loved one.

Appendix 3: Press releases

[Home](#) / [Council and Democracy](#) / [Council Information](#) / [Media Hub](#) / [Media releases](#) / 28/01/2020 - Last chance to comment on marina and homes plan



Still time to comment on potential homes, rail and marina developments

28 January 2020

A final round of public consultation is taking place to help shape a proposed housing, open space and marina project - which also includes hopes for a renewed passenger rail service in the borough.

The Brooks Lane area of Middlewich is earmarked for a range of new development opportunities, with aspirations for reintroducing passenger rail services to the town. Both Cheshire East Council and Cheshire West and Chester Council have expressed support for the re-opening of the Sandbach-Middlewich-Northwich line for passenger services.

While this is not within the gift of local councils, the authorities will continue to work with Network Rail, Transport for the North and the Cheshire and Warrington Local Enterprise Partnership to progress this.

Identified as a potential development site within the Cheshire East Local Plan Strategy, the Brooks Lane supplementary planning document details a vision to see an additional 200 homes, a marina, public open space and cycling and walking routes.

Residents and all interested parties have until 4 March 2020 to express their views on the document, which shows how these development proposals progress. This is the last round of consultation before a final blueprint is agreed and put before the council. Once adopted, the masterplan will become an important consideration whenever the council has to determine relevant planning applications.

The final draft masterplan and its associated statement of consultation is available to view on the [Cheshire East Council consultation portal](#)

It is also available for viewing at:

- Westfields, Middlewich Road, Sandbach CW11 1HZ;
- Delamere House, Delamere Street, Crewe CW1 2JZ;
- Macclesfield Town Hall, Macclesfield SK10 1EA.



You can also comment by emailing: localplan@cheshireeast.gov.uk or in writing to the Spatial Planning Team, Cheshire East Council, Municipal Buildings, Earle Street, Crewe CW1 2BJ.

Appendix 4: Consultation portal / consultation response form and extract from strategic planning update newsletter

Cheshire East Council Consultation Portal

Accessibility | Privacy | Home | Contact Us

Search []

Login / Register Who Said What? Help

Consultation Home > Planning > Supplementary Planning Documents > Brooks Lane (Middlewich) Development Framework SPD

Brooks Lane (Middlewich) Development Framework SPD

[Brooks Lane \(Middlewich\) Development Framework Supplementary Planning Document \('SPD'\)](#)

In line with the Council's adopted Local Plan Strategy, a development framework (masterplan) supplementary planning document ('SPD') has been prepared to support the delivery of the strategic development location at Brooks Lane, Middlewich (reference LPS 43). Views are now being invited on the final draft development framework SPD and its accompanying report of consultation.

An initial draft of the development framework was consulted on in January / February 2019. A final version of the SPD has now been prepared, alongside a report of consultation which summarises the comments received to the initial draft SPD and how the final version of the document has been amended in the light of this feedback.

The period for making comments will run between **Wednesday 22 January and 5pm on Wednesday 04 March 2020**.

[Consultation Documents](#)

The Brooks Lane Development Framework SPD document, report of consultation and Strategic Environmental Screening Assessment are available to download using the link below:

- [Brooks Lane Development Framework SPD, report of consultation and Strategic Environmental Screening Assessment](#)
- [Brooks Lane Development Framework SPD Public Notice](#)

[Submitting your views](#)

The council's online consultation portal is our preferred method for submitting responses, but you can also respond:-

By e-mail: to localplan@cheshireeast.gov.uk

By post: Strategic Planning (Westfields), C/O Municipal Buildings, Earle Street, Crewe CW11 2BJ

Please make sure that your comments reach us by **Wednesday 04 March 2020**. We are not able to accept anonymous comments; you must provide us with your name and contact details.

Your personal data will be processed in line with our [Strategic Planning Privacy Notice](#), which is available on the council's website. Your name and comments will be published and made available to view on the consultation portal.

View and Comment

Event Information | Supporting Documents | All Comments

Access: Login required
Status: open (From 22/01/20 09:00 to 04/03/20 17:00)
Privacy: If you take part: your name may be displayed, your answers may be displayed, your town/city will not be shown
Description: Brooks Lane Development Framework Supplementary Planning Document (SPD) has been produced to guide development of the strategic location (LPS 43) in the adopted Local Plan Strategy
Organisation: Cheshire East Council
Contact Name: Spatial Planning Team
Contact Email: localplan@cheshireeast.gov.uk
Contact Telephone: 01270 885593
Other Contact Information: Westfields Middlewich Road Sandbach Cheshire CW11 1HZ
Subject: Local development plans, Planning (town and country), Local development, Local Development Framework

Sharing Tools: Facebook Twitter Delicious Digg reddit StumbleUpon

What do these do?



Cheshire East Local Plan

Brooks Lane Development Framework (Masterplan)

Supplementary Planning Document - Comments Form

Please return to: Strategic Planning (Westfields)
C/O Municipal Buildings, Earle Street, Crewe CW1 2BJ or by email to
localplan@cheshireeast.gov.uk

Please return by: Wednesday 04 March 2020

This comment form has two parts:

- Part A – Personal details.
- Part B – Your representation(s).

Comments Form Part A: Personal Details

	Personal Details*	Agent's Details (if applicable)
Title		
First Name		
Last Name		
Job Title (where relevant)		
Organisation (where relevant)		
Address Line 1		
Address Line 2		
Address Line 3		
Address Line 4		
Postcode		
Telephone Number		
Email Address (where relevant)		
Your Reference No. (if known)		

Personal Details*

Agent's Details (if applicable)

* If an agent is appointed, please complete only the Title, Name and Organisation in column 1 but complete the full contact details of the agent in column 2.

Please complete a separate Part B form for each comment that you would like to make. This response form provides enough space for two comments but please copy and attach further part B forms if required.

For further assistance in making comments please contact the Strategic Planning Team at localplan@cheshireeast.gov.uk or by telephone on 01270 685893.

Comment Form Part B: Brooks Lane SPD Comment Form

Name and Organisation:		Office Use Only:	
		PID:	RID:

Q1. Which section of the document are you commenting on?

Page / Chapter / Paragraph / Figure
(please delete as appropriate and state which): _____

Q2. What is your overall view on this section? (please tick one box)

☐ Support ☐ Object ☐ Comment only

Q3. Please set out your comments or views on this section:

Strategic planning update

This page provides regular updates on planning policy matters affecting Cheshire East, including:

- progress on the council's Local Plan
- other research, guidance and projects carried out by the council's Strategic Planning Team, and
- neighbourhood planning activity taking place across the borough.

February 2020 bulletin - edition 17

Keeping you informed about planning policy matters in the borough.

Keyboard navigation: use the spacebar to display further information.

Site Allocations and Development Policies Document	view ▼
Crewe Hub Area Action Plan	view ▼
Brooks Lane Development Framework, Middlewich	close ▼

In line with the council's adopted Local Plan Strategy (LPS), a development framework (masterplan) supplementary planning document (SPD) has been prepared to support the delivery of the strategic development location at Brooks Lane, Middlewich (reference LPS 43).

An initial draft of the development framework was consulted on in January and February 2019. A final draft version of the SPD has now been prepared which also incorporates a report of consultation summarising the comments received to the initial draft SPD and amendments to it in the light of this feedback.

The council is now seeking views on the final draft SPD prior to it being considered for adoption and the report of consultation. As a SPD, its guidance would need to be taken into account as a material consideration in deciding relevant planning applications affecting the site.

The consultation runs between 22 January and 4 March 2020. Further information can be found on the [Local Plan Consultation Portal](#).

In this section

- [Brownfield Register](#) ▶
- [Local Plan Public Notices](#) ▶
- [Spatial planning update](#)
- [Airport Planning](#) ▶
- [Local Development Orders \(LDOs\)](#) ▶
- [Cheshire East Local Plan](#) ▶
- [Planning Policy Documents Index and Price List](#) ▶
- [Research and Evidence](#) ▶
- [Strategic Planning](#) ▶
- [Saved and Other Policies](#) ▶

Rate this page

We value your feedback. How do you rate this information?



Appendix 5: Summary of key issues and responses

Consultee Ref	Summary of key issues including where the comment relates	Response to issues raised	Modification(s) required
BLDF 3 – Private Individual	<ol style="list-style-type: none"> 1. Missed opportunity to have a road linking Brooks Lane site to the new Middlewich Eastern bypass. If Brooks Lane Bridge cannot be altered then make it 2 ways, then a second exist point added along the A533. 2. Plan needs to consider supporting infrastructure including schools etc. 3. A bus route should be included along Brooks Lane. 	<ol style="list-style-type: none"> 1. The development framework identifies the potential for highway improvements to the Brooks Lane Canal Bridge and the Junction of Brooks Lane and Kinderton Street. Point E of the site specific principles of development for the strategic location (LPS 43) makes reference to contributions towards highways improvements. 2. The Local Plan Strategy (LPS) when it established the Brooks Lane site as a strategic location (LPS 43) considered matters in relation to infrastructure through the preparation of an Infrastructure Delivery Plan. Policy wording contained in the site principles for LPS 43 (which the Brooks Lane Development Framework seeks to supplement), includes requests for contributions towards, education, health and highways infrastructure. This will be considered on a case by case basis for planning application(s) submitted on the site. 3. There are existing bus routes in close proximity to the site along Lewin Street (services 37 / 42) Service 42 runs along Kinderton Street also. As noted in section 5.1.3 of the draft SPD – all ‘major’ development proposals on the site should be accompanied by a transport assessment and consider the need for a travel plan. 	<ol style="list-style-type: none"> 1. No modification(s) required 2. No modification(s) required 3. No modification(s) required

BLDF 4 – Private Individual	1. Support for the development.	1. Noted	1. No modification(s) required
BLDF 5 – Private Individual	<ol style="list-style-type: none"> 1. Small developments have been taking place for decades with no thought to improving the infrastructure of the town. Infrastructure needs to be built before any future developments take place. 2. Brooks Lane is difficult to exit due to the weight of traffic. There should be multiple exits from the site. 3. Train station is a great idea but will need to include a large car park and cycle storage. 4. Cycle paths should be included in the Plan. 5. Alongside HS2 facility at Wimboldsley – impact on both sides of the town. 	<ol style="list-style-type: none"> 1. The Local Plan Strategy (LPS) when it established the Brooks Lane site as a strategic location (LPS 43) considered matters in relation to infrastructure through the preparation of an Infrastructure Delivery Plan. The intention of the masterplan is to assist in the co-ordination of development and having appropriate regard to place making requirements across the site. The construction of the Middlewich Eastern Bypass is a major piece of planned infrastructure that will benefit the town. 2. The development framework identifies the potential for highway improvements to the Brooks Lane Canal Bridge and the Junction of Brooks Lane and Kinderton Street. Point E of the site specific principles of development for the strategic location (LPS 43) makes reference to contributions towards highways improvements. 3. Noted. 4. The BLDF makes appropriate references throughout the document to cycle links to connect existing and proposed development in the BLDF area. 5. The BLDF has been developed in response to the requirement of a policy in an adopted Local Plan (policy LPS 43). 	<ol style="list-style-type: none"> 1. No modification(s) required 2. No modification(s) required 3. Reference to 'cycle' parking added to section 5.1.2 when making reference to the train station requirements 4. No modification(s) required 5. No modification(s) required

BLDF 6 – Private Individual	<ol style="list-style-type: none"> 1. Support for regeneration but note that the town is at capacity for schools and general infrastructure. 2. Too many houses going everywhere. 3. Leisure facilities are necessary 4. People have to travel to industrial estates for work, most people not able to cycle to work due to poor cycle routes and over congested roads. 	<ol style="list-style-type: none"> 1. The Local Plan Strategy (LPS) when it established the Brooks Lane site as a strategic location (LPS 43) considered matters in relation to infrastructure through the preparation of an Infrastructure Delivery Plan. Site specific principles of development for the strategic location (LPS 43) make reference to the need for contributions towards highways, education and health infrastructure contributions. 2. The BLDF has been developed in response to the requirement of policy LPS 43 in the Local Plan Strategy. LPS 43 notes that the Brooks Lane site, as a strategic location, is anticipated to deliver around 200 homes. 3. Section 5.1.2 of the masterplan supports the provision of small scale leisure facilities 4. This is a general point. The BLDF seeks improvements to pedestrian and cycling connections. 	<ol style="list-style-type: none"> 1. No modification(s) required 2. No modification(s) required. 3. No modifications required 4. No modifications required
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BLDF 7 – Private Individual	<ol style="list-style-type: none"> 1. Concern over more traffic with proposal for new homes. 2. There is a need to build the Middlewich Eastern Bypass first. 	<ol style="list-style-type: none"> 1. As noted in section 5.1.3 of the draft SPD – all ‘major’ development proposals on the site should be accompanied by a transport assessment. Point E of the site specific principles of development for the strategic location (LPS 43) makes reference to contributions towards highways improvements. The detailed traffic impacts of any development proposals and necessary mitigation measures will need to be addressed at a planning application stage. 2. Planning Committee resolved to approve the Middlewich Eastern Bypass (planning reference 18/5833c). The current programme (subject to planning and final funding approvals) is for the main construction works to start in 2021 with an estimated 30 month construction period. A new planning application has been registered for the proposed additional areas associated with the new road scheme but not yet determined (ref 20/2164C) 	<ol style="list-style-type: none"> 1. No modification(s) required. 2. No modification(s) required.
BLDF 8 – Environment Agency	<ol style="list-style-type: none"> 1. We support the proposals in the document and are pleased to note that the comments in our previous letter have been included in the final draft. We have no additional comments to make. 	<ol style="list-style-type: none"> 1. Noted 	<ol style="list-style-type: none"> 1. No modification(s) required
BLDF 9 – Coal Authority	<ol style="list-style-type: none"> 1. No specific comments to make on the final draft of the document. 	<ol style="list-style-type: none"> 1. Noted 	<ol style="list-style-type: none"> 1. No modification(s) required.

<p>BLDF 10 – United Utilities</p>	<ol style="list-style-type: none"> 1. United Utilities (“UU”) wishes to highlight that we will seek to work closely with the Council to develop a coordinated approach for the delivery of the Brooks Lane allocation. 2. UU highlight the free pre-application service for drainage strategies and water supply requirements. 3. Previous response should be read in conjunction with this one. UU have noted the changes made to the SPD following on from our previous response and we are pleased with the approach to sustainable drainage within the document and the inclusion of linkage between green infrastructure and surface water management. 4. This representation will look to focus on how phasing will interact with drainage, ensuring the canal is fully utilised to discharge the developments surface water. Approach to phasing - the experience of UU is that where sites are in multiple ownership, the achievement of sustainable development can be compromised by developers/applicants working independently. It is integral that any proposed phasing and infrastructure schedule ensures each development phase has unfettered access to available infrastructure. The SPD could be used to control the approach to phasing to ensure sustainable drainage is ensured. 	<ol style="list-style-type: none"> 1. Noted 2. Noted 3. Noted 4. Noted, see proposed modification to the SPD. Given that they would not have control over the whole Brooks Lane site area, it would be impossible for any individual applicant promoting a scheme on part of the area to identify with any certainty how other development schemes would come forward across other parts of the area by way of a phasing plan. However the underlying objective of UU, to best achieve sustainable drainage solutions across the site, is addressed in the additional wording proposed in BLDF. 	<ol style="list-style-type: none"> 1. No modification(s) required. 2. No modification(s) required. 3. No modification(s) required. 4. Additional paragraph added to section 5.2 as point 5 – <i>“In line with policy SE 13 Flood Risk ‘Flood Risk and Water Management’ all development should manage surface water effectively, follow the hierarchy of drainage options for surface water, where possible, and not unnecessarily prejudice access to sustainable drainage infrastructure across the site”.</i>
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<p>BLDF 10 – United Utilities cont...</p>	<p>4. Cont.. looking at the Phasing Strategy in Part 6 of the SPD, there is still concern that access to the canal will be restricted and block the discharge of surface water, which is a more sustainable option than the public sewer. Development proposals within the allocation should follow the hierarchy of drainage options for surface water with the expectation that no surface water will discharge to public sewer. Such requirements are supported by Policy SE13 in the adopted 'Local Plan Strategy' and ENV15 of the draft 'Site Allocations and Development Policies Document'. Opportunities for more sustainable options in the surface water hierarchy may be compromised if an overarching Phasing Plan is not produced to provide a degree of certainty as proposals are brought forward. We suggest the following text to be added to '6.1 Summary and Phasing', which can be amended to reflect any local circumstances/preferences: "A comprehensive Phasing Plan shall be as part of any planning application that is submitted within the SPD boundary. The Phasing Plan shall outline how it interacts with adjoining phases and must be updated to reflect any change in circumstances as the allocation are brought forward. The development shall only be carried out in accordance with the approved Phasing Plan after approval from the Local Planning Authority. To align with the Phasing Plan, updated strategies, like the surface water drainage strategy, must be submitted as part of any planning application".</p>		
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BLDF 10 – United Utilities cont...	5. Moving forward, we respectfully request that the Council and associated developers continue to consult with United Utilities regarding development as part of the Brooks Lane SPD. We are keen to continue to ensure that all new growth can be delivered sustainably.	5. Noted	5. No modification(s) required.
BLDF 11 – Private individual	<ol style="list-style-type: none"> 1. Support the development as prefer to live in a residential rather than an industrial area 2. Feel that Middlewich does need development and welcome any changes to improve the area. 3. Concerns over traffic congestion and the only exit being at the 'Boars Head' end of Brooks Lane. There must be a solution of reducing the traffic by creating alternative exits to the site. 	<ol style="list-style-type: none"> 1. Noted 2. Noted 3. The development framework identifies the potential for highway improvements to the Brooks Lane Canal Bridge and the Junction of Brooks Lane and Kinderton Street. Point E of the site specific principles of development for the strategic location (LPS 43) makes reference to contributions towards highways improvements. 	<ol style="list-style-type: none"> 1. No modification(s) required. 2. No modification(s) required. 3. No modification(s) required.

<p>BLDF 12 – Thomas Hardie Commercials Limited</p>	<ol style="list-style-type: none"> 1. Previously made representations as to why the document was unsound and unsustainable 2. Even with minor changes made, the final document is unsound and unsustainable and the document should be adopted by the Council. 3. Thomas Hardie Commercials Limited site ought to be allocated for development alongside the rest of the strategic development area. 4. Draw attention to para 180 & 182 of the National Planning Policy Framework (NPPF) – proposed residential use is not appropriate and cannot be integrated effectively with existing uses, Despite the addition of a new section on development parameters and delivery considerations there is inadequate protection for the existing employment / industrial uses retained adj to the residential development. THCL operates 24 hours a day, 365 days a year and so trips could pass by proposed residential development impacting on health safety and noise levels 5. THCL support removal of extra care housing which was previously considered around the proposed train station location. 6. With the location of the train station, residents will pass by Road Beta directly adjacent to the employment area. 	<ol style="list-style-type: none"> 1. Representations made to the initial draft BLDF were considered in the development of the final draft BLDF. 2. The Council considers the final version of the BLDF capable of adoption and prepared in line with relevant regulations and the Council's Statement of Community Involvement. 3. The BLDF has been developed to support policy LPS 43 – Brooks Lane, Middlewich. The strategic location requires the production of a masterplan to support the future development of the site and the masterplan is considered to appropriately reflect the policy context set by the Local Plan Strategy. The identification of residential development on the Thomas Hardy site is not currently considered appropriate because it falls within an area of industrial uses to the east of Road Beta which are expected to remain in situ for the foreseeable future. However, the BLDF does not represent a hard and fast blueprint for the area in the long term. Circumstances may change and the intentions of individual landowners may alter over time providing opportunities to explore further development schemes in the future. 4. The development framework appropriately considers a number of broad parameters for the site whereas future planning application(s) will provide additional and detailed justification. This detailed information will be considered on their own merits against the policies contained within the Development Plan. The framework includes a section on development parameters which sets out the need for additional assessments in support of future planning applications on the site. 5. Noted 6. The location of the train station appropriately reflects the outcomes of initial appraisal work by the Local Enterprise Partnership called the Mid Cheshire and Middlewich Rail Feasibility Study. 	<ol style="list-style-type: none"> 1. No modification(s) required 2. No modification (s) required 3. No modification (s) required 4. No modification (s) required. 5. No modification (s) required. 6. No modification (s) required.
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BLDF 12 – Thomas Hardie Commercials Limited cont..	<p>7. Increase traffic (including pedestrians and cyclists raise safety concerns when coupled with high intensity industrial and employment traffic on Brooks Lane.</p> <p>8. Consider buffer planting will be insufficient to mitigate the effects of disturbance from employment / industrial uses, particularly at sensitive times.</p>	<p>7. There are references in section 5.1.3 (access parameter) in the development framework to development supporting appropriate pedestrian and cycle access to try and secure user safety.</p> <p>8. Section 5.1.4 of the development framework refers to buffer planting and landforming used to secure the future amenity of residents whilst supporting the continued operation of existing businesses on the site. The adequacy or otherwise of specific noise mitigation measures will need to be judged at a planning application stage.</p>	<p>7. No modification(s) required.</p> <p>8. No modification(s) required.</p>
BLDF 13 – Sport England	<p>1. The importance of promoting healthy communities is a key focus of the NPPF in achieving sustainable development. Sport England's current strategy 'Towards an Active Nation' builds on the Government's sports strategy 'Sporting Future: A New Strategy for an Active Nation' which, alongside participation, focusses on how sport changes lives and is a force for social good. http://www.sportengland.org/planningforsport</p>	<p>1. Noted</p>	<p>1. No modification(s) required.</p>

<p>BLDF 13 – Sport England cont...</p>	<p>2. Active Design - Sport England advocates the concept of “active design” to promote the role of sport and physical activity in creating healthy and sustainable communities https://www.sportengland.org/facilities-and-planning/active-design/</p> <p>3. Sport England generally welcomes the opportunities presented as part of the masterplan, however suggest that the vision and the opportunities for the area are developed further to encompass and ensure that a key element of the SPD is the creation of healthy and sustainable communities. Sport England would request that embedding the principles of Active Design and using the 10 principles to guide further detailed development proposals would be beneficial and recommend liaising with Sport England as the design proposals are progressed.</p>	<p>2. Noted and change proposed. 3. See response to point 2 (above).</p>	<p>2. Section 5.1.3 has been amended to add ‘Active Design – “<i>The future development of the site should be supported by active design principles (advocated by Sport England) to support physical activity in creating health and sustainable communities</i>”.</p> <p>3. See modification (2) noted above.</p>
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<p>BLDF 13 – Sport England cont...</p>	<p>4. Additional Demand for Sport. - The occupiers of new development, especially residential, will generate demand for sporting provision. The existing provision within an area may not be able to accommodate this increased demand without exacerbating existing and/or predicted future deficiencies. Therefore, Sport England considers that new developments should contribute towards meeting the demand that they generate through the provision of on-site facilities and/or providing additional capacity off-site. The level and nature of any provision should be informed by a robust evidence base such as an up to date Sports Facilities Strategy, Playing Pitch Strategy (PPS) or other relevant needs assessment. This is supported by the Governments National Planning Policy Framework (paragraph 96).</p>	<p>4. Noted, the need for contributions for sports facilities would be considered on a case by case basis in line with policy SC2 'indoor and outdoor sports facilities' of the Local Plan Strategy. Any development proposals would still need to be assessed against all relevant development plan policies.</p>	<p>4. No modification(s) required</p>
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BLDF 13 – Sport England cont...	<p>5. The masterplan suggests the site will accommodate initially 200 new homes in the short term and a further 250 homes in the long term. This will therefore give rise to demand for sport facilities. It is not clear whether existing facilities are adequate enough (facilities, in the right location and of the right quality) and have enough capacity to absorb this additional demand. Potential costs provided by the representation. The applicant, in consultation with the Council should assess whether:</p> <ul style="list-style-type: none"> a. Existing facilities within the Analysis Area can accommodate the additional demand; or b. Improvements to existing facilities are required to build in the additional demand; or c. A contribution towards planned new provision is required d. More information on the Sports England website. 	<p>5. Noted, the need for contributions for sports facilities would be considered on a case by case basis in line with policy SC2 'indoor and outdoor sports facilities' of the Local Plan Strategy and other relevant policies in the Local Plan.</p>	<p>5. No modification(s) required.</p>
BLDF 14 – Historic England	<p>1. No comments to make on the document content.</p>	<p>1. Noted</p>	<p>1. No modification(s) required</p>

BLDF 15 – Canal & Rivers Trust	<ol style="list-style-type: none"> 1. Paragraph 5.1.1 – relates to the core elements of the Masterplan Framework. The canal corridor is well represented in the contextual appraisal/evaluation section of the document; however, the canal is not really referenced in paragraph 5.1.1 (apart from the potential marina). We would welcome the core overarching masterplan elements being expanded to include enhanced pedestrian/cycle routes though the site to the canal corridor & providing an active frontage, connectivity and engagement with the canal corridor (not just to the Marina). Figure 18 should also be expanded to reflect these changes. 2. Figures 20 and 21 Access Plan and Green Infrastructure Plan – the legend for both figures contain an error with ‘along’ duplicated in the ‘pedestrian access along along (sic) Canal Lock’. It is noted that Figure 21 does not appear to include any ‘new/enhanced pedestrian & cycle route’, despite this being included in the legend. 3. Paragraph 5.3.1 –specific reference should be made to ‘Providing an active frontage, connectivity and engagement with the canal corridor’. Figure 22 should also reflect this. The canal should not be a backdrop to development, but be fully integrated. We would not support a rear/side boundary fencing to the canal. If canal frontages cannot be provided, then creating a broader green corridor along the water and preventing the need for the multiple layers of boundary treatment would be preferable. 	<ol style="list-style-type: none"> 1. Noted and change proposed 2. Noted and change proposed 3. Noted and change proposed 	<ol style="list-style-type: none"> 1. Additional text added to 5.1.1 (point 6) to read <i>“alongside enhanced routes, connectivity and engagement with the canal”</i>. 2. The duplicated text in figure 20 & 21 has been removed. 3. Additional text added to 5.3.1 (point 4) to read <i>“alongside enhanced routes, connectivity and engagement with the canal”</i>. & additional text added to section 5.3.2 ‘urban form principles to read - <i>“providing an active frontage, connectivity and engagement with the canal corridor, where possible”</i>
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<p>BLDF 15 – Canal & Rivers Trust cont....</p>	<p>4. Paragraph 5.3.2 - relates to Urban Form Principles and includes a section on 'Canal frontage', however this only relates to the scale of development. This ought to be expanded to clearly state: "New housing adjacent to the canal should be laid out to provide an active frontage and positive engagement with the waterway. A range of housing types and building heights from 2-3 storey should be provided".</p> <p>5. Paragraph 6.1 The summary and phasing section provides a summary of what is to be provided on the site and mentions 'provision of a c.20 boat marina' elsewhere this is referred to as 'potential provision'. We consider that 'potential' should also be added here to avoid ambiguity.</p> <p>6. Within our previous comments, we mentioned the reference to the Trust and the incorrect use of our registered name. It is noted that Appendix 5 which provides a summary of key issues and references states that these have been corrected, however we note that the wrong name has been added here and that there are still numerous references within the revised document which include 's' to River and use 'and' instead of the ampersand (&). Please can all references to us be changed to 'Canal & River Trust' (i.e with no 's' added or 'and' instead of the ampersand (&)). It is hoped that the above comments and suggested additions/amendments can be incorporated into the SPD.</p>	<p>4. Noted and change proposed</p> <p>5. Noted and change proposed</p> <p>6. Noted and change proposed</p>	<p>4. Additional text - <i>"providing an active frontage, connectivity and engagement with the canal corridor, where possible"</i> added to section 5.3.2 'urban form principles'</p> <p>5. The word <i>'potential'</i> has been added to section 6.1 with reference to the provision of a marina.</p> <p>6. The document has been amended to refer to the Canal & River Trust</p>
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BLDF 16 – National Grid	1. Background to National Grid provided. 2. No comment to make in response to the consultation 3. Further guidance provided on development considerations concerning the national grid network (electricity and gas assets).	1. Noted 2. Noted 3. Noted	1. No modification(s) required 2. No modification required (s) 3. No modification required (s)
BLDF 17 – Homes England	1. Background to Homes England 2. Homes England does not have any land holdings affected by the consultation and therefore we do not propose to make at representations at this point.	1. Noted 2. Noted	1. No modification (s) required 2. No modification (s) required
BLDF 18 – Private individual	1. Support for the document	1. Noted	1. No modification (s) required

<p>BLDF 19 – Avison Young on behalf of Tritax Symmetry</p>	<ol style="list-style-type: none"> 1. Tritax Symmetry is a landowner of sites in the Ma6nitude strategic employment allocation (LPS 44) and generally supports the final draft SPD but provides detailed comments / recommendations below 2. New Train Station and Lineside Infrastructure – supports the railway station delivery in principle but does not support the proposed train station car park, outside of the masterplan boundary and on land controlled by Tritax Symmetry. The land also has consent for B1,B2 and B8 (ref 07/1442/REM). The SPD states that the train station car park will extend to approximately 0.6ha. Tritax Symmetry acknowledges that LPS 44 states that lineside infrastructure, parking and access should be accommodated within the Ma6nitude site. However, Ma6nitude is a valuable strategic employment allocation and the delivery of lineside infrastructure in this location would prevent important employment floorspace from coming forward, particularly as the proposed site is already consented for employment development. Therefore, Tritax Symmetry strongly requests that the location of the proposed lineside infrastructure is revised and is instead accommodated within the Brooks Lane Masterplan area and on the same side of the railway line as the entrance to the train station, so as to not prejudice the delivery of consented, and prospective, employment floorspace at Ma6nitude. 	<ol style="list-style-type: none"> 1. Noted 2. The SPD makes clear that the location of the train station car park east of the railway line would be subject to further investigation as it is the subject of an approved planning application for employment development. However, to emphasise this point further it is proposed to add to work ‘potential’ to references to a car park east of the train station in section 5.1.1. & 5.3.1. The development of land for employment uses is important however the provision of a new rail station with associated facilities is a key strategic ambition for the town as set out in the Local Plan Strategy. As such it is vital that the BLDF, as far as it can, looks to support the return of rail passenger services to the town. 	<ol style="list-style-type: none"> 1. No modification (s) required 2. Change point 8 of section 5.1.1 to read “<i>potential provision of a train station car park...</i>” & the word ‘<i>potential</i>’ added to point 5 in section 5.3.1 illustrative masterplan
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BLDF 19 – Avison Young on behalf of Tritax Symmetry continued	3. Financial contributions to the Middlewich Eastern Bypass – Brooks Lane is the only site in Middlewich that does not require contributions towards the Middlewich Eastern Bypass. Tritax Symmetry requests that development within the masterplan area should provide contributions to the bypass.	3. Policy LPS 43 (Brooks Lane Middlewich) in the Local Plan Strategy does not make any specific reference to the Middlewich Eastern Bypass. Therefore, the SPD, as providing supplementary guidance on policy wording, cannot in itself require contributions to the Middlewich Eastern Bypass. However, as noted in section 5.2 of the SPD, LPS 43 does include reference to contributions towards highways, education and health infrastructure. As such, schemes as they come forward, where it is evident that a contribution to the bypass is required in line with the relevant regulations, may be asked to make a contribution.	3. No modification(s) required.
BLDF 20 – Natural England	1. Natural England do not have any additional comments to make on the Brooks Lane Masterplan.	1. Noted	1. No modification required

BLDF 21 – Middlewich Town Council	<ol style="list-style-type: none"> 1. Middlewich is a town in transition. Industrial heritage such as the canal does not serve the community well and is an income stream which we have not taken advantage of. 2. Heritage officer at the town council is working on the Brine Pump project. 3. Heritage is a key part of the Middlewich Vision. This encompasses a number of projects. The Middlewich Canalside Masterplan could play a defining role in the future of Middlewich and Cheshire East 4. In response to each element of the policy:- <ol style="list-style-type: none"> a. Delivery of around 200 homes – 10% of units should be bungalows and the maximum percentage of social housing obtained b. Leisure / community facilities – welcome contribution to upgrade to Middlewich Victoria buildings and hall as a connected community centre c. Retail facilities to meet local needs – seek a contribution towards producing a study and project into the regeneration of Wheelock Street. d. Green infrastructure – should be more than a patch of grass and used to bring the development into the town. Public Rights of way should be incorporated into the design of the masterplan area. e. Open space – each phase should provide a Children’s play area and the play areas should be overlooked. 	<ol style="list-style-type: none"> 1. Noted, the SPD considers the industrial heritage of the town in its introduction and assessment of the context for the town. 2. Noted, the SPD considers the Murgatroyd Brine Works asking that it is sympathetically restored with enhanced public access. 3. Noted. 4. Noted, in response to the points raised <ol style="list-style-type: none"> a) The SPD makes clear in section 5.1.2 that affordable homes will be required in line with policy SC5 (Affordable Homes) of the Local Plan Strategy. Policy SC 4 (Residential Mix) of the Local Plan Strategy requires a mix of housing tenures, types and sizes including meeting the needs of older people. b) As noted in section 5.2 in the SPD and in line with policy IN2 of the Local Plan Strategy, section 106 agreements will only be used, where appropriate and justified, on a case by case basis c) See response to point b (above). Any request for a contribution will be considered on a case by case basis in line with the requirements of policy IN2 of the Local Plan Strategy and the CIL Regulation 122 tests, namely necessary to make the development acceptable in planning terms, directly related to the development and fairly and reasonably related in scale and kind to the development. d) The SPD requires a network of green infrastructure across the site. e) Point 4 of policy LPS 43 notes that development should include the incorporation of open space, including an equipped children’s play space. 	<ol style="list-style-type: none"> 1. No modification(s) required. 2. No modification (s) required. 3. No modification(s) required. 4. No modification (s) required.
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<p>BLDF 21 – Middlewich Town Council</p>	<ul style="list-style-type: none"> f. Pedestrian and cycle links – concerned that residential and industrial traffic will be sharing Brooks Lane. Cycle routes should offer alternative exits and cycle paths should also avoid Brooks Lane. Public rights of way should be upgraded. Brooks Lane bridge should be modified so it can be used as a pedestrian route. g. Marina – Middlewich is probably the most important Junction on the Cheshire ring from Middlewich. A marina is long overdue. Provision of a 20 bay marina is inadequate. The town council would support a 50 bay marina and would consider this an essential part of the redevelopment of this area. h. Land for a new railway station – support for the position marked on page 46 of the masterplan area. i. Archaeological potential – should remove references to ‘potentially’ when talking about roman remains and should refer to industrial heritage. The document should appropriately refer to heritage assets on the site and the design of canal facing houses need to reflect some of the town’s heritage. j. Vehicle access – the masterplan should say, on page 36, that significant highways enhancements to the junctions Wording should be changed to - ‘The future redevelopment of the Site should be supported by highways enhancements which keep in character and heritage of this Listed bridge and the potential signalisation of the Brooks Lane Canal Bridge and the installation of a footbridge for the safety of Pedestrians’ 	<ul style="list-style-type: none"> f) Section 5.1.4 Green and Blue Infrastructure – includes a section on the provision of pedestrian and cycle connections across the Site and connect with the surrounding pedestrian and cycle network. g) Support for the provision of a marina is noted. The references to circa 20 berth marina are considered appropriate, following engagement in the development of the masterplan with an indicative location identified and tested at a high level through the SPD. h) Noted. i) References to potential roman roads is considered to be appropriately termed in the SPD, although it is acknowledged that there are other heritage assets within and adjacent to the site which are also referenced in the document. j) Reference to highways enhancements is considered to be appropriately framed in the document. 	
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<p>BLDF 21 – Middlewich Town Council</p>	<p>k. Masterplan should ensure that vehicle traffic, cyclists and pedestrians are separated.</p> <p>l. Footbridge across the canal to allow east access to Lewin Street.</p> <p>m. All development should conform to the Design Guide.</p>	<p>k. Section 5.1.3 refers to pedestrian connection points that should be enhanced to improve user safety.</p> <p>l. Noted. The BLDF seeks improvements to pedestrian and cycle facilities within the site and also between the site and the surrounding area. The ability and justification for a development scheme to provide for a new footbridge to Lewin Street would need to be considered at a planning application stage in the light of the type, location and scale of the scheme.</p> <p>m. The introduction to section 5.3.1 illustrative masterplan refers to the design framework being aligned with the requirements of the Design Guide. The Design Guide will also be a relevant to the formulation of development schemes and a material consideration in the determination of planning applications.</p>	
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BLDF 22 – Visualise	<ol style="list-style-type: none"> 1. Represents client who owns land off Sea Bank Middlewich 2. Support residential development on the site but the masterplan should recognise the development to be available in the short term given previous planning application status. 3. In a general response the master plan represents a very bold concept and changing this long-term employment area in the manner proscribed will present a significant challenge perhaps especially the reliance upon essentially the single transport artery of Brooks Lane, satisfactory improvements to the junction with Kinderton Street and the Sea Bank access appear to us vital and need to synchronise as it were, with the rail passenger facility. 	<ol style="list-style-type: none"> 1. Noted 2. Following a detailed assessment and having been tested through a number of consultation stages - the identification of a short term phase to meet the Local Plan requirement is considered appropriate in the SPD. 3. See response at point (2) above. However, the BLDF describes and acknowledges the characteristics of the current road network and highlights the need for any development proposal to demonstrate an acceptable form of access. It recognises that access will be a key consideration in determining any planning applications promoting significant land use change in the area. 	<ol style="list-style-type: none"> 1. No modification (s) required 2. No modification (s) required 3. No modification (s) required.
BLDF 23 – Coal Authority	<ol style="list-style-type: none"> 1. No specific comment to make on the masterplan. 	<ol style="list-style-type: none"> 1. Noted 	<ol style="list-style-type: none"> 1. No modification(s) required
N.B - the following responses were received after the formal consultation closing date.			

