

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Economy and Growth Committee**
held on Tuesday, 4th June, 2024 in the Committee Suite 1,2 & 3, Westfields,
Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor N Mannion (Vice-Chair)

Councillors S Bennett-Wake, L Buchanan, D Edwardes, J Clowes, P Coan,
A Heler, G Marshall, C O'Leary, P Redstone and J Rhodes

OFFICERS IN ATTENDANCE

Peter Skates, Acting Executive Director Place

Charles Jarvis, Head of Economic Development

Carole Hyde, Head of Rural and Cultural Economy

Jez Goodman, Development & Regeneration Delivery Manager

Joanne Jones, Property Services Manager

Joanne Prophet, Team Manager, School Organisation and Capital

Steve Reading, Finance Officer

Adrian Leslie, Legal Services

Julie Gregory, Legal Services

Rachel Graves, Democratic Services Officer

1 APOLOGIES FOR ABSENCE

Apologies were received from Councillors D Brown, M Gorman, C Naismith and F Wilson. Councillors D Edwardes, J Rhodes and S Bennet-Wake attended as substitutes.

2 DECLARATIONS OF INTEREST

Item 7 Crewe Town Fund Grant Budget Reallocation: Councillor N Mannion declared in the interest of openness that he was a member of Crewe Town Board as the Cheshire East Council nominee.

Item 7 Crewe Town Fund Grant Budget Reallocation: Councillor J Rhodes declared in the interest of openness that she was a member of Crewe Town Board.

Councillor C O'Leary declared that he was involved with the campaign to Save Dane Moss.

3 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 12 March 2024 be approved as a correct record.

4 PUBLIC SPEAKING/OPEN SESSION

James Melling, Cheshire Wildlife Trust, attend the meeting to explain the background to the petition 'Reject the South Macclesfield Development Area and Withdraw the site from the Local Plan'. He explained that the petition called on the Council to reject the South Macclesfield Development Area and withdraw the site from the Local Plan. He outlined that over the past 10 year the Cheshire Wildlife Trust had objected to the proposed development of the site and the damage that any development would do the biodiversity and wildlife.

Simon Browne, representing the Save Dane Moss Campaign Group, stated that the Group supported the petition and that call for the site to be removed from the Local Plan. He highlighted the benefits of the site to the local community and local schools and if development went ahead the effect on the habitat and wildlife found on the site.

Simon Caporn stated that he was the Emeritus Professor in ecology and environment at Manchester Metropolitan University and had undertaken research on peat. He stated that damaged peat land could be restored and for Dane Moss this was an alternative to housing development. He outlined the benefits of peat restoration and that there were government grants available for this.

The Chair acknowledged receipt of the petition. It was stated that the main actions requested in the petition did not sit with this committee and that the public speakers would have a future opportunity to make representations to the Strategic Planning Board when the planning applications were considered.

5 FINAL OUTTURN 2023/24

The Committee received the report which provided an overview of the Cheshire East Council provisional outturn for the financial year 2023/24 and the financial performance of the Council relevant to the committee remit.

Reference was made to an additional consultant cost of £62,000 which could not be recharges and it was asked what this related to. In response it as stated that it was the intention when employing any expert advice what is not available within the Council to try and recover the costs through a capital budget. However sometimes this was not possible as the advice needed was not subject to a capital programme project.

It was noted that there was a overspend on responsive maintenance and it was asked what this related to. In reply it was stated that forecasting of likely expenditure was undertaken at the beginning of each budget year but there had been high inflation rates which meant that the initial forecast had been exceeded due these inflationary costs.

There had been a recharge to Shared Prosperity Fund and assurance was sought that this had not been used to fund existing services. In response it was confirmed that it was not the case and that there was a 4% top slice of the money to manage the programme and this paid for the programme manager.

The report stated that there had been an increase in debts over 6 months old and an explanation was requested for this. Officers responded that since the Covid pandemic some tenants had had financial difficulties. The service was looking to recover debts as quickly as possible but, in some cases, it was difficult to recover the debt i.e., absentee tenant, or was not viable to do so.

It was asked if the Committee could be provided with more details in relation to the Countryside Stewardship Grant in relation to Tatton Park. The Head of Rural and Cultural Economy undertook to provide a written response.

It was stated that the Council had benefited from a considerable amount of Decarbonisation Grant money, and it was asked where the money had been spent. In response it was stated that the money had been used for council buildings such as Delamere House and Macclesfield Town Hall and also schools.

Reference was made to the rural aspect of the UK Shared Prosperity Fund, and it was asked if details could be provided on the projects in the rural element. The Head of Rural and Cultural Economy undertook to provide a written response.

It was noted that savings had been achieved through having vacancies across the Place Directorate and it was asked how long it was sustainable to have these vacancies. In response it was stated that it was not sustainable in the medium term. It was hoped that work as part of the Transformation Programme would help identify a structure that would enable capacity to be brought back into the department.

RESOLVED (by majority): That the Committee

- 1 note the factors leading to a positive Net Revenue financial outturn of £4.3m against a revised budget of £24.2m (17.8%), for Economy and Growth Committee services.

