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CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Advisory Panel - Performance and Capacity**
held on Thursday, 11th December, 2008 at Westfields, Middlewich Road,
Sandbach, Cheshire, CW11 1HZ

PRESENT

Councillor J Hammond (Chairman)
Councillor Mrs D Thompson (Vice-Chairman)

Councillors Mrs E Alcock, T Beard, D Brown, P Edwards, Miss S Furlong,
L Gilbert, M Hardy, H Murray, J Narraway and D Stockton

1 APOLOGIES FOR ABSENCE

Councillor P Mason.

2 DECLARATIONS OF INTEREST

A number of Councillors who were existing County Councillors, Borough Councillors and Town and Parish Councillors declared a personal interest in the business of the meeting en bloc.

3 PUBLIC SPEAKING TIME/OPEN SESSION

There were no members of the public present, wishing to address the Panel.

4 MINUTES OF PREVIOUS MEETING

RESOLVED

That the minutes be approved as a correct record.

5 BUDGET UPDATE REPORT

Consideration was given to a report providing the Panel with an update in respect of progress in relation to the Budget. It was noted that the final paragraph commencing with the words "The current financial scenario identifies a possible funding gap ..." should not have been included within the report and should be deleted.

It was reported that the high level financial planning process had been reported to the Cheshire East Cabinet on 16 June 2008 and set out a number of stages of the budget setting process for 2009-10; Stage 1 (April to June 2008), 2008-9 baseline; Stage 2 (June to September), high level planning; Stage 3 (October to December), refinement and adjustment of options; Stage 4 (January to February) finalisation of the 2009-10 budget.

In considering the report Members of the Panel raised the following issues:

- (i) With reference to Stage 3, it was noted that Cheshire East Cabinet had set a target of £35M savings, which would include income generation for the three year planning period. It was queried what areas the Council would be considering. Some examples were given, including the examination of assets and also consideration of external funding, which had to be funding which met the Council's priorities.
- (ii) It was queried how the inflation rate used had been assessed. It was reported that the original scenario had gauged inflation at 2.5%, however, the position had changed over the last few months and it was proposed to revisit the inflationary factors and to revise the figures accordingly. This issue had been discussed at a recent Budget Cabinet Away Day and it would be necessary to strike a balance between the assumptions made and the provision of services.
- (iii) It was queried how the proportions were distributed between Cheshire West and Chester and the Cheshire East Authorities in respect of the assets owned by the County Council. It was noted that the split was mainly geographic, but where there was shared property ownership with regard to delivery, consideration would be given on a case by case basis.
- (iv) With regard to the County Council's investment in the Icelandic Bank, it was queried what proportion would be inherited by the Cheshire East Authority. It was noted that the current position looked more positive in respect of this matter, but both new Authorities would have to consider the future risk in terms of the repayment of the investments.
- (v) Clarification was sought as to the amount of reserves to come from each Authority. A brief summary was provided and more detailed figures would be circulated to the Panel. It was noted that the position in respect of reserves was being reviewed on a quarterly basis by the Cheshire East Cabinet. The Medium Term Financial Strategy would be reported to the Cabinet at its meeting to take place in the following week and would include details of the reserves position.
- (v) With reference to Stage 4, it was queried where the key dependencies in respect of service design principles and shared services originated from. It was noted that these had been put forward by the various Workstreams.
- (vi) With regard to the setting of the Council Tax for 2009/10, it was queried whether inflation would be included. It was noted that there would be a neutral position in each area, but this would not be agreed until the budget setting in February.
- (vii) Members were concerned that there should not be a funding gap, which would lead to a cut in services. It was noted that this was a prime opportunity to bring the four Authorities together and to make economies of scale.
- (viii) It was queried whether there would be a Capital Programme for Cheshire East and how this would be set. It was noted that the Medium Term Financial Strategy report would define the Capital Programme. The Capital Programme was currently being reviewed in consultation with Cabinet Members to assess whether it met the priorities of the Cheshire East

Programme and reprioritisation was taking place where necessary. Consideration was also being given to any new commitments required.