BLDF 24 – Network Rail	<p>1. Network Rail is a statutory consultee for any planning applications within 10 metres of relevant railway land (as the Rail Infrastructure Managers for the railway, set out in Article 16 of the Development Management Procedure Order) and for any development likely to result in a material increase in the volume or a material change in the character of traffic using a level crossing over a railway of the Development Management Procedure Order). Network Rail is also a statutory undertaker responsible for maintaining and operating the railway infrastructure. Network Rail aims to protect and enhance the railway infrastructure, therefore any proposed development which is in close proximity to the railway line or could potentially affect Network Rail's specific land interests. Network Rail's concern with the current text (on Page 36 of the SPD) is the ambiguity it leaves around whether or not a development proposal impacts on Network Rail level crossings. Network Rail would request that the comments are strengthened to reflect the Rail Network Operators, Schedule 4 (J) of the Development Management Procedure Order that you quote in your letter to the Council(14/02/19). Suggested amendment: "Development proposals that could result in a material increase in the volume, or a material change in the character of traffic using a level crossing over the railway, should be supported by an assessment on the impact in consultation with Network Rail." All developers are requested to engage with Network Rail to understand the impact of their plans at an early stage of the development process.</p>	1. Noted and modification proposed	<p>1. Section 5.1.3 (access parameter) has been amended with reference to railway crossings as follows- <i>"Development proposals that could result in a material increase in the volume, or a material change in the character of traffic using a level crossing over the railway, should be supported by an assessment of the impact on railway level crossings in consultation with Network Rail".</i></p>
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BLDF 26 – Network Rail	<p>2. Network Rail has the following additional comments associated with works proposed on each side of the rail corridor: Construction activities having the potential to affect the stability of NR land &/ or assets and requiring NR Asset Protection's prior acceptance: • Excavation works • Construction of piled foundations • Activities causing vibration • Dewatering • Any intent to direct the flow water towards NR land • Installing any soak-away within 30m of NR land • Increasing the volume of water flowing through the existing culvert passing beneath operational railway. Other construction activities requiring NR Asset Protection's prior acceptance: • The operation of any plant &/ or equipment within a collapse radii of NR land (not just the railway tracks) Protective measures required: • To mitigate increased trespass risk consequent to the local population increase, the Developer shall finance the upgrade of the NR boundary fence to a specification agreed by NR • Vehicle incursion risk to be fully assessed and mitigation measures constructed to NR's satisfaction • Should an acoustic boundary fence be proposed to shield residents from railway noise, its maintenance in perpetuity must be financed by the Local Authority &/ or Property Management company, not by individual residents.</p>	2. Noted	2. No modification(s) required
------------------------	---	----------	--------------------------------

<p>BLDF 26 – Network Rail cont..</p>	<p>3. • Restrictive covenants to be included within property deeds preventing residential owners/ users sited immediately adjacent to the rail corridor from: - Installing high intensity security type lighting directed towards the operational railway that could potentially compromising railway safety by affecting the ability of train drivers to safely sight railway signals - Planting specific species of trees/ shrubs that have the potential to affect operational railway use, and the maintenance of its land - Constructing new building or structures in the vicinity of operational railway land without NR's prior agreement - Changing ground levels or drainage that in NR's opinion may lead to additional flows entering NR land</p> <p>Queries:</p> <p>1. Page 35 of report references a 'Flood Zone' adjacent to NR land. Is this proposal or existing? Please supply full details.</p> <p>2. Page 36 of the report refers to a railway underpass. Is this a railway underbridge? (Please note that if construction of a railway underpass - rather than railway footbridge – is proposed, given that it would be subject to rail loading, the structure would have to be designed and constructed in accordance with Network Rail's requirements and be maintained in perpetuity at the Local Authorities expense. Network Rail is unlikely to agree to any underpass proposal.)</p>	<p>3. Noted. The content of property deeds are beyond the control of the Council. Design measures have already been taken in the SPD to protect the railway infrastructure. Network Rail are also able to request planning conditions are added to planning permissions, as appropriate, when consulted on planning applications.</p> <p>In response to the detailed queries raised</p> <ol style="list-style-type: none"> 1. Figure 15 (landscape analysis plan) of the development framework highlights Flood Zone Areas 2&3 in the area of the development framework (Sanderson's Brook). 2. There is an existing pedestrian subway running underneath the railway line - footpath (FP19). The development framework supports its enhancement but for continued use as a pedestrian subway. 	<p>3. No modification(s) required</p>
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<p>BLDF 25 Sandbach Town Council</p>	<p>1. Issues and opportunities that need to be addressed • Restricted traffic access over Brooks Lane canal bridge - this is an old narrow bridge with one way traffic • Provision of a site for a replacement passenger station for Middlewich • Enhance and respect the Roman history of Middlewich • Opportunity to enhance the site of the historic Murgatroyds brine pump • Visual improvement of the canalside areas as people enter Middlewich • Need to ensure that provision of small scale, mixed industrial and commercial employment provision is retained within Middlewich.</p> <p>2. The development framework considers a phased approach to redevelopment. The first phase, furthest from the town centre, would involve the former HQ for Pochins and the upper level of the Trent and Mersey Canal. This could involve the creation of a 20 berth canal marina and approx 200 houses. A critical aspect of this residential development will be the need for an effective buffer between the new residential area and the retained and enhanced employment area running through to the railway line. Not sure of the wisdom of linking the new residential access through to the employment areas located on Road Beta, it would not be wise to permit commercial road traffic to access the residential areas.</p>	<p>1. Noted, the BLDF already addresses the matters raised in this representation.</p> <p>2. Noted, the development framework requires development (particularly residential) proposals to consider amenity impacts of surrounding employment areas. Section 5.1.3 (access parameter) notes that the longer term intention is for Road Beta to accommodate employment traffic only.</p>	<p>1. No modification(s) required.</p> <p>2. No modification (s) required.</p>
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BLDF 25 Sandbach Town Council	<ol style="list-style-type: none"> 3. An area adjacent to the Murgatroyds pump house is reserved as a possible site of a new Middlewich railway station - plans are progressing to upgrade the goods line to reintroduce passenger trains on the line that links Sandbach through Middlewich to Northwich. Parking facilities for the station would need to be on the other side of the railway line from the redevelopment with an enhanced subway linking to both the parking and existing employment areas. 4. Sandbach Town Council strongly supports the upgrading of the railway line and provision of a station in Middlewich. 5. Later phases of development whilst providing opportunities for new retail and community facilities close to the town centre and the canal, must not be provided at the cost of lost small employment sites. 6. Effective visual and noise buffer is required between the retained employment area and proposed new housing. 7. Support for the provision of a passenger station in Middlewich 8. Need to ensure the later redevelopment of existing employment areas closer to the town centre are matched with the provision of new mixed employment areas elsewhere in Middlewich. 9. Need to ensure that the Roman history of Middlewich is not damaged during redevelopment. 	<ol style="list-style-type: none"> 3. Noted 4. Noted 5. Noted, the intention of the development framework is to support the delivery of housing on the site whilst supporting an acceptable relationship between housing and existing employment uses on the site. 6. The development framework supports a suitable landscape buffer and acoustic mitigation along Road Beta 7. Noted 8. Noted, Midpoint 18 (or Ma6nitude), a large strategic employment site, is allocated in the Local Plan Strategy. The Local Plan Strategy envisages 70 hectares of land being developed for employment purposes at this site by 2030. 9. Noted. This is addressed in the BLDF and also in the Local Plan Strategy under policy LPS 43. Site specific principles of development c, h and j of the policy refer to how development proposals should account for the presence of heritage assets within or adjacent to the site. 	<ol style="list-style-type: none"> 3. No modification(s) required 4. No modification (s) required 5. No modification (s) required 6. No modification (s) required 7. No modification (s) required 8. No modification (s) required 9. No modification (s) required
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Cheshire East Local Plan

Brooks Lane (Middlewich) Development Framework - Supplementary Planning Document

September 2020



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1 INTRODUCTION

This development framework is the result of a study undertaken by Barton Willmore on behalf of Cheshire East Council, to provide a strategy for the redevelopment of land at Brooks Lane, Middlewich (the Site). The strategy proposed has been underpinned by a detailed site and contextual assessment, alongside engagement with a range of groups, including people who own property and work on the Site, the Council and other relevant stakeholders.

1.1 PURPOSE

The purpose of the framework is to unlock the Site's regeneration benefits, whilst recognising that there are existing businesses that may wish to remain operating on the Site.

The development of this framework is linked to the adopted Cheshire East Council Local Plan Strategy (2017), which has identified the Site as 'Strategic Location LPS 43: Brooks Lane, Middlewich' and addresses the expectation that its development will be achieved through a masterplan-led approach.

It provides guidance to inform the preparation of development proposals for the Site, setting out key matters that proposals should address in order to achieve high quality new development that will significantly enhance the area and benefit the Town as a whole.

The development framework should be read alongside the policy provisions set out in the Local Plan Strategy, particularly policy LPS 43 (Brooks Lane) Strategic Location.

1.2 THE STUDY

The study has been underpinned by an analysis of the Site and an assessment of Middlewich and its history. At an early stage, workshop(s) were held with people who own property and work on the Site, to understand their views on redevelopment. Their feedback, and the feedback of other stakeholders, helped to inform the preparation of a preferred masterplan option.

A draft version of the development framework, which set out the preferred masterplan option (consulted on as a draft Supplementary Planning Document), was the subject of public consultation from the 14 January 2019 until the 25 February 2019.

A final draft of the Supplementary Planning Document was consulted on between Wednesday 22 January and Wednesday 04 March 2020.

This engagement-led approach has directed the production of this report, which sets out an analysis of the Site and the local area, informed by engagement and consultation with the local community and other relevant stakeholders. The development framework addresses the potential future redevelopment of the Site, both in the shorter and longer term. In the shorter-term, it envisages the delivery of c.200 units (as identified within Strategic Location LPS 43), whilst retaining a significant amount of employment uses on the Site. In the longer-term, this could see a greater proportion of the Site redeveloped over the next 15-20 years or more (outside of the period covered by the Local Plan).

The redevelopment of the Site would be subject to land owners intentions and an acceptable relationship between housing and employment uses being achieved on the Site.

Document Structure

The document is structured as follows:

- » **Part 1:** Introduces the work and sets the relevant planning context.
- » **Part 2:** Sets out a baseline analysis of Middlewich and the Site.
- » **Part 3:** Summarises the engagement process.
- » **Part 4:** Presents an evaluation of the site and details the development parameters for future development.
- » **Part 5:** Details the masterplan framework and illustrative proposals to help inform future proposals.
- » **Part 6:** Provides a summary of the report and a proposed phasing strategy.

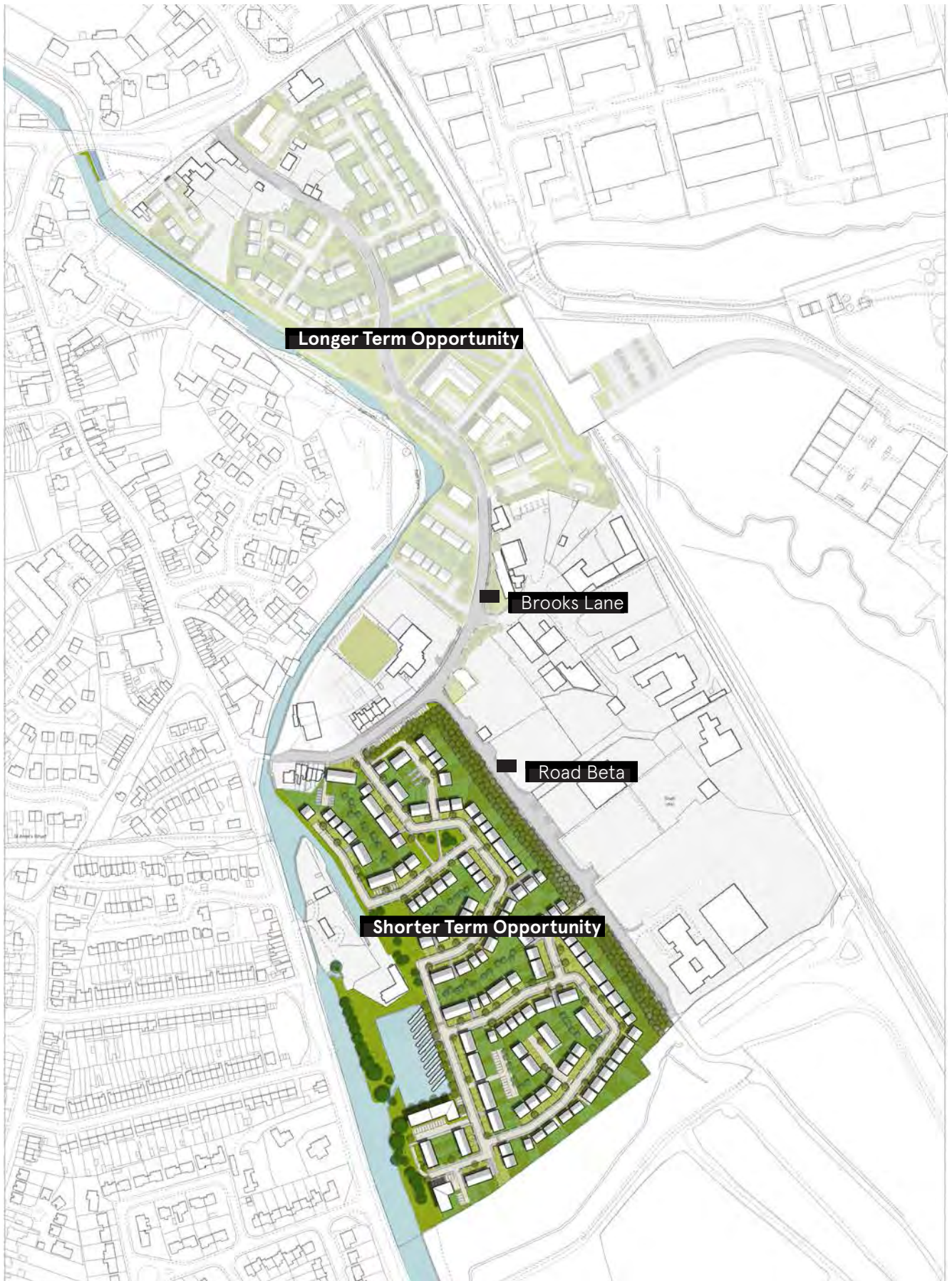


Figure.1 Illustrative Masterplan

1.3 THE VISION

The Site provides an exciting opportunity to deliver an attractive mixed-use development comprising new homes, leisure, community facilities, a potential new train station and a Marina,

The transformation from industrial uses to a new mixed-use community could regenerate the canal-side, enhance the vitality of the Town Centre and provide significant benefits to the Middlesbrough community.

Retained Bowling Green

Trent & Mersey Canal

Canal Boat Marina





Figure.2 Illustrative Birdseye Model

1.4 LOCAL PLANING POLICY CONTEXT

1.4.1. Cheshire East Local Plan Strategy (2017)

The adopted Local Plan Strategy (2017) identifies the Site as 'Strategic Location LPS 43: Brooks Lane, Middlewich', with the potential to include:

- » The delivery of around 200 homes;
- » The delivery of leisure and community facilities to the north of the Site;
- » The provision of appropriate retail facilities to meet local needs;
- » The incorporation of Green Infrastructure (Green Corridor and Open Space including an equipped children's play space);
- » The improvement of existing and provision of new pedestrian and cycle links to connect development to existing employment, residential areas, shops, schools health facilities, recreation and leisure opportunities and the town centre;
- » The potential provision of a Marina at the Trent and Mersey Canal; and
- » The provision of land for a new railway station including lineside infrastructure, access and forecourt parking.

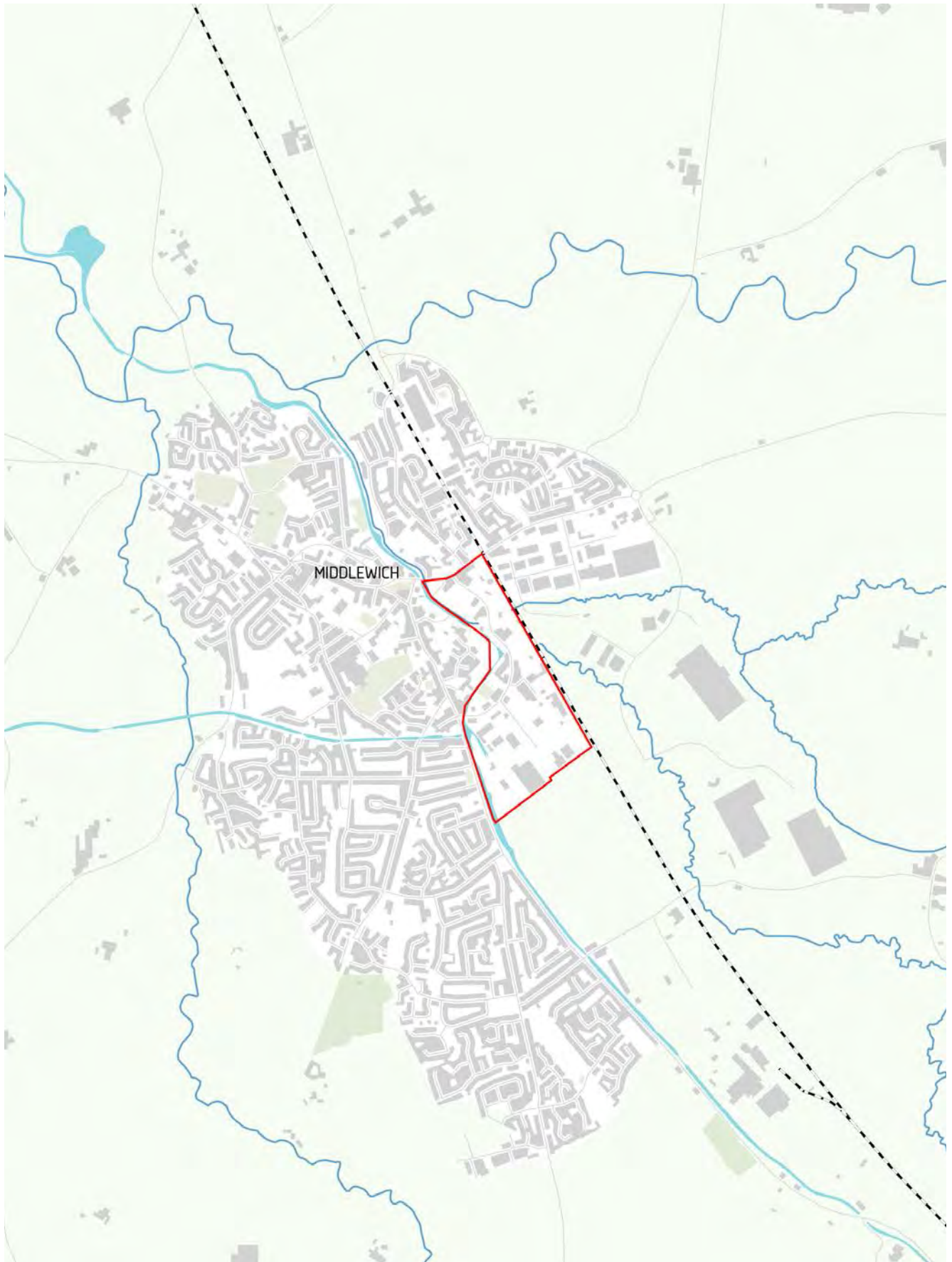


Figure.3 Strategic Location LPS 43: Brooks Lane, Middlewich (the Site)

2 ASSESSING THE CONTEXT

The Development Framework has been informed by an understanding of the unique nature of Middlewich and the Site. Accordingly, this chapter explains the various contextual and site-specific elements that should influence and shape the future development of the Site.

2.1 HISTORICAL CONTEXT

Middlewich dates back to the medieval times. The Town's heritage is heavily influenced by salt production, the Industrial Revolution, and the canal network which underpinned its growth.

The maps opposite show the expanding built development across the Town and on the Site through the 19th and 20th Century. The 1898 Map is the oldest map to show development on the Site, with the Mid-Cheshire Works and the tramway being evident. Since 1898. The Town has witnessed several stages of predominately residential growth, encompassing the Site. The Present-day Map shows the Site situated between the railway and the canal, towards the edge of the settlement but also sitting close to the historic core.

2.1.1. Salt Manufacture

Production of salt has been a common thread throughout Middlewich's history. The Roman Army set up a settlement at Middlewich centered on salt production,

which included a Medieval Market that forms the historic core of today's Town Centre. By the early 20th century, there were nine industrial scale salt companies in Middlewich.

2.1.2. Canal Network

The need to export the salt deposits of Middlewich efficiently and economically was a driving force behind the construction of the canals during the 18th century. The Industrial Revolution saw the expansion of the canal network in Middlewich and today three canals converge in the Town; the Trent and Mersey Canal; the Shropshire Union Canal; and the Wardle Canal.

2.1.3. Railway

Railways were first introduced to the Middlewich area in 1867. In 1868, the line provided a passenger service and became a vital mode of transport for the Town. Train services ran from Crewe via Sandbach to Middlewich and Northwich. By 1922, nine services a day operated between Crewe and Northwich, and

a service to Manchester Oxford Road and London Euston also operated on weekdays.

There was a drastic reduction in the number of train services serving Middlewich Station during World War II and the years that followed. Eventually, the Station was closed as part of the Beeching British Railways closure programme, and passenger trains ceased to use the station by early 1960. The Station buildings were subsequently demolished, and the railway line, whilst still active, is only used by freight trains today.

A strategic outline business case to re-open the line to passenger traffic has been formally requested by government. The Mid Cheshire and Middlewich Rail Feasibility Study was jointly commissioned by the Council in-conjunction with Cheshire West and Chester Council and the Local Enterprise Partnership. The initial findings of the study are available to view on the Cheshire and Warrington Local Enterprise Partnership website





Figure.4 1899



Figure.5 1954

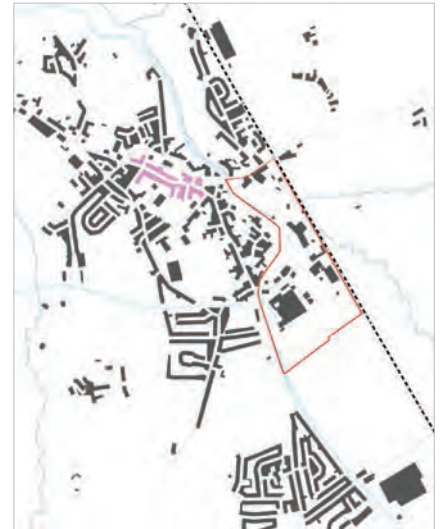


Figure.6 1969



Figure.7 Present-day



2.2 MIDDLEWICH STRUCTURE

Throughout this section, an overview is provided of the structure and character of present-day Middlewich before identifying the changing context of the Town and providing an analysis of the Site.

2.2.1. Middlewich Today

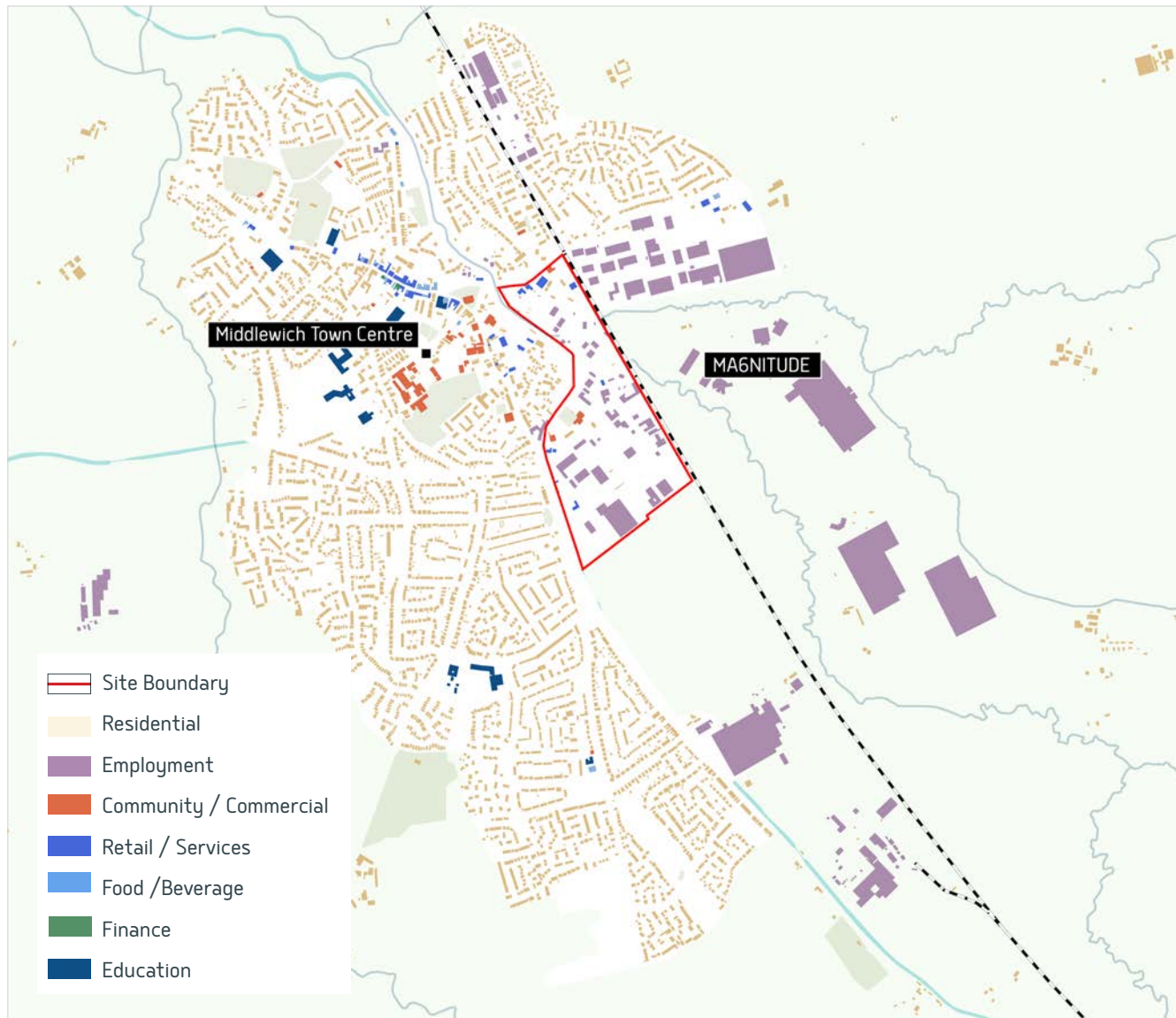
The population of Middlewich was estimated at 14,100 people in mid-2018. Salt still plays an important role in the economy, with British Salt, the UK's leading manufacturer of pure dried vacuum salt products, located within the Town.

While the commercial use of the canals has reduced, they remain an important cultural asset and the leisure industry is a continued source of activity and investment, as is a renewed interest in the heritage value of the canal system.





Figure.8 Land Use Plan



2.2.2. Land Use

The Town comprises a mix of residential, commercial, industrial and community uses.

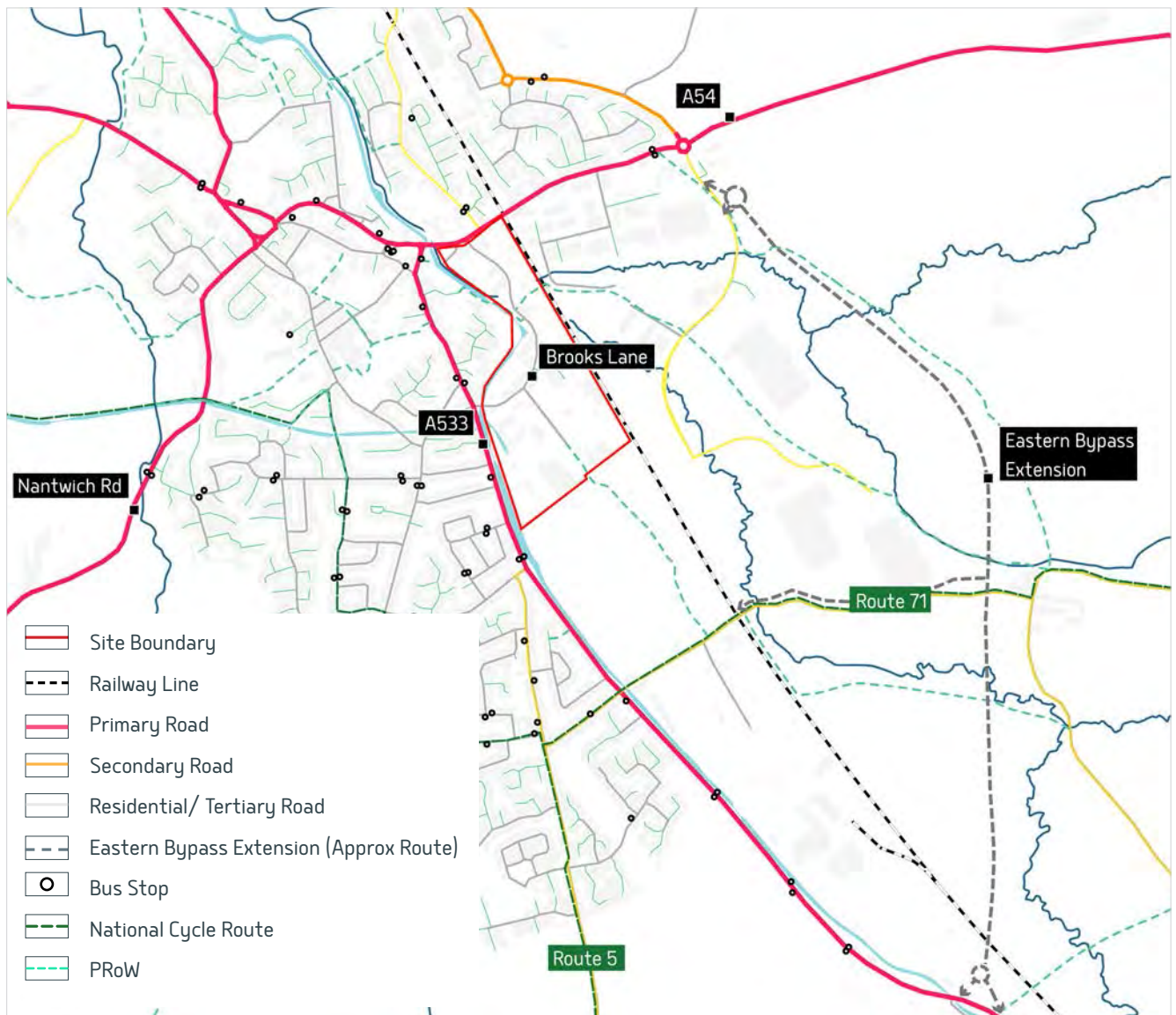
The Town Centre is located to the north of the Site and comprises the length of Wheelock Street, the Hightown and, to a lesser extent, Lewin Street. There are some smaller branch roads including Leadsmithy Street and Lady Anne Court. The Town Centre has several local shops, a public house, cafes and restaurants. There are also four supermarkets; Jacks, Lidl, a Tesco Express, and Morrisons.

The Town's industrial and employment uses have historically been focused around the Trent and Mersey Canal and the railway line. The Site, which is contained to the west and east by the canal and railway respectively, is predominately industrial in nature but does also include residential and community uses.

To the east of the Site, beyond the railway line, lies a significant business park known as Midpoint 18 (MAGNITUDE) which is planned for expansion within the Local Plan period.

The proposed redevelopment of the Brooks Lane Site has the potential to deliver new homes and bring significant regeneration benefits to the wider settlement and Town Centre.

Figure.9 Connectivity Plan



2.2.3. Connectivity

The plan above shows the street hierarchy of Middlewich. The A533, A530, and the A54 meet at the Town Centre and the latter provides connectivity to Junction 18 of the M6, which is within 3.5km of the Site. Secondary roads provide through routes that link with the primary roads, beyond which is a network of tertiary roads and cul-de-sacs.

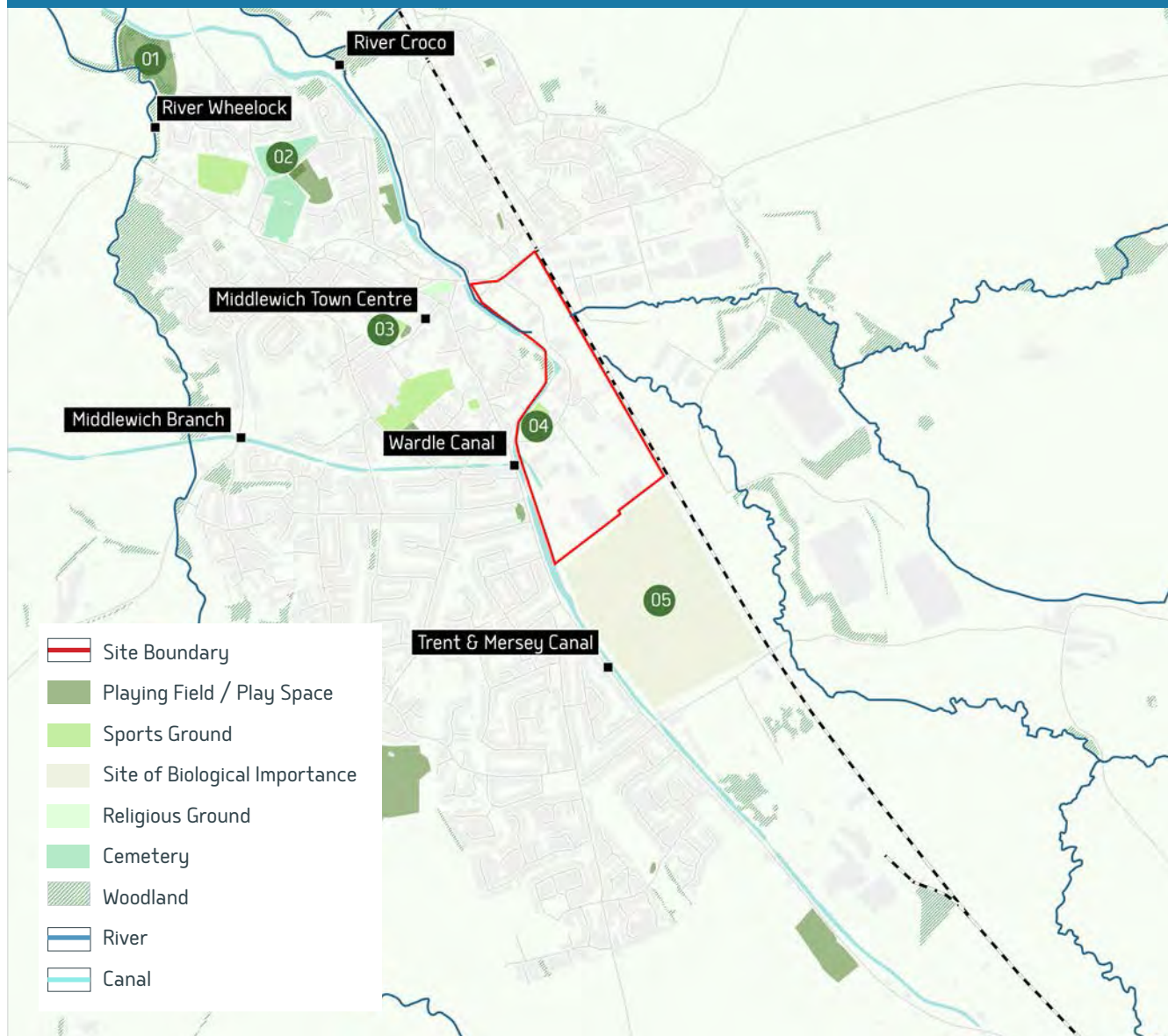
Permeability across the settlement is dictated by the canal network and the railway line. Reasonable connections are provided across the Shropshire Union Canal, with four vehicle bridges. However, connections across the Trent and Mersey

Canal are limited to only two vehicle crossing points, including the Brooks Lane Bridge which connects the Site with the A533. Vehicle movement across the railway is even more limited with only one vehicle crossing point. The combined effect is traffic congestion within the Town Centre and particularly at the junction of the A54 and A533.

The construction of the Middlewich Bypass, linking the A54 with the A533 to the south of the Town, will help alleviate congestion. The redevelopment of the Site will help reduce the number of heavy vehicles crossing the railway into the Town Centre.

Middlewich is well served by national cycle routes and PRowS. This includes the Middlewich Waterside Trail which is a c.5km route connecting Town Wharf with the Shropshire Union Canal.

Figure.10 Landscape Plan



2.2.4. Landscape

Middlewich is a generally flat and open landscape at the confluence of three rivers, the Dane, the Croco and the Wheelock.

Industry and salt production have impaired the Towns wider landscape quality, which offers less aesthetic value and less mature vegetation cover than elsewhere across Cheshire.

Whilst Middlewich's rural hinterland is a predominately agricultural landscape, there is marked influence of industry

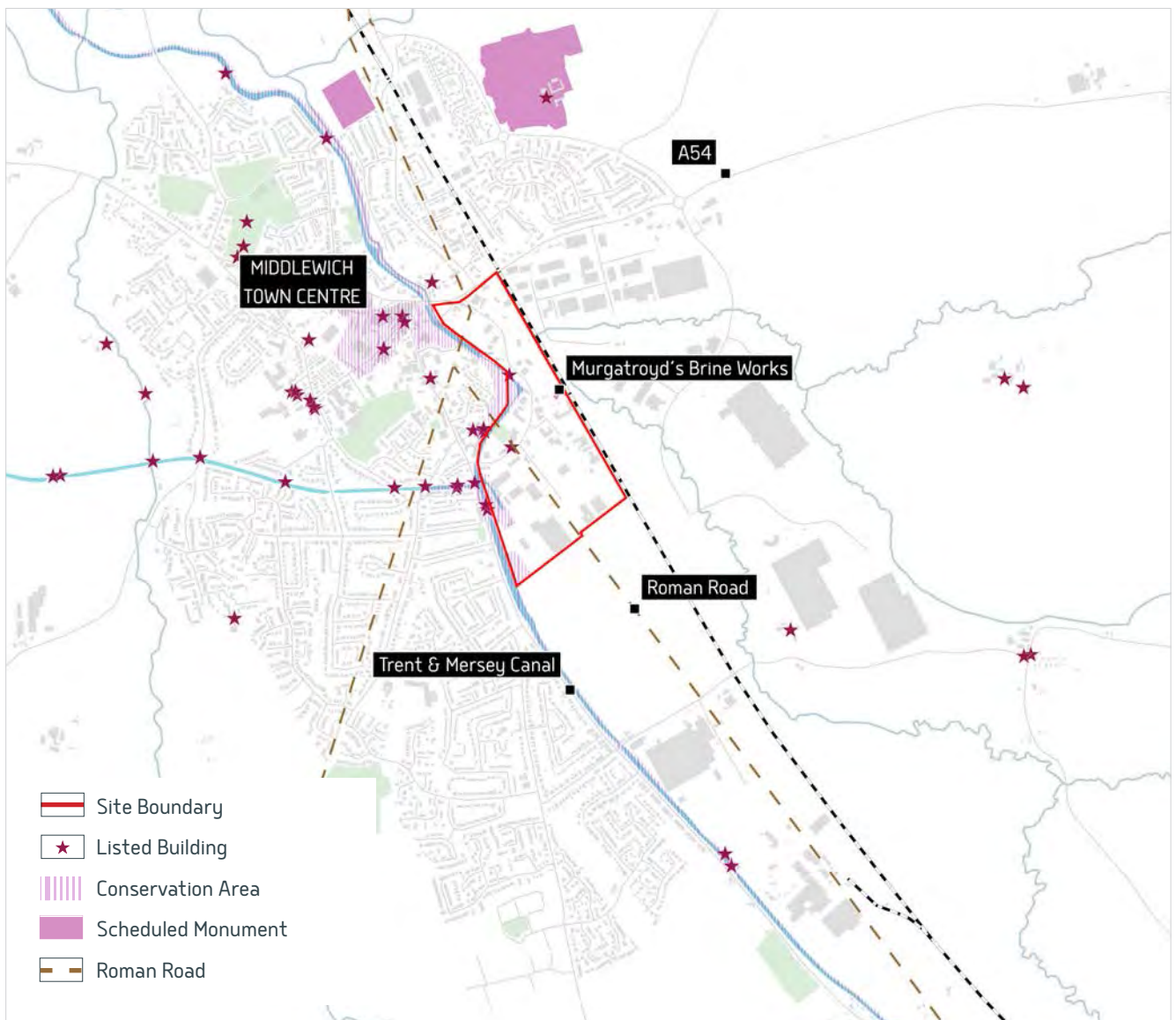
on the settlements urban fringe. The Site lies within a corridor of industrial infrastructure that runs between the A533, the Trent and Mersey Canal and the railway. Due to the relatively low land-form and low vegetation cover, this industrial corridor is prominent from many views.

The proposed redevelopment of the Site has the potential to provide new landscape features, whilst also forging green connections with nearby areas of landscape quality. This includes the

Cledford Lane Lime Beds local wildlife site (LWS)) which is located directly to the south of the Site and contains lagoons and a diverse flora. The Canal is also an important landscape feature and wildlife corridor.

Notable recreation and landscape assets shown on the plan above include but are not limited to: 1. Croxton Park; 2. Middlewich Cemetery; 3. Fountain Fields Park; 4. Bowling Green at Middlewich Church; and 5. Cledford Lane Lime Beds.

Figure.11 Heritage Plan



2.2.5. Heritage

Middlewich has 40 Listed Buildings. There are also 3 Scheduled Monuments, including the Murgatroyd's Brine Works which is located within the Site. There are 2 Conservation Areas in Middlewich; Middlewich Conservation Area which is focused around the historic core of the Town Centre, and The Trent and Mersey Canal and Wardle and Shropshire Union Canal Conservation Area which lies along the Site's eastern most boundary. There is also a network of historic Roman roads that potentially remain below the ground and run through Middlewich and the Site.

2.3 CHANGING CONTEXT

Cheshire East Council has an ambitious investment strategy for Middlewich, aimed at boosting economic growth and enhancing the vibrancy and attractiveness of the Town. The overarching objectives include the provision of new housing, support for the Town Centre, new employment opportunities, enhancement of the built and natural environment, and improved infrastructure, including road and rail.

To help Middlewich deliver these objectives, the Council has affirmed its commitment to securing several development proposals through the Local Plan. This includes new employment development at Midpoint 18 (MAGNITUDE), new housing at Glebe Farm and the completion of the Middlewich Eastern Bypass. In addition, the Brooks Lane Site has been identified to deliver attractive mixed-use development comprising new homes, leisure and community facilities and a potential new train station. This offers an exciting opportunity to regenerate the canal-side, whilst also enhancing the vitality of the Town Centre.

2.3.1. Middlewich Eastern Bypass

The Middlewich Eastern Bypass, running to the east of Middlewich, between Pochin Way and the Salt-Cellar Roundabout and Booth Lane (A533) now has planning permission and will reduce traffic congestion in the Town Centre once constructed, and support the development potential of the Site, whilst also helping the wider settlement realise its full employment and housing growth potential

2.3.2. Glebe Farm

Glebe Farm is a large green field to the south of Middlewich covering approximately 17ha. It is expected that around 525 new homes will be delivered on this site, along with the provision of pedestrian and cycle connections and enhanced green infrastructure. The site will provide contributions to the delivery of the Middlewich Eastern Bypass and towards local facilities.

2.3.3. Midpoint 18

Midpoint 18 (MAGNITUDE) is a large strategic employment site with a total area of some 221.7ha. It comprises an area of existing employment development of 100.7ha and an undeveloped area of 121ha. It is expected that up to 70ha of the undeveloped area will come forward within the plan period, with the remainder in reserve for employment purposes, when required. The site is strategically important due

to its ability to deliver significant employment growth, whilst potentially helping to unlock the future redevelopment of the Brooks Lane Site.

2.3.4. Brooks Lane, (the Site)

The Brooks Lane Site comprises an area of around 23ha of land that is largely used for employment purposes and includes under-used land. The Site is c.0.5km to the south of the Town Centre and provides an exciting opportunity to regenerate the canal-side whilst also enhancing the vitality of the Town Centre.