- 2 note the contents of Annex 1 and note that any financial mitigation decisions requiring approval will be made in line with relevant delegations.

6 SERVICE BUDGETS 2024/25

The Committee considered the report on the allocation of the approved budgets for 2024/25 to the Economy and Growth Committee.

The Medium Term Financial Strategy (MTFS) for Cheshire East Council for the four years 2024/25 to 2027/28 had been approved by full Council on 27 February 2024.

Service committees were being allocated budgets for 2024/25 in line with the approved MTFS. The financial reporting cycle would provide regular updates on progress on delivery of the budget change items, the forecast outturn position, progress on capital schemes, movement on reserves and details of any supplementary estimates and virements.

In relation to the South Macclesfield Development Area asked if the allocation in the capital programme would be spent and what would the consequences of any slippage be. In response it was stated that the allocation would this be reviewed during the year as any decision on the planning applications could affect this. Any slippage would fall into following years budget.

Reference was made to the Assets – Building and Operational figure of £3.19m and it was asked if any savings would be made from the recent reduction in utility costs. It was explained that the figure of £3.19m was not just energy costs but also included an element for maintenance, business rates and rationalisation savings.

RESOLVED (by majority): That the Committee

- 1 note the decisions of the Finance Sub Committee to allocate the approved revenue and capital budgets, related budget policy changes and earmarked reserves to the Economy and Growth Committee, as set out in Appendix A to the report.
- 2 note the financial reporting timetable for 2024/25, set out in Appendix B to the report, as approved at the Finance Sub Committee on 22 March 2024.
- 3 Note the progress on the delivery of the MTFS budget policy change items, the RAG ratings and latest forecasts, and to understand the actions to be taken to address any adverse variances from the approved budget.

7 CREWE TOWNS FUND GRANT - BUDGET REALLOCATION

The Committee considered the proposed variation to an existing funding arrangement between Crewe Town Board, the Council (as accountable body for Crewe Town Board) and the Department of Levelling Up Housing & Communities in relation to three projects – Repurposing Our High Street project, Crewe YouthZone and Pocket Parks.

In relation to the Crewe YouthZone, the Committee were concerned that the Council could in the future be asked again to provide funding due to rises in capital costs and sought assurance that this would not be the case. In response, it was stated that this had also been raised at the Crewe Town Board and the Head of Economic Development had been asked to write to OnSide YouthZones Charity to state that they could not rely upon the Towns Fund or the Council to cover any future funding gap. The project was now moving towards the construction stage with any contacts being fixed tender prices.

RESOLVED (unanimously): That the Committee

- 1 approve the submission of a Project Adjustment Request to the Department of Levelling Up, Housing & Communities to:
 - (a) reduce the Towns Fund capital grant allocation to the Repurposing Our High Streets project budget from £1,450,000 to £1,132,144 (a reduction of £317,866 or 22%).
 - (b) note the reduction in target outputs associated with the budget reduction in (a) above, detailed in Table 1 in the report.
 - (c) increase the Towns Fund capital grant allocation to the Crewe YouthZone (Onside project at Oak Street) from £2,626,497 to £2,934,997 (an increase of £308,500 or 12%).
 - (d) Increase the Towns Fund capital grant allocation for the Crewe Pocket Parks (Jubilee site) project from £17,634 to £184,000 (an increase of £9,366 or 5%).
- 2 approve adjustments to the Council's Medium Term Financial Strategy that reflect the recommendations above.
- 3 note the updated Towns Fund budgets for each project in Table 2 in the report and authorise the expenditure of grants for those projects being managed by the Council, and the payment of grants to those projects being managed by third parties in line with existing and future grant agreements.

8 **WORK PROGRAMME**

The Committee considered the Work Programme for the 2024/25 municipal year.

With regards to the South Macclesfield Development Area it was proposed that the same process be applied as had been used for Handforth Garden Village and that once the planning applications had been considered by the Strategic Planning Board, a report would be brought to the Committee. It was not yet possible to provide a meeting date when this would happen.

It was queried why the First Financial Review could not be brought to a meeting of the committee in July rather than September and in response it was stated that the outturn position of Quarter 1 would not be available in early July.

Reference was made to starting the budget setting process earlier and in response it was stated that this was something that the Corporate Policy Committee would consider and that the Transformation Programme would need to be incorporated into the process.

The Chair reminded the Committee that Council in February had resolved that each service committee hold a twilight meeting and sought views on when this should be held. It was agreed that the meeting on 10 September 2024 be held at 4 pm.

RESOLVED: That

- 1 the Work Programme be noted.
- 2 the meeting of the Committee on 10 September 2024 be held at 4 pm.

9 **EXCLUSION OF THE PRESS AND PUBLIC**

RESOLVED:

That the press and public be excluded from the meeting during consideration of the following item pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 3 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

10 **WESTFIELDS: FUTURE USE - UPDATE**

The Committee considered the report on the future use of Westfields.

RESOLVED (unanimously):

That the Committee approved the recommendations as set out in the report.

The meeting commenced at 2.00 pm and concluded at 4.05 pm

Councillor N Mannion (Vice Chair)