- (ix) Members expressed concern that the existing Authorities had made commitments to local residents and it was considered that these should be met.
- (x) With regard to Council Tax rates, it was noted that a commitment had been made in the bid to equal the lowest of all the constituent Councils, which was Crewe & Nantwich and it was queried what allowances had been made for inflation. It was reported that the Council Tax proposal would come forward as a package, in terms of the three District areas, however, it was not possible to provide specific information at this stage. The main focus would be to come within inflation and well within capping limits. This would be part of the budget setting process, which would be considered in February.
- (xi) The position in respect of double taxation was queried. It was noted that the position in respect of double taxation would be recognised for each of the Authorities and if not resolved within the existing Authorities, would be resolved by the new Cheshire East Authority.
- (xii) It was queried whether Ward budgets would be an option. This would also be considered and recognised.
- (xiii) The Performance and Capacity Portfolio Holder stated that the intention was not to include any inflation increase and to achieve a balanced budget in the current year, and to enhance some services. However, some services may disappear or be provided in another way, and consideration was given to combining roles and achieving economies of scale. All four of the existing Councils had worked closely together in respect of the transitional costs to ensure that they were not higher than expected.

6 SHARED BACK OFFICE - UPDATE REPORT

Consideration was given to a report updating the Panel in respect of the shared back office service. It was reported that the Cheshire East Cabinet, at its meeting on 7 October, had approved in principle, a shared service with Cheshire West and Chester for transactional finance, procure to pay, transactional HR and ICT services (except strategic function).

In considering the report Members of the Panel raised the following issues:

- (i) It was noted that concern had been expressed at meetings of the ICT Working Group that it was envisaged that Cheshire West and Chester would have ultimate responsibility for the shared back office service. It was stressed that there would be joint Governance and that the service would be a true partnership, however, there had to be an accountable body.
- (ii) It was considered that the shared back office should be staffed from across the County. It was noted that there were a number of services which would need to operate after 1 April and were not situated in Chester. It would be necessary to retain and motivate existing staff to run these services.

Concern had been expressed that the shared back office would be led by Chester West and Cheshire and it was felt that it should be stressed that the existing District Council staff should be safeguarded.

- (iii) It was queried in the event that the Cheshire East Authority wished to carry out additional services to provide income generation, would there be an opportunity for this. It was noted that this would be possible.
- (iv) Reference was made to the Oracle IT system. It was noted that there were several other systems being used in the existing Authorities and it was queried what would happen to them. It was noted that it had been agreed that the Oracle system would underpin the Finance and Payroll systems, however, at some point existing systems would need to be aggregated.
- (v) It was felt that the report appeared to suggest that IT hardware would primarily be based in Chester. It was noted that this would depend on the system and would develop over time, to ensure that the correct equipment was available at the right time and it would be necessary to carry out a detailed modelling exercise in respect of this.

7 REPORT ON THE PROPOSED LOCAL AREA PARTNERSHIPS INCLUDING BOUNDARIES AS TAKEN TO THE STAKEHOLDER CONFERENCE

Consideration was given to a report updating the Panel on the development of Local Area Partnerships, as developed through a Multi Agency Officer Group and internal Member Working Group and also relating to the next steps.

It was noted that the Cheshire East Council needed to put in place arrangements to demonstrate how it would meet the People and Places bid commitments and ensure that there were mechanisms in place to enable the Cheshire East Council to respond to the needs and priorities expressed by local communities. It was, therefore, important for the Panel to understand the broader context for this area of work and current developments.

It was reported that, in an attempt to move the thinking forward, a Multi Agency Officer Group and Cross Party Member Working Group had been formed to ensure early “buy in” of both Members and partners to any new approaches to local working. To date, these groups had formulated an outline model or framework for how partnership working at strategic, tactical and operational level would fit together; developed a series of principles to underpin area and neighbourhood working and drafted outline terms of reference for the Local Area Partnerships, based on the original People and Places concept of Area Programme Boards. These documents were appended to the report. The groups had also considered suitable boundaries for the Local Area Partnerships, based upon three potential building blocks - ward boundaries, parish council boundaries and super output areas.

The work completed to date had been presented to a Key Stakeholder Event on 27 November. Further discussion and development of the proposals would continue during December and January, through a Member Stakeholder event to take place on 16 December and local Town and Parish Council events on 20, 27

and 28 January and a Second Partner event, targeting current LSP partners, also during January.