The Site is well related to the existing urban area of Middlewich, with excellent access to services and facilities in the Town Centre and includes the Trent and Mersey Canal and associated Conservation Area within its boundary. The Site's central position makes it an ideal location for a new train station and a modern mixed-use community.

A detailed assessment of the Site is provided throughout the following section.

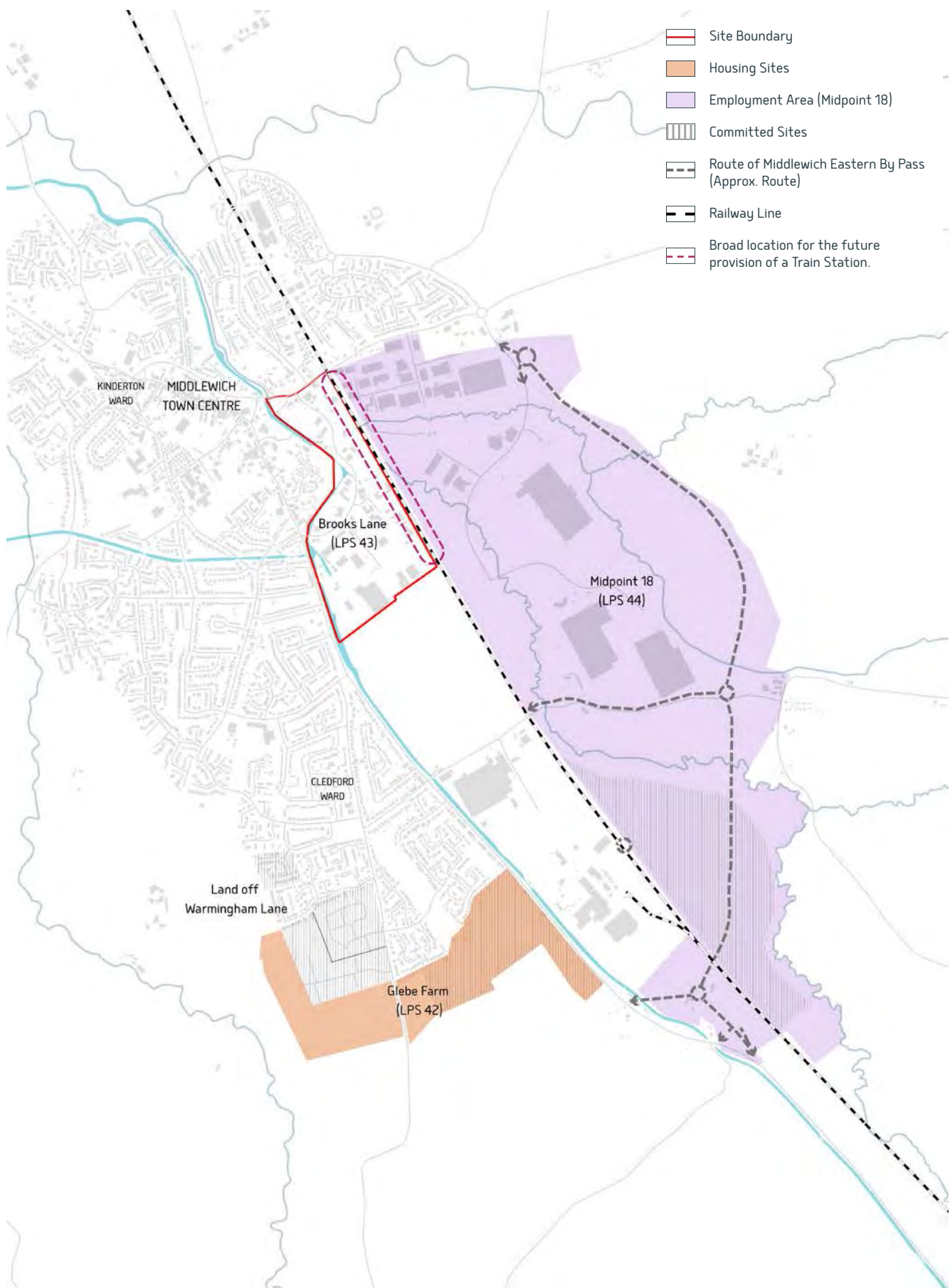


Figure.12 Changing Context Plan

2.4 SITE APPRAISAL

This section provides an assessment of the Site in relation to the following criteria:

- » Land use;
- » Heritage;
- » Access and Connectivity; and
- » Green Infrastructure.

This assessment process has been fundamental in shaping the ideas for the Site.

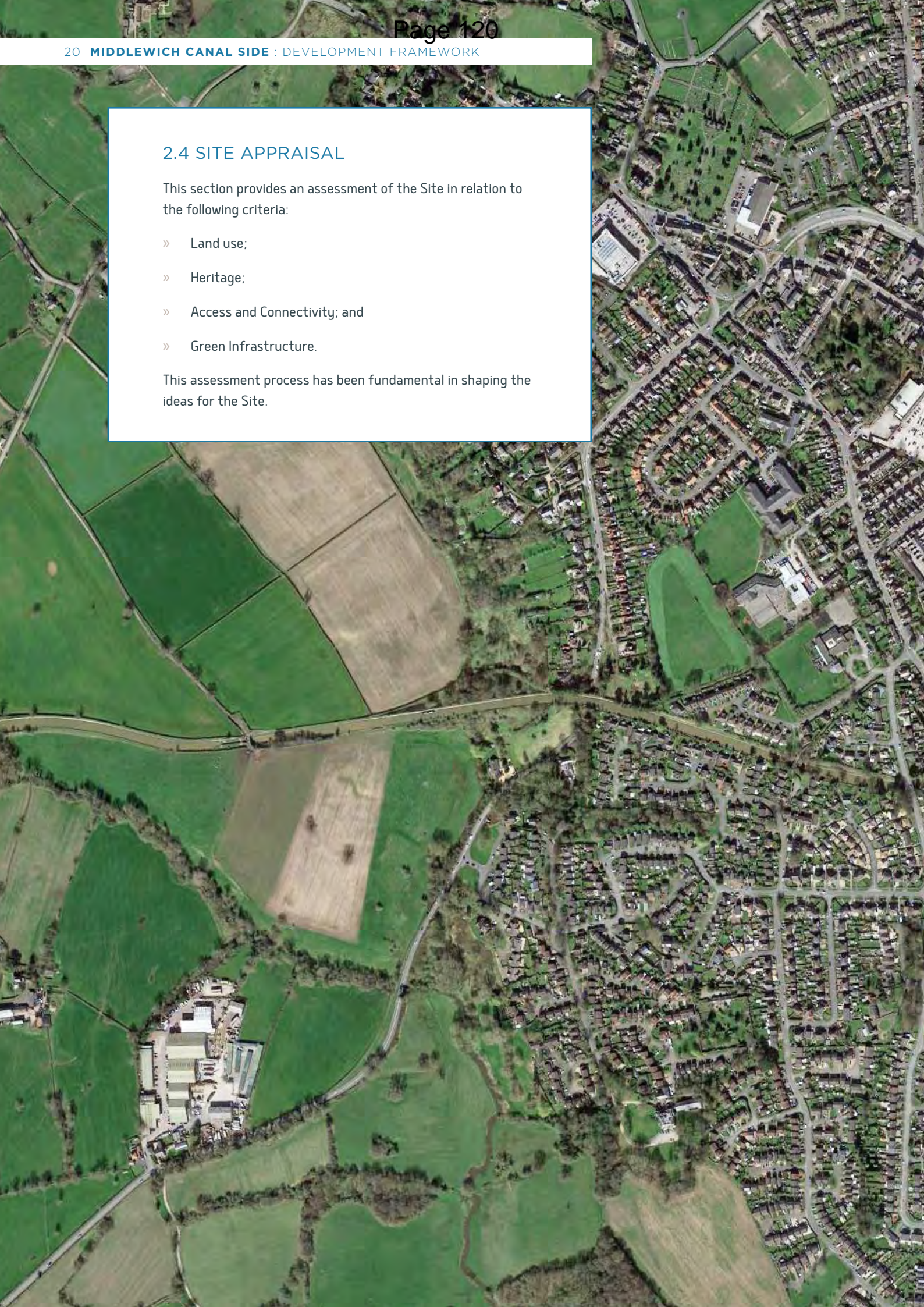
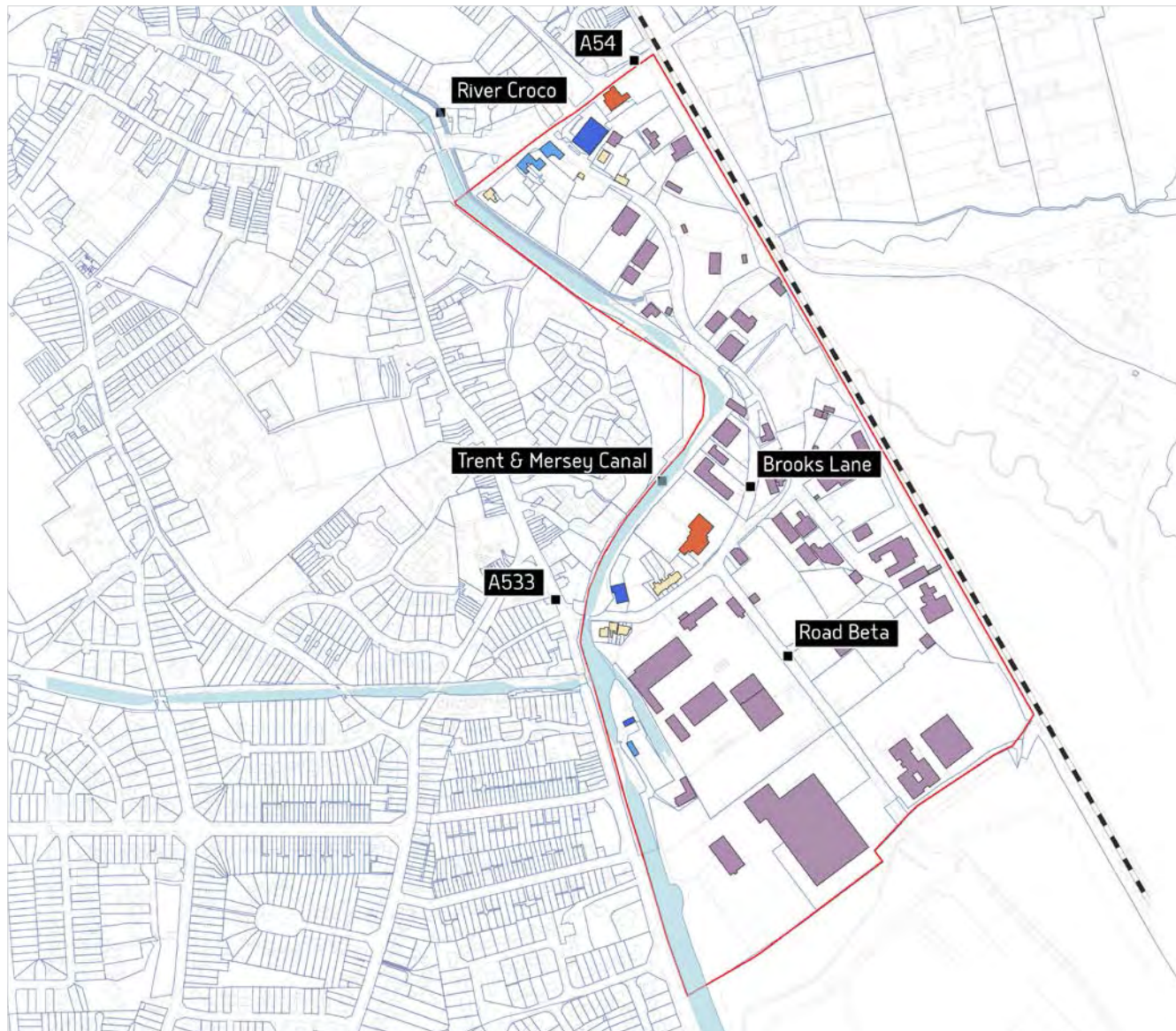




Figure.13 Land Use Site Analysis Plan



2.4.1. Land Use

The plan above shows the boundaries of over 60 businesses on the Site. These range from haulage and chemical manufacturing to smaller scale local employers.

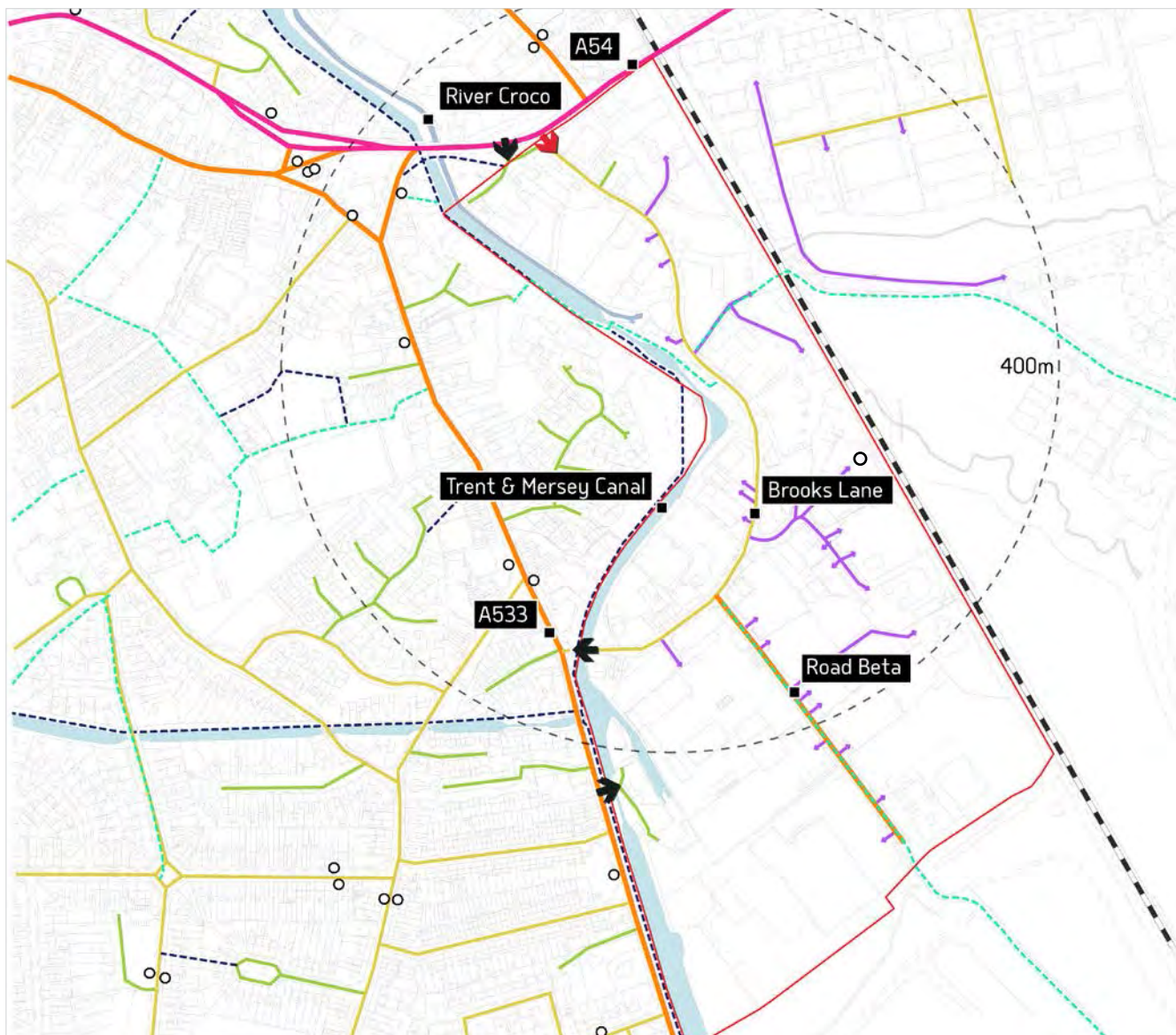
Several residential properties are located within the Site. This includes four semi-detached properties and eight terrace properties, located adjacent to the Canal in the south western area of the Site, three houses located towards the northern part of the Site and two properties accessed via Seabank Road.

Existing commercial uses located within the Site include the Kings Lock Pub, the Boars Head Pub, the Kinderton House Hotel, Kings Lock Chandlery and Unique Fitness Gym. Community/commercial uses include Middlewich Community Church, which is located at the centre of the Site, Middlewich Masonic Hall at the northern most edge of the Site, and the Rainbow Day Nursery.

- Site Boundary
- Land Ownership Boundary
- Residential
- Employment/ Industrial
- Community/ Commercial
- Commercial
- Food/ Beverage



Figure.14 Access and Connectivity Plan



2.4.2. Access & Connectivity

Vehicle access into the Site is via the Brooks Lane and Kinderton Street junction and via the Brooks Lane Bridge. The latter provides a one-way crossing point over the Trent and Mersey Canal.

A third point of vehicle access enters the Site adjacent to the Kings Lock Inn. However, existing land uses prevent traffic moving through the Site from this location.

Brooks Lane is the primary road traversing the Site and connects with Road Beta, which runs south of Brooks Lane and provides a connection to the southern part of the Site.

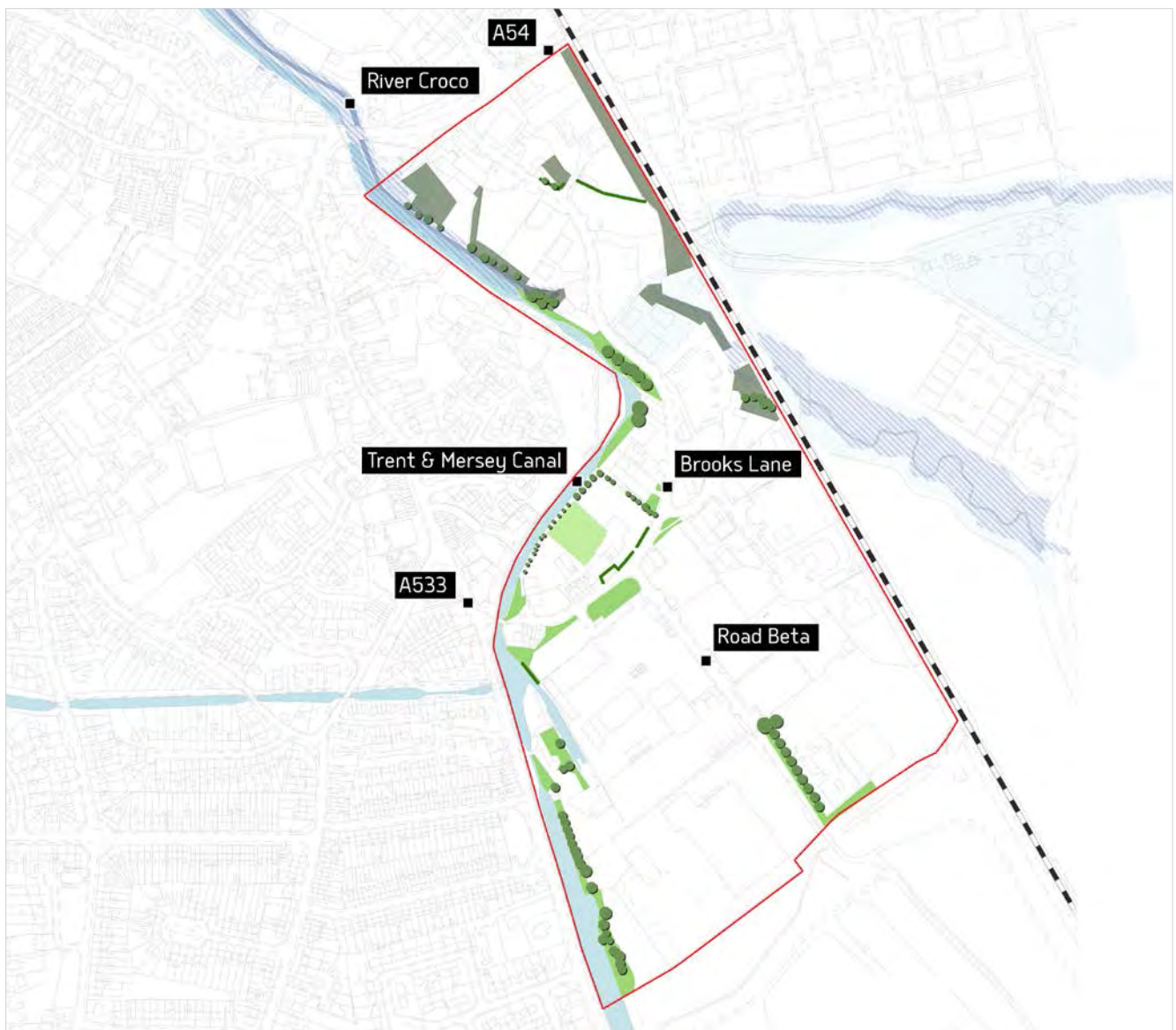
The existing railway line runs along the eastern edge of the Site.

The closest bus stops to the Site are located along the A533 with services that run to Northwich, Congleton and Winsford.

The Site is within a 400m walking distance of the Town Centre and an existing PRoW connects the Site to the Town Centre and runs east beyond the railway line. A second PRoW runs south from the Site towards the Cledford Lane Lime Beds LWS. The canal tow path also provides for a sustainable transport route.

- Site Boundary
- Primary Vehicle Access
- Secondary Vehicle Access
- Railway Line
- Primary Road
- Secondary Road
- Tertiary Road
- Cul-de-Sac
- Employment Access Road
- PRoW
- Pedestrian / Cycle Path
- Bus Stop

Figure.15 Landscape Analysis Plan



2.4.3. Green and Blue Infrastructure

The Trent and Mersey Canal runs along the western edge of the Site. The canal splits and forms Carillon Dock, a mooring point and dry dock.

The River Croco runs within the Site, following the Trent and Mersey Canal, before running in a culvert towards the railway. This watercourse includes a flood risk area within the Site; however, restoring the waters natural flow may alleviate this issue.

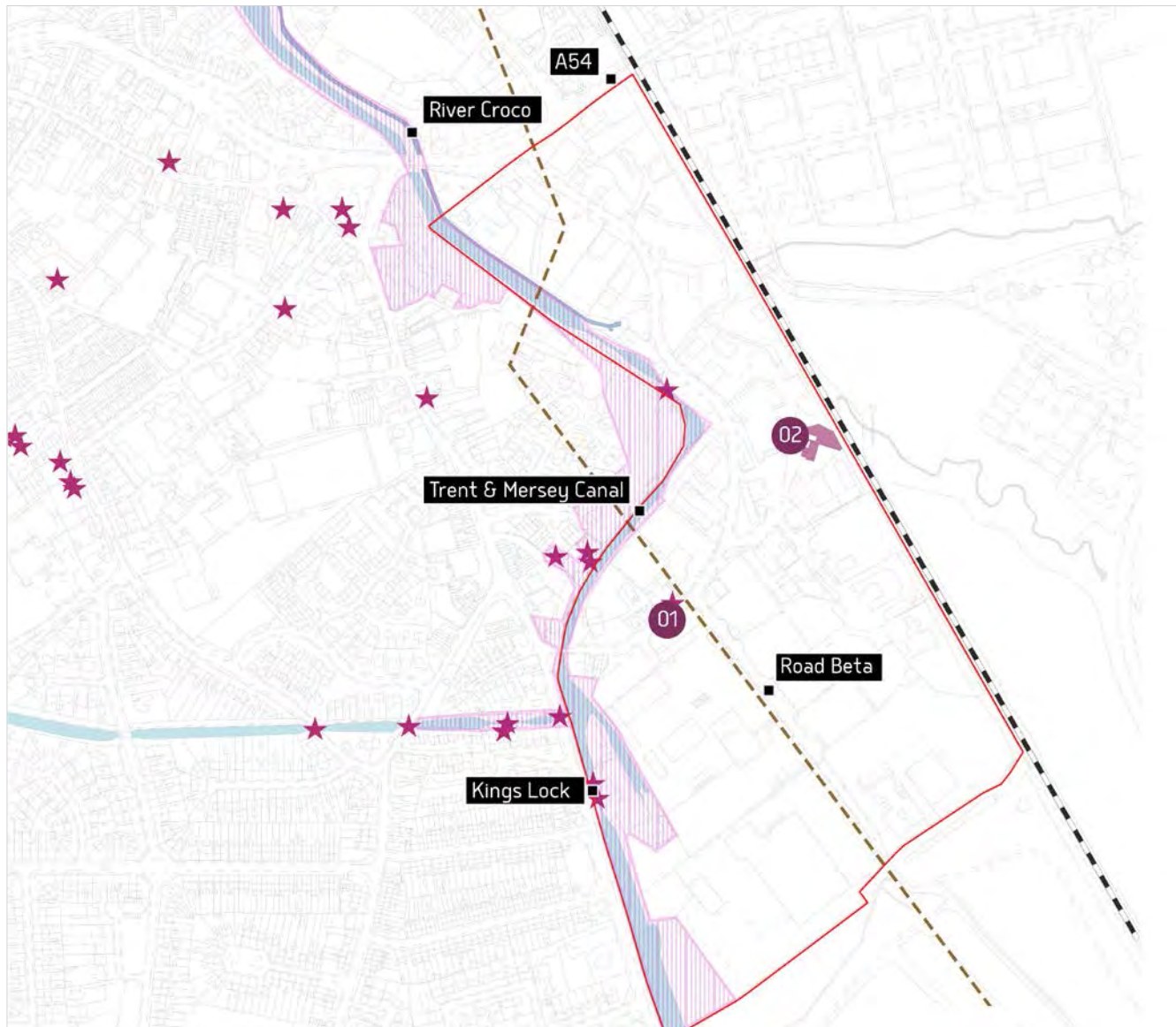
Green infrastructure across the Site is limited due to its industrial nature.

Features include a bowling green, semi-natural green space, existing mature trees running adjacent to the Canal in the south-western edge of the Site, areas of green space and scrub planting along Brooks Lane, scrubland along the edge of the railway and an area of scrubland located adjacent to the culverted sections of the River Croco. The Site also includes the occasional mature tree and hedgerow.

As documented, the Cledford Lane Lime Beds Local Wildlife Site sits adjacent to the southern boundary of the Site.

- Site Boundary
- Bowling Green
- Informal Green Space
- Shrubland
- Hedgerows
- Trees
- River
- Canal
- Flood Zone 3
- Flood Zone 2

Figure.16 Heritage Analysis Plan



2.4.4. Heritage

Brunner Mond Middlewich War Memorial is a Grade II listed WWI memorial, erected in 1921 and is located along Brooks Lane.

There are several Grade II listed structures that form part of the Trent and Mersey Canal including the King's Lock, several listed mileposts and a bridge over the Trent and Mersey Canal. The Canal is also a Conservation Area.






Murgatroyd's Brine Pump is a Scheduled Monument and is the last remaining part of Murgatroyd's Salt Works, located within the central area of the Site. It

is not currently accessible to visitors and can only be accessed by private arrangement.

A historical Roman road is believed to run through the Site adjacent to Road Beta.

Notable heritage features on Site, include but are not limited to:

1. Brunner Mond Middlewich War Memorial; and
2. Murgatroyd's Brine Pump.

-  Site Boundary
-  Conservation Area
-  Listed Building
-  Scheduled Monument
-  Roman Road Location



Murgatroyd's Brine Pump



Brunner Mond Middlewich War Memorial

Trent & Mersey Canal



3 ENGAGEMENT-LED APPROACH

This chapter provides a summary of the engagement process, including a summary of engagement with the people who own property, live and work on the Site, the Local Planning Authority, relevant stakeholders and the local community.

3.1 INVOLVEMENT

Engagement on this project has included:

- » Project and technical team meetings - held with representatives of the Council and Barton Willmore to provide clarity on policy and technical matters.
- » Landowner and business workshop(s) – held on the 11 April 2018 & Thursday 23 August 2018 to seek views on initial option(s) regarding the future development of the site.
- » Meetings with Middlewich Town Council – held on 11 April 2018 & Thursday 23 August 2018 to seek views on initial option(s) development regarding the future development of the site.
- » Canal & River Trust Meeting – one on one meeting regarding the marina proposals included in the development framework followed by a further investigation of site options.
- » Formal consultation on the Brooks Lane Development Framework draft SPD which took place between 14 January 2019 until the 25 February 2019
- » Formal consultation on the Brooks Lane Development Framework final draft SPD took place between Wednesday 22 January and Wednesday 04 March 2020

3.1.1 Canal & River Trust Meeting

Given the importance placed on the delivery of a canal boat marina by the Council and Town Council, a one-on-one meeting was held with the Canal & River Trust. Representatives from the Canal & River Trust, in 2018, provided advice on the most likely suitable location for the marina.

Following this meeting an investigation into canal boat marinas was undertaken, including an analysis of the size required to accommodate up to 50 boats. Precedent images of UK based marinas are shown opposite.

An analysis of UK based canal boat marinas was undertaken to understand the preferred design and size requirements. Precedent images and dimensions are shown opposite.



c.14 Berth Residential Marina in Edinburgh



c.50 Berth Leisure Marina in Carnforth, Lancaster



4 EVALUATION

This chapter takes account of the assessment and engagement stages set out previously to provide a concise summary of the Site's constraints and opportunities.

4.1 OPPORTUNITIES AND CONSIDERATIONS

4.1.1. Considerations

- » Multiple landownerships on the Site.
- » The Books Lane and Kinderton Street (A54) junction provides the primary means of vehicle access to the Site and will require improvements to support redevelopment.
- » The Brooks Lane Canal Bridge provides a one-way vehicle route from the Site to Booth Lane (A533). Improvements and the potential signalization of the Bridge junction need to be explored to support the redevelopment.
- » Existing residential properties on the Site.
- » Enabling of businesses which wish to remain operating on the Site.
- » The railway line running along the Site's eastern boundary and its associated no- development easement.
- » Existing public rights of way (PRoW).
- » Existing landscape features.
- » Existing culverted watercourse and associated Flood Zone 2.
- » Potential land contamination.
- » Site levels adjacent to the Canal and protection of the structural integrity of the canal both during and post construction'

4.1.2. Opportunities

- » The restoration of the Grade II listed scheduled monument (Murgatroyd's Brine Pump) and the provision of a visitor information centre.
- » Provision of new homes across the short-term phase, subject to securing an acceptable relationship between employment and residential uses.
- » Potential to deliver longer-term, more extensive, redevelopment proposals, capable of delivering more new homes and considerable canal-side enhancements – subject to securing an acceptable relationship between employment and residential uses.
- » Potential provision of a canal boat marina in consultation with the Canal & River Trust and subject to separate consent procedure
- » Potential new railway station and associated line-side infrastructure.
- » Potential to provide new pedestrian/ cycle routes through the Site, including new canal-side footpaths.
- » Opportunity to restore the culverted watercourse running through the Site and potential to reduce any flood risk from the Site.
- » Potential to intensify the community use of Middlewich Community Church
- » Retention of the existing bowling green
- » Enhancements to the existing pedestrian subway connecting the Site with Midpoint 18.
- » Enhancement of Green and Blue Infrastructure across the Site.

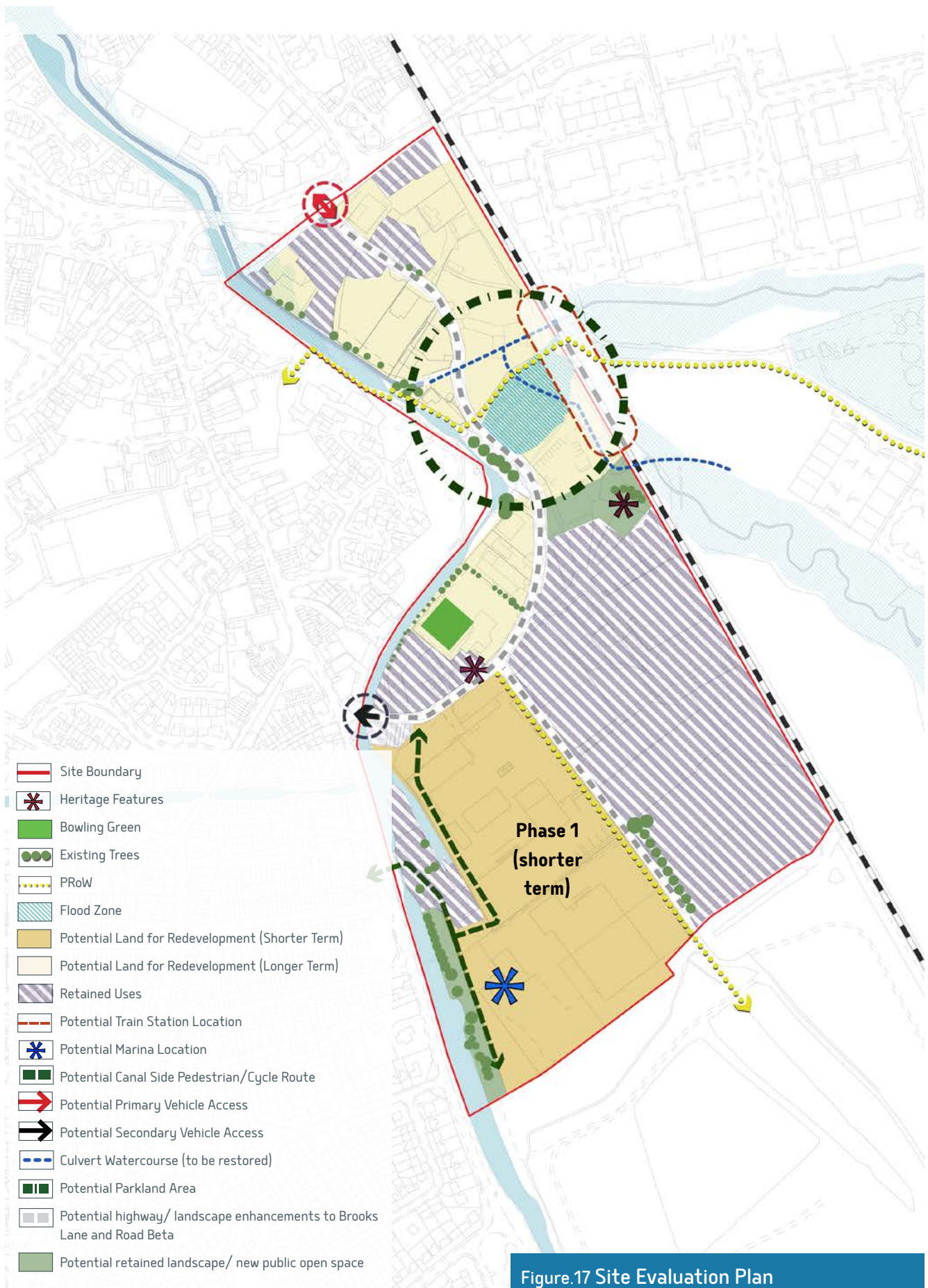


Figure.17 Site Evaluation Plan

5 DESIGN AND DEVELOPMENT PARAMETERS

This Chapter details the Masterplan Framework and illustrative proposals to help inform future design proposals.

5.1 MASTERPLAN FRAMEWORK

The Masterplan Framework, shown opposite, represents an amalgamation of the engagement process and the considerations and opportunities set out in the previous section.

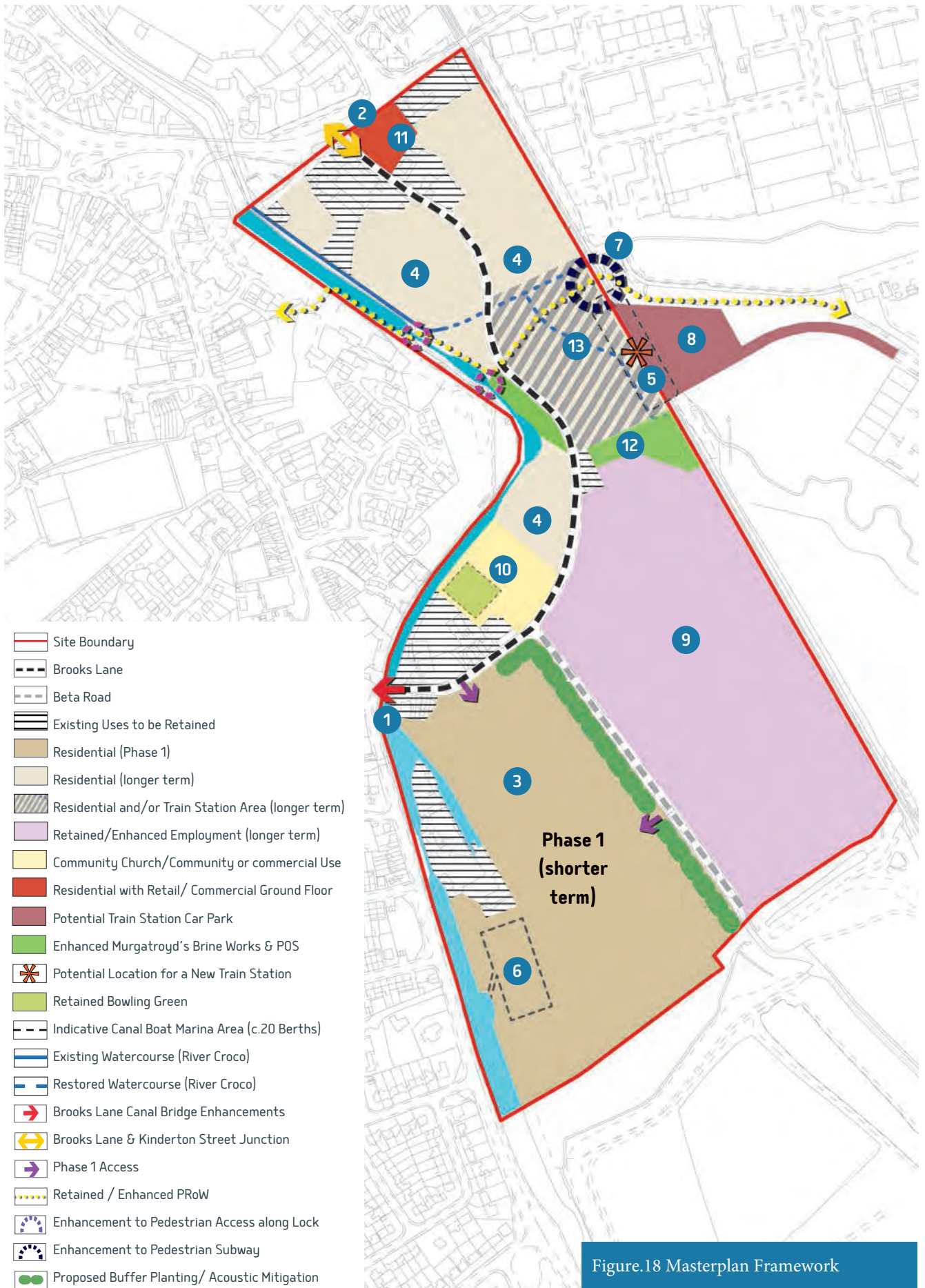
The Masterplan Framework illustrates the broad structure that future design stages should follow. The following pages provide a description of the Masterplan Framework in terms of the following layers:

- » Land Use;
- » Access and Movement; and
- » Green and blue Infrastructure.

The Masterplan Framework will be a material consideration in determining relevant planning applications across the site. It is important that development proposals have appropriate regard to the masterplan proposals when read alongside relevant policies in the Local Plan, particularly LPS 43 (Brooks Lane, Middlewich) in the Local Plan Strategy.

5.1.1. Core elements of the Masterplan Framework

- 1 Highway enhancements to the Brooks Lane Canal Bridge.
- 2 Highway enhancement to the Brooks Lane and Kinderton Street Junction.
- 3 Redevelopment of the Site in the shorter-term (Phase 1), subject to securing an acceptable relationship between employment and residential uses.
- 4 Potential redevelopment of the wider Site in the longer-term, subject to securing an acceptable relationship between employment and residential uses.
- 5 Opportunity to provide a train station.
- 6 Potential delivery of a circa 20-berth canal boat marina (indicative location shown) alongside enhanced routes, connectivity and engagement with the canal.
- 7 Enhancements to the pedestrian subway.
- 8 Potential provision of a Train Station Car Park to the east of the railway line and outside the Site boundary. This land is subject to an approved planning application for employment development. As such, further investigation would be required.
- 9 Area of retained/ enhanced employment use.
- 10 Middlewich Community Church retained for commercial/ community use.
- 11 Potential residential development with ground floor retail adjacent to the Town centre.
- 12 Enhancements to Murgatroyd's Brine Works.
- 13 Reinstate culvert watercourse.



5.1.2. Use Amount and Density Parameter

Residential

Shorter Term: Approximately 6.2ha of land has been identified to deliver residential development in the shorter- term, subject to securing an acceptable relationship between employment and residential uses. This land can provide c.200 dwellings which addresses the Local Plan Strategy LPS 43 requirements. The average net development density of 200 dwellings is approximately 40 dph. Densities higher than 40dph may also be considered.

Longer Term: There may be the potential to achieve additional residential development in the longer-term on other parts of the site over the next 20 years or more (beyond the Plan period), subject to securing an acceptable relationship between employment and residential uses.

Canal Boat Marina

An approximate location has been identified for the provision of a circa 20 berth canal boat marina, subject to feasibility / viability and the separate consent procedure with the Canal & River Trust.

Housing Mix

To provide a balanced community, the development should provide a wide variety and mix of new homes, comprising apartments, older person housing and a range of family house types and sizes in line with policy SC4 (residential mix) of the Local Plan Strategy.

Affordable Housing

The development should provide affordable homes including those available for a mixture of tenures. In line with policy SC5 (affordable homes) in the Local Plan Strategy.

Train Station

Land has been identified as having the potential to accommodate a new train station. Whilst the exact position of the train station will be subject to a further technical and feasibility assessment, the following design requirements should be considered;

- » Platform length and its relationship with the culvert watercourse and pedestrian subway crossing the railway line;
- » Connectivity with the Town Centre and Midpoint 18;
- » Relationship with Murgatroyd's Brine Works and the potential to combine train station infrastructure with a visitor information center; and
- » The provision of line-side infrastructure, including a bus stop, taxi rank, drop-off point, car parking and cycle parking facilities

Train Station Car Park

An approximate area of land, extending to some 0.6ha, has been indicated to accommodate a car park for the train station. The land is located outside the Site boundary and is affected by an approved planning application for employment development. As such, further investigation would be required.

Middlewich Community Church

It is envisaged that the Middlewich Community Church site and bowling green would be retained for community use.

Commercial Uses

An area of land, adjacent to the Town Centre and extending to 0.2ha, has been provided for residential development and commercial uses i.e. community or town centre uses.

Additional small-scale leisure or commercial uses could be provided adjacent to the marina e.g. a local café. However, this would be subject to a further assessment to ensure provision does not detract from the vitality and viability of the Town Centre in line with policy EG 5 (promoting a town centre first approach to retail and commerce) in the Local Plan Strategy.

Employment

An area of land extending to c7.7ha has been provided for retained/enhanced for employment provision.

Murgatroyd's Brine Works.

Murgatroyd's Brine Works should be sympathetically restored with enhanced public access (including the potential provision of a visitor information centre). Public space, green infrastructure and new landscaping should be provided adjacent to the Brine Works. This will improve the setting of the Monument whilst helping to separate retained employment uses and new development.

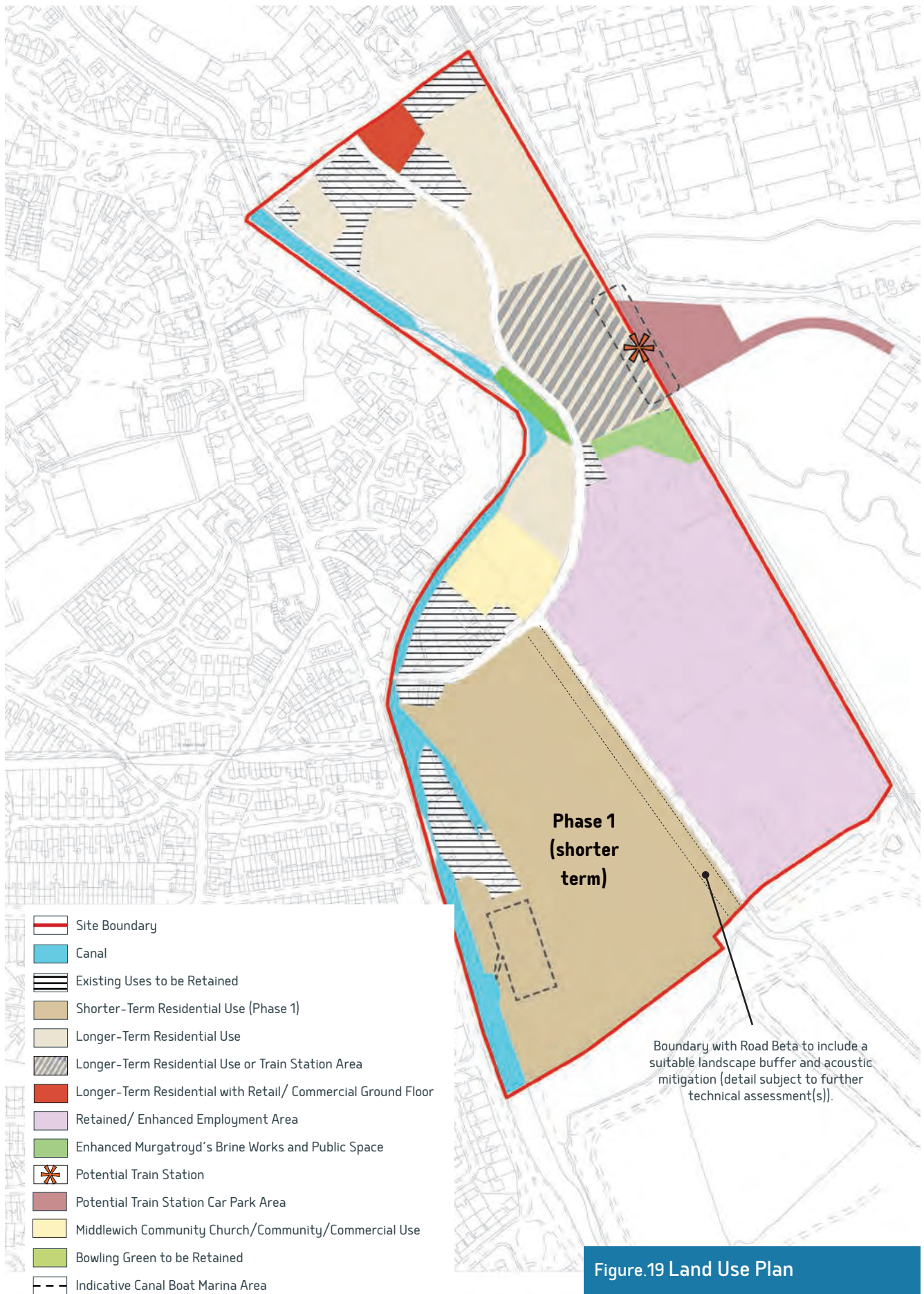


Figure.19 Land Use Plan

5.1.3. Access Parameter

Vehicle Access

The future redevelopment of the Site should include highways enhancements to the Brooks Lane / Kinderton Street junction.

The future redevelopment of the Site should be supported by highways enhancements and the potential signalisation of the Brooks Lane Canal Bridge.

In line with policy CO4 (Travel Plans and Transport Assessments) of the Local Plan Strategy – all ‘major’ development proposals on the site should be accompanied by a transport assessment including parking and access arrangements into and out of the Site.

Brooks Lane

Brooks Lane should accommodate both employment and residential vehicle traffic.

Road Beta

In the longer-term, the aspiration is that Road Beta should accommodate employment traffic only. Emergency residential vehicle traffic could also be permitted.

Phase 1 Vehicle Access

Residential vehicle access to the shorter-term development opportunity (Phase 1) should ultimately be provided from Brooks Lane as opposed to Road Beta. Notwithstanding, a residential access from Road Beta may also be necessary in the shorter-term to serve Phase 1. The aim will be to eventually change this to solely an emergency access into residential development.

A construction vehicle access to Phase 1 should be provided from Road Beta.

Train Station Access

The train station should be dual aspect with connections to the Site and Midpoint 18.

The provision of line-side infrastructure, including a bus stop, taxi rank, drop-off point and car parking should be provided on the Site and, potentially, Midpoint 18.

Street Hierarchy

The proposed development should include a hierarchy of street types designed in accordance with the Cheshire East Design Guide.

Pedestrian and Cycle Access

Pedestrian access to the Site should be provided from:

- » Brooks Lane Canal Bridge;
- » Brooks Lane/ Kinderton Road junction;
- » The two locks crossing the Canal, subject to enhancements to support user safety;
- » The canal bridge located adjacent to the Kings Lock Pub; and
- » The subway crossing the railway line

Each of these pedestrian connection points should be enhanced to improve user safety.

Permeability

The proposed development should include a permeable network of routes to provide easy access throughout the Site.

Residential Car Parking

Car parking provision should be provided in accordance with the Local Plan Strategy Parking Standards and the Cheshire East Design Guide. The general approach should be to provide streets which are attractive and functional places for pedestrians, cyclists and cars.

Public Rights of Way

Existing public rights of way should be retained and where possible accommodated in new areas of public open space. . Proposed developments should present an opportunity to deliver and improve sustainable transport initiatives. There are, under the Council’s statutory Rights of Way Improvement Plan, aspirations for the improvement of Public Footpaths Nos. 19 and 21 for use by both pedestrians and cyclists.

Railway Crossings

Development proposals that could result in a material increase in the volume, or a material change in the character of traffic using a level crossing over the railway, should be supported by an assessment of the impact on railway level crossings in consultation with Network Rail.

Active Design

The future development of the site should be supported by active design principles (advocated by Sport England), to support physical activity and healthy and sustainable communities

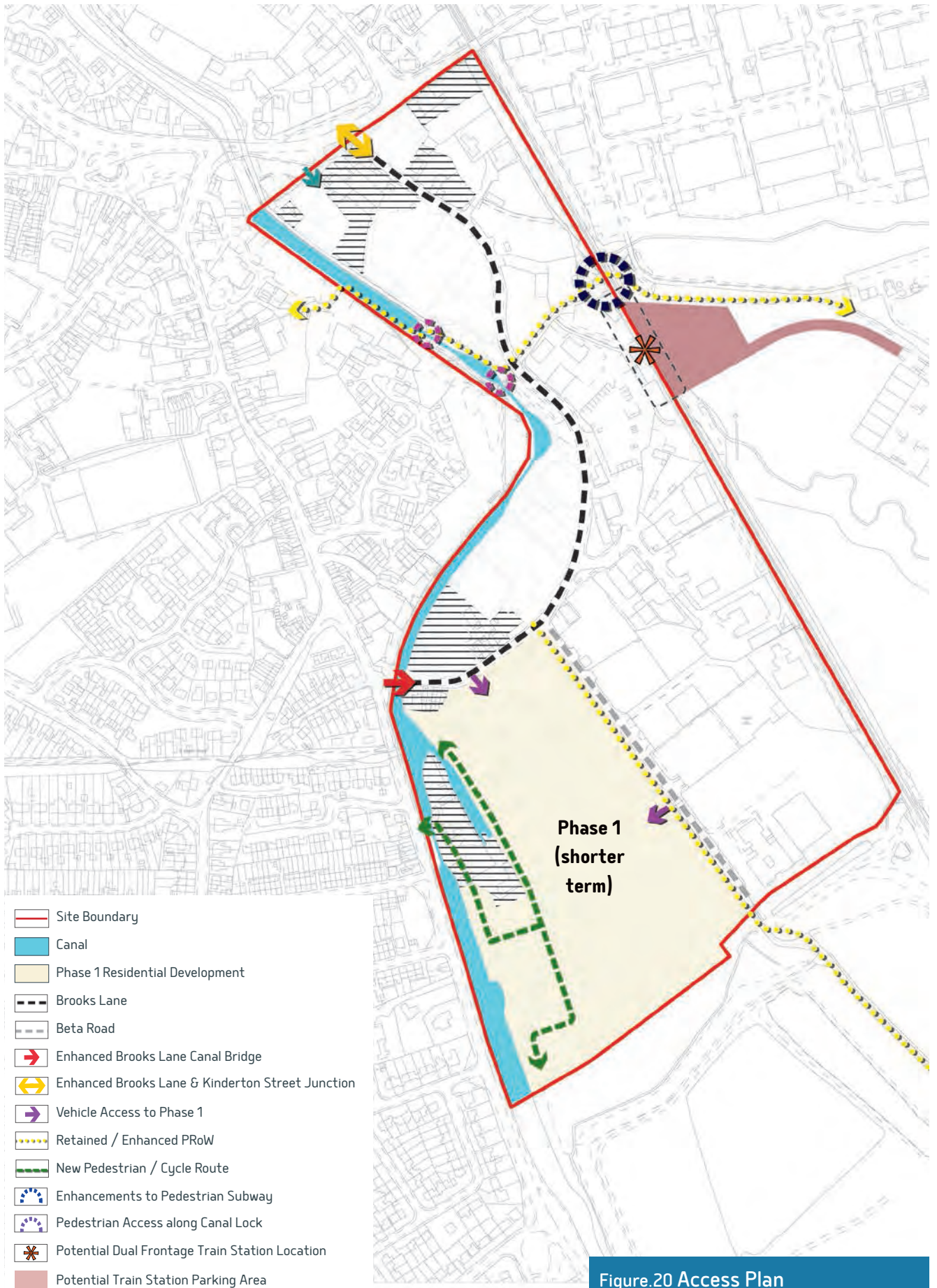


Figure.20 Access Plan

5.1.4. Green and Blue Infrastructure Parameter

Landscape Enhancements to Brooks Lane and Road Beta

In line with policy SE 4 (the landscape) in the Local Plan Strategy The redevelopment of the Site should include new landscape planting and environmental enhancements along Brooks Lane and Road Beta. This will improve the appearance of the street-scene and help soften the relationship between new residential development and retained employment uses.

Road Beta Buffer Planting

Buffer planting and land-forming should be provided between Phase 1 and Road Beta. This will help to separate residential development provided within Phase 1 from the retained/enhanced employment area. The aim of which will be to secure the amenity of future residents whilst supporting the continuation of existing business operations.

Culvert Watercourse

The culvert watercourse running through the Site should be restored and improvements should be made to the flow of the watercourse to remove any flood risk from the Site in line with policy SE 13 (flood risk and water management) in the Local Plan Strategy.

Parkland

An area of parkland should be provided to accommodate the restored watercourse, an existing PRoW and Murgatroyd's Brine Works (the extent of the parkland area on the plan opposite is shown indicatively).

Existing Landscape Features

Existing landscape features of value, including hedgerows and trees should be retained and incorporated into a green infrastructure network.

Drainage

The future redevelopment of the Site will be expected to provide a Sustainable urban Drainage Strategy (SuDS) in line with policy SE 13 (flood risk and water management) in the Local Plan Strategy.

Detailed design processes need to consider water drainage. The development of the Site will be expected to follow National Planning Guidance and provide evidence of thorough investigation of the surface water hierarchy and incorporate Sustainable Drainage methods, where possible.

The Canal may be able to receive surface water, in certain circumstances and subject to a commercial agreement with the Canal & River Trust.

Ecology

The proposed development should conserve and enhance any ecological assets identified on the Site in line with policy SE 3 (biodiversity and geodiversity) in the Local Plan Strategy. New development should be designed to provide ecological enhancements. Consideration should be given to the impact on the Cledford Lane Lime Beds Local Wildlife Site to the south of the Site.

Retained Bowling Green.

The bowling green should be retained and provided for community use.

Trent and Mersey Canal

Future development of the Site should include environmental enhancements and improved public access to the Trent and Mersey Canal.

Landscape Framework

The proposed development should provide a connected network of landscaped streets and open spaces of varying sizes, to cater for a range of uses.

Canal-side Park

The proposed development should include a canal-side park; separating new development from retained canal-based employment uses including the existing dry dock (the extent of the park is shown indicatively on the plan opposite).

Pedestrian & Cycle Connections

The proposed development should provide pedestrian and cycle connections across the Site to link up proposed green infrastructure and connect with the surrounding pedestrian and cycle network.

River Croco and Sanderson Brook

A permit is required from the Environment Agency for any proposed works or structures in 8 meters of the River Croco and Sanderson's Brook. It is standard and recommended practice to seek the inclusion of green infrastructure along the watercourse.

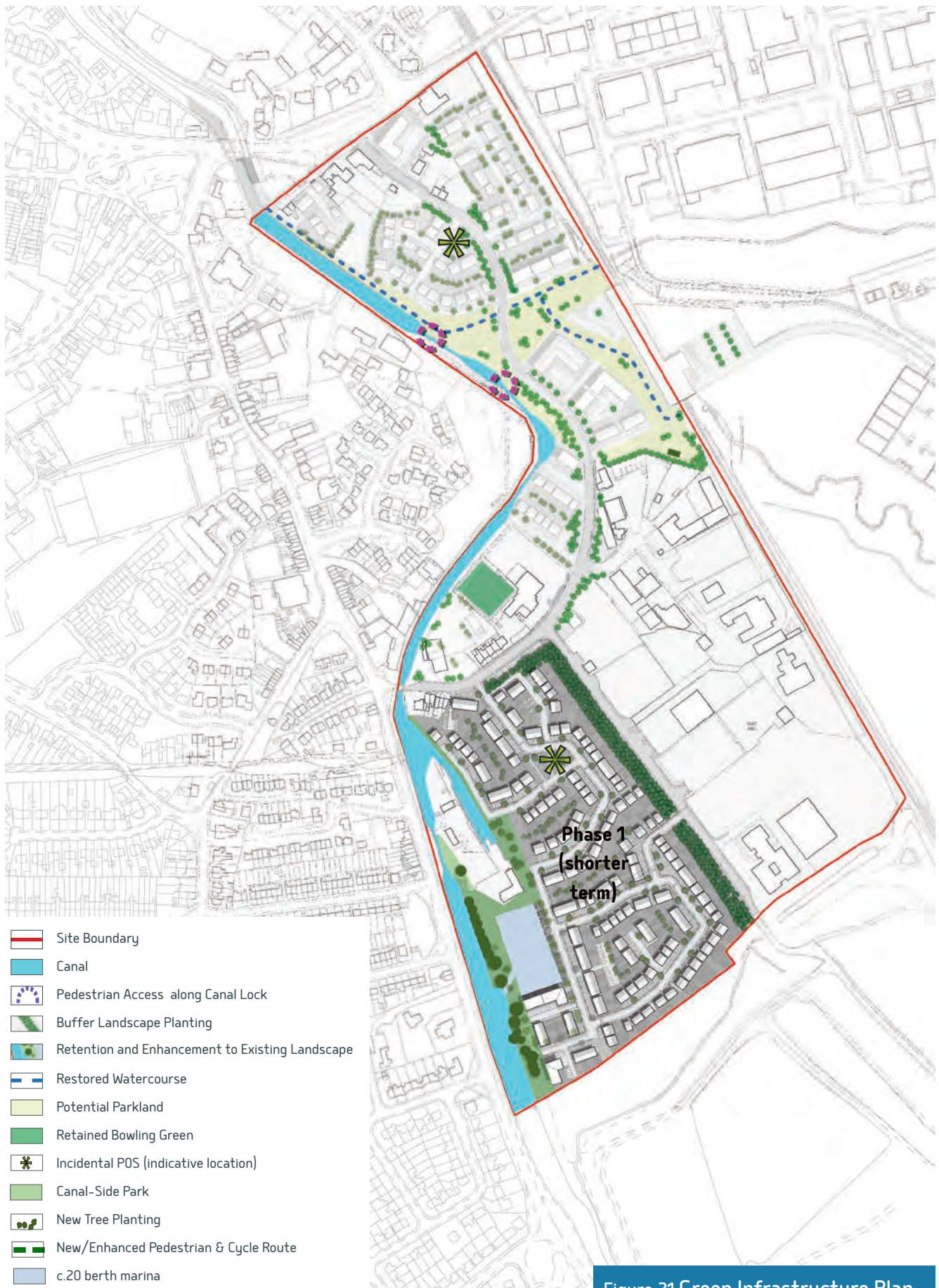


Figure.21 Green Infrastructure Plan

5.2. DEVELOPMENT PARAMETERS AND DELIVERY CONSIDERATIONS

A key purpose of the SPD is to establish the overarching planning and design framework for the delivery of the Site. The framework should be taken into account by those parties wishing to bring forward development proposals on the site. This framework should be read alongside relevant policies in the Local Plan Strategy, particularly LPS 43 (Brooks Lane, Middlewich). Those parties wishing to promote development schemes are advised to contact the Council at an early stage to, amongst other things, agree the supporting information that should be submitted with their planning applications.

Planning applications should be accompanied by appropriate studies and reports including, for example, design and access statements, transport assessments, environmental statements, flood risk assessments and drainage strategies. The development framework also identifies a number of key additional planning considerations that require further assessment and potential mitigation, including:

1. In line with policy SE 12 (pollution, land contamination and land instability) in the Local Plan Strategy, the Council will expect the following considerations to be addressed in any future planning application on the Site:

» **Noise** – The introduction of potential noise sensitive residential properties is required to be adequately assessed through a noise impact assessment in order to ensure adequate protection for future noise sensitive occupiers from

existing industrial and transport noise sources and allow Brooks Lane Industrial Estate business operators to continue work activities without risk of significant complaint from future residential neighbours.

» **Air Quality assessment** - to consider the impacts on air quality of any future proposal and establish adequate mitigation measures, such as electronic car charging points, where necessary. Contact should be made with the Council's environmental health team regarding the scope of this assessment

» **Construction Management Plan** – to consider matters such as opening hours, noise, dust, piling and delivery requirements

» **Contaminated land and geotechnical assessments** – to consider historical uses on the Site. This should include consideration of impacts of additional surface water, for example through the marina and reinstatement of culverted watercourse, on the Site. This may include ongoing monitoring / maintenance obligations that should be built into viability assessments on the site.

2. In line with SE 7 (the historic environment) in the Local Plan Strategy, development should respond positively to the heritage assets on the Site including:

» The Scheduled Monument (Murgatroyd's Bring Works)

» Listed Buildings.

» The Trent and Mersey Canal and its Conservation Area.

» Applications should also be supported by an archaeological desk-based assessment, as a minimum, to consider the presence of archaeological deposits on the Site.

» Reference should also be made to the heritage impact assessment prepared by the Council to support the sites allocation in the Local Plan Strategy.

3. In line with SE1 (design) in the Local Plan Strategy and the Cheshire East Design Guide - Site specific coding and masterplanning should be utilised to manage the delivery of design quality across the Site.

4. In respect of policies IN1 (infrastructure) and IN2 (development contributions) in the Local Plan Strategy - the Cheshire East Community Infrastructure Levy was implemented in March 2019. The whole of the Brooks Lane, Middlewich Site is within Zone 1 (£0 per sqm) for residential uses. Section 106 agreements will be used, where appropriate, to secure infrastructure across the Site. It will also be used to secure long term use, maintenance and management of infrastructure across the site. Policy LPS 43 (Brooks Lane, Middlewich) in the Local Plan Strategy notes the likely need for contributions towards highways, education and health infrastructure which will be considered on a case by case basis.

5. In line with policy SE 13 'Flood Risk and Water Management' all development should manage surface water effectively, follow the hierarchy of drainage options for surface water, where possible, and not unnecessarily prejudice access to sustainable drainage infrastructure across the site.





5.3. LAYOUT AND APPEARANCE

This section provides guidance on how the layout and the appearance of the proposed development could be progressed at the more detailed design stages.

5.3.1. Illustrative Masterplan

The purpose of the Illustrative Masterplan is to demonstrate how the Masterplan Framework can be combined with best practice urban design standards and the Cheshire East Design Guide to provide a varied and attractive development comprising of both residential and employment uses, alongside community infrastructure and a rich green infrastructure framework. Alternative approaches to the Illustrative Masterplan may be considered provided they offer suitable design justification and pay due regard to the underlining Masterplan Framework.

Key components of the Illustrative Masterplan:

- ① Middlewich Community Church retained and intensified for community.
- ② Retained and enhanced employment area.
- ③ Provision of c.200 new homes (c.40dph) across the shorter-term phase to meet the Local Plan requirement, subject to securing an acceptable relationship between employment and residential uses.
- ④ Provision of a circa 20-berth Marina alongside enhanced routes, connectivity and engagement with the canal.
- ⑤ Provision of a new railway station drop off point within the site and potential car parking to the east of the railway line.
- ⑥ Restoration of Murgatroyd's Brine Works and potential provision of visitor information centre.
- ⑦ New pedestrian/ cycle routes through the Site, including new canal-side footpaths .
- ⑧ Retention of existing landscape features and provision of new landscape and public spaces.
- ⑨ Buffer planting along Brooks Lane and Road Beta.
- ⑩ Retail and community facilities close to the Town Centre.
- ⑪ Restored watercourse.

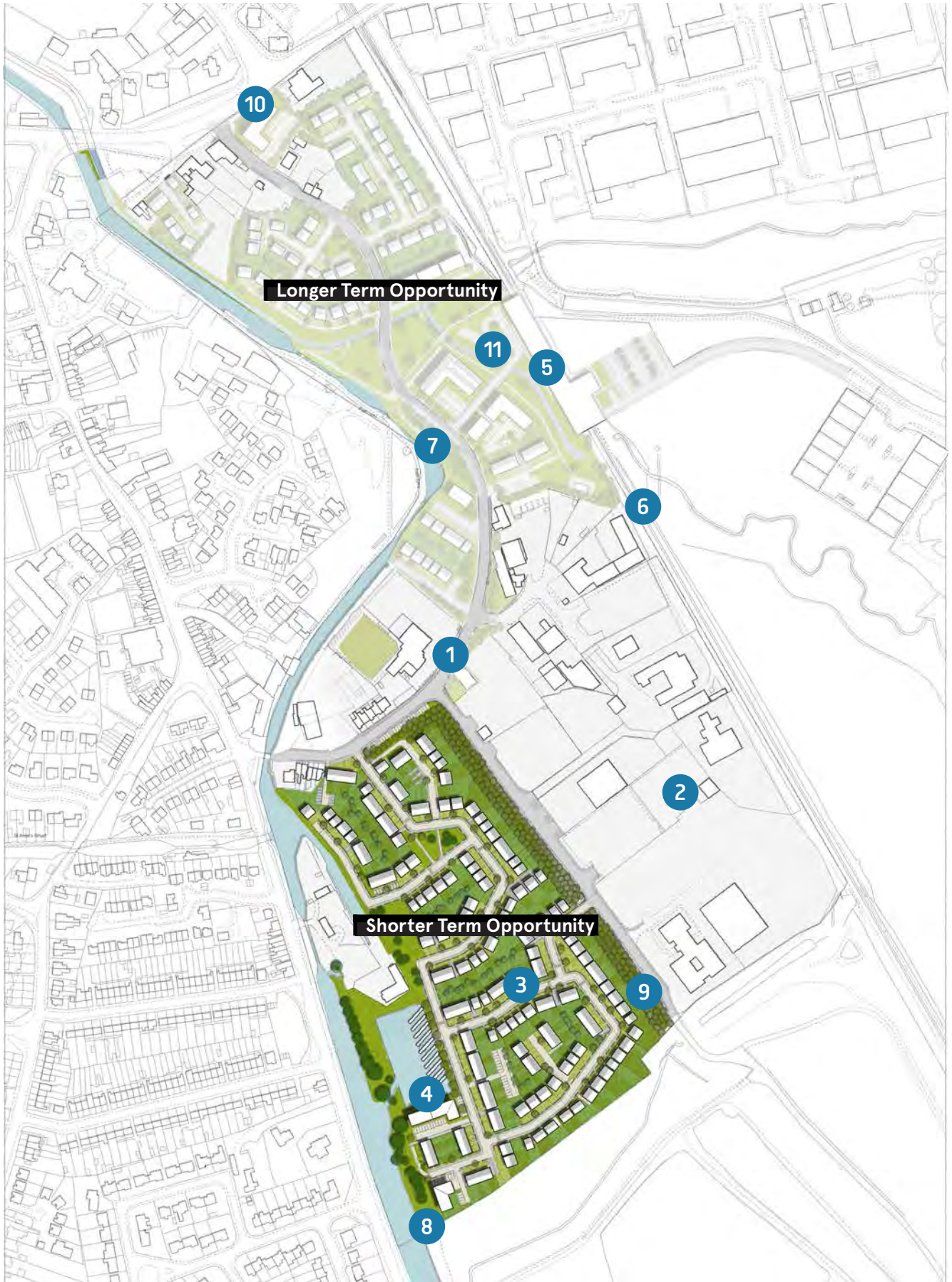


Figure.22 Illustrative Masterplan

5.3.2. Urban Form Principles

The Illustrative Masterplan has a distinctive urban form and structure, strongly influenced by the Site's context, proposed infrastructure such as the train station, and the marina, and best practice urban design principles. The urban form principles are described through this section.

Brooks Lane Frontage

In general, new residential development should be orientated to avoid directly facing Brooks Lane. This approach, alongside the provision of new landscape features, will help soften the impact of employment traffic on future residential properties. Gables that front onto Brooks Lane should be animated with windows and architectural details.

Where new residential development is orientated to overlook Brooks Lane, additional landscape features and public open space should be provided

Train Station Arrival

An area of parkland accommodating larger blocks of 3 storey residential development has been illustrated adjacent to the proposed train station. The use of scale, massing and landscape should help accentuate this area as an important gateway to Middlewich.

Canal Boat Marina

Residential development overlooking the marina comprises a continuous building line with buildings varying in height, from 2 storey to 3 storey. A range of parking typologies are provided, alongside street trees and a shared public realm.

The Marina and its immediate context should cater to the needs of boat users, future residents and visitors. Early engagement with the Canal & River Trust should take place. The provision of a Marina will be subject to a separate consent procedure with the Canal & River Trust. Conflict between these users should be minimised through careful design, including:

- » Positioning the marina to maximise its physical and visual connections with the Canal.
- » Provision of an adequate separation between the marina and residential development
- » Integration of tree planting to filter views and help maintain amenity.

Canal Frontage

New housing positioned adjacent to the Canal comprises a range of house types with building heights ranging from 2-3 storey providing an active frontage, connectivity and engagement with the canal corridor, where possible.

Dry-dock Interface

Residential development has been set-back from the dry-dock and the proposed buildings have been orientated to avoid directly overlooking the business operations.

Key Buildings

Key buildings have been used to emphasise spaces and routes throughout the Site and assist with legibility.

Key Spaces

A sequence of spaces should be provided throughout the development to provide variation in character, promote traffic calming, and assist with legible movement for pedestrians and cyclists.

Corner Elevations

Generally, corner elevations should have windows, avoiding long sections of blank walls.

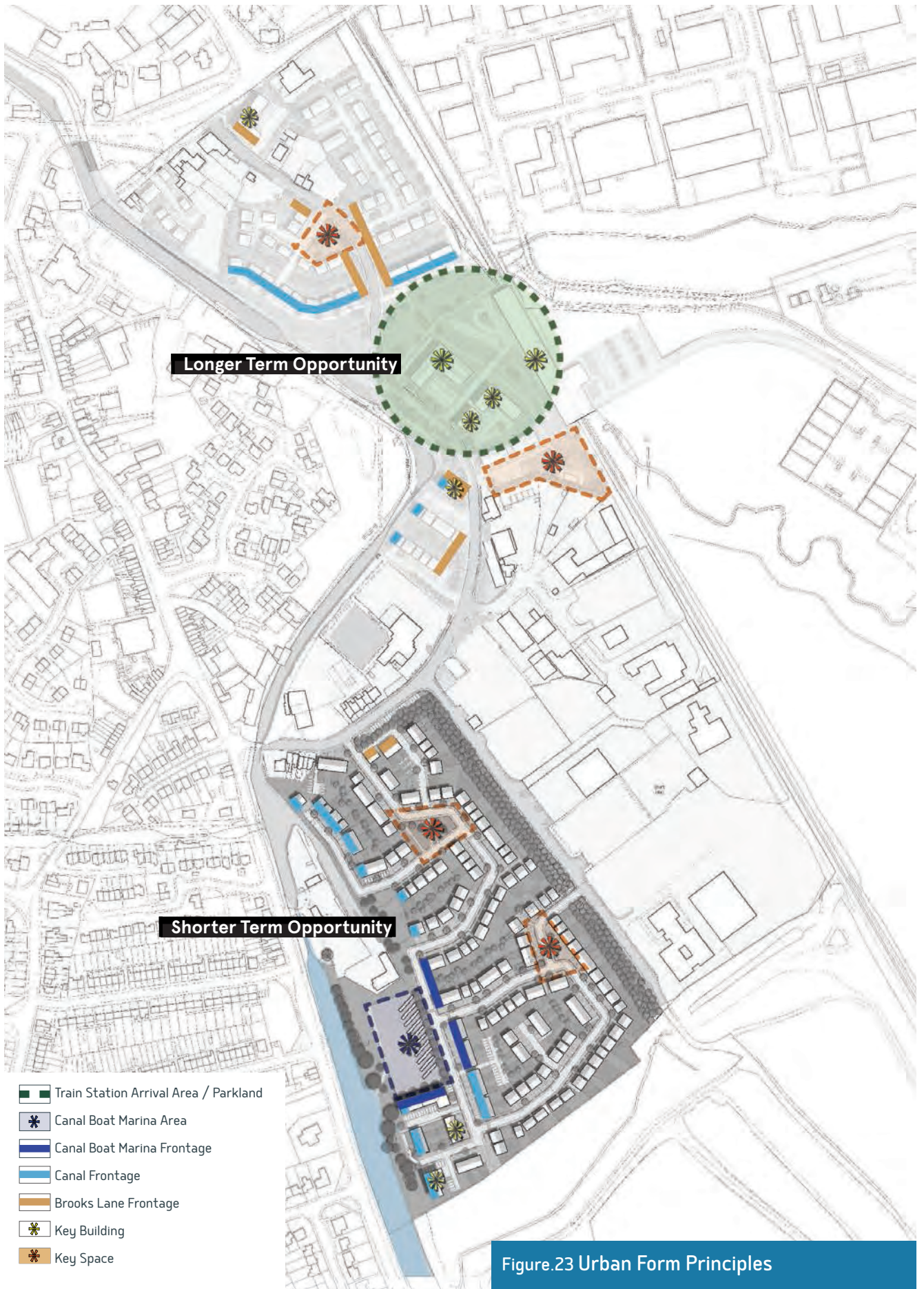
Signposting

Clear signposting and directions will be required at key locations across the Site.

Heritage led approach

Where possible, regeneration should focus on the historic waterside and look to maximise that opportunity, whilst fully integrating and supporting the working character of the site. Green and blue infrastructure can be used to help reinforce the areas distinctive sense of place. Green Infrastructure and public realm can create a high quality green infrastructure framework to help characterise different parts of the site.

Further masterplanning and design coding, in line with this development framework, could help ensure there is a strong interface with the Canal and associated mixed use. Future detailed masterplanning should also make reference to the heritage impact assessment prepared for the site (dated 19 September 2014).



5.3.3. Street Hierarchy

The principles for the design of streets set out over the following pages have been prepared to be in accordance with 'Manual for Streets' and the Cheshire East Design Guide. The streets create a legible and permeable network and the identity of the street types will assist in developing a sense of place as well as enhancing legibility.

In preparing the Illustrative Masterplan, the following design principles have been applied and these should be reflected in any proposed schemes on the Site:

- » The creation of a grid of connected streets to facilitate a 'walkable neighbourhood' where cycling is also encouraged.
- » A network of quiet shared streets will be provided.
- » The design of streets will be integrated with the character area they are within and the built form enclosing them. It may be appropriate for the character of streets to change along their length.
- » Measures such as shared surfaces, changes in surface materials, horizontal alignment, lighting and the design of the street should be used as appropriate to encourage slow speeds.

Street Types

The development has five types of street hierarchy as follows:

- » Brooks Lane and Road Beta;
- » Primary Residential Street;
- » Secondary/ Shared Residential Street; and
- » Private Drive.

The location of each street type is shown on the plan opposite (figure 24) and an indicative cross section on each street type is shown on the following page (see figures 25-28).



Primary Street



Shared Street



Private Drive



Figure.24 Street Hierarchy

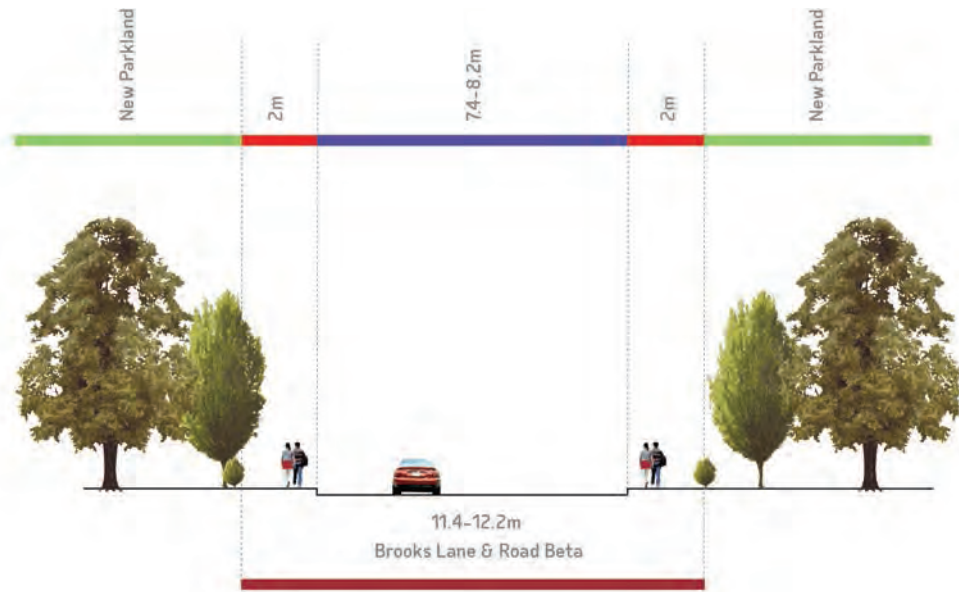


Figure.25 Brooks Lane/ Road Beta

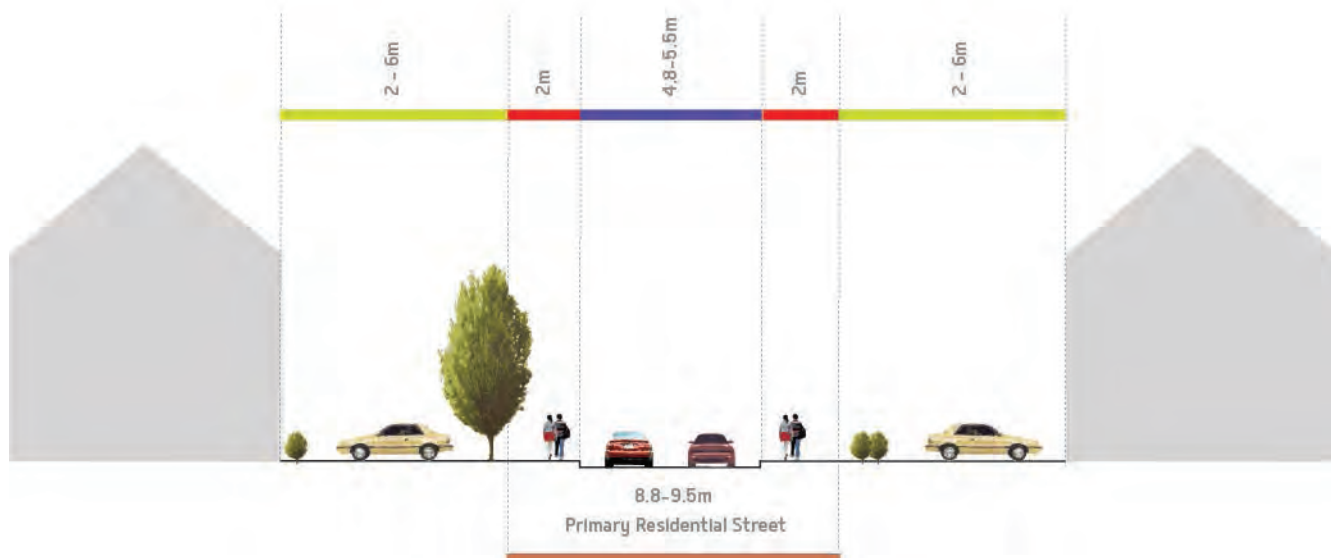


Figure.26 Primary Street

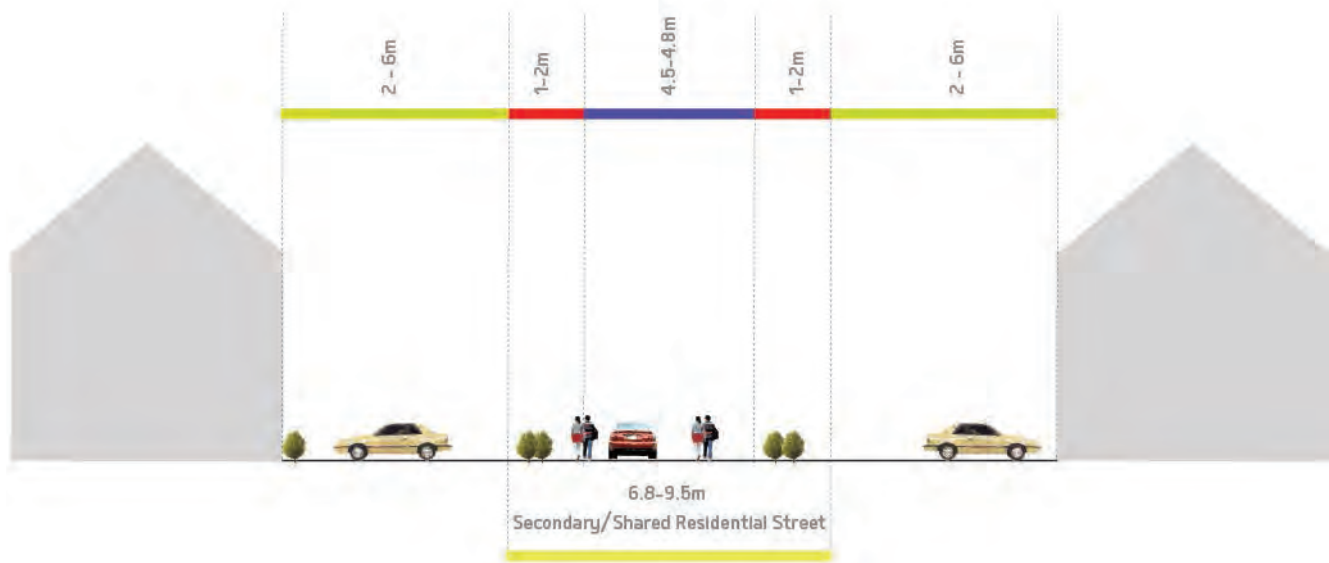



Figure.27 Shared Street



Figure.28 Private Drive

5.3.4. Character Areas

The purpose of this section is to provide an illustration and description of the different character areas that could be provided across the proposed development.