In considering the report, Members of the Panel raised the following issues:

- (i) It was noted that, within the Crewe area, there were a number of successful Neighbourhood Forums and that these worked well. It was suggested that the Neighbourhood Forums could be expanded. The Performance and Capacity Portfolio Holder stated that there was no intention to stop current neighbourhood working, but attempts were being made to put a structure in place to lead local issues. It was felt that the Neighbourhood Forums were management/service delivery units and how they were managed within individual Districts would depend on the area concerned, however, it would be necessary to monitor how services were delivered.
- (ii) Concern was expressed in respect of the boundaries for the Local Area Partnerships in that Disley and Adlington had been placed together. It was noted that the lines on the boundary map would be subject to further debate. It was considered that the boundaries should be worked around the Town and Parish Council boundaries, in order to provide democratic accountability. It was also noted that there might be different boundaries for community and service delivery. It was noted that the Cheshire East Council would be considering a report in respect of the proposed Local Area Partnerships, including boundaries, at its meeting in February. It was considered that the boundaries should be agreed in advance of the Council meeting. Reference was also made to the Police boundaries and it was noted that the Police would be prepared to move their boundaries, subject to there being a maximum of six.

8 TASK GROUPS

Consideration was given to a report, updating the Panel on progress made in relation to each of the seven Task Groups, which were established by the Panel.

Parish/Town Council's

With regard to the Task Group relating to Parish/Town Councils, it was noted that a Cross Party Member Working Group had been established, during the summer, to steer and support activity developed through the Partnership's Workstream (the Area and Neighbourhood Task Group). It was suggested that it might be appropriate to include Parish and Town Councils within the remit of this Task Group, rather than establishing a separate Task Group. It was agreed that the Area and Neighbourhood Task Group should continue as a stand alone Advisory Panel in its own right and that Parish and Town Councils be included within its Terms of Reference.

Branding

A separate report was submitted to the Panel in respect of progress made in respect of brand implementation. The Panel was requested to note the implementation priority listing set out in Appendix 1 of the report, as recommended by the Members Logo Task Group, subject to budgetary approval and confirmation from contractors regarding feasibility. The Panel was also requested to ensure support and ownership from complementary Workstreams

such as web, customer access, procurement, facilities and the operational services to implement the brand effectively and consistently.

A sample of a proposed Member poster was circulated to the Panel and Members were requested to consider whether this should include reference to the political party of the Member. It was agreed that this information should not be included.

With reference to the implementation priority listing, set out in Appendix 1 of the report, it was noted that some of these areas would be dealt with by Town and Parish Councils and that this needed to be taken into account.

In considering the brand implementation update Members raised a number of issues. Concern was expressed that a number of new bus shelters had been erected, which included the Cheshire County Council logo. It queried whether there would be an opportunity of providing some of the branding work to local suppliers and it was noted that a national tendering process was in place and efforts were in place to make sure local suppliers could be used, subject to economies of scale. To date, approximately 80 responses had been received and a number of these were local suppliers.

Finance

With regard to the Finance Task Group, it was suggested that it might be appropriate to include the budget setting within the remit of the Corporate Development Task Group, due to its link with the Corporate Plan.

Corporate Development

With regard to the Corporate Development Task Group, it was noted that a process was currently taking place to merge all the existing Corporate Strategies and it was agreed that the Task Group should consider the Corporate Plan at its next meeting, with a link to the Medium Term Financial Strategy, the date of the meeting to be agreed. It was also agreed that Councillors M Hardy and J Narraway should be added to the membership of the Task Group. It was also suggested that consideration be given to forming a sub-group to consider all corporate documents as they emerge.

Future Policy Development

Discussion took place in respect of the future arrangements for Policy Development, after 1 April and when the Task Groups ceased to exist. It was noted that the existing Authorities dealt with policy development in various ways and it was considered that policy development should continue to take place within the new Authority and should either be included within the remit of the Scrutiny Committee or that separate Policy Development Committees should be established.

RESOLVED

- 1 That the Task Groups relating to ICT, Customer Access, Branding, Finance and Corporate Development should continue in their current form.

- 2 That the Area and Neighbourhood Task Group should continue as a “stand alone” Advisory Panel and that Parish