Shorter Term Opportunity

Shorter Term Opportunity



Longer Term Opportunity

Longer Term Opportunity

- Town Centre Gateway
- Train Station Gateway
- Canal Side Village
- Marina Village

Figure.29 Character Areas

5.3.5. Town Centre Gateway Village

An acceptable relationship between employment and new residential uses will need to be achieved and demonstrated.

The Town Centre Gateway has the opportunity to provide a gateway to the Site from Middlewich Town Centre. The Brooks Lane junction with Kinderton Street will potentially be defined by a 3-story residential apartment block with ground floor commercial space. A range of house types should be provided throughout the character area, and could include a high proportion of family homes. Development overlooking the Canal could comprise larger family homes, with a subtle variation in building heights. The parkland that sits to the south of the character area is illustrated as being defined by 3 story apartment blocks.

The following characteristics define the character area:

Layout and Built Form

- » Existing residential development is retained.
- » Provision of a 3 storey apartment block with ground floor commercial uses at the Brooks Lane and Kinderton Street junction.
- » A range of family homes.
- » Heights ranging from 2-3 storeys.
- » Larger family homes adjacent to the Canal.
- » Higher densities and 3 story apartment blocks to define an area of urban parkland.
- » Development softened by areas of parkland and planting.
- » Residential development has been orientated so gables of new dwellings facing Brooks Lane.

Landscape

- » Informal planting along Brooks Lane including buffer planting.
- » Scattered tree planting to property frontages and public open space. Native hedgerow planting to front of properties. Tree and hedgerow species palettes to be native / informal in character.
- » Provision of a landscape space adjacent to the Canal, accommodating the existing watercourse.
- » Incidental open spaces provided throughout.





5.3.6. Train Station Village

Should an acceptable relationship be achieved between employment and residential uses

The Train Station Gateway has the potential to provide an important gateway to the Site and Middleswich Town Centre. The train station will be a defining feature and the provision of 3 story residential development will help signify a sense of arrival. An area of urban parkland surrounding the 3 storey development and accommodating the restored watercourse and Murgatroyd's Brine Pump, could help to create an attractive and welcoming gateway to Middleswich.

The following characteristics define the character area:

Layout and Built Form

- » Train station as the defining feature.
- » Provision of higher density residential development.
- » 3 storey apartment blocks to provide a sense of arrival adjacent to the railway.
- » 2.5 storey town houses overlooking Murgatroyd's Brine Pump

Landscape

- » Parkland area to accommodate new planting, restored watercourse, Murgatroyd's Brine Pump, short stay car park, bus stop and taxi rank, pedestrian and cycle links and children's play.
- » Landscape enhancements adjacent to the Canal.
- » Enhancements and improvements to pedestrian and cycle connections across two locks to improve user safety.





5.3.7. Canal-side Village

The Canal-side Village will provide an area of mixed residential development comprising a range of house types. The character area will also feature existing residential development and Middlewich Community Church. The interface between new residential development, retained canal-side businesses and retained employment uses to the east are key structural elements underpinning the design of the Illustrative Masterplan.

The following characteristics define the character area:

Layout and Built Form

- » Medium density family homes.
- » Streets to provide improved connections to the Canal.
- » Middlewich Community Church intensified for community use.
- » Continuous frontages.
- » Development set-back from the working dry-dock.
- » Variation in building heights, ranging from 2 storey to 3 storey.
- » Formal parking provided adjacent to Brooks Lane.
- » Retention of Brunner Mond Middlewich War Memorial.

Landscape

- » Planting along Brooks Lane.
- » Buffer planting and land-forming, along the eastern edge of the Character Area, to provide separation between new residential development and the retained/enhanced employment.
- » Scattered tree planting to property frontages and public open space. Native hedgerow planting to front of properties. Tree and hedgerow species palettes to be native / informal in character.
- » Provision of parkland to separate the dry-dock from new residential development.
- » Incidental open spaces provided throughout.





5.3.8. Marina Village

The character of the Marina Village will be heavily influenced by the provision of a new circa 20-berth canal boat marina. New development positioned immediately adjacent to the marina will comprise a range of house types including 2.5 storey town houses and 3 storey apartment blocks. The marina will become an important focal point for the redeveloped Site and a destination for Middleswich. Its importance will be emphasised through the provision of a high-quality public realm and landscaping, alongside the potential for the occasional commercial use i.e. a small café with outdoor seating. The marina is positioned with its longest edge adjacent to the Canal as this will ensure maximum physical and visual connectivity with the waterway, which will be favoured by canal boat users. The amenity standards for both canal boat users and the residents of new housing will be protected through the provision of adequate separation distances and well considered landscape design.

The following characteristics define the the character area:

Layout and Built Form

- » circa 20-berth marina.
- » Ensure adequate boat access arrangements are provided for the marina (to be agreed with the Canal & River Trust).
- » Residential dwellings to be provided with parking in accordance with the Local Plan.
- » Marina to provide the focus with higher densities and variation in scale.
- » Residential development orientated to avoid directly overlooking the dry dock
- » Provision of a car parking for canal users.
- » Residential streets designed in accordance with the Cheshire East Design guide and to provide a range of housetypes
- » Development density at c.40dph.
- » Variation in scale from 2-3 story.

Landscape

- » High-quality public realm adjacent to the marina.
- » Buffer planting and land-forming, along the eastern edge of the Character Area, to provide separation between new residential development and the retained/enhanced employment.
- » Retention of existing landscape features, including mature trees between the marina and the canal.
- » Scattered tree planting to property frontages and public open space. Native hedgerow planting to front of properties. Tree and hedgerow species palettes to be native / informal in character.



6 CONCLUSION

6.1. SUMMARY AND PHASING

This document sets out a planning and design framework to guide, in additional detail, the redevelopment of the Brooks Lane Site in line with policy LPS 43. It shows the rigorous design process based on Assessment, Consultation, Evaluation and Design has been carried out. The design process has been strongly informed by the businesses wishing to remain operating on the Site.

Summary of Proposal

- » Provision of c.200+ homes in the shorter term (Phase 1) to meet the Local Plan requirements.
- » Redevelopment of the wider site in the longer term, with the potential to deliver a further c.250+ new homes, comprising a range of house types, including family homes, starter homes and older persons accommodation.
- » Potential provision of a train station, including line-side infrastructure.
- » Potential Provision of a c.20 boat marina.
- » Provision of commercial uses close to the Town centre.
- » Highways enhancements.
- » Environmental enhancements and the provision of public open space.

The redevelopment of the Site needs to be considered alongside the wish for existing businesses to remain operating in the area. This reality may see part of the Site redeveloped in the shorter-term to deliver new homes in accordance with the Local Plan Strategy requirements (circa 200 dwellings), whilst the rest of the Site remains in employment use. However, a more significant regeneration proposal could see more of the Site coming forward for redevelopment in the longer-term extending beyond 2030, the end of the current Local Plan period.

The plan opposite shows a potential phasing strategy for the Site. Phase 1 shows an area of the Site that could deliver homes in the shorter-term, meeting the Local Plan requirements. We could perhaps then see development moving clock-wise around the Site, over the course of the next 15-20 or more years, with businesses remaining in operation during this period.

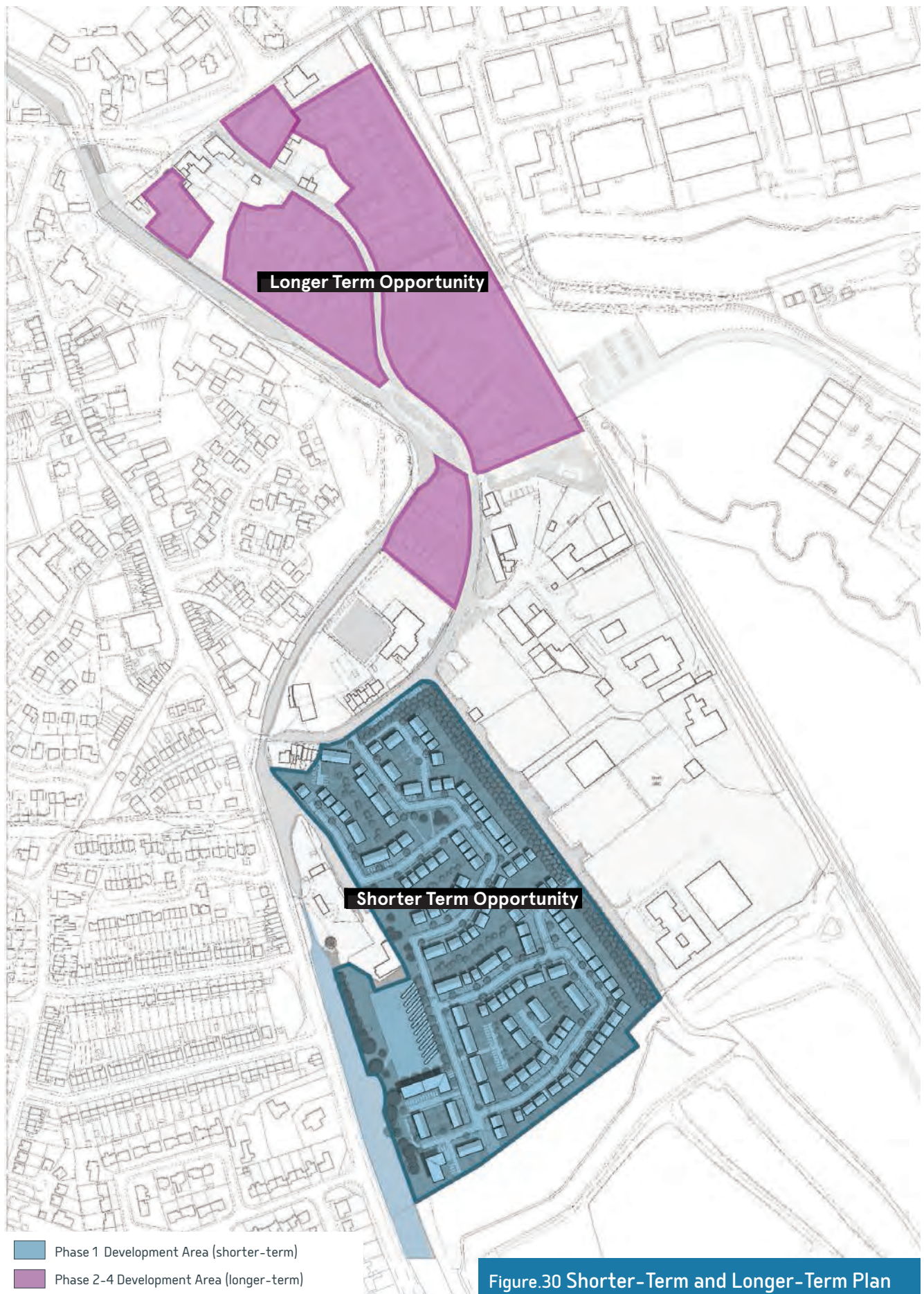


Figure.30 Shorter-Term and Longer-Term Plan



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Working for a brighter future together

Key Decision: Y

Date First Published:
30/3/20

Cabinet

Date of Meeting: 8 September 2020

Report Title: Digital Cheshire

Portfolio Holder: Councillor Nick Mannion, Portfolio Holder for the Environment and Regeneration

Senior Officer: Frank Jordan - Executive Director - Place

1. Report Summary

- 1.1. Digital connectivity is now an essential utility for every home and business. Its importance has been further underlined by the COVID-19 pandemic with home and remote working becoming the norm which has created a significant demand for digital services.
- 1.2. The national target is to achieve "Gigabit" (1000 megabits per second) speed connectivity to all UK premises (residential and commercial). In Cheshire East and the sub-region there are however many premises that do not even meet the older "Superfast" (30 megabits per second) connectivity standard. These very low speeds can result in 'Digital Exclusion' for those residents unable to access services and can also create severe constraints on business growth and even threaten future commercial viability.
- 1.3. This report seeks approval for Executive Director – Place to enter into a funding agreement on behalf of Cheshire East Council with the Ministry for Housing, Communities and Local Government (MHCLG) that will access European Regional Development Funds (ERDF) grant funding. This funding will enable a 3 year programme of activity to enhance access to digital technology for Small and Medium Sized Enterprises (SMEs) and residents in Cheshire and Warrington that occupy premises that do not meet the Superfast connectivity standard.

- 1.4. In relation to the grant acceptance and 3 year programme, approval is also sought for the Executive Director – Place to provide signatory approval on behalf of Cheshire East Council to enter into a contract with an external supplier for the delivery of the infrastructure element of the programme.

2. Recommendations

2.1. That Cabinet:

- 2.1.1. Approves the establishment of the Digital Cheshire programme with Cheshire East Council acting as the Accountable Body and signatory to all contracts and funding agreements.
- 2.1.2. Notes that the partners of Connecting Cheshire i.e. Cheshire West & Chester Council, Warrington Borough Council and Halton Borough Council similarly need to secure their own approvals for the acceptance of funding and to enter into the programme. The following recommendations and delegations will be subject to all partners securing their necessary approvals.
- 2.1.3. Delegates to the Executive Director – Place, in consultation with the Portfolio Holder for the Environment and Regeneration, and Director of Governance and Compliance authority to accept an offer of European Regional Development Fund funding and to finalise the terms and conditions of the legal agreement between the Council and Ministry of Housing, Communities and Local Government in respect of the grant and the associated governance processes required.
- 2.1.4. Delegates to the Executive Director – Place in consultation with the Director - Governance and Compliance authority to finalise and enter into a infrastructure delivery contract (following due internal diligence and external State Aid approval processes), with an external supplier in order to deliver the physical broadband connectivity.
- 2.1.5. Authorises the Executive Director - Place in consultation with the Director - Governance and Compliance to enter into any necessary legal documentation to give effect to the above recommendations including entering into an updated Collaboration Agreement between Cheshire East, Cheshire West & Chester, Warrington and Halton Borough Council for the Digital Cheshire programme.
- 2.1.6. Authorise Officers to take all necessary actions to implement the above recommendations with particular reference to decision making in relation to the Connecting Cheshire Partnership, the final programme scope and design of the Digital Cheshire programme, all grant and grant-related procurements and

award of contracts, and the day to day management necessary to implement the programme.

3. Reasons for Recommendations

- 3.1. **Addressing Market Failure** - Despite the great success of the Connecting Cheshire Partnership's activity, and earlier broadband projects, a recent Open Market Review has identified that there remains a Market Supply Failure and high demand for connectivity, particularly but not exclusive to more remote and rural locations.
- 3.2. **Unlocking Grant Funding and Providing Value for Money** - A new programme, Digital Cheshire, has been developed that addresses operational programme objectives set out in the Cheshire & Warrington LEP Prospectus against Priority Axis 2 (Priority Axis 2: Enhancing Access To, and Use and Quality of, Information and Communications Technology), enabling access to ERDF funds managed by MHCLG. This will be unlocked by match against funds held by Cheshire East Council on behalf of the Connecting Cheshire Partnership Local Authorities that is already ring-fenced for digital infrastructure.
- 3.3. **Combating Digital Exclusion** – In our society where the default and increasingly only methods to access information and services is online, poor and inadequate connectivity can create a 'Digital Divide' with households, especially those on low incomes or already disadvantaged, are further marginalised and isolated.
- 3.4. **Improved Local Resilience** – The COVID crisis has led an unprecedented use of and demand for digital services. Online call and video-communication has become the norm, children are being home schooled using digital tools, supermarket home delivery services have vastly expanded and yet still struggle to meet demand. While the COVID impact has been severe, the use and application of Digital has enabled many services to continue in one form or another and remain accessible by many.
- 3.5. Digital has also been the major conduit of communication with residents and local businesses. Lack of connectivity reduces resilience for those affected, increases risks to those without access to information and requires additional resources from the authority to reach and make provision for those affected. Addressing digital connectivity issues therefore is a key pillar of bolstering resilience and addressing risks of future COVID related issues.
- 3.6. **Long Term Economic Viability** – It has been suggested that a consequence of the lockdown and the forced requirement to make use of online services may lead to a longer lasting shift in how services or products are sourced and consumed. Businesses may need to re-shape their offerings to respond to a

possible change in consumer needs and expectations with a hard shift to Digital rather than a gradual shift.

- 3.7. This would lead to premises with connectivity issues considered 'undesirable' - or even unviable, as places to live or work. Commercial sites with poor connectivity may see accelerated decline, rural and semi rural areas with already pre existing issues of lack of employment opportunities and other exclusion issues could experience further adversity.
- 3.8. In addition SMEs are likely to have been hit harder by COVID than larger established firms and are also those most likely based in affected premises. The project would help to address these issues and avoid any cycles of decline.
- 3.9. **Strong Partnership Delivery** - Cheshire West and Cheshire, Warrington and Halton Borough Councils are also seeking approval to reinvest in Digital Cheshire, recognising high speed broadband connectivity as a corporate priority, and confirming their satisfaction with previous projects delivered by the Partnership, and the governance and project management provided through the operational board.
- 3.10. Representatives of the partner authorities in the Connecting Cheshire group have been involved in the planning of and have approved the programme outline. A renewed formal Collaboration Agreement will be signed ahead of acceptance of the grant funds and commencement of the new programme.

4. Other Options considered

4.1. *Do Nothing* (do not proceed with Digital Cheshire)

- 4.1.1. The opportunity to secure and leverage circa £3 million of ERDF funding will be lost if it is not drawn down for the current proposal. This will significantly reduce the Authority's ability to invest in future digital infrastructure.
- 4.1.2. There is also a risk by doing nothing that commercial deployment will be many years away despite government's current commitments and future pledges. If there was an eventual deployment it is likely that significant damage may have already been done. Affected commercial sites may already be unoccupied as not fit for use, in residential sites social exclusion and other problems may have become firmly embedded.
- 4.1.3. Whilst externally funded project staff are assigned to their specific project outcomes by the terms of the contract, the project itself generates a lot of consequential and indirect benefits that will support the wider Connecting Cheshire objectives. If the ERDF project is not progressed there will be no project funded staff working on digital. This will be the first time since inception

of the Connecting Cheshire Partnership and CEC may face difficulties in lack of capacity and capability in addressing issues relating to the wider Digital Agenda.

- 4.1.4. Doing nothing could potentially risk funds already held by the Authority that are ring fenced for Digital coverage, The Authority will be required to make repayments to stakeholders such as BDUK if the funding is not utilised as intended.

5. Background

- 5.1. The Authority has successfully completed deployment of two major digital infrastructure and digital business support projects, via the Connecting Cheshire Partnership, a collaboration between Cheshire East, Cheshire West & Chester, Warrington and Halton Borough Councils, established in 2011 to address government aspirations to roll out superfast broadband.
- 5.2. The digital infrastructure projects have exceeded the original government target of achieving 95% superfast broadband coverage but there is still much to do particularly within the predominantly rural areas of Cheshire East and Cheshire West & Chester. The table below shows the improvement to superfast broadband coverage achieved through the contracts to date:

Local Authority	% coverage, Dec 2013 (contract start)	% coverage, Aug 2020
Cheshire East	79.2% premises	95.47% premises
Cheshire West & Chester	68.5% premises	96.30% premises
Warrington	84.4% premises	98.68% premises
Halton	87.0% premises	99.09% premises

Source: Thinkbroadband.com (03/08/2020)

- 5.3. The government target has now moved on to encompass Gigabit connectivity, and the achievement of speeds that would go some way to future proofing and provide the capacity required to meet the demand of home workers, streamers and business. Whilst the existing projects have been responsible for kick starting the roll out of Gigabit capable connectivity it is still low, with Cheshire East's current gigabit coverage at 16.82% (compared to the England average of 22.35%), partly due in the main to the rural geography of Cheshire East.
- 5.4. The previous infrastructure projects were designed so that outputs to specific Local Authorities were broadly proportionate to their capital investment in to the projects. Due to the significantly more rural geographies of Cheshire East and Cheshire West & Chester, these two Authorities were the largest funders and beneficiaries (in terms of claimable outputs). However, there are still significant pockets where residents and business have not seen any upgrade or

improvement to their basic broadband service. Usually this has been down to cost. It is intended that this procurement would focus on those areas that had been overlooked to date.

- 5.5. The superfast infrastructure deployment contracts were “gap funded” meaning that if a supplier made excess profits a mechanism called ‘gainshare’ would be triggered. This is based upon the take-up numbers of premises utilising the new infrastructure put in place via the contracts, and recognises that commercial companies could not make excessive financial gain from public funding. Cheshire has seen a very high take up and consequently the supplier is accruing for “gainshare” in a ringfenced investment fund within its financial accounts. This fund is ring fenced for digital infrastructure projects. Payment is due at fixed points up to 2024 with the funding being attributable to each partner Local Authority, based on the proportions of the original funding contributions they made. It is the intention to forward fund against this in order to provide the local body element of funding for Digital Cheshire.

6. The Digital Cheshire Programme

- 6.1. In September 2019, the Connecting Cheshire Partnership undertook an Open Market Review of coverage in Cheshire and Warrington to understand where commercial deployment is planned in the coming years. This confirmed that commercial operators are now largely focused on upgrading its already Superfast capable network in areas of strong market demand to Gigabit capabilities, overlooking those poorly connected spots. The Partnership determined that without further intervention it would be many years before these areas got even basic broadband coverage, putting the businesses in such areas at a substantial disadvantage, and indicating that a new programme was justified.
- 6.2. If approved, Digital Cheshire would run initially from November 2020 until June 2023. (There would be scope to extend delivery within the contract to beyond 2023 subject to appropriate funding being identified).
- 6.3. The programme will target c1400 postcodes, and 4000 SMEs for faster broadband infrastructure across Cheshire and Warrington, at an initial total project cost of c£6.24m million. This postcode coverage equates to a potential 24,000 premises in the region, of these approximately 12,000 fall within the CEC authority area.
- 6.4. Cheshire East Council will be the Lead Authority, on behalf of the Connecting Cheshire Partnership (including Cheshire West & Chester, Warrington and Halton Borough Councils). The partnership will provide oversight to the Authority's day to day management of the programme as has been the arrangement on the previous programmes such as Connecting Cheshire.

- 6.5. The programme will meet the grant 'output' requirements set by MHCLG and the LEP, by having both an infrastructure and business support component, building on the successes and lessons learned from previous programmes. The focus of these outputs is delivery to SMEs, as defined according to ERDF criteria. In addition the project will target SME premises located in what have been termed "the last 5%" areas and which see no prospect of any market supplied solution.
- 6.6. The infrastructure element of the project will be delivered by an OJEU procured supplier and has an initial value of c£4.55m. The procurement process and contract template has been approved by BDUK as State Aid compliant and went live on 29th June 2020.
- 6.7. If a supplier is selected then following the Council's internal due diligence, the draft contract will require final State Aid approval by BDUK. A major project risk lies in that this approval must be given before the end of December 2020 as following this BDUK will no longer be 'authorised' to provide State Aid Compliance in this area (unless there is some agreement on a post transition Brexit relationship). It is planned and scheduled to pass the contract through the BDUK compliance process and receive approval to sign the contract in November 2020. This timetable does not give scope for any significant slippage, so the process is being actively managed to ensure dates do not slip and increase risks.
- 6.8. On the recommendation of BDUK the c£4.55m infrastructure procurement contains an 'option to extend' to a ceiling value of £10m. This was included to provide the option, if considered desirable and subject to funding, to initiate project change controls, and extend the deployment. Due to procurement regulations and BDUK cessation of the State Aid compliance function, this would not be an option if not included in the procurement at the outset.
- 6.9. Although outside the scope of the Digital Cheshire funding requirements, a direct consequence of the improved connectivity to SMEs is that local residences/premises in adjacent communities will also benefit from improved connectivity via 'piggy-backing' onto the new broadband infrastructure. The Connecting Cheshire Partnership will aim to monitor and report on these connections as further project benefits.
- 6.10. The outputs being delivered by the new programme are:
 - 6.10.1. To enable internet connection speeds (via open network solutions) of greater than 30Mbps to a minimum 440 businesses, with 180 of these also actively taking up broadband access during the project (solutions are anticipated to be Gigabit capable).

- 6.10.2. To facilitate 165 businesses to obtain advice, knowledge and support in utilising digital technologies and processes that rely on high speed internet connectivity that can drive business process improvements, productivity, sustainable growth and enable access to new markets. 20 of these businesses will receive an enhanced minimum of 20 hours of intensive and highly bespoke assistance. This augments the investments being made in infrastructure and physical connectivity, as an effective way of maximising the benefits derived by businesses.
- 6.10.3. The physical delivery of outputs will be by external suppliers, but outputs will be overseen and verified by the project team. The new programme has been planned so that current staff still delivering the previous contracts will move on to the new programme to allow continuity and the retention of expertise, and will be joined by a broader project team to deliver the infrastructure component and demand stimulation activity, employed by Cheshire East on behalf of the programme.
- 6.10.4. Whilst the project will take a technology agnostic approach to the deployment, it foresees this may be achieved by a range of technologies enabling gigabit speeds such as full-fibre, cable or fixed wireless access. This is in line with government ambitions outlined in the Future Telecoms Infrastructure Review, the technologies deployed in this new programme will be gigabit capable technologies, which are also complementary to 5G ambitions.

7. Implications of the Recommendations

7.1. Legal Implications

- 7.1.1. The Connecting Cheshire Partnership approved in-principle at its July 2019 meeting that an Outline Application for ERDF funding be submitted to MHCLG. This was approved by MHCLG in December 2019 for development into a Full Application. This full application was submitted in March 2020 and is currently in the final evaluation stage and is expected to be fully accepted. If accepted then MHCLG will issue a formal Grant Funding Agreement (GFA) for the Digital Cheshire programme which will need to be formally approved by legal means.
- 7.1.2. A new Collaboration Agreement, similar to that which was used in the previous Connecting Cheshire Partnership projects, has been produced for the Digital Cheshire programme. The Collaboration Agreement establishes the consortium and its objectives, it also provides indemnities from the members of the Connecting Cheshire Partnership to Cheshire East Council, as Lead Authority, in respect of all liabilities arising out of the programme, ensuring that any liabilities are shared between the Connecting Cheshire Partnership

members. It also formalises the financial contributions of each partner in terms of their proportion of the ring-fenced funds utilised.

7.1.3. A number of procurements will be required to facilitate the delivery of the programme. In particular the broadband infrastructure procurement has a value of c£4.55m and will be an open OJEU and State Aid compliant process. To meet the delivery timetable for the programme, this main procurement went live on 29th June 2020. Smaller compliant procurements will be undertaken for the specialist services providers for the digital support programme. Both procurements will be carried out with the support of Cheshire East Council's legal services and procurement teams.

7.1.4. To mitigate against risk to the Council, the Collaboration Agreement will be entered into before acceptance of the external grant funding. Tenders for the major infrastructure components will also have been received and negotiated, but not awarded, also before the external grant funding is accepted to ensure outputs align and the contracts can quickly be mobilised providing further assurances about the deliverability of the programme.

7.2. Financial Implications

7.2.1. The current Medium Term Financial Strategy 2020-2024 includes £7.25m relating to Digital delivery, with £6.3m allocated for the period 2021-2023. This has been reprofiled to enable the Authority to wait for MHCLG to open the relevant ERDF funding call.

7.2.2. The ongoing ERDF funded Digital 2020 project which is focused on Business Support has been extended by MHCLG for two quarters to provide a bridge to the start of the new ERDF funded project. It is expected that this will have utilised approximately £1.2m of the £7.25m budget meaning that a small supplementary capital estimate may be required. However, this may not be necessary and could also be achieved via a virement from the other legacy Connecting Cheshire projects.

7.2.3. Historically the projects were established and received external funding on the basis that all funding committed was spent and utilised on digital connectivity and digital business support. Failure to do this could result in external funding needing to be returned. Thus it is proposed to increase the budget on Digital 2020/Digital Cheshire by tidying the legacy projects and transferring the remaining balances to a single project. It should be noted that the intention is to eventually fund a £10m infrastructure contract though initially this will be circa £4.5m with further sums being committed as they become available. It may therefore be prudent to establish a line in the addendum which could be brought

forward into the main capital programme subject to the completion of the necessary business case.

- 7.2.4. It is anticipated that the project will fund the match required for ERDF purposes through the utilisation of funds that the digital projects have generated to date via gainshare mechanisms. There may be a requirement to forward fund the project in the early stages and the project may seek to effectively borrow against amounts accrued in the separately held investment fund.
- 7.2.5. The receipt of ERDF funding will place an administrative burden on the Authority as it will need to account for spending on a quarterly basis and comply with all relevant rules and directives. The existing project team is experienced in managing ERDF projects and this should not be seen as a major obstacle.
- 7.2.6. There will also be a need to manage allocations of funding relating to partner Authorities and ensure there is an equitable distribution of outputs relative to the funding provided. The Authority will also need to ensure that all costs incurred on the project are properly recharged. The Collaboration Agreement and finance protocol included therein should provide some level of assurance for the Authority.
- 7.2.7. It has been established that Brexit will not impact the Authority's ability to bid for ERDF funding in the current 2014-20 programme. Nor will there be an adverse impact on our ability to draw down funding during the deployment phase of the project post Brexit.

7.3. Policy Implications

- 7.3.1. The programme supports Cheshire East Council Economic Strategy's Priority Theme 2 'The Place to Connect' and Strategic Objective 5 – Improve connectivity options, efficiency and sustainability which outlines the need for improved digital connectivity.
- 7.3.2. It also supports the Council's Corporate Plan, through three outcomes. 1): To ensure strong, resilient and connected communities by allowing residential properties surrounding targeted SMEs in 'hard to reach areas' gain access to faster connectivity speeds; 2) To promote lifelong learning and skills by enhancing digital access, and skills for qualifying SME employees, and therefore enabling investment in transformational ICT projects to improve productivity and access to markets; and 3) To promote sustainable and inclusive economic growth by supporting the LEP strategy and making a significant contribution to their targets.

7.3.3. Digital is also a key theme of the Cheshire & Warrington LEP's Prospectus for Inclusive Growth where it commits to delivering future digital projects through the funding mechanisms outlined.

7.4. Equality Implications

7.4.1. The exact beneficiaries of the programme will be determined by 1) criteria set the LEP including eligibility of SMEs, and 2) by the successful delivery partner. However the tender specification documents have focused this intervention to areas of sub-standard digital connectivity speeds and areas neglected by commercial operators based on a full Open Market Review exercise.

7.5. Human Resources Implications

7.5.1. Programme management arrangements to support the delivery of Digital 2020 are in place until October 2020. The bid aligned the new programme to the end of D2020 so project staff could move to provide continuity (due to COVID related delays MHCLG agreed to an extension of D2020 by a quarter to ensure there was no 'gap').

7.6. Risk Management Implications

7.6.1. A key risk lies in the December 2020 deadline for final State Aid approval by BDUK. An agreed (with BDUK) procurement schedule is being following that will enable the process to complete within this deadline. It remains imperative that there are no significant delays to the process as this could jeopardise the infrastructure procurement. Key staff within CEC teams are being briefed and consulted ahead of their required input and/or approval to ensure that avoidable delays are not a delaying issue.

7.6.2. The significant experience within the Connecting Cheshire Partnership and project teams has been utilised in developing the new Digital Cheshire programme, and contributes to there being a low risk that the programme will not meet its contracted programme outputs.

7.6.3. In planning the programme infrastructure outputs, extensive mapping work has been undertaken to identify eligible SMEs in confirmed sub 30Mbps speed areas to demonstrate sufficiency. Costs from difficult installations from past projects have been investigated and used to determine output numbers. There is also awareness of areas where there is a long running need and high demand for an infrastructure improvement, and this has fed into take-up estimates. These factors have increased confidence in the delivery of infrastructure outputs.

- 7.6.4. The profiling of outputs on infrastructure delivery have similarly been informed by previous experience. The project has built in a time lag from the infrastructure being put in to validation of both connection speeds and new connection take up and the pattern has been refined even further following the process of potential supplier consultation and communication that occurred following the OMR which provided valuable information on specific deployment milestones.
- 7.6.5. The business support outcomes and pattern of delivery have been greatly informed by beneficiary feedback, lessons learned and past successful processes. The team are confident that the contracted forecast can be met and delivered in very close alignment with the pattern of delivery.
- 7.6.6. In terms of any risk to ERDF funding and brexit, the UK government has previously guaranteed EU funding to provide stability for UK organisations. The guarantee will now no longer be required as there is now a withdrawal agreement in place.
- 7.6.7. Under the Withdrawal Agreement, the UK will continue to participate in programmes funded under the current 2014-2020 Multiannual Financial Framework (MFF) until their closure. In addition, UK organisations can continue to bid for new grant funding under the current MFF.

7.7. Rural Community Implications

- 7.7.1. The Cheshire region contains a high proportion of rural or remotely located areas that have in many cases suffered from poor levels of digital connectivity. This poor connectivity is not just a problem in terms of residents unable to access digital services, but has also impacted the economic development of these communities, as businesses that increasingly rely on digital communications or routes to market do not wish to be located in areas where they would be disadvantaged by poor connectivity and so many establish themselves elsewhere. Already established businesses suffer a disadvantage and are unable to reap any of the productivity or other benefits of digital connectivity and are constrained in their economic growth.
- 7.7.2. Rural and semi-rural areas with already pre-existing issues of lack of employment opportunities and other exclusion issues could experience further adversity if digital support is not provided. Digital Cheshire with both its infrastructure connectivity and business support elements directly addresses this issue and will enable business growth, to help generate the wider economic benefits such as local employment opportunities.

7.8. Implications for Children & Young People / Looked After Children

7.8.1. The programme does not target children and young people of Cheshire East, however the provision of infrastructure enabling remote learning (in particular during 'Lockdown' conditions and disruption to schools) and also access to support services may be an indirect beneficial impact.

7.9. Public Health Implications

7.9.1. There is no direct impact on the public health of residents in Cheshire East, however provision of infrastructure enabling access to online health services and support may be an indirect beneficial impact.

7.10. Climate Change Implications

7.10.1. There is no direct impact on climate change or carbon emissions, however provision of infrastructure enabling remote working (and other online services) could reduce business and employment related transport journeys and emissions.

8. Ward Members Affected

8.1. The exact wards impacted by the programme will be determined by 1) criteria set the LEP including eligibility of SMEs, and 2) by the successful delivery partner however the tender specification documents have focused this intervention to areas of sub-standard digital connectivity speeds and areas neglected by commercial operators based on an Open Market Review exercise.

9. Consultation & Engagement

9.1. The Portfolio Holder was briefed of the plans to bid for ERDF funding and the design of the programme, in November 2019 by the Director of Growth & Enterprise who manages the service that is responsible for the digital agenda, and is fully supportive.

9.2. A state aid public consultation was carried out from 6 March 2020 to 6 April 2020 to show the targeted intervention areas. There were no challenges to the proposed intervention area.

10. Access to Information

10.1. For access to any further information, contact the report author as listed below.

11. Contact Information

11.1. Any questions relating to this report should be directed to the following officer:

Name: Frank Jordan

Job Title: Executive Director - Place

Email: frank.jordan@cheshireeast.gov.uk



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Digital Cheshire - Appendix

1. Appendix A

- 1.1. Map generated for State Aid compliancy that colour codes postcode block areas to indicate if one or more suppliers can provide above 30Mbps for all premises in that area. White colour coded blocks indicate that some premises in those areas are not able to receive 30Mbps speeds from any supplier.

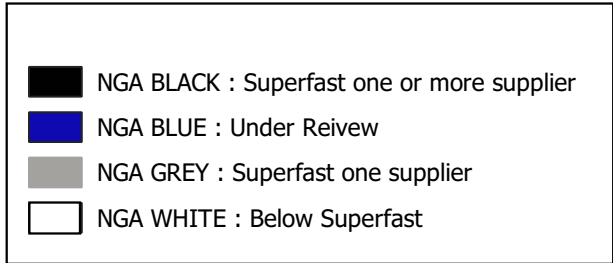
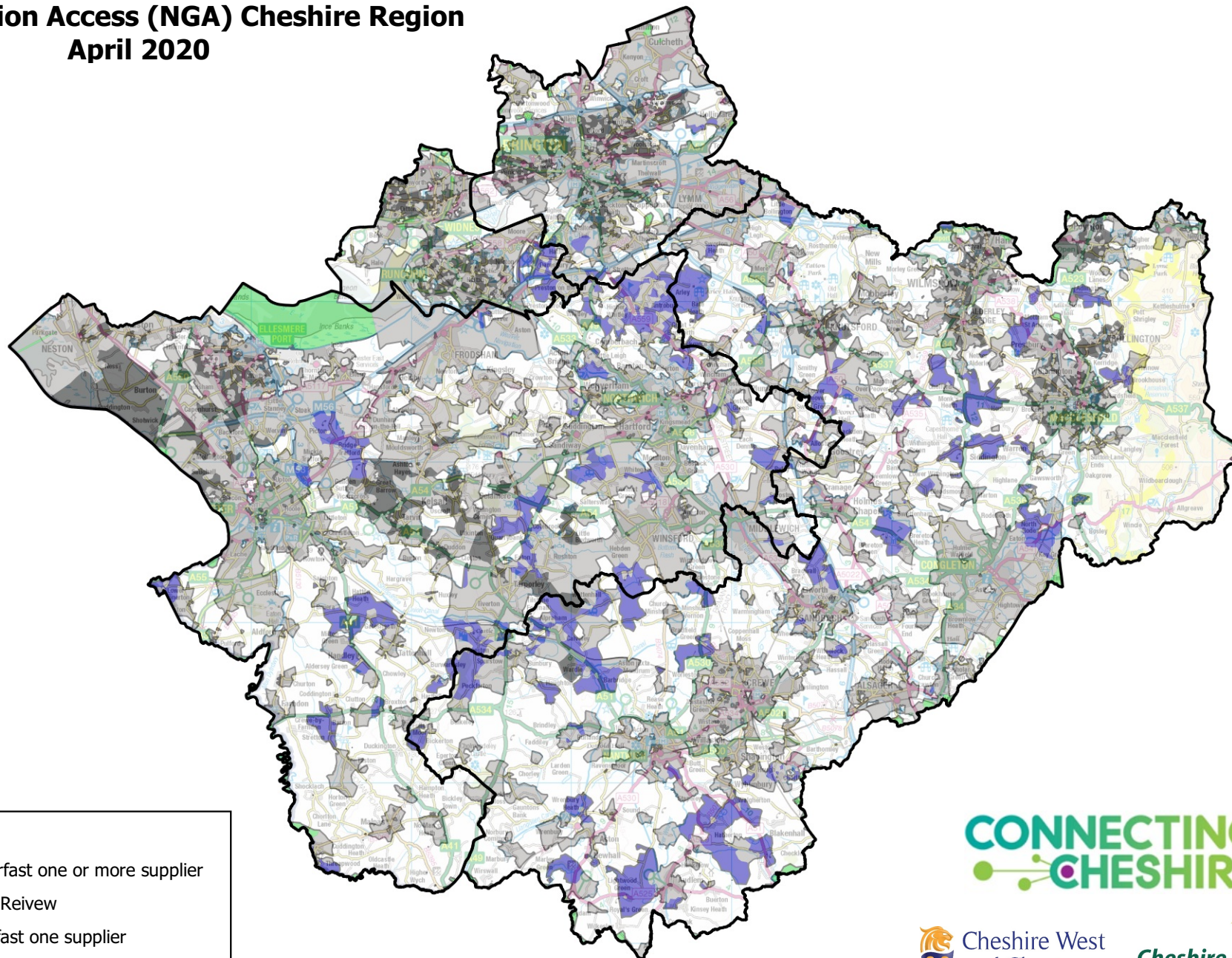
2. Appendix B

- 2.1. Map with a high level view of Cheshire East. The red points indicate postcode locations where premises receive sub 30Mbps connection speeds

3. Appendix C

- 3.1. Map of an example area within Cheshire East with red points indicating problem postcode locations and showing the distribution at a more local level.

Next Generation Access (NGA) Cheshire Region April 2020



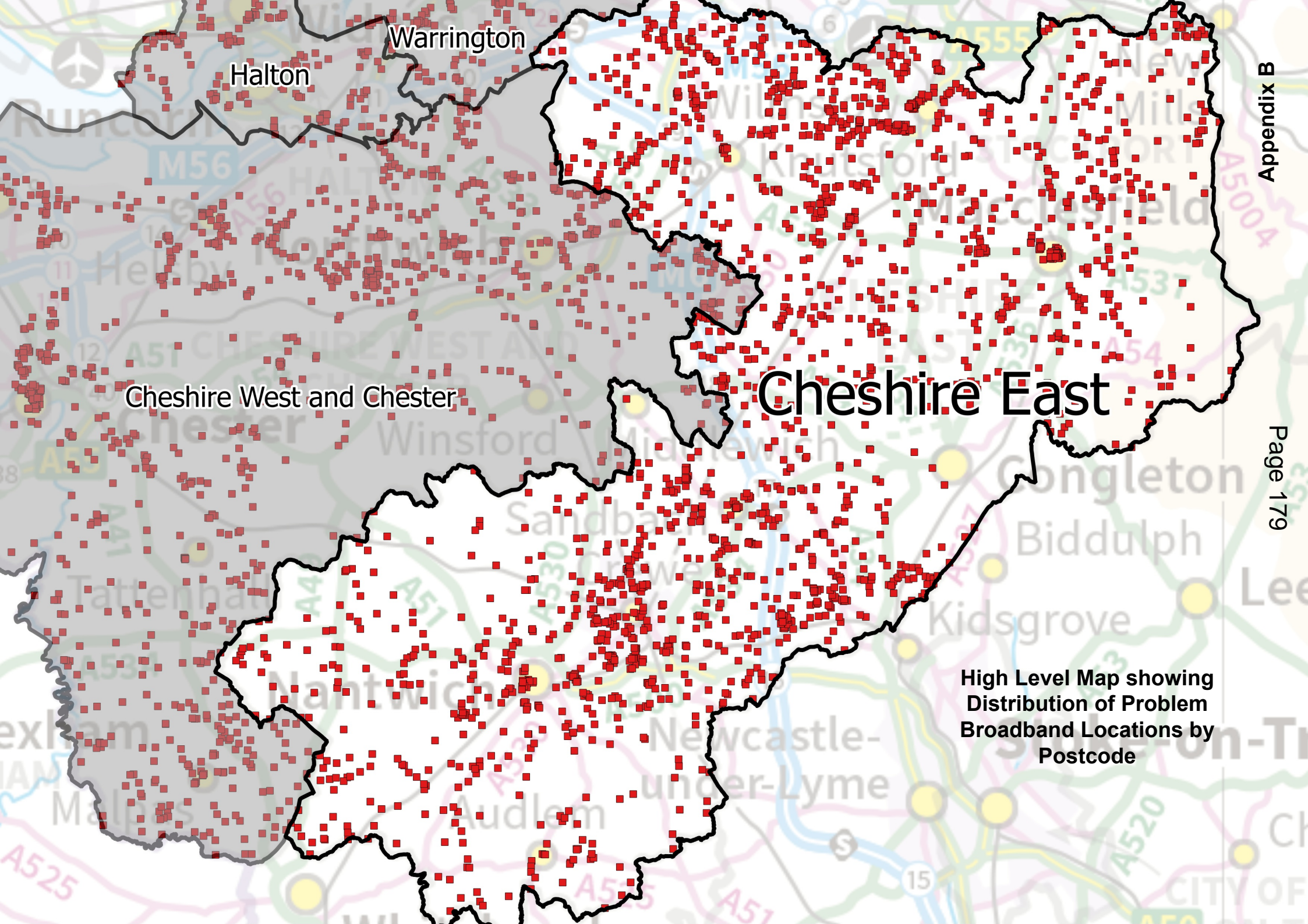
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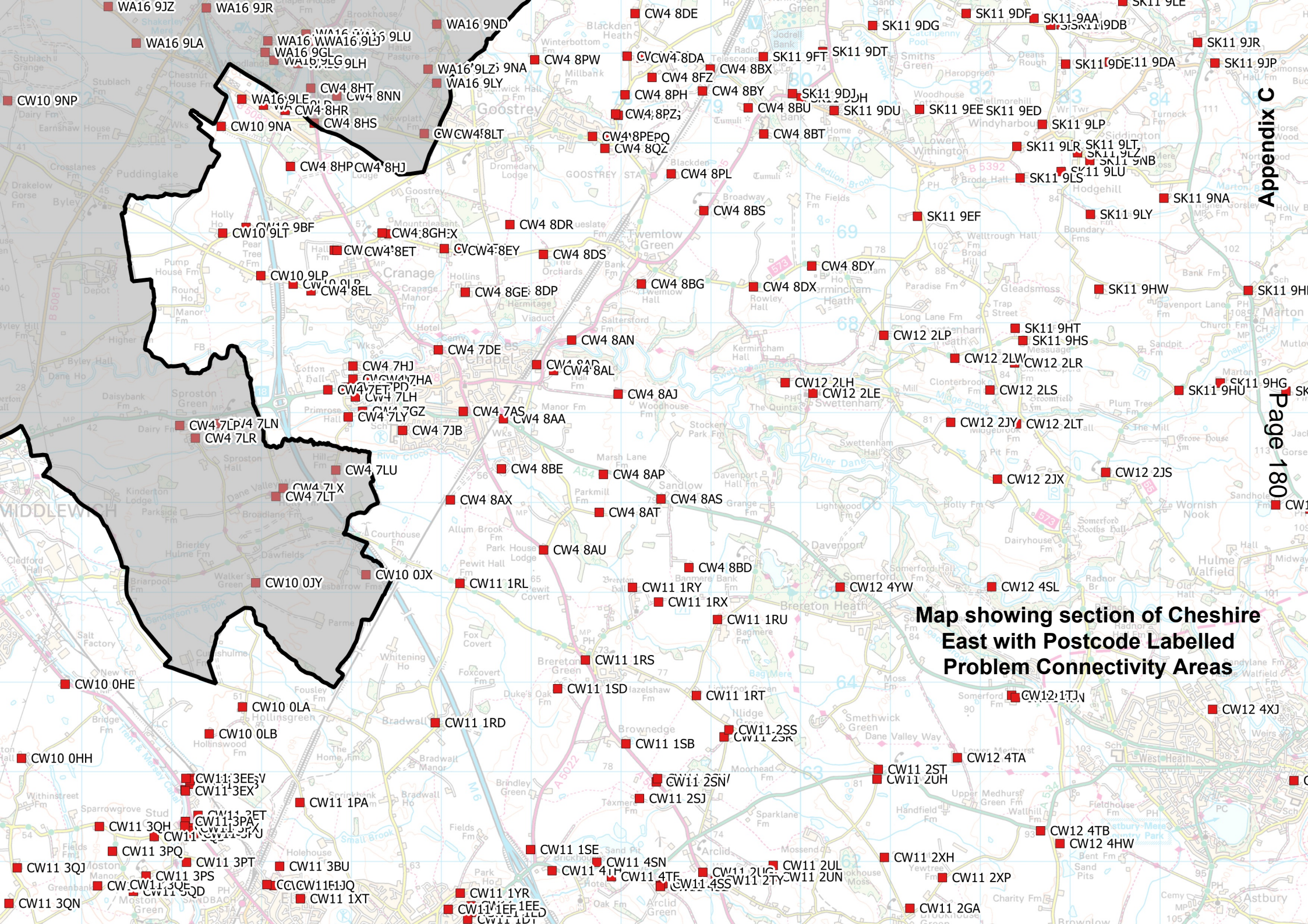
Cheshire East
Council

HALTON
BOROUGH COUNCIL

WARRINGTON
Borough Council



High Level Map showing
Distribution of Problem
Broadband Locations by
Postcode



Map showing section of Cheshire East with Postcode Labelled Problem Connectivity Areas



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Key Decision: Y

Date First
Published: 2/4/20

Cabinet

Date of Meeting: 8th September 2020

Report Title: Regional Adoption Agency - Adoption Counts

Portfolio Holder: Cllr Kathryn Flavell – Portfolio Holder for Children and Families

Senior Officer: Mark Palethorpe, Executive Director of People

1. Report Summary

- 1.1. This report seeks approval from Cabinet to enter into an arrangement with our Regional Adoption Agency, Adoption Counts.
- 1.2. In July 2017 Adoption Counts launched as the Regional Adoption Agency for five North West local authorities, Trafford, Stockport, Salford, Manchester and Cheshire East. Adoption Counts became responsible for the delivery and management of adoption services. This was a result of a government approach that all adoption services should be delivered on a regional basis. This government approach was subsequently strengthened in law.
- 1.3. The effectiveness of the regional arrangements for children was positively recognised in the Cheshire East Ofsted inspection in 2019. The relationship between the Local Authority and the Regional Adoption Agency has been fundamental in the success so far. Partnership working is embedded at all levels which has resulted in significant improvements in the number of approved adopters by Adoption Counts and able to provide permanent homes for children across the partnership.

2. Recommendations

That Cabinet:

- 2.1 Agree to enter into arrangements with the Regional Adoption Agency, Adoption Counts to manage and deliver the Adoption Service for Cheshire East Council alongside Trafford, Stockport, Salford and Manchester Local

Authorities, subject to completion of a TUPE consultation exercise and final agreement of the Integrated Services Agreement (ISA).

- 2.2 Authorise the Executive Director People, in consultation with the Portfolio Holder for Children and Families, to take all steps to finalise the arrangements, following completion of the TUPE consultation exercise and final agreement of the ISA between the parties, and to take any action necessary under the terms of the ISA.
- 2.3 Note that in order to transition to this arrangement a Portfolio Holder decision will be made to further extend the current ISA to the 31st December 2020.

3. Reasons for Recommendations

- 3.1 Cheshire East Council has experienced success as a result of our collaboration within the regional arrangements and now seeks Cabinet approval to make these arrangements. An activity based financial contribution has been agreed by all parties and was approved by Stockport Metropolitan Borough Council as the host Local Authority on the 17th March 2020.
- 3.2 Since 2015 Cheshire East Council, under the instruction of the government, have been planning to transition into regional arrangements. We, along with four other local authorities became Adoption Counts in July 2017 following a lengthy and detailed implementation process. The government made it clear that all local authorities were required to be the part of regional arrangements by 2020 or risk being forced to enter one.
- 3.3 Government are clear that regionalisation of adoption is the most effective way to deliver services. They continue to invest in research to evaluate the success of regionalisation. To strengthen this approach, government has for several years aligned significant funding sources that can be accessed by adopted children and adopters to support families post adoption (Post Adoption Support Fund). It appears that the trajectory for Regional Adoption Agencies will continue and our own relationships within regional arrangements should be strengthened to build upon the success that has been achieved to date.
- 3.4 Entering an arrangement will provide sustainability within the regional arrangement and ensure a high quality and consistent service for our children with plans of adoption.

4 Other Options Considered

- 4.1 It is not an option for Cheshire East Council to withdraw from its arrangements within the Regional Adoption Agency Adoption Counts. The government approach was strengthened in law in 2016 by the Education and Adoption Act and therefore it is highly unlikely that there will be a move away from this.

5 Background

- 5.1 In May 2015, the government announced changes to the national landscape of Adoption by proposing that all adoption services would need to be delivered on a regional basis by 2020. The premise for this was to:

- Increase the number of children adopted
- Reduce the length of time children wait to be adopted
- Improve the post adoption support services to families who have adopted.
- Reduce the number of adoption agencies, thereby improving efficiency and effectiveness.

These proposals have since been included in the Education and Adoption Act 2016.

- 5.2 For several years Stockport, Cheshire East, Tameside and Trafford had worked together as part of “Four 4 Adoption”. This award-winning partnership of four local authorities had worked together to make the adoption process as seamless and effective as possible for children waiting for adoption. Tameside took the early decision to join the West Pennine partnership. The remaining three local authorities subsequently developed a strong bid with the addition of Manchester and Salford, thus ensuring the requisite number of prospective children and adopters to meet requirements. Adoption Counts also includes Voluntary Adoption Agencies, Adoption Matters and Caritas Care as integral partners.
- 5.3 Adoption Counts in its early planning was identified by the Department for Education as being innovative and expert in their thinking around regionalisation and received a request from the Department for Education to be one of five ‘demonstrator’ projects, leading the way in regionalisation. This request attracted significant investment from the government to the regional adoption agency and was invaluable in the planning and implementation stages. This included additional funding for a “Centre of Excellence” this brings together relevant partners (including social care, health and/or education partners) to provide a co-ordinated assessment, treatment and therapeutic support offer to adopted children.

5.4 In July 2017 Adoption Counts launched as the Regional Adoption Agency for 5 North West local authorities, Trafford, Stockport, Salford, Manchester and Cheshire East. It became responsible for the delivery and management of adoption services. with offices in Salford, Wythenshawe and Middlesbrough. This was facilitated through an integrated services agreement (“ISA”) and associated support agreement between the five North West regional authorities with Stockport MBC appointed as lead authority and the creation of a Management Board with agreed terms of reference. The regional arrangement sought to:

- Provide children with the right adopters at the right time, approving those equipped to meet the needs of children waiting for adoption.
- Minimise the number of children having plans changes away from adoption and back into long term care situations.
- Reduce delay in achieving adoption and the timeliness from placement order to final adoption order.
- To improve early permanency planning for children, avoiding unnecessary delay.
- To encourage concurrent planning and foster to adopt.
- To be innovative in achieving adoption for ‘hard to place’ children.
- To prepare children for their plans of adoption.
- To reduce the likelihood of placement breakdown.
- To form strong partnerships with adoption and voluntary sector providers.

5.5 The actual benefits for children and young people with plans of adoption and Cheshire East Council as a result of our regional arrangements can be measured by some of the successes to date. These include a significant increase in the numbers of adopters approved by Adoption Counts within the 3 years since go live from 48 adopters per year to 110. Of equal significance is the ability to prioritise early planning for children when they become cared for which avoids unnecessary delay in securing permanence. Fundamentally the regional arrangements have seen greater success in identifying adoptive families for children and placing them in their care with an average increase across the partnership from 70% to 86%.

5.6 The Integrated Service Agreement provides for services to be supplied by Stockport Metropolitan Borough Council and a third party Provider “Adoption

Counts” through the secondment of staff from the participating North West authorities. Adoption Counts and Cheshire East’s participation in these arrangements reached its third anniversary in July 2020.

- 5.7 It is necessary for key decisions to be made by each individual local authority in order to create sustainability within the regional arrangements and for Stockport to mitigate potential risks as a result of the ongoing secondment arrangements by the other four local authorities. This decision was made by Stockport Metropolitan Borough Council in March 2020 and it is important for Cheshire East Council to make these arrangements alongside the other Local Authorities that are part of Adoption Counts.
- 5.8 Children with plans of adoption have been impacted by the consequences of Covid-19 due to the direct implications for family finding and transitioning children from their foster homes to their adopted homes. However, the delays that were initially experienced have now been resolved and safe transitions are taking place.

Implications of the Recommendations

6 Legal Implications

- 6.1 The powers to undertake the regionalisation of Adoption Services are contained in S16 of the Education and Adoption Act 2016 which allows local authorities to cease provision of their adoption service and gives the Secretary of State powers to direct that local authority adoption services be provided by another local authority or adoption agency.
- 6.2 S1 of the Local Authorities (goods and Services Act) 1970 enables a local authority to enter into an agreement to provide another other authority with goods and services, including administrative, professional or technical services.
- 6.3 Legal advice will be given on the legal implications of the proposed TUPE transfers, the content of the Integrated Service Agreement and the associated documents to ensure that all of the Council’s liabilities are captured and mitigated.

7 Finance Implications

- 7.1 The Cheshire East Council contribution to the Regional Adoption Agency Adoption Counts for 2020/21 is budgeted at £0.9m. This includes the core service and an additional amount (£76,000) for a Centre of Excellence.

- 7.2 The council's actual share of the overall contribution is currently based on activity in the three different area's of service, so is therefore variable each year. For Financial Year 2020-21, this is within the agreed budget levels
- 7.3 The activity basis varies for each area of service and is split by Adoption, Adoption Support and Administration and Management. The cost drivers for adoption are based on the number of SHOBPAs (Should be placed for adoption) and AOG (Adoption orders granted) and for adoption support are the number of letterbox cases. For Adminstration and management this is based on an average of adoption and adoption support drivers. This cost share will continue to be reviewed by the service and commissioners to ensure that the splits are proportionate and equitable.
- 7.4 The extension to the contract is budgeted for within the current Medium Term Financial Strategy.
- 7.5 The staff will move to be employees of Stockport Council and their pensions will move to the Greater Manchester Pension Fund. Research is underway to establish if this will involve any actuarial costs.

8 Policy Implications

- 8.1 This proposal supports delivery of Cheshire East's Children and Young Peoples Plan. This also supports a key pledge in the Cheshire East Corporate Parenting Strategy which states, we will work to achieve permanence and keep children safe.

9 Equality Implications

- 9.1 An Equality Impact has been completed on the 24.07.2020. The assessment identified how the regional arrangements positively impact on diversity through their approach to inclusion.

10 Human Resources Implications

- 10.1 Since July 2017, Cheshire East Council has seconded employees to Stockport Council as part of the Adoption Counts service, Currently 7 employees are seconded.
- 10.2 The result of this arrangement with the regional adoption agency would be that these staff would transfer to the employment of Stockport Council in accordance with the Transfer of Undertakings (Protection of Employment) Regulations (TUPE),
- 10.3 Under TUPE, the employees would be entitled to transfer to the new employer on their current terms and conditions of employment.

- 10.4 Following the approval of this arrangement, Cheshire East and Stockport would need to promptly consult directly with these employees and the recognised trade unions on the changes, separately and jointly so that they understand the implications and how they will affect them prior to the point of transfer.

11 Risk Management Implications

- 11.1 The regionalisation of adoption services within Adoption Counts brings together the adoption activity for the recruitment and approval of adopters and family finding for children from 5 local authorities. A strategic approach is taken to maximise efficiency in order to effectively manage the number of children who require an adoptive home and the number of adopters available.

12 Rural Communities Implications

- 12.1 The recruitment strategy is proactive in identifying prospective adopters from all communities, including rural communities within the borough.

13 Implications for Children & Young People/Cared for Children

- 13.1 The effectiveness of the regional arrangements for Cheshire East children have been referenced within this report. Cheshire East council will continue to have legal and Corporate Parenting responsibility to achieve permanence for children with plans of adoption and therefore there are positive implications for cared for children in the continuum of our regional arrangements with Adoption Counts.

14 Public Health Implications

- 14.1 There are no direct policy implications relating to public health as a result of the recommendations within this report. However, increasing the life chances of our children and young people through adoption will improve the impact on the indices of health deprivation.

15 Climate Change Implications

- 15.1 The Regional Adoption agency arrangements ensure that more children with plans of adoption can be placed with adoptive families living in or near to Cheshire East which will have positive implications for climate change as a result of less travel to support these families by frontline services.

16 Ward Members Affected

- 16.1 Cared for children reside within all Wards and all ward members have corporate parenting responsibility. Therefore, it is the collective responsibility of officers and members to ensure that adoption services are delivered in line

with government objectives and achieve the very best outcomes for children and young people.

17 Consultation & Engagement

- 17.1 Consultation timetable to be agreed with all the Local Authorities so consultation can be undertaken at the same time.

18 Access to Information

- 18.1 Corporate Parenting Committee has been regularly updated about the statistical and operation benefits of our regional arrangements.

19 Contact Information

- 19.1 Any questions relating to this report should be directed to the following officer:

Name: Jacquie Sims

Job Title: Director of Childrens Social Care

Email: Jacquie.Sims@cheshireeast.gov.uk



Working for a brighter future together

Key Decision: Y

Date First

Published: 29/11/19

Cabinet

Date of Meeting: 8 September 2020

Report Title: Proposed Expansion of Wilmslow High School – Authority to Enter into a Construction Contract

Portfolio Holder: Cllr Kathryn Flavell – Portfolio Holder for Children and Families

Senior Officer: Mark Palethorpe – Executive Director (People)

1. Report Summary

- 1.1. In April 2020 Cllr Flavell, Portfolio Holder for Children and Families, gave consideration to the proposed expansion of Wilmslow High School from 300 to 360 places per year group for years 7-11.
- 1.2. Having considered all the feedback received during the statutory 4 week representation period, the Portfolio Holder approved the expansion proposal for implementation in September 2023.
- 1.3 This report seeks approval to enter into a construction contract for works at Wilmslow High School, where the contract value will exceed one million pounds.

2. Recommendation

- 2.1 That Cabinet approve the procurement of a contract of works and authorise the Executive Director People to award a construction contract to facilitate the provision of additional places at Wilmslow High School, together with any other agreements associated with or ancillary to the contract.

3. Reasons for Recommendation

- 3.1. The proposed increase in places at Wilmslow High School will assist Cheshire East Council in meeting its statutory obligations to ensure sufficiency of school places.
- 3.2. Following Cabinet approval for the project, entering into a construction contract will enable the building project to commence following completion of full design, should the requisite planning permission be granted. Commencement on site would be proposed for early 2021.

4. Other Options Considered

- 4.1 Other options considered were detailed in the Portfolio Holder report entitled "Proposed Expansion of Wilmslow High School" which was approved by the Portfolio Holder, Children and Families on 6 April 2020.

5. Background Information

- 5.1 Current forecasts for years 7 to 11 and covering the period 2019 to 2025 indicate an immediate shortage of 111 secondary school places in 2019 increasing year on year to 257 by 2025. These figures do not include the desired 2% level of operational surplus, which is intended to facilitate admissions mid year, some degree of parental choice and reasonable journey times to school.
- 5.2 Wilmslow High School is a popular and successful school rated "Good" by Ofsted at the last inspection in May 2019. For a number of years the Local Authority has received applications in excess of the 300 year 7 places available. In addition, the number of pupils resident in the school's catchment area remains consistently high, although it is acknowledged that not all of these pupils require a place at a local authority maintained school, as some will choose to attend local independent schools.
- 5.3 In response to this immediate shortfall, and to satisfy as many parental preferences for local children as possible the Local Authority, in agreement with the school, have for the last 3 years admitted above the school's published admission number (PAN) of 300 for entry into year 7. Interim arrangements for the admissions over PAN have been undertaken and various remodelling of the internal spaces have allowed the school to accommodate the additional pupils.
- 5.4 A feasibility study/option appraisal on an extensive scheme to re-model and enlarge the school has recently been completed; this is inclusive of a full curriculum analysis. The building project includes a single-storey extension to the main building, a further extension linking the existing Olympic Hall

and Sports Hall blocks plus significant internal re-modelling and other works as a result of the scheme development. The proposal will take a holistic view of the whole campus with the intention to better integrate departments/faculties and improve circulation and pupil flows through the creation of new routes that are of sufficient capacity to reduce "pinch points."

- 5.5 A full planning application for the expansion scheme was submitted in June 2020. The application was supported by a detailed Transport Assessment, which included proposed mitigation measures. A transport consultant has been working closely with the school to develop the Transport Assessment and School Travel Plan. For link to planning application and supporting documentation, please see item 9.4.
- 5.6 If recommendations in this report are approved the proposed timeline is as follows:-
- Contractor is proposed to be appointed for pre-construction following tender process, October 2020;
 - Installation of temporary decant accommodation as part of pre-construction (to enable the school to decant early) November-January 2021. A planning application for this temporary accommodation was submitted in June 2020;
 - Price stage 4 designs and agree Target Cost with contractor, February 2021;
 - Contracts and appointment of Contractor to undertake implementation, March 2021;
 - Contractor Mobilisation, April 2021.

6. Implications of the Recommendations

6.1 Legal Implications

- 6.1.1 In line with Government and construction best practice, it is proposed to procure and award the required construction works using existing regional frameworks. The Council currently has access to the North West Construction Hub (NWCH), which is a regional Framework Agreement administered by Manchester City Council and can be used by local authorities and other public bodies in the North West of England. The NWCH offers a range of value bands, including a low value framework for project of £500k and above, a medium value for projects between £2m and £10m through to high value framework for projects over £10m, which can be utilised to offer the flexibility required for phasing and programme options. Based on pre-tender budget

estimates for the proposed works at Wilmslow High School, this indicates the High Value framework would need to be used.

- 6.1.2 A Framework enables the Council to meets its need for a service, supply of goods or works for a set period of time in order to obviate the need to undertake a wide competitive procurement process for each individual scheme. It complies with the Public Contracts Regulations 2015 (“the Regulations”) and the Council’s Contract Procedure Rules

6.2 Finance Implications

- 6.2.1 A feasibility study has been undertaken to identify a provisional budget for the proposal, currently a target cost of £12m inclusive of all professional and statutory fees has been identified.

- 6.2.2 Currently, included in the Education and 14-19 Skills Capital Programme is a named scheme ‘Wilmslow High School BN’, with a total approved budget of £12m. The proposed expansion is currently funded via Section 106 contributions, Basic Need Grant and Capital Maintenance Grant. Section 106 education funding contributions are those agreed with new housing developers specifically to fund the additional pupil places needed due to new housing development.

- 6.2.3 Currently the project is funded as follows:-

- £0.660m of Section 106 contributions received;
- £10.791m Basic Need (potential to be changed to Section 106 funding once further contributions have been received);
- School Condition Allocation grant £0.549;

= Current funding available **£12m**. (Following approval to move funds from the addendum list to the main capital programme).

- Further Section106 expected to be received is £2,839,302. As this is expected contributions from developers, this will initially be funded by Basic Need, as detailed above, in advance of receiving these monies.
- Section 106 Developer Contributions attached to this scheme are included in Appendix 1.

- 6.2.4 An increase in pupils during the year will mean the school qualifies for a Growth Fund payment to assist with additional running costs. This will be determined later in 2020.

6.2.5 Pupils on roll in October 2020 will determine revenue-funding levels from April 2021.

6.2.6 Increasing the size of the school will bring additional running costs for the school to manage.

6.3 Policy Implications

6.3.1 The Local Authority will determine an increase in the PAN from 300 to 360 pupils for year groups 7 to 11, in line with the statutory timescales set out in the School Admissions Code (2014).

6.4 Equality Implications

6.4.1 An Equality Impact Assessment has been completed in respect of the proposed expansion of Wilmslow High School. The assessment concluded that the proposal would have an overall positive impact on several of the areas - specifically parents and carers, young people and a neutral impact on the remaining factors.

6.5 Human Resources Implications

6.5.1 There are no additional human resource implications for the Council as a result of this report, although the school are aware that increased numbers on roll could require additional staffing costs which would be funded through their formula funded budget.

6.6 Risk Management Implications

6.6.1 The proposed expansion is identified to address a Basic Need for secondary school places within Wilmslow. This is in order to ensure that the Council meets its statutory duty to provide sufficient school places within 3 miles and with safe routes to schools.

6.6.2 If additional places are not provided in Wilmslow, parents of Cheshire East children, who are resident in the Wilmslow area, may be unable to secure places at their local school and may be required to travel over 3 miles to alternative Cheshire East schools requiring transport assistance, at a significant revenue cost to the local authority.

6.6.3 The proposed building works will be subject to the necessary planning and statutory permissions. If the required building work would be on land that falls within the DfE's definition of playing fields land, this would be a change of use requiring consent from the Secretary of State for Education under s77 of the School Standards and Framework Act.

The statutory provisions for the protection of school playing fields land would need to be adhered to. Sport England is a statutory consultee. Pupil numbers at the school and areas of the available playing fields land will be a relevant consideration in the consideration of such a proposal.

6.6.4 There are inherent risks with any construction project. Project team meetings ensure that these risks as identified and a risk register has been developed and is regularly reviewed by the project team. All risks have assigned owners who are responsible for mitigating and managing them.

6.6.5 The potential need for working restrictions, sequencing of works and availability of plant and materials due to Covid-19 may ultimately extend the contract period and associated increase in costs. This will be monitored closely as part of the Project Management process

6.7 Rural Communities Implications

6.7.1 There are no direct implications for rural communities.

6.8 Implications for Children & Young People/Cared for Children

6.8.1 Wilmslow is an area that has consistently experienced a number of “in year” applications from families moving into Cheshire East. Based upon current numbers on roll, all year groups across the school are already full or over subscribed. The school has accommodated additional numbers where possible and admitted over their Published Admission Number but some families have been offered places at the next nearest schools with places available which can be more than 3 miles away thus resulting in the authority incurring transport costs.

6.8.2 Providing additional places at this school will help ensure that local children, including cared for children, can be offered a place at a local school.

6.9 Public Health Implications

6.9.1 There are no direct implications for public health.

6.10 Climate Change Implications

6.10.1 Providing additional places at this local school will enable Cheshire East children, resident in the Wilmslow area, to secure a place at their local school thus reducing the need to travel outside of the area which

will reduce energy consumption and enabling pupils to walk to school promoting a healthy lifestyle.

6.10.2 Cheshire East Council and Wilmslow High School are very aware of their environmental education and stewardship role and are very interested in promoting sustainability in general.

6.10.3 It is noted that the funding is for a capital project and not for the ongoing running costs. Therefore, as part of the detailed design process, the design team are exploring how the building could be designed to minimise future running costs.

6.10.4 The 2018 window replacement targeted a 15% improvement over and above the minimum standards in the Building Regulations for insulation and airtightness; this principle will be extended to the improvement of carbon emissions both for the new development and for any part of the external building fabric or services being renewed.

6.10.5 Systems that save on energy consumption will be considered, particularly for electricity, with absence detection being the preferred lighting strategy.

6.10.6 The building should be zoned for heating so when individual buildings or sections of buildings are opened for community use for example, the school can heat just that area.

6.10.7 Savings on water consumption will also be considered with WRAS (Water Regulations Advisory Scheme) certified.

7 Ward Members Affected

7.1 Local ward members were informed of the proposal prior to and during the statutory representation period.

8 Consultation & Engagement

8.1 In accordance with the guidance issued by the Department for Education, the statutory publication notice was published in the Wilmslow and Knutsford Guardian and the Wilmslow edition of the Manchester Weekly News on 16 January 2020 and the subsequent statutory four-week representation period ran from 16 January 2020 to 14 February 2020. Information was made available on the County website and the representation period was notified to key stakeholders including Ward Members, MP, and Diocese, Local Parish and Town Councils and the neighbouring authorities of Manchester City Council, Stockport Metropolitan

Borough Council and Trafford Council. Information was also emailed to all local schools together with a letter for distribution to their staff, governors and parents.

- 8.2 In addition, a public drop in session was held at Wilmslow Library on 21 January and representatives from the school and local authority attended to discuss the proposal and seek views.
- 8.3 Cabinet members are advised that this statutory process provides the opportunity for any person with an interest to submit representations, which can be objections as well as expressions of support for the proposals.
- 8.4 During the statutory representation period the council received 70 responses 14 supported the proposal and 51 do not support the expansion proposal, plus 5 no view including 2 responses commenting on the opening times of the public event.
- 8.5 All feedback received during the representation period was collated and presented to Portfolio Holder, Children and Families for consideration. Approval for the proposed expansion was confirmed on 6 April 2020. For link to the decision details, please see item 9.3.

9 Access to Information

- 9.1 Further background information relating to this report can be obtained by contacting the School Organisation Team, Children and Families Directorate.
- 9.2 [DfE Guidance – Disposal or change of use of playing field and school land](#)
- 9.3 [Decision details – Proposed Expansion of Wilmslow High School](#)
- 9.4 [Planning Application – Wilmslow High School](#)

10 Contact Information

- 10.1 Any questions relating to this report should be directed to the following officer:

Name: Val Simons

Job Title: Pupil Place Planning Officer

Email: val.simons@cheshireeast.gov.uk

Appendix 1 – Section 106 Developers Contributions attached to Wilmslow High School Expansion

Planning Reference	Development	Total contribution	Total received to date	Total funding outstanding
13/0735M	Land South of Coppice Way	£ 375,882	£0	£ 375,882
16/1560M	Ned Yates Nursery	£ 32,685	£ 32,685	£0
15/4501M	Alderley Park	£ 670,050	£ 296,610	£ 373,440
15/5668M	20 Chapel Lane	£ 32,685	£ 32,685	£0
16/1269M	British Legion, Station Rd	£ 32,685	£0	£ 32,685
15/1955M	Yesterdays Hotel	£ 35,918	£ 18,485	£ 17,433
14/0009M	Land at Adlington Road	£ 424,910	£0	£ 424,910
17/4521M	Land at Stanneylands	£ 408,567	£ 214,518	£ 194,049
17/2117M	77-79 Alderley Road	£ 32,685	£ 32,685	£0
17/3894M	Clay Lane and Sagars Road	£ 604,680	£0	£ 604,680
17/5637M	Heathfield Farm	£ 375,882	£0	£ 375,882
17/5837M	West of Alderley Road	£ 147,084	£0	£ 147,084
17/5838M	East of Alderley Road	£ 227,886	£0	£ 227,886
17/6962M	Land at Yew Tree Farm	£ 32,685	£ 32,685	£0
18/4867M	The County Hotel	£ 65,371	£0	£ 65,371
	TOTAL	£ 3,499,655	£ 660,353	£ 2,839,302

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Key Decision: Y

Date First
Published: 23/7/20

Cabinet

Date of Meeting: 8th September 2020

Report Title: Microsoft Licence Agreements

Portfolio Holder: Cllr Amanda Stott - Portfolio Holder for Finance, ICT and Communication

Senior Officer: Jane Burns – Executive Director of Corporate Services

1. Report Summary

- 1.1. Both Cheshire East and Cheshire West and Chester depend on Microsoft Technology for their Infrastructure and Desktop provision, this includes Windows and Office-based software for key ICT and service functions, including authenticating network users to providing employees with critical communication and collaboration tools. Microsoft delivers in Windows, Office (including Office 365) a highly capable set of components that offer an industry leading desktop environment, secure, robust email, calendar, scheduling, task management, desktop productivity, telephony, real-time communications, and collaboration experience. The Office suite of products can be tailored to specific requirements, as well as those of groups of users within both Councils and service areas, alternative service delivery vehicles and to enable more effective partnership working.
- 1.2. This report recommends that the Council's agreements for Microsoft Licences are aligned where appropriate and that a single contract is awarded to a Microsoft Licence Reseller. The advantage of this approach will be to obtain greater discounts on the licence costs due to the higher volume of licences procured and value of the contract.
- 1.3. This approach has been reviewed and approved by finance, procurement and legal services. The consolidation of contracts will not incur any additional

budgetary obligation, but will result in an overall reduction in spend on these purchases.

2. Recommendation

- 2.1. That Cabinet authorise the Executive Director of Corporate Services in consultation with the Portfolio Holder for Finance, ICT and Communication to award and enter into a contract to deliver Microsoft licences for Cheshire East Council and Cheshire West and Chester Council, infrastructure and desktop estate via a single Licence Service Provider; with an estimated total cost of up to £35m (excluding VAT) as determined by the Council over two 3 year periods (6 years in total).

3. Reasons for Recommendation

- 3.1. The ICT Strategy is to continue with the Microsoft product suite for a 6-year period to avoid the costs of change as a result of a change in technology. This approach is supported by the new memorandum of understanding between Microsoft and the UK government – The Digital Transformation Arrangement (DTA) which started on 1st May 2018 and the Azure Pricing Agreement (APA) amendment from 30 April 2020 to 30 April 2021. These agreements enables UK public sector customers to receive greater discounts for our Cloud hosted solutions.
- 3.2. The Digital Transformation Arrangement provides discounted pricing and terms for UK public sector customers who wish to procure Microsoft cloud products and services. It recognises the strategic relationship between the government and Microsoft, enabling public sector organisations of all sizes to benefit from improved commercial terms.
- 3.3. The next few years will see significant changes across the entire public sector. The shape and size of our Councils will change however the need to provide high levels of service to our residents will remain against a backdrop of financial challenge.
- 3.4. With these challenges come new opportunities; information and communications technology (ICT) will be able to help both Councils to achieve efficiencies, providing the mechanism to support shared services and most importantly, keep pace with residents' changing needs and expectations.
- 3.5. Cheshire East Council (CEC) ICT Services will be able to support base operations with improved efficiency and focus more effort to delivering the changes needed for both Councils. Equally by delivering the right levels of infrastructure and desktop services with elements both in-house and within the cloud, ICT will be better placed to support the Councils in reacting to

changing circumstances and supporting the working partnerships with other Public and Private Sector organisations particularly health.

- 3.6. Both Councils are reliant on the use of Microsoft products to carry out day-to-day tasks. Aligning the Microsoft Licence Agreements will ensure that both Councils can continue with their day-to-day activities, with no impact to service, supported by the latest Microsoft products and services. Desktop and Infrastructure licence costs are increasing (21% in 2019) in line with industry trends. Previous agreements have ensured that the Councils have not been subject to these increases. The strategy of having all of our Microsoft agreements with a single licence service provider will allow the Councils to negotiate bigger discounts and better concessions, such as price locks and business investment funds.

4. Other Options Considered

Option 2 – Do not renew our Microsoft Agreements

This would have a major cost and technology implications for the Councils who rely substantially on Microsoft technology. The cost of changing to alternative software and supplier would be significant the impact on users and services would be detrimental to the Councils day to day running and ability to provide services.

Option 3 – Do not align our Microsoft Agreements

By having multiple agreements the Councils are reducing the discounts they could achieve, incurring increased costs of management of the contracts and increased cost of procurement by having to undertake multiple procurements.

Option 4 – Align our Microsoft Agreements and seek funding for one 3-year period

The maximum duration for a Microsoft agreement is three years. Both Councils ICT strategy is to continue to use the Microsoft product suite beyond this 3-year period. This option would therefore incur additional procurement costs, as it would be necessary re-procure the Microsoft licences after 3 years.

Option 5 – Align our Microsoft Agreements and seek funding for three 3- year periods

Although the ICT strategy is to continue with the Microsoft product suite for the long term, it would be very difficult to predict the Microsoft Licence costs

for the next 9 years in addition technology changes may provide different options.

5. Background

- 5.1. There are currently six Microsoft Agreements that could be aligned under a contract with a service provider (as detailed in Appendix 1). Along with these, there is a requirement to procure a new Azure Cloud Agreement which will provide eligible public sector organisations with discounted pricing and beneficial terms for using the Azure cloud. In addition, there is a contract which is taken out directly with Microsoft for support of all Microsoft products across the Council. Historically, where appropriate the council has used a perpetual based licence model, however, with recent announcements from Microsoft of price increases of over 10% for Perpetual Office and other on-premise software have prompted the Councils to move to a subscription-based licence model.
- 5.2. This expenditure is revenue funded, growth has been included in the budget for the current year, but any future growth would need to be quantified if in addition to that which has been included in the current financial year and considered as part of the Medium Term Financial Strategy.

6. Implications of the Recommendations

6.1. Legal Implications

- 6.1.1. The value of this procurement will be over £1,000,000 and is consequently a Key Decision requiring Cabinet approval. The procurement will need to comply with both the Councils' Constitutions and the the Public Contracts Regulations 2015. Three procurement routes are currently being reviewed to determine which will enable the Councils to procure the required licences for the preferred maximum period of 6 years.
- 6.1.2. The 3 procurement routes being considered are as follows:
 - 6.1.2.1. HealthTrust Europe's ICT Solutions 2019 Framework – this framework is designed for the procurement of enterprise level ICT including software. The framework permits the award of contracts either through direct award or through further competition;
 - 6.1.2.2. Other frameworks which would enable the required procurement are in the process of being investigated; and
 - 6.1.2.3. Open procedure under regulation 27 or Restricted procedure under regulation 28 of the Public Contracts Regulations 2015.

6.1.3. The advantage of using frameworks is that specifications will already have been drawn up as part of the process of procuring the framework, timescales for procurement via further competition may be shorter than under the Open or Restricted procedures and where permitted contracts may be directly awarded to a supplier.

6.2. Financial Implications

Aligning the agreements with a single provider allows the necessary financial flexibility to support the strategic desktop and infrastructure delivery roadmap for both councils. With reference to Appendix 1, the total value estimated spend over a six year period is £34,846,008 with a 1 to 2% reduction in cost. Benefits include more greater discounts on pricing for a larger value contract with a single provider who will also get access to more investment funding which they can then invest back into the Council. These programmes allow Microsoft partners, to provide customers with expertise to help ensure a smooth deployment experience. Funded programmes help organisations deploy and adopt modern workplace applications, examples include discovery sessions, proof of concept days and customer immersion experiences.

6.3. Policy Implications

6.3.1. The evolving nature of business and government is driving a need for transparent, accountable processes; efficient systems delivering better client services; improved management of records that comply with legislation; improved inter-agency collaboration and integrated service delivery. Information is a valuable asset that must be safeguarded. In the case of information held by the Council, especially personal information, people want to be certain that it is held securely, maintained accurately, available when necessary and used appropriately. ICT systems, services and data are vital business assets and effective management of these assets in support of prioritised business needs presents significant challenges in terms of co-ordination, funding, resources and timescales.

6.3.2. It is important ICT Strategy work with Members, multi-agency Partners, alternative new vehicles (ASDVs) and Officers across all the Council's Services, alongside colleagues in ICT Shared Services and others in order to develop and implement appropriate strategies, policies and supporting technologies and innovation.

6.3.3. It is the responsibility of ICT Strategy to take the lead role for ICT Account Management, ICT Business Analysis, ICT Security, Information and

Records Management and ICT Business Management (including ICT supplier or vendor management) across Cheshire East Council.

6.4. Equality Implications

6.4.1. Current versions of software such as Office 365 have improved accessibility enabling better access for all staff.

6.5. Human Resources Implications

6.5.1. No implications identified, as this paper relates to the alignment and provision of licences in order to enable the compliant delivery of infrastructure and desktop software and services to our users. Resources to procure and implement the solutions will be sourced from ICT Services.

6.6. Risk Management Implications

6.6.1. The Microsoft Licences are core to the Councils ICT infrastructure. Failure to enter into new licence agreement(s) before expiry of the current licences would leave the Councils without the ICT infrastructure to carry out its day to day business. If the Councils continued to operate after expiry of the licences they would breach Microsoft's intellectual property rights and consequently be open to compensate Microsoft for such breach as well as the Councils suffering reputational damage.

6.6.2. A decision is required before the end of September 2020 to enable an agreement for the provision of the Microsoft licences to be procured before expiry of the existing licences and to enable the Councils to benefit from the discounted pricing that can be achieved through consolidation.

6.6.3. Failure to ensure that IT systems and solutions are not kept up to date exposes the Council to a number of risks through unauthorised or unlawful access (cyber) or against accidental loss, destruction or damage. This is a requirement for our interactions with central government and in particular DWP and the NHS. If it's not possible to demonstrate that the Council is adequately protecting its systems through up to date software then the Council's involvement with those providers may be at risk. In addition one of key principles under GDPR is to ensure that the Council's services have Integrity and are Secure failure to have in place current infrastructure puts the Councils at greater risk of failure of its systems.

6.7. Rural Communities Implications

6.7.1. The proposal will support the creation of greater digital choice for those in rural communities.

6.8. Implications for Children & Young People/Cared for Children

6.8.1. The ICT Investment Programme supports the Adults, Children's and Public Health Programme and joint working arrangements with regional health colleagues, and the Digital Programme which enables residents online access to Council services.

6.9. Public Health Implications

6.9.1. There are no direct implications for public health.

6.10. Climate Change Implications

6.10.1. Investment in ICT supports the Green Agenda.

7. Ward Members Affected

7.1. All wards and members will be affected by this proposal.

8. Consultation & Engagement

8.1. Consultation has taken place with our existing Providers in order to understand the current Microsoft licencing options, benefits, cost options and variables. The role of the Provider is to fully understand the increasingly vital role software plays in the IT environment for both Councils, in order to provide ICT Services with the correct level of understanding and guidance in order to inform our decision making around the desktop licencing requirements.

8.2. Consultation has taken place with Microsoft Directions (Consulting Services) to validate assumptions, challenge perceived requirements and confirm direction of travel with latest industry and local government trends.

8.3. Crown Commercial Services \ Memorandum of Understanding has been agreed between Microsoft and the government, and will be considered when published.

8.4. Consultation on the Councils licencing requirements has been undertaken with Microsoft Services which is the Professional Services organisation within Microsoft. Their role is to work with both Councils through ICT Services to realise the full value of our investment in the Microsoft technology stack as quickly as possible.

9. Access to Information

9.1. Appendix 1 – further information

10. Contact Information

10.1. Any questions relating to this report should be directed to the following officer:

Name: Gareth Pawlett

Job Title: CIO and Head of ICT Services

Email: Gareth.pawlett@cheshireeast.gov.uk

Appendix 1

Financial Summary of Projected Microsoft Costs over two 3 year periods

Microsoft Agreement Type	Expiry Date	Existing Supplier	Projected Costs 2021-2023 (based on 20% growth)	Projected Costs 2023-2026 (based on 50% growth)	Projected Costs 2023-2026 (based on 100% growth)
Cheshire East Dynamics SCE	Feb 2021	Bytes	£873,600	£1,310,400	£1,747,200
Cheshire East Enterprise Desktop Agreement	Apr 2021	Insight	£3,383,496	£5,075,244	£6,766,992
Cheshire West Enterprise Desktop Agreement	Apr 2021	Insight	£2,500,000	£3,750,000	£5,000,000
Cheshire East and Cheshire West SCE	May 2022	Phoenix	£1,041,040	£1,561,560	£2,082,080
Cheshire East Open Value Subscription Agreement	May 2023	Software One	£50,000	£75,000	£100,000
Cheshire East on behalf of Qwest Service Level Provider Agreement	Feb 2021	Insight	£200,000	£300,000	£400,000
*New Azure Cloud Agreement			£3,567,200	£5,350,800	£7,134,400
			£11,615,336	£17,423,004	£23,230,672
Projected cost over 6 Years (based on cumulative 20% growth 2021-2023 and on cumulative 50% growth 2023-2026)			£29,038,340		
Projected cost over 6 Year (based on cumulative 20% growth 2021-2023 and on cumulative 100% growth 2023-2026)			£34,846,008		

The following Microsoft support contract is not suitable for aligning with a single licence service provider as it needs to be renewed directly with Microsoft:

Microsoft Agreement Type	Expiry Date	Expiry Date	Projected Costs 2021-2023 (based on 20% growth)	Projected Costs 2023-2026 (based on 50% growth)	Projected Costs 2023-2026 (based on 100% growth)
Microsoft Unified Support Agreement	March 2021	Microsoft	£800,000	£1,200,000	£1,600,000
Projected cost over 6 Years (based on 50% growth 2023-2026)			£2,000,000		
Projected cost over 6 Year (based on 100% growth 2023-2026)			£2,400,000		

NOTES:

- 1.1. ICT is no longer just back office automation; it has become a critical service. If it is unavailable, the Councils cannot deliver services to our service users.
- 1.2. ICT Services has the capability of pro-actively contributing to service redesign, which is needed to address the challenges facing the Council.
- 1.3. ICT has a pivotal role to play in improving efficiency, reducing costs across both Councils and supporting both as they move away from direct service provision into more sophisticated commissioning models and shared solutions.
- 1.4. Information security is a critical focal point, given the amount of information both Councils hold and the potential damages to individual and businesses should this be inappropriately released. Great emphasis has been placed on protecting our systems against threats and maintaining constant vigilance to protect against any new threat. Internal investment in training and education for our users, to raise awareness of security risks and to promote good data security practice wherever staff handle information runs in tandem with our Desktop Transformation programme across both Councils, enabled by the Desktop Enterprise Agreement.

- 1.5. In addition to supporting the Councils in their mission to deliver high quality services to the residents and people of Cheshire, it is underpinned by the ICT Services Business Plan.
- 1.6. Standardisation will allow both Councils to access cheaper “cloud” services for our core infrastructure requirements and negate the need for future major investment in physical technology assets instead moving to a pay as you go consumption basis. Cloud based services will increasingly be the mechanism of choice for technology services and ICT Services is keen to use these where appropriate. Other Councils, such as Shropshire, Kent and Somerset have also adopted similar strategies. ICT will move basic utility type services away from in-house sourced systems to commodity cloud services. An example would be our email system, this is currently provisioned as a service hosted and run in-house. However, for the great bulk of our email, an external service such as Microsoft Office 365 (O365) would provide a cheaper and more functional service.
- 1.7. The term ‘cloud service’ has been used in technology environments for many years. It is an alternative business model for the delivery of ICT services. It has been proposed by both Councils that rather than buy or own equipment and associated services these are rented on an as required basis from providers with massive capacity.
- 1.8. Other benefits of adopting cloud services are cited as:
 - Software that is provisioned as Software as a Service is maintained at the latest version as part of the package: new features are automatically available, and there is no lag whilst ICT prepares the upgrade then implements it. Office 365 is a good example of software as a service
 - Speed (better to say Agility and Flexibility): new services can be brought online quickly and scaled as needed. The speed of cloud provision is often identified as the single most important reason to move to a cloud service model. Included here is the capacity to scale up and down as necessary. Extra capacity can be used at intense periods and then turned off when not in use.
 - Fail Fast, Succeed Faster: try something, get fast feedback and then rapidly inspect and adapt or kill it fast before more money is spent
 - Collaboration: as data and service are not locked inside a data centre it is easier to share these with partners.
 - Integration: cloud services have integration designed in at the start and most vendors expect customers to blend solutions from different places and have setup solutions to integrate across vendor boundaries.
 - Cost: Councils will only pay for what they use, and it runs on a revenue not capital basis. The ability to turn things off when not needed and hence not pay for them can give rise to some savings, but this needs to be balanced with a more intense management of things like the starters, leavers and movers’ processes within both Councils and the business hours of service(s) required. In the context of transformation, this also avoids tie in to long term contracts.
 - Security: the major cloud vendors have spent heavily on security and have achieved high levels of certification with UK and US governments, the scale of the operations means that services can afford to implement excellent security at a low unit cost.

- Resilience: Cloud helps you plan and manage enterprise wide resilience, aiding speedy recovery and mitigating the impact of disasters
- 1.9. Windows 10 is Microsoft's latest operating system and works effectively on mobile and desktop devices. The key benefits of Windows 10 are
- Improved security by providing a layered defence in line with ICT Services Security roadmap, supported class leading security products
 - Evergreen which will mean that users will always be on the latest versions of Windows, avoiding costly change programmes
 - Provides increased user functionality in line with latest touch technology
- 1.10. Office 365 is Microsoft cloud software as a service officer product suite. The key benefits of Office 365 are:
- Supports the goals of both councils to consume more cloud services
 - Access to the latest versions of desktop and office products
 - Enables better collaboration with external partners and suppliers including Health
 - Provides a more cost effective email solution
 - Office 365 is delivered as SaaS (software as a service) delivers the benefit of being evergreen, meaning that both councils will always be using the latest versions of Office 365 product and provides other benefits including:
 - Enables a reduction in costs, as Councils will only pay for what they use. Provides the ability to turn things off when not needed and hence not pay for them can give rise to some savings, but this needs to be balanced with a more intense management of things like the starters, leavers and movers' processes within both Councils and the business hours of service(s) required. In the context of our desktop transformation programme, this also avoids tie in to long term contracts.
 - Seamless co-ordination with the tools we already know
Office 365 works seamlessly with the programs we already know and use, including Outlook, Word, Excel, OneNote, Publisher and PowerPoint. These tools provide the same great features you rely on as well as powerful capabilities in Office 365. We can if others are editing the document we're creating, synchronise documents with our desktop, broadcast PowerPoint presentations, and check documents in and out of your online document library.
 - Aligns to our vision of Right Device, Right Time Any Place Access
Microsoft® Office 365 provides web-enabled access to email, important documents, contacts, and calendar on almost any device—including PCs, Apple Mac,, iPhones and Android phones. Office 365 enables users to view and edit documents from web browsers on PCs and Apple Mac computers. Office 365 allows us to easily Communicate and Collaborate Inside and Outside both Organisations with Office 365, we can send instant messages to colleagues and customers and invite them to participate in online meetings where we can review documents or take control of a desktop.
 - Office 365 offers great flexibility by only providing our users with the services they need, cost-effectively adding value to your business.



Working for a brighter future together

Key Decision: N

Date First
Published: N/A

Cabinet

Date of Meeting: 08 September 2020

Report Title: Capital, Investment and Treasury Management Strategies
Annual Review 2019/20

Portfolio Holder: Cllr Amanda Stott - Finance, IT and Communication

Report Author: Alex Thompson – Director of Finance & Customer Services
(Section 151 Officer)

Senior Officer: Jane Burns – Executive Director of Corporate Services

1. Report Summary

- 1.1. The report includes a review of the Capital, Investment and Treasury Management Strategies for the 2019/20 financial year.
- 1.2. The Treasury Management Policy requires an annual report on the performance of the Council's treasury management operation. This report contains details of the activities in 2019/20 for Cheshire East Council.
- 1.3. The attached Appendices set out details of the Council's activities in 2019/20:

Appendix 1 – Capital Strategy 2019/20 – Provides the final capital outturn position for the period 1st April 2019 to 31st March 2020.

Appendix 2 – Treasury Management Annual report – includes details of treasury activity during 2019/20.

Appendix 3 – Investment Strategy 2019/20 – includes details of investment activity during 2019/20.

2. Recommendations

That Cabinet:

- 2.1. Note the content of the appendices to this report.
- 2.2. Approve in accordance with Finance Procedure Rules fully funded supplementary capital estimates over £500,000 and up to £1m (**Appendix 1, Annex B**);
- 2.3. Approve in accordance with Finance Procedure Rules capital virements over £1,000,000 and up to £5,000,000 (**Appendix 1, Annex B**);
- 2.4. Recommend to Council to approve:
 - 2.4.1. capital virements above £1,000,000 in accordance with Financial Procedure Rules as detailed in (**Appendix 1 Annex C**).
 - 2.4.2. supplementary capital estimates above £1,000,000 in accordance with Financial Procedure Rules as detailed in (**Appendix 1 Annex D**).

3. Reasons for Recommendations

- 3.1. The Council monitors in-year performance through a reporting cycle, which includes outturn reporting at year-end. Reports during the year reflect financial and operational performance and provide the opportunity for members to note, approve or recommend changes in line with the Council's Financial Procedure Rules.
- 3.2. This report provides strong links between the Council's statutory reporting requirements and the in-year monitoring processes for financial management of resources.
- 3.3. To meet the requirements of the CIPFA Code of Practice for Treasury Management in the Public Services and the Prudential Code for Capital Finance in Local Authorities.

4. Other Options Considered

- 4.1. Not applicable.

5. Background

- 5.1. The Capital, Treasury and Investment Strategies for 2019/20 were approved by Council on 21st February 2019 as part of the Medium Term Financial Strategy. Progress reports have been provided to Cabinet throughout the year as part of the Quarterly Financial and Performance Update Reports.

- 5.2. The Council complied with its legislative and regulatory requirements and remained within all of its Prudential Indicators during the year, further details are provided in Appendix 1 - Annex G and Appendix 2- Section 6.

6. Implications of the Recommendations

6.1. Legal Implications

- 6.1.1. The legal implications surrounding the process of setting the 2019 to 2022 medium term financial strategy were dealt with in the reports relating to that process. The purpose of this paper is to provide a progress report at the final outturn stage of 2019/20.
- 6.1.2. Legal implications that arise when activities funded from the budgets that this report deals with are undertaken, but those implications will be dealt within the individual reports to Members or Officer Decision Records that relate.
- 6.1.3. As noted in paragraph 4.53 of the Finance Procedure Rules in the Council's Constitution, the Council has adopted CIPFA's Code of Practice for Treasury Management in Local Authorities as this is recognised as the accepted standard for this area. Paragraphs 4.54 – 4.58 provide further information relating to treasury management practice, and the Code itself will have been developed and based upon relevant legislation and best practice. This report is presented to Cabinet under rule 4.58.

6.2. Finance Implications

- 6.2.1. The Council's financial resources are agreed by Council and aligned to the achievement of stated outcomes for local residents and communities. Monitoring and managing performance helps to ensure that resources are used effectively and that business planning and financial decision making are made in the right context.
- 6.2.2. The Council's Audit & Governance Committee is responsible for reviewing and analysing the Council's financial position at year-end. The final accounts will be approved by 30th November 2020 following external auditing and associated recommendations to the Committee.

6.3. Policy Implications

- 6.3.1. This report is a backward look at Council activities during the final quarter.

6.3.2. Financial management supports delivery of all Council policies. The final outturn position, ongoing considerations for future years, and the impact on general reserves will be fed into the assumptions underpinning the 2021/24 medium term financial strategy.

6.4. Equality Implications

6.4.1. Any equality implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

6.5. Human Resources Implications

6.5.1. This report is a backward look at Council activities at outturn and states the year end position. Any HR implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

6.6. Risk Management Implications

6.6.1. Performance and risk management are part of the management processes of the Authority. Risks are captured both in terms of the risk of underperforming and risks to the Council in not delivering its objectives for its residents, businesses, partners and other stakeholders. Risks identified in this report are used to inform the overall financial control risk contained in the Corporate Risk Register.

6.6.2. Financial risks are assessed and reported on a regular basis, and remedial action taken if and when required. Risks associated with the achievement of the 2019/20 budget and the level of general reserves were factored into the 2020/21 financial scenario, budget and reserves strategy.

6.7. Rural Communities Implications

6.7.1. The report provides details of service provision across the borough.

6.8. Implications for Children & Young People / Cared for Children

6.8.1. The report provides details of service provision across the borough.

6.9. Public Health Implications

6.9.1. This report is a backward look at Council activities at the fourth quarter and provides the year end position. Any public health implications that arise from activities funded by the budgets that this report deals with

will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

7. Ward Members Affected

7.1. All.

8. Consultation & Engagement

8.1. As part of the budget setting process the Pre-Budget Report 2019/20 provided an opportunity for interested parties to review and comment on the Council's Budget proposals. The budget proposals described in the consultation document were Council wide proposals and that consultation was invited on the broad budget proposals. Where the implications of individual proposals were much wider for individuals affected by each proposal, further full and proper consultation was undertaken with people who would potentially be affected by individual budget proposals.

9. Access to Information

9.1. The following are links to key background documents:

[Medium Term Financial Strategy 2019-22](#)

[Mid Year Review of Performance 2019/20](#)

[Third Quarter Review of Performance 2019/20](#)

[Statement of Accounts 2019/20](#)

10. Contact Information

10.1. Any questions relating to this report should be directed to the following officer:

Name: Alex Thompson

Job Title: Director of Finance & Customer Services (Section 151 Officer)

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Appendix 1

Capital Strategy

Contents

1. Update on Capital Financing Budget
2. Update on 2019/20 - 2021/22 Capital Programme

Annexes:

- A. Revised Capital Programme
- B - D Supplementary Capital Estimates & Virements
- E. Capital Budget Reductions
- F. Transfers to and from the Addendum
- G. Prudential Indicators

1. Update on Capital Financing Budget

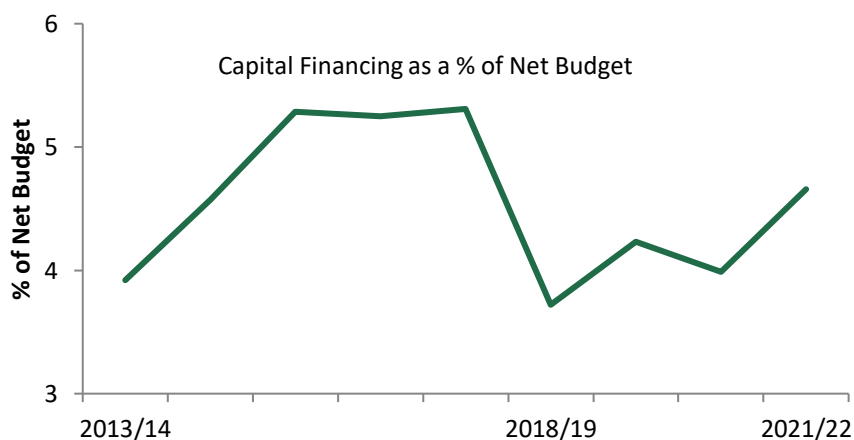
Table 1: Capital Financing Budget (CFB) for 2019/20 to 2021/22

Parameter	Value (£m)		
	2019/20 Actual	2020/21 Budget	2021/22 Budget
Repayment of Borrowing			
Minimum Revenue Provision*	9.7	10.9	13.2
External Loan Interest	4.7	5.1	4.9
Investment Income	(1.3)	(0.9)	(0.9)
Contributions from Services Revenue Budgets	(0.8)	(1.7)	(1.8)
Total Capital Financing Costs	12.3	13.4	15.4
Use of Financing EMR	(0.3)	(1.4)	(1.4)
Actual CFB in MTFS	12.0	12.0	14.0
*Capital Receipts targets	10.5	3.0	3.0
Flexible use of Capital Receipts	2.8	1.0	0.0

* Anticipated MRP based on achieving capital receipts targets

Repayment of Borrowing

- 1.1 The use of prudential borrowing allows the Council to spread the cost of funding the asset over its useful economic life. Using prudential borrowing as a funding source increases the Council's capital financing requirement (CFR), and will create revenue costs through interest costs and minimum revenue provision.
- 1.2 Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, requires local authorities to charge to their revenue account for each financial year a minimum amount to finance the cost of capital expenditure. Commonly referred to as MRP (Minimum Revenue Provision). This ensures that the revenue costs of repaying debt are spread over the life of the asset, similar to depreciation.



- 1.3 The projection of the Council's Capital Financing Requirement (CFR) and external debt, based on the proposed capital budget and treasury management strategy is shown in Annex D. This highlights the level to which the Council is internally borrowed (being the difference between the CFR and external debt), and the expected repayment profile of the external debt.

- 1.4 The nature and scale of the Council's capital programme means that it is a key factor in the Council's treasury management, including the need to borrow to fund capital works. The treasury management strategy for the Council is included in Appendix 2 of this report.
- 1.5 The Council's current strategy is to use available cash balances, known as 'internal borrowing' and to borrow short term loans. As short-term interest rates are currently much lower than long-term rates this is likely to be more cost effective.

Contributions from Services

- 1.6 All business cases supporting capital expenditure will include full analysis of the financial implications of the scheme alongside a clear indication of how the financial implications will be managed within the Medium-Term Financial Strategy.
- 1.7 When including any scheme in the Council's Capital Programme the Section 151 Officer will determine the appropriate impact on the Revenue Budget. This impact will require service budgets within the MTFS to fund either all, part or none of the net capital costs of the scheme.
- 1.8 In making a determination about funding capital schemes from revenue budgets the level of potential revenue savings or additional revenue income will be considered. If a capital scheme will increase revenue costs within the MTFS, either from the future costs of maintaining the asset or from the costs of financing the capital expenditure, then the approach to funding such costs must be approved as part of the business planning process before the scheme can commence.
- 1.9 In 2019/20 the Council received £0.8m of revenue contributions to reduce the Minimum Revenue Provision charged to the General Fund. The Council's strategy is to use further revenue contributions of £3.5m over the next two financial years to finance the Capital Programme to reduce the pressure on the Capital Financing Budget.
- 1.10 The contributions for 2019/20 include £1.432m for the schools transformation programme; £1.399m for the Weston Road site, Crewe from the purchase of an investment property; £0.261m from Everybody Sport and Recreation (ESAR) for the improvements to the Council's leisure facilities; £0.279m LED lighting replacement scheme and £0.101m from the Digital Azure upgrade programme.

Use of Financing Earmarked Reserve

- 1.11 To allow a longer-term approach to setting the Financial Parameters of the Capital Strategy the Council will maintain an earmarked reserve to minimise the financial impact of annual variations to the Capital Financing Budget.
- 1.12 The Council's Reserves Strategy determines the appropriate use of reserves and how they are set up and governed. In the first instance any under or overspending of the CFB within any financial year will provide a top-up or draw-down from the Financing Earmarked Reserve. In balancing the CFB over the period of the MTFS the Section 151 Officer may also recommend appropriate use of the Financing Earmarked Reserve over the period.
- 1.13 In 2019/20 the Council applied £0.3m from Financing Reserve to help fund the Capital Financing Budget. The Council's current strategy is to draw-down up to £2.8m from the Financing Earmarked Reserve for the period 2020/21 to 2021/22.

2. Update on 2019/20 -2021/22 Capital Programme

- 2.1 Since the Third Quarter Review the Capital Programme has increased by £2.4m for the next three-year period.
- 2.2 The main changes are the increase in additional grant for the Council's Basic Need allocation of £3.0m for the financial year 2021/22 and a small number of Supplementary Capital Estimates within the Place Directorate totalling £0.7m. There are also several budget reductions for projects where the budget is no longer required. The most notable reduction was for the Organic Waste Transfer site at £2.6m. **Table 2** shows the movements in the last quarter.

Table 2: Summary Capital Programme

Directorate	TQR Budget 2019/22 £m	SCE's / Virements in Quarter 2019/22 £m	Transfers to/from Addendum 2019/22 £m	Budget Reductions at Outturn 2019/22 £m	SCE's at Outturn 2019/22 £m	Revised Outturn Budget 2019/22 £m
People	47.6	0.0	0.9	(0.3)	3.0	51.2
Place	446.1	1.5	0.2	(4.1)	0.7	444.4
Corporate	60.5	0.0	0.3	0.0	0.0	60.8
	554.2	1.5	1.4	(4.4)	3.7	556.4

- 2.3 The main transfers from the addendum were £0.9m for two Nursery school expansions at Beechwood and Ash Grove Primary Schools. The grant funding has been approved from the Department of Education and work will start on site in 2020/21. There was also a transfer of £0.310m for the Digital Azure upgrade within our ICT Services. These changes are shown in **Annex F**.
- 2.4 The revised programme is funded from both direct income (grants, external contributions) and the Council's own resources (prudential borrowing, revenue contributions, capital reserve).
- 2.5 The final Outturn position as the 31st March 2020 showed total capital expenditure of £124.0m against a Third Quarter forecast position of £132.8m. The slippage of £8.8m has been re-profiled into future years as shown in **Annex A**.
- 2.6 **Annex B** details requests of Supplementary Capital Estimates (SCE) up to and including £500,000 and Capital Virements up to and including £1,000,000 approved by delegated decision which are included for noting purposes only.
- 2.7 **Annex C** details requests of Supplementary Capital Estimates (SCE) up to and including £1,000,000 and Capital Virements up to and including £5,000,000 to be approved by Cabinet. This includes a virement for £2.0m for the Flooding and Weather Events project set up to deal with flooding across the borough in February 2020. The budget will be vired from within the Council's existing approved capital budgets
- 2.8 **Annex D** details requests of Supplementary Capital Estimates (SCE) over £1,000,000 to be approved by full Council. There is one Supplementary Capital Estimate of £3.0m which is the additional Basic Need Funding for the financial year 2021/22 that is not already approved within the main capital programme.
- 2.9 **Annex E** lists details of reductions in Approved Budgets where schemes are completed, and surpluses can now be removed. These are for noting purposes only.

Table 3: Revised Addendum Programme

	Budget 2019/20 £000	Budget 2019/20 £000	Budget 2019/20 £000	Total Budget 2019/22 £000
Addendum				
People	0	234	0	234
Place	0	40,967	353,756	394,723
Corporate	1,715	3,008	3,683	8,406
Total Addendum	1,715	44,209	367,439	403,363

2.10 **Annex F** shows the movements from and to the Capital Addendum since the Medium-Term Financial Strategy was approved in February 2019.

Annex A:

Revised Capital Programme

CHESHIRE EAST COUNCIL CAPITAL PROGRAMME SUMMARY

CAPITAL PROGRAMME 2019/20 - 2021/22

	Actual 2019/20 £000	Forecast 2020/21 £000	Forecast 2021/22 £000	Total Forecast 2019-22 £000
Committed Schemes - In Progress				
People	8,159	15,584	3,302	27,045
Place	91,530	73,069	126,566	291,165
Corporate	13,433	15,887	30,934	60,254
Total Committed Schemes - In Progress	113,122	104,540	160,802	378,464

CAPITAL PROGRAMME 2019/20 - 2021/22

	Actual 2019/20 £000	Forecast 2020/21 £000	Forecast 2021/22 £000	Total Forecast 2019-22 £000
New Schemes				
People	2,790	13,397	8,060	24,247
Place	8,088	44,482	100,654	153,224
Corporate	0	330	0	330
Total New Schemes	10,878	58,209	108,714	177,801
Total	124,000	162,749	269,516	556,265

CHESHIRE EAST COUNCIL CAPITAL PROGRAMME SUMMARY

CAPITAL PROGRAMME 2019/20 - 2021/22

	Actual 2019/20 £000	Forecast 2020/21 £000	Forecast 2021/22 £000	Total Forecast 2019-22 £000
Funding Requirement				
Indicative Funding Analysis: (See note 1)				
Government Grants	52,647	71,911	127,116	251,674
External Contributions	7,265	19,274	52,385	78,924
Revenue Contributions	577	607	0	1,184
Capital Receipts	7,029	3,000	3,000	13,029
Prudential Borrowing (See note 2)	56,482	67,957	87,015	211,454
Total	124,000	162,749	269,516	556,265

Note 1:

The funding requirement identified in the above table represents a balanced and affordable position, in the medium term. The Council will attempt to maximise external resources such as grants and external contributions in the first instance to fund the capital programme. Where the Council resources are required the preference will be to utilise capital receipts from asset disposals. The forecast for capital receipts over the next two years from 2020/21-2022 assumes a prudent approach based on the work of the Asset Management team and their most recently updated Disposals Programme.

Note 2:

Appropriate charges to the revenue budget will only commence in the year following the completion of the associated capital asset. This allows the Council to constantly review the most cost effective way of funding capital expenditure.

Annex B:

Delegated Decision - Requests for Supplementary Capital Estimates (SCEs) and Virements

Service & Capital Scheme	Amount Requested £	Reason and Funding Source
Summary of Supplementary Capital Estimates and Capital Virements		
Supplementary Capital Estimates up to £500,000		
S278's Agreements		
Kings School, Prestbury	30,000	£60k fees paid by the Developer, budget increase to match the amount received.
Welshmans Lane, Nantwich	4,526	£11,500k fees paid by the Developer, budget increase to match the amount received.
A34 Astbury Mere	1,500	Increase in budget to match fees increase.
Parking - Replacement Vehicle	293	Revenue contribution to cover additional costs.
Active Travel (Cycle/Walking route) Investment	10,000	Revenue contribution towards the cost of a feasibility study for a new cycle bridge across the River Dane – part of the Congleton Masterplan.
Middlewich Southern Link and Clive Green Lane Upgrad	45,000	Increase in budget to include the Cheshire West and Chester Council contribution to the scheme.
S106 Rope Lane Ped Crossing	5,748	To increase the budget to include all of the eligible S106 funds available for these projects
London Rd, Sandbach Ped Cross	12	
S106 Holmes Chapll Rd Bus Stops	876	
Newcastle Rd, Shavington Ped X	21,282	
Middlewich Rd Elworth Ped Crossing	3,995	
Sustainable Travel Access Programme	105,000	
Growth and Enterprise		
Wheelock Rail Trail s106	210	This project is funded by a S106 receipt, the increase is to align the budget with the actual receipt.
Schools Capital Maintenance	125,900	To increase the budget to include School contributions to works carried out by Facilities Management including the Schools Contributions for 2020/21
Environment & Neighbourhood Services		
Environmental Health Vehicles	1,261	Revenue contribution to cover the additional cost
Household Bins Schemes	209,900	Current expenditure levels will create a shortfall against the available budget at year-end. The excess expenditure is being funded by a revenue contribution.
Congleton Park Play Area Improvements	5,434	Final outturn is higher than originally budgeted. This increase is being off-set by additional external funding from FCC (WREN).
Playing Fields Fund	99,963	Approved capital grant offer has now been received from the Football Foundation.
Total Supplementary Capital Estimates Requested	670,900	

Service & Capital Scheme	Amount Requested £	Reason and Funding Source	
Summary of Supplementary Capital Estimates and Capital Virements			
Capital Budget Virements that have been made up to £1,000,000			
Education and 14-19 Skills			
Future Capital Maintenance	8,175	Virement from Schools Maintenance grant (Facilities Management) for £8,175 spend on wall design works for Buglawton Primary School	
Sandbach Boys School	45,095	Virement from the Sandbach Planning Area Programme - Secondary Schools to increase the budget for the Boys School to match the approved grant agreement.	
Adelaide Academy	1,950		
Cranberry Primary School	217		
Alsager High School	4,378		
Disley Primary School (Basic Needs)	416		
Hungerford Primary School	1,029		
Mablins Lane Primary School - Phase 2	758		
Monks Coppenhall Primary School - Basic Needs	1,170		
Malbank High School	7,567		
Brine Leas High School	4,594		
Pupil Referral Unit - New Site	7,503		
Elworth CoE Primary School	8,983		
Shavington Primary School	7,792		
To Expand 'in borough' SEN placement Capacity - Springfield Special School	6,555		
The Quinta Basic Needs	2,582		Virements from the Capital Maintenance, Basic Need and the Special Provision Block Allocations to cover the Salary Recharges from the Organisation and Capital Team.
St Johns CoE Primary School	6,212		
Expansion of Park Lane School (to expand 'in borough' :	21,776		
Wilmslow High School-Condition	216		
Vernon Primary School	2,099		
Hurdsfield Primary School	10,247		
Wilmslow High School BN	31,867		
Monks Coppenhall SEN Expansion	416		
Puss Bank SEN Expansion	9,456		
Sandbach High School - Basic Need	16,891		
Sandbach Boys School - Basic Need	16,528		
Middlewich High School - Front Entrance	9,857		
Special Provision Fund Capital Grant	8,945		
Schools Condition Capital Grant	17,851		
Weaver Primary School - Mobile	905		
Pupil Referral Unit - New Site	307,504	Virement from Basic Need Block to fund Pupil Referral Unit overspend	
The Dingle Primary School	86	Virement from Capital Maintenance fund to The Dingle Primary School to fund overspend	
Healthy Pupils Capital Fund	5,582	Virement from borrowing for Elworth Hall Primary to fund overspend on Healthy Pupils Project	
Growth and Enterprise			
Field to Fork	1,198	Virements within the Tatton Park Capital Programme to cover overspends at Outturn	
Tatton Events Infrastructure	2,175		
Schools Capital Maintenance	502,200	Schools Capital Condition grant - 2020-21 Schools Condition Programme, that will be delivered by the Facilities Management Team.	

Service & Capital Scheme	Amount Requested £	Reason and Funding Source
Summary of Supplementary Capital Estimates and Capital Virements		
Capital Budget Virements that have been made up to £1,000,000		
Highways and Infrastructure		
Winter Service Facility	43,455	Department for Transport grant reallocated within the programme to cover the staffing overhead cost against the Winter Service Depot project
Highways Investment Network	120,412	
Highway Maintenance Minor Wks	41,270	Virements within the Highways service to cover additional costs within the programme.
Client Contract and Asset Mgmt	32,736	
S106 Rope Lane Ped Crossing	4,039	
Main Rd, Shavington TRO	1,467	
Hassall Rd, Alsager Ped Xing	1,650	
Accessibility: Public Transp't	215	
Environment & Neighbourhood Services		
Household Waste Recycling Centre	100,000	Virement from Organic Waste Composting Plant project to meet costs of reprocurement due to contractor no longer trading.
Energy Improvements at Cledford Lane	80,000	Virement from Organic Waste Composting Plant project to cover additional costs of snagging the silt bay works.
Total Capital Budget Virements Approved	930,817	
Total Supplementary Capital Estimates and	1,601,717	

Annex C:

Delegated Decision - Requests for Supplementary Capital Estimates (SCEs) and Virements

Service / Capital Scheme	Amount Requested £	Reason and Funding Source
Capital Budget Virements above £1,000,000		
Highways and Infrastructure		
Flooding and Weather events	2,013,569	Virements from within the current LTP funded programme (Highways Investment Network (£522k), Local Area Programme (101k), Highway Maintenance Minor Wks (£925k) and Bridge Maintenance Minor Wks (£166k)) where the expenditure has been managed to enable these essential works to take place. Also the residual budget against the Poynton Revitalisation Scheme (£300k) which is now complete.
Total Capital Budget Virements Requested	2,013,569	

Annex D: Requests for Supplementary Capital Estimates (SCEs) and Virements

Service/Capital Scheme	Amount Requested	Reason and Funding Source
£		
Capital Supplementary Estimates Over £1,000,000		
Education and 14-19 Skills		
Future Years Basic Need Block Allocation	2,977,000	Additional Basic Need Grant for the financial Year 2021/22 - not yet included in the capital programme.
Total Supplementary Capital Estimates Requested	2,977,000	

Annex E: Capital Budget Reductions

Service/Capital Scheme	Approved Budget £	Revised Approval £	Reduction £	Reason and Funding Source
Cabinet are asked to note the reductions in Approved Budgets				
Education and 14-19 Skills				
Schools Condition Capital Grant	1,560,000	1,269,000	(291,000)	Confirmation of the grant less than the original estimate by £291,000
S278s				
Flowers Lane, Crewe	30,000	11,949	(18,051)	Project is now complete and can be finally closed.
Sandbach Road, Alsager	20,000	15,000	(5,000)	To decrease budget to the amount of fees received.
Barony Road, Nantwich	5,000	3,812	(1,188)	Project is now complete, to reduce budget to the amount spent.
138 Sydney Road, Crewe	10,000	6,279	(3,721)	Project is now complete, to reduce budget to the amount spent.
Old Mill Road, Sandbach	20,353	19,592	(761)	Project complete - reduce budget to match spend and close down
Reaseheath College, Nantwich	3,000	2,855	(145)	Project complete - reduce budget to match spend and close down
S278 Aldi Knutsford	35,000	31,000	(4,000)	Project complete - reduce budget to match spend and close down
Growth and Enterprise				
Crewe Town Centre Regeneration	31,637,094	31,253,580	(383,514)	To reduce budget for funding transferred to Revenue for costs that could not be classed as Capital expenditure.
Modular Construction (Gawsworth)	125,462	0	(125,462)	Housing development schemes which have been aborted, due to planning permission not being gained.
Gawsworth Dark Lane - historically Engine of th	1,264	0	(1,264)	
Starter Homes - Phase 1 (Browning Street)	867,000	0	(867,000)	
Browning Street - historically Engine of the North budget	59,272	-	(59,272)	
Hurdsfield Family Centre	449,706	449,171	(535)	This project is now complete.
Twin Trails - Gritstone Trail	15,081	15,000	(81)	This project is now complete.

Service/Capital Scheme	Approved Budget £	Revised Approval £	Reduction £	Reason and Funding Source
Cabinet are asked to note the reductions in Approved Budgets				
Environment & Neighbourhood				
Improvements to Haslington Play Area & Recreation Ground	72,815	72,801	(14)	Project is now complete and can be finally closed.
James Atkinson Way Playground, Crewe	30,245	26,945	(3,300)	Project is now complete and can be finally closed.
Wood Park Access Improvements	33,526	32,451	(1,075)	Project is now complete and can be finally closed.
Organic Waste Treatment Plant	11,500,000	8,872,262	(2,627,738)	Reduction in budget to reflect revised project costing.
Parks Development Fund	636,370	625,693	(10,677)	Reduction in budget to provide contribution towards the projects Perry Fields and Congleton Park Play Area to meet actual outturn.
Finance and Customer Services				
Digital Customer Services	5,977,259	5,977,026	(233)	Project overcharged in 2018-19, this has now been refunded in 2019-20
Total Capital Budget Reductions	53,088,447	48,684,416	(4,404,031)	

Annex F: Transfers From and to the Capital Addendum

Service/Capital Scheme	£	Reason / Comment
Budgets Transferred from the Addendum to the Main Capital Programme		
Education and 14-19 Skills		
Ash Grove Nursery Expansion	(226,267)	Grant approval now received from the Department of Education - transferred to the main programme in 2019/20
Beechwood Nursery Expansion	(700,723)	Grant approval now received from the Department of Education - transferred to the main programme in 2019/20
Highways and Infrastructure		
Replacement Route Planning System	(108,571)	Transferred to the current programme in 2019/20 for Replacement Route Planning System
Growth and Enterprise		
Sustainable Towns (Regeneration & Development)	(43,000)	Additional funds of £43,000 to Macclesfield Town Centre project.
Corporate - ICT		
Digital Strategy	(310,000)	To facilitate the migration of the Dynamics 2013 CRM on premise solution to an Azure D365 PaaS solution
Total Budgets Transferred to Main Capital Programme	(1,388,561)	
Net Change to the Addendum	(1,388,561)	

Annex G: Prudential Indicators revisions to 2019/20 – 2021/22.

Background

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

Estimates of Capital Expenditure

- 1.2 In 2019/20, the Council spent £124.0m on capital expenditure as summarised below:

Capital Expenditure	2019/20 Actual £m	2020/21 Estimate £m	2021/22 Estimate £m	Future years £m
Total	124.0	162.7	161.3	108.2

Source: Cheshire East Finance

Capital Financing

- 1.3 All capital expenditure must be financed either from external sources (government grants and other contributions). The Council's own resources (revenue reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of capital expenditure is as follows:

Capital Financing	2019/20 Actual £m	2020/21 Estimate £m	2021/22 Estimate £m	Future years £m
Capital receipts	7.0	3.0	3.0	3.0
Government Grants	52.7	71.9	97.9	29.2
External Contributions	7.3	19.3	16.1	36.3
Revenue Contributions	0.6	0.6	0.0	0.0
Total Financing	67.6	94.8	117.0	68.5
Prudential Borrowing	56.4	67.9	44.3	39.7
Total Funding	56.4	67.9	44.3	39.7
Total Financing and Funding	124.0	162.7	161.3	108.2

Source: Cheshire East Finance

Replacement of debt finance

- 1.4 Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP). Alternatively, proceeds from selling capital assets may be used to replace debt finance. Planned MRP repayments are as follows:

Replacement of debt finance	2019/20 Actual £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Total	9.7	10.9	13.2	15.5

Source: Cheshire East Finance

- 1.5 The Council's full MRP Statement is available in Annex E.

Estimates of Capital Financing Requirement

- 1.6 The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP repayments and capital receipts used to replace debt. The CFR is expected to increase by £60m during 2020/21. Based on the above figures for expenditure and financing, the Council's actual CFR for 2019/20 was £371.0m against an in year forecast of £419m as shown in the table below:

Capital Financing Requirement	2019/20 Actual £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Total	371	431	458	487

Source: Cheshire East Finance

Asset disposals

- 1.7 When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Council is currently also permitted to spend capital receipts on service transformation project until 2021/22. Repayments of capital grants, loans and investments also generate capital receipts. The Council received £10.4m of capital receipts in 2019/20 against a provisional forecast of £7.2m. The Council estimates a further £9.0m in the coming financial years as follows.

Capital Receipts	2019/20 Actual £m	2020/21 Estimate £m	2021/22 Estimate £m	2022/23 Estimate £m
Asset Sales	10.4	3.0	3.0	3.0
Loans Repaid	0.1	0.2	0.2	0.2
Total	10.5	3.2	3.2	3.2

Source: Cheshire East Finance

Gross Debt and the Capital Financing Requirement

- 1.8 The Council's main objectives when borrowing is to achieve a low but certain cost of finance while retaining flexibility should plans change in the future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (currently available at around 0.3%) and long-term fixed rate loans where the future cost is known but higher (currently 2 – 3%).
- 1.9 Projected levels of the Council's total outstanding debt (which comprises borrowing, PFI liabilities, leases are show below, compared with the capital financing requirement.

Gross Debt and the Capital Financing Requirement	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
	£m	£m	£m	£m
Borrowing	201	130	78	77
Finance Leases	2	1	1	1
PFI Liabilities	22	21	20	20
Total Debt	225	152	99	98
Capital Financing Req.	371	431	458	487

- 1.10 Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. As can be seen from the above table, the Council expects to comply with this in the medium term.

Liability Benchmark

- 1.11 To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes that cash and investment balances are kept to a minimum level of £20m at each year end. This benchmark is currently £183m and is forecast to rise to £327m over the next three years.

Borrowing and the Liability Benchmark	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
	£m	£m	£m	£m
Outstanding Debt	201	130	78	77
Liability Benchmark	181	252	287	326

Source: Cheshire East Finance

- 1.12 The table shows that the Council expects to remain borrowed below its liability benchmark.

Affordable borrowing limit

- 1.13 The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit.

	2019/20 limit £m	2020/21 limit £m	2021/22 limit £m	2022/23 limit £m
Authorised Limit for Borrowing	359	420	448	477
Authorised Limit for Other Long-Term Liabilities	22	22	21	21
Authorised Limit for External Debt	381	442	469	498
Operational Boundary for Borrowing	349	410	438	467
Operational Boundary for Other Long-Term Liabilities	22	22	21	21
Operational Boundary for External Debt	371	432	459	488

Investment Strategy

- 1.14 Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.
- 1.15 The Council's policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with money market funds, other local authorities or selected high quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in shares and property, to balance the risk of loss against the risk of returns below inflation.

Treasury Management Investments	31/03/20 Actual £m	31/03/21 Estimate £m	31/03/22 Estimate £m	31/03/23 Estimate £m
Short term	0	0	0	0
Long term	20	20	20	20
Total Investments	20	20	20	20

Source: Cheshire East Finance

- 1.16 Further details on treasury investments are in pages of the Treasury Management Strategy, Appendix 2.
- 1.17 Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Section 151 Officer and staff, who must act in line with the treasury management strategy approved by Council. Quarterly reports on treasury activity are reported to Cabinet as part of the Finance and Performance Update reports. The Audit and Governance Committee is responsible for scrutinising treasury management decisions.
- 1.18 Further details on investments for service purposes and commercial activities are in the Investment Strategy, Appendix 3.

- 1.19 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by an investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e., the amount funded from Council Tax, business rates and general government grants.

Ratio of Financing Costs to Net Revenue Stream	2019/20 Actual	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate
Financing Costs (£m)	12.0	12.0	14.0	14.0
Proportion of net revenue stream %	4.23	4.00	4.66	4.61

Source: Cheshire East Finance

- 1.20 Further details on the revenue implications of capital expenditure are on paragraphs 90-97 of the 2019-22 Medium Term Financial Strategy (**Appendix C**).
- 1.21 Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years into the future. The Section 151 Officer is satisfied that the proposed capital programme is prudent, affordable and sustainable. The longer-term revenue implications have been considered and built into the revenue budget forecasts post the period of the current Medium-Term Financial Strategy.

Appendix 2

Treasury Management Annual Report 2019/20

1. Background
2. External Content
3. Local Context
4. Borrowing Strategy
5. Investment Strategy
6. Treasury Management Indicators

Annexes:

- A. Existing Investment & Debt Portfolio Position

1. Background

- 1.1 Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Authority's prudent financial management. The Treasury Management Strategy for 2019/20 was approved at Council on 21st February 2019
- 1.2 Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year and as a minimum a semi-annual and annual treasury outturn report. This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.
- 1.3 In carrying out treasury operations the Council has regard to the advice received from it's appointed Treasury Management advisors, Arlingclose Ltd. The current contract for advice expires 31st December 2020.
- 1.4 Investments held for service purposes or for commercial profit are considered in the Investment Strategy Report (see **Appendix 3**).

2. External Context

- 2.1 **Economic background:** The UK's exit from the European Union and future trading arrangements, had remained one of major influences on the UK economy and sentiment during 2019/20. The 29th March 2019 Brexit deadline was extended to 12th April, then to 31st October and finally to 31st January 2020. Politics played a major role in financial markets over the period as the UK's tenuous progress negotiating its exit from the European Union together with its future trading arrangements drove volatility, particularly in foreign exchange markets. The outcome of December's General Election removed a lot of the uncertainty and looked set to provide a 'bounce' to confidence and activity.
- 2.2 The headline rate of UK Consumer Price Inflation UK Consumer Price Inflation fell to 1.7% year on year in February, below the Bank of England's target of 2%. Labour market data remained positive. The ILO unemployment rate was 3.9% in the three months to January 2020 while the employment rate hit a record high of 76.5%. The average annual growth rate for pay excluding bonuses was 3.1% in January 2020 and the same when bonuses were included, providing some evidence that a shortage of labour had been supporting wages.
- 2.3 GDP growth in Q4 2019 was reported as flat by the Office for National Statistics and service sector growth slowed and production and construction activity contracted on the back of what at the time were concerns over the impact of global trade tensions on economic activity. The annual rate of GDP growth remained below-trend at 1.1%.
- 2.4 Then coronavirus swiftly changed everything. COVID-19, which had first appeared in China in December 2019, started spreading across the globe causing plummeting sentiment and falls in financial markets not seen since the Global Financial Crisis as part of a flight to quality into sovereign debt and other perceived 'safe' assets.
- 2.5 In response to the spread of the virus and sharp increase in those infected, the government enforced lockdowns, central banks and governments around the world cut interest rates and introduced massive stimulus packages in an attempt to reduce some of the negative economic impact to domestic and global growth.

- 2.6 The Bank of England, which had held policy rates steady at 0.75% through most of 2019/20, moved in March to cut rates to 0.25% from 0.75% and then swiftly thereafter brought them down further to the record low of 0.1%. In conjunction with these cuts, the UK government introduced a number of measures to help businesses and households impacted by a series of ever-tightening social restrictions, culminating in pretty much the entire lockdown of the UK.
- 2.7 The US economy grew at an annualised rate of 2.1% in Q4 2019. After escalating trade wars and a protracted standoff, the signing of Phase 1 of the trade agreement between the US and China in January was initially positive for both economies, but COVID-19 severely impacted sentiment and production in both countries. Against a slowing economic outlook, the US Federal Reserve began cutting rates in August. Following a series of five cuts, the largest of which were in March 2020, the Fed Funds rate fell from of 2.5% to range of 0% - 0.25%. The US government also unleashed a raft of COVID-19 related measures and support for its economy including a \$2 trillion fiscal stimulus package. With interest rates already on (or below) the floor, the European Central Bank held its base rate at 0% and deposit rate at -0.5%.
- 2.8 **Financial Markets:** Financial markets sold off sharply as the impact from the coronavirus worsened. After starting positively in 2020, the FTSE 100 fell over 30% at its worst point with stock markets in other countries seeing similar huge falls. In March sterling touch its lowest level against the dollar since 1985. The measures implemented by central banks and governments helped restore some confidence and financial markets have rebounded in recent weeks but remain extremely volatile. The flight to quality caused gilts yields to fall substantially. The 5-year benchmark falling from 0.75% in April 2019 to 0.26% on 31st March. The 10-year benchmark yield fell from 1% to 0.4%, the 20-year benchmark yield from 1.47% to 0.76% over the same period. 1-month, 3-month and 12-month bid rates averaged 0.61%, 0.72% and 0.88% respectively over the period.
- 2.9 **Credit Review:** In Q4 2019 Fitch affirmed the UK's AA sovereign rating, removed it from Rating Watch Negative (RWN) and assigned a negative outlook. Fitch then affirmed UK banks' long-term ratings, removed the RWN and assigned a stable outlook. Standard & Poor's also affirmed the UK sovereign AA rating and revised the outlook to stable from negative. The Bank of England announced its latest stress tests results for the main seven UK banking groups. All seven passed on both a common equity Tier 1 (CET1) ratio and a leverage ratio basis. Under the test scenario the banks' aggregate level of CET1 capital would remain twice their level before the 2008 financial crisis.
- 2.10 While the UK and non-UK banks on the treasury advisors counterparty list remain in a strong and well-capitalised position, the duration advice on all these banks was cut to 35 days in mid-March.
- 2.11 Fitch downgraded the UK sovereign rating to AA- in March which was followed by a number of actions on UK and Non-UK banks. This included revising the outlook on all banks on the counterparty list to negative, with the exception of Barclays Bank, Rabobank, Handelsbanken and Nordea Bank which were placed on Rating Watch Negative, as well as cutting Close Brothers long-term rating to A-.

3. Local Context

- 3.1 As at 31st March 2020 the Authority has borrowings of £225m and investments of £47m. This is set out in further detail at **Annex B**. Forecast changes in these sums are shown in the balance sheet analysis in **Table 1** below.

Table 1: Balance Sheet Summary and Forecast

	31/03/19 Actual £m	31/03/20 Actual £m	31/03/21 Estimate £m	31/03/22 Estimate £m	31/03/23 Estimate £m
General Fund CFR	330	371	431	458	487
Less: Other long-term liabilities *	(26)	(24)	(22)	(21)	(21)
Loans CFR	304	347	409	437	466
Less: External borrowing **	(158)	(201)	(130)	(78)	(77)
Internal (over) borrowing	146	146	279	359	389
Less: Usable reserves	(112)	(106)	(102)	(97)	(89)
Less: Working capital	(86)	(80)	(75)	(73)	(71)
Investments (or New borrowing)	52	40	(102)	(189)	(229)

* finance leases and PFI liabilities that form part of the Authority's debt

** shows only loans to which the Authority is committed and excludes optional refinancing

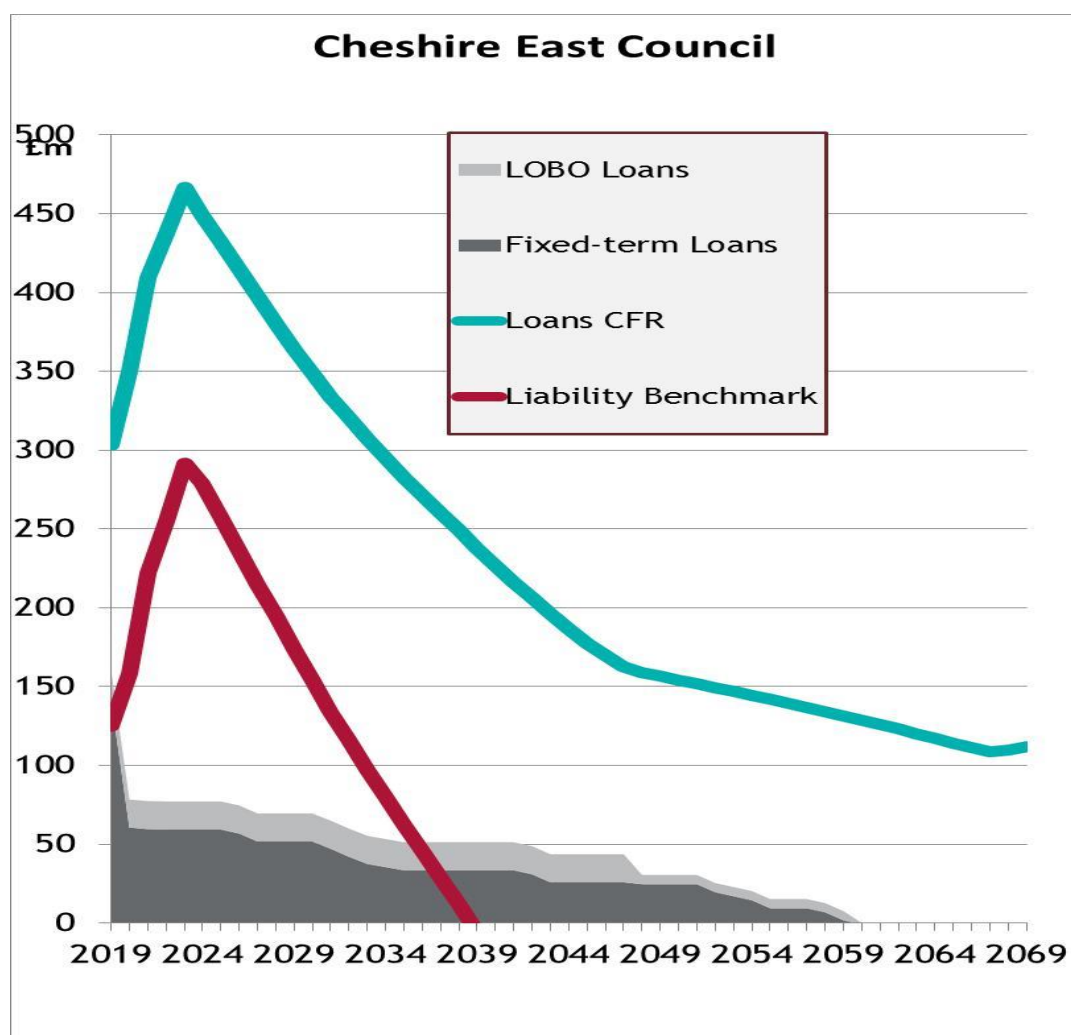
- 3.2 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.
- 3.3 The Authority has an increasing CFR due to the capital programme and will therefore be required to borrow up to £119m over the forecast period 2020/21 to 2022/23.
- 3.4 CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. **Table 1** shows that the Authority expects to comply with this recommendation during 2019/20.
- 3.5 **Liability Benchmark:** To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes the same forecasts as table 1 above, but that cash and investment balances are kept to a minimum level of £20m (increased from £10m in 2019/20) at each year-end to maintain a core strategic investment.

Table 2: Liability Benchmark

	31/03/19 Actual £m	31/03/20 Actual £m	31/03/21 Estimate £m	31/03/22 Estimate £m	31/03/23 Estimate £m
Loans CFR	304	347	409	437	466
Less: Usable reserves	(112)	(106)	(102)	(97)	(89)
Less: Working capital	(86)	(80)	(75)	(73)	(71)
Plus: Minimum investments	10	20	20	20	20
Liability Benchmark	116	181	252	287	326

- 3.6 Following on from the medium-term forecasts in table 2 above the long-term liability benchmark assumes minimum revenue provision on new capital expenditure based on a 25 year asset life and income, expenditure and reserves all increasing by inflation of 2.5% a year. This is shown in **Chart 1**.

Chart 1: Liability Benchmark Chart



4. Borrowing Strategy

- 4.1 The Authority currently holds loans of £201m, an increase of £43m since 31st March 2020. PWLB debt has been reducing by £6m per year whilst cash flow shortfalls caused by internal borrowing is being funded through cheaper short term borrowing.
- 4.2 At the moment this is being met by temporary borrowing from other Local Authorities which is considerably cheaper than other sources of borrowing. Generally this was on a one to three month basis but with some extending into 2020/21 and 2021/22 as liquidity within the markets is expected to become scarce. The cost (including fees) in 2019/20 was around 0.97%. A full list of temporary borrowings as at 31st March 2020 is shown below in Table 3.

Table 3 – Current Temporary Borrowing

Lender	Start	Maturity	Rate %	£m
Tameside	05/03/19	05/05/20	1.15	5.0
Derbyshire	15/03/19	24/04/20	1.20	10.0
Lincolnshire	15/03/19	15/04/20	1.15	5.0
Wokingham	11/09/19	10/09/21	0.90	5.0
PCC Dyfed - Powys	20/01/20	22/04/20	0.49	2.0
Northern Ireland Housing Executive	13/01/20	15/04/20	0.77	10.0
Cheshire West & Chester	20/01/20	20/04/20	0.80	5.0
Essex	23/01/20	23/04/20	0.76	5.0
Kingston Upon Hull	14/02/20	01/04/20	0.70	10.0
Hart	03/02/20	15/05/20	0.76	4.0
Calderdale	05/02/20	22/04/20	0.70	1.0
PCC Staffordshire	06/03/20	06/05/20	0.80	3.0
Erewash	13/03/20	15/06/20	1.05	1.0
Lancashire	12/03/20	14/04/20	1.15	20.0
West Lindsey	16/03/20	23/04/20	0.62	1.0
Lancashire	19/03/20	19/05/20	0.85	10.0
Trafford	20/03/20	21/09/20	1.50	2.0
Warwickshire	19/03/20	21/09/20	1.60	10.0
Cherwell	20/03/20	09/04/20	1.50	3.0
North Yorkshire	27/03/20	28/09/20	1.45	5.0
TOTAL				117.0

- 4.3 **LOBO's:** The Authority holds £17m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. All of these LOBO's had options during 2019/20 but no changes were proposed.

5. Investment Strategy

- 5.1 The Authority holds invested funds, representing income received in advance of expenditure plus balances and reserves held. Due to the overriding need for short term borrowing, other than £20m invested strategically in managed funds, the investments are generally short term for liquidity purposes. On occasions higher balances than expected have been held due to the timing of receipt of grants, particularly COVID-19 related grants in March 2020.
- 5.2 The CIPFA Code requires the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 5.3 The maximum amount that can be invested with any one organisation is set in the Treasury Management Strategy Report. The maximum amount and duration of investments with any institution depends on the organisations credit rating, the type of investment and for banks and building societies, the security of the investment. Generally credit rated banks and building societies have been set at a maximum value of £6m for unsecured investments and £12m for secured investments. Any limits apply to the banking group that each bank belongs to. Limits for each Money Market fund have been set at a maximum value of £12m per fund with a limit of 50% of total investments per fund. There is also a maximum that can be invested in all Money Market Funds at any one time of £50m. Due to their smaller size, unrated Building Societies have a limit of £1m each.
- 5.4 As reported in the last monitoring report, in October the Council has exceeded its limit for unsecured investments with Santander UK Bank with £8.5m invested in notice accounts which is in excess of the limit by £2.5m. This position was rectified in November and arose as there are separate accounts in use with different terms. This situation should not arise again.
- 5.5 A further breach occurred in March as large overnight balances were held with the Councils bank, Barclays. This arose due to the late receipt of high value grants and maintaining liquidity whilst COVID-19 lockdown processes were being implemented.
- 5.6 Treasury Management income for 2019/20 is £673,000 which is higher than the budgeted £440,000. Offsetting this are increased borrowing costs (£126,000 higher than budget).
 - The average daily investment balance including managed funds during 2019/20 is £31.7m
 - The average annualized interest rate received on in-house investments during 2019/20 is 0.74%
 - The average annualized interest rate received on the externally managed funds during 2019/20 is 4.23%
- 5.7 The Authority's total average interest rate on all investments in 2019/20 is 2.12%. The returns continue to exceed our benchmark, the London Inter-bank Bid Rate for 7 days at 0.66% (average 2019/20), and our own performance target of 1.25% (Base Rate for most of 2019/20 + 0.50%).

Table 4 – Interest Rate Comparison

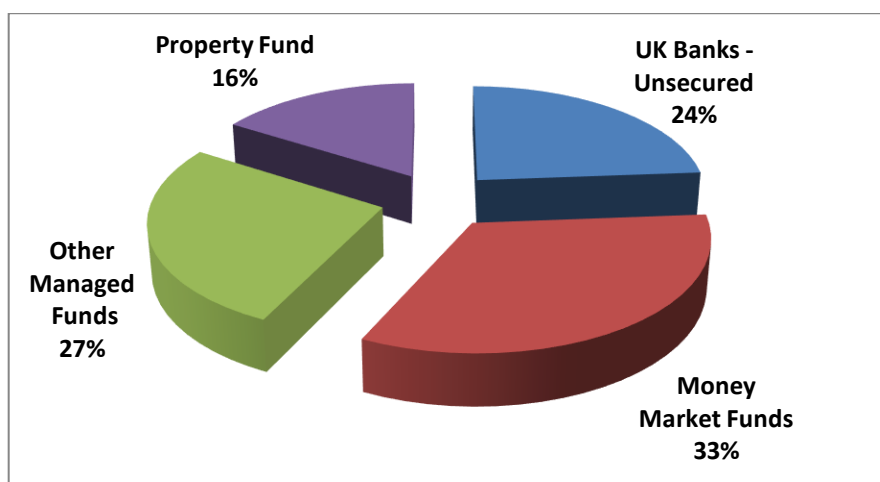
Comparator	Average Rate 2019/2020
Cheshire East	2.12%
LIBID 7 Day Rate	0.68%
LIBID 3 Month Rate	0.72%
Base Rate	0.75%
Target Rate	1.25%

- 5.8 As the Authority holds a large amount of reserves and working capital, the level of strategic investments was increased from £10m to £20m in order to benefit from higher income returns whilst spreading risk across different asset classes.
- 5.9 The additional £10m was invested between October 2019 and February 2020 across 4 different funds which are all designed to give an annual income return between 4% and 5% but which have different underlying levels of volatility. By spreading investments across different types of fund, the intention is to dampen any large fluctuations in the underlying value of the investments. These are shown below in Table 5.

Table 5 –Strategic Investments

Fund Manager	Asset Class	£m
CCLA	Property	7.5
Kames	Multi Asset	5.0
Fidelity	Equity - Global	4.0
Schroders	Equity - UK	2.5
M & G	Bonds	1.0
TOTAL		20.0

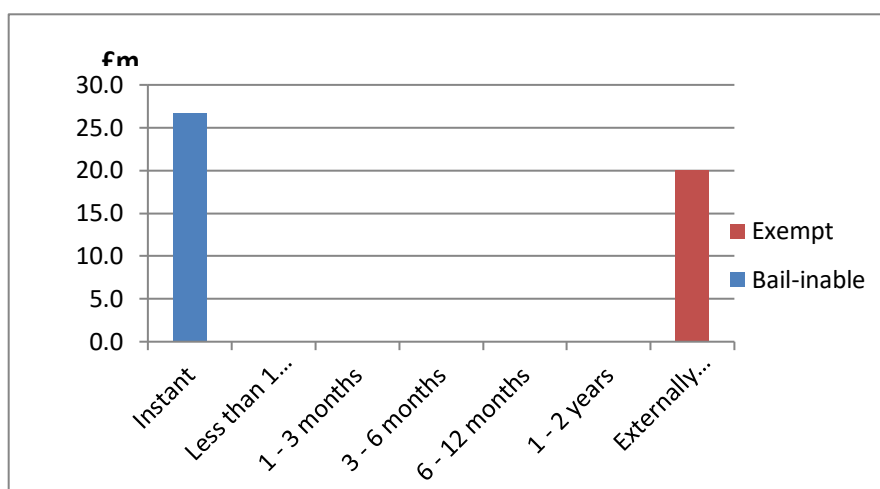
- 5.10 The value of these investments does vary. The effects of COVID-19 on financial markets and values of underlying assets has been considerable. Fund values at 31st March 2020 were significantly lower than the amounts invested. The Balance Sheet shows the value of these investments at £18.1m. However, since then the values of some of these funds have improved whilst they all continue to deliver high levels of income return.

Chart 2 – Current Investments by Counterparty Type**Table 6 – Types of Investments and Interest Rates at 31st March 2020**

Instant Access Accounts	Average Rate %	£m
Money Market Funds	0.43	15.5
Barclays Call Account	0.30	11.1

Externally Managed Funds	£m
Property Fund	7.5
Other Managed Funds	12.5

Summary of Current Investments	£m
TOTAL	46.6

Chart 3 – Maturity Profile of Investments

Note: Bail-in-able means that in the event of default the counterparty may be required to use part of the investments as their own capital in which case the Council would not get back as much as they invested. This would apply with most bank and Building Society investments.

6. Treasury Management Indicators

- 6.1 The Authority measures and manages its exposures to treasury management risks using the following indicators.
- 6.2 **Interest Rate Exposures:** This indicator is set to control the Authority's exposure to interest rate risk. The upper limit on the one-year revenue impact of a 1% rise in interest rates is:

Interest Rate Risk Indicator	Limit
Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates	£410,000
Actual impact in 2019/20 of increase in interest rates	£0

- 6.3 The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates. The remained a net borrower in 2019/20 so any fall in rates would lead to savings rather than incurring additional cost. The limit and the actual impact were therefore £0.
- 6.4 **Maturity Structure of Borrowing:** This indicator is set to control the Authority's exposure to refinancing risk. Lower limits have been set at 0%. The upper limits on the maturity structure of borrowing which were set in February 2020 and the actual maturity profiles as at 31st March 2020 are:

Refinancing rate risk indicator	Upper Limit	Actual
Under 12 months	70%	66%
12 months and within 24 months	35%	3%
24 months and within 5 years	35%	0%
5 years and within 10 years	75%	1%
10 years and within 20 years	100%	12%
20 years and above	100%	18%

6.5 Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment. The upper limit for loans maturing in under 12 months is relatively high as short term funding is currently considerably cheaper than alternatives. The increased margin applied to PWLB rates and the reduction in Base rates in March 2020 has increased the differences between long term certainty of interest costs and short term borrowing costs. This allows the Council to take full advantage the maximum that could be taken as short term borrowing was increased to 70% when setting the Treasury Management Strategy in February 2021.

6.6 **Principal Sums Invested for Periods Longer than 364 days:** The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end will be:

Price Risk Indicator	2019/20	2020/21	2021/22
Limit on principal invested beyond year end	£25m	£15m	£10m
Actual amounts committed beyond year end	£0m	£0m	£0m

Annex A: Existing Investment & Debt Portfolio Position

	31/03/20 Actual Portfolio £m	31/03/20 Average Rate for the year %
External Borrowing :		
PWLB*– Fixed Rate	65	4.26%
Local Authorities	117	0.90%
LOBO Loans *	17	4.63%
Other	2	-
Total External Borrowing	201	2.79%
Other Long Term Liabilities:		
PFI	22	-
Finance Leases	2	-
Total Gross External Debt	225	-
Investments:		
<i>Managed in-house</i>		
Short-term investments:		
Instant Access	27	0.37%
<i>Managed externally</i>		
Property Fund	8	4.62%
Other Managed Funds	12	3.66%
Total Investments	47	2.12%
Net Debt	178	-

* The Authority inherited the majority of the external loans from Cheshire County Council in April 2009. The opening balance sheet position as at 1st April 2009 included PWLB loans totaling £120m and LOBO loans of £17m.

Appendix 3

Investment Strategy Annual Report 2019/20



1. Purpose

- 1.1 The Investment Strategy is part of a suite of related documents, and focuses predominantly on matters not covered by Capital Strategy and Treasury Management Strategy.
- 1.2 The Authority invests its money for three broad purposes:
 - to support local public services by lending to or buying shares in other organisations (**service investments**), and
 - to earn investment income (known as **commercial investments** where this is the main purpose).
- 1.3 The investment strategy meets the requirements of the statutory guidance issued by MHCLG in February 2018, and focuses on the second and third of the investment categories.
- 1.4 The 2017 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Authority's Capital Strategy, complying with CIPFA's requirement, was approved by full Council on 21st February 2019.

2. Treasury Management Investments

- 2.1 The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments fluctuated between £10m and £63m during the 2019/20 financial year.
- 2.2 Full details of the treasury activities for 2019/20 are covered in the Treasury Management Report (Appendix 2).

3. Service Investment Loans

- 3.1 Loans have been provided to Everybody Sport & Recreation for the purpose of investing in new equipment, with the aim of increasing the usage of leisure centres and improving the health of residents.
- 3.2 In March 2013, Astra Zeneca announced it was relocating its R&D function from Alderley Park to Cambridge. In order to retain the expertise in the region and to stimulate local economic growth the Council has invested in Alderley Park Holdings Ltd by way of equity investment and loans.

- 3.3 In addition, the Council has committed to investing £5m (and invested £3.6m as at 31 March 2020) in the Greater Manchester & Cheshire Life Science Fund, a venture capital fund investing in a range of life science businesses. Partners in the Fund include the Greater Manchester Combined Authority, Cheshire & Warrington Local Enterprise Partnership and Alderley Park Ltd. The Fund has a regional focus and seeks to target companies looking to re-locate a material part of their business within the Greater Manchester and Cheshire and Warrington areas, which includes Alderley Park where the Fund is based.
- 3.4 The value of outstanding loans to each category of borrower compared to the upper limits are as follows:

Table 1: Loans for service purposes in £'000

Category of borrower	31/03/19 Actual	As at 31/03/20			2019/20
		Balance owing	Loss allowance	Net figure in accounts	Approved Limit
Subsidiaries	0	0	0	0	1,800
Suppliers	24	24	1	23	100
Local businesses	4,679	5,087	61	5,026	10,000
Local charities	679	601	44	557	2,000
TOTAL	5,382	5,712	106	5,606	13,900

- 3.5 Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's statement of accounts are shown net of this loss allowance. However, the Authority makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

4. Service Investments: Shares

- 4.1 The Authority has invested in Alderley Park Holdings Limited in order to maintain and stimulate the key strategic industry of life sciences within the Borough. Cheshire East is a 10% shareholder in Alderley Park, and has invested in the development of the site along with Bruntwood (51% shareholder) and Manchester Science Partnerships (MSP; 39% shareholder). As part of the arrangement, the Council also invested in MSP, taking a 3% equity stake for £0.7m. These shares were sold to Bruntwood in September 2019 for £2.4m.
- 4.2 The Council also has shares in its subsidiary, wholly owned companies. However they are of nominal value, and consequently whilst the turnover of the group of companies is significant (£60m in aggregate) the share values are not considered material in the context of this Investment Strategy.

- 4.3 The value of each category of shares compared to purchase costs and upper limits are as follows:

Table 2: Shares held for service purposes in £'000

Category of company	31/03/2019 actual	As at 31/03/2020			2019/20
		Amounts invested	Gains or losses	Value in accounts	Approved Limit (cost of investment)
Local Businesses	5,952	1,070	2,040	3,110	5,000
TOTAL	5,952	1,070	2,040	3,110	5,000

5. Commercial Investments: Property

- 5.1 Note that MHCLG defines property to be an investment if it is held primarily or partially to generate a profit.
- 5.2 On 2nd April 2019 the Council purchased land and buildings on the North and East side of Weston road in Crewe for £21m.

Table 3: Property held for investment purposes in £'000

Property	Actual	31/03/20 actual		31/03/21 expected		2019/20 Approval Limit
	Purchase cost	Gains or (losses) in-year	Value in accounts (includes gains/ (losses) to date	Gains or (losses)	Value in accounts	
Industrial Units	907	522	1,965	0	1,965	
Enterprise Centres	770	(947)	350	0	350	
Retail	23,350	(500)	24,870	0	24,870	
Residential	600	(435)	240	0	240	
Total	25,627	(1,360)	27,425	0	27,425	32,100

6. Commercial Investments: Loans

- 6.1 In considering commercial investment opportunities, the Council will adopt a prudent approach, with two underlying objectives:
- **Security** – protecting the capital sum invested from loss
 - **Liquidity** – ensuring the funds invested are available when needed
- 6.2 Consideration is being given to a loan to Cheshire & Warrington Local Enterprise Partnership linked to developments within the Business Rates Enterprise Zone. This is likely to go ahead in 2020/21.

Category of borrower	2019/20	2019/20
	Value in Accounts £000	Approved Limit £000
Partner Organisations	0	30,000

7. Loan Commitments and Financial Guarantees

- 7.1 As Accountable Body for the Cheshire & Warrington Local Enterprise Partnership, the Council acts as Entrusted Entity to a £20m European Regional Development Fund (ERDF) supported Urban Development Fund which is due to commence in 2020/21. The Council, as contracting party, provides guarantees in respect of the amounts provided through ERDF.

8. Proportionality

- 8.1 The Authority is only partially dependent on profit generating investment activity to achieve a balanced revenue budget, in respect of Place services. **Table 4** below shows the extent to which the expenditure planned to meet the service delivery objectives and/or place making role of the Authority is dependent on achieving the expected net profit from investments over the lifecycle of the Medium Term Financial Plan. Should it fail to achieve the expected net profit, the Authority's contingency plans for continuing to provide these services include effective budget management and tight cost control.

Table 4: Proportionality of Investments in £'000

	2018/19 Actual	2019/20 Budget	2019/20 Actual	2020/21 Budget	2021/22 Budget
Gross service expenditure - Directorate Level	76,924	73,120	73,137	78,216	80,516
Investment income	(1,787)	(2,236)	(1,785)	(2,486)	(2,486)
Proportion	2%	3%	2.5%	3%	3%

NB: The proportion is the investment income divided by the gross service expenditure

9. Borrowing in Advance of Need

- 9.1 Government guidance is that local authorities must not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. The Authority follows this guidance.

10. Capacity, Skills and Culture

- 10.1 The Authority has established an Investment Strategy Board comprised of members, supported by officers and where necessary, external advisors, and acts on recommendations from officers that consider opportunities to enhance the Revenue & Capital Budgets of the Council through strategic investments, whether that involves using capital/cash resources or borrowing and lending powers. The Board meets when there is a need to consider potential investments.

- 10.2 The Board is made up of the following individuals:

- The Leader of the Council (Chair)
- Portfolio Holder for Finance, ICT & Communication
- Portfolio Holder for Environment & Regeneration

- 10.3 Support is provided by:

- Executive Director Corporate Services
- S151 Officer
- Monitoring Officer
- Executive Director Place
- Director of Growth and Enterprise

11 Investment Indicators

- 11.1 The Authority has set the following quantitative indicators to allow elected members and the public to assess the Authority's total risk exposure as a result of its investment decisions.
- 11.2 **Total risk exposure:** The first indicator shows the Authority's total exposure to potential investment losses. This includes amounts the Authority is contractually committed to lend but have yet to be drawn down and guarantees the Authority has issued over third party loans

Table 5: Total investment exposure in £'000

Total investment exposure	31/03/20 Forecast	31/03/20 Actual	31/03/21 Forecast
Treasury management investments	20,000	47,000	20,000
Service investments: Loans	5,689	5,712	5,611
Service investments: Shares	3,880	3,110	5,000
Commercial investments: Property	28,785	27,425	32,000
Commercial Investments : Loans	0	0	30,000
TOTAL INVESTMENTS	58,354	83,247	92,611
Commitments to lend	1,484	1,484	1,484
TOTAL EXPOSURE	59,838	84,731	91,127

- 11.3 **How investments are funded:** Currently the Authority's investments are funded by usable reserves and income received in advance of expenditure.
- 11.4 However in 2020/21 there is a possibility if the Authority decides to increase its investments in commercial properties and loans that they may require funding from borrowing.

Table 6: Investments funded by borrowing in £'000

Investments funded by borrowing	31/03/19 Actual	31/03/20 Actual	31/03/21 Forecast
Treasury management investments	0	0	0
Service investments: Loans	0	0	0
Service investments: Shares	0	0	0
Commercial investments: Property	0	0	32,000
Commercial Investments : Loans	0	0	30,000
TOTAL FUNDED BY BORROWING	0	0	62,000

- 11.5 **Rate of return received:** This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred. The effect of COVID-19 on financial markets in March 2020 was significant and the valuation of investments was negatively impacted. These valuations can be volatile and the expectation is that these will recover in 2020/21 and beyond.

Table 7: Investment rate of return (net of all costs)

Investments net rate of return	2018/19 Actual	2019/20 Actual	2020/21 Forecast
Treasury management investments	1.75%	2.12%	2.80%
Service investments: Loans	2.52%	-12.59%	0.48%
Service investments: Shares	107.67%	-26.25%	0.00%
Commercial investments: Property	6.66%	6.66%	6.66%

- 11.6 The negative return for service loans reflects the revaluation of the GM & Cheshire Life Sciences Fund and although shares in MSP were sold following gains in 2019/20 and earlier years, the revaluation of the Alderley Park shares based on the Balance Sheet value has resulted in a negative return for shares. However, the valuation is still higher than the original purchase cost.

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Schedule of Urgent Decisions

Urgent decisions made following Member consultation

Date	Summary of decision	Decision on behalf of	Members, MO/S151 consulted/ content?	Status
14 05 20	Allocation of chairs and vice chairs to Environment & Regeneration and Children and Families Overview and Scrutiny Committees, Staffing Committee, and Licensing Committee, and a change to political proportionalities.	Council	Yes	Decision made and Members notified
26 05 20	Covid-19 Discretionary Grant Fund: approval of supplementary revenue estimate of funds made available from Government, to make payments to businesses in the sum of £4,287,250. Delegation of the design and implementation of a policy and scheme for the distribution of funds.	Council	Yes	Decision made and Members notified
08 06 20	Approval of supplementary revenue estimate of £5.32m relating to the Covid-19 Infection Prevention Fund for Local Authorities' allocation for Cheshire East Council. Authorisation of the distribution of the first 75% of the Grant to eligible care home providers in the Cheshire East Borough in accordance with the DoHSC Grant conditions. Delegated authority to utilise the 25% balance of the Grant to support the wider care market with Infection Control measures.	Council	Yes	Decision made and Members notified
02 07 20	Authorisation to the Chief Executive, subject to having first taken the advice of the Council's Monitoring Officer, and its Chief Financial Officer, to: (1) approve any supplementary revenue or capital estimate, necessary in order to accept, administer and distribute any funding from Government, or bodies acting on behalf of government, relating to the Covid-19 emergency; (2) to take any related steps; and (3) to invoke the Covid-19 Outbreak Management Plan;	Council/ Cabinet	Yes	Decision made and Members notified

	provided that all Members notified.			
10 07 20	The appointment of David Brown as the Director of Governance and Compliance (and Monitoring Officer), on an inclusive salary of £95,518 per annum, be approved.	Council	Yes	Decision made and Members notified
22 07 20	The appointment of Asif Ibrahim as Interim Director of Governance and Compliance (and Monitoring Officer)	Council	Yes	Decision made and Members notified
22 07 20	Creation of a Cheshire East COVID-19 Health Protection Board and a Cheshire East Local Outbreak Engagement Board, with the terms of reference set out in the appendix to the decision-record.	Cabinet	Yes	Decision made and Members notified
24 07 20	Delegated authority to the Executive Director – Place, in consultation with the Leader and Deputy, to develop and agree a policy and procedures for the issuing of pavement licences to businesses.	Cabinet	Yes	Decision made and Members notified.
30 07 20	Approval, until 32st October 2020, of the continuing absence of Members as a consequence of the Covid-19 pandemic, who would otherwise cease to be Members.	Council	Yes	Decision made and Members notified
03 08 20	The change of the terms of reference of the Health and Wellbeing Board	Council	Yes	Decision made and Members notified.

Urgent decisions made by the Chief Executive relating to Covid-19 funding etc under general delegation dated 2nd July 2020

Date	Summary of decision	MO/S151 consulted	Status
07 07 20	Acceptance of the offer of the £750,000 Town Fund allocation for Crewe; agree a Supplementary Capital Estimate; expenditure delegated to the Executive Director-Place, subject to him first consulting the Portfolio Holder for Environment and Regeneration.	Yes	Decision made and all Members notified on 08 07 20

08 07 20	<p>Test and Trace: Acceptance of the Council's allocated grant of £1.53m. Authorisation of a Supplementary Revenue Estimate, for the 2020/21 Financial Year, of £1.53m. Authorisation of the Executive Director-People, in consultation with the Portfolio Holder for Public Health and Corporate Services, to distribute the grant in accordance with the conditions which have been attached to it.</p>	Yes	<p>Decision made and all Members notified on 08 07 20 Further clarification provided to all Members on 10th July 2020 that the previous reference to the Portfolio Holder for Health and Adult Social care had been corrected.</p>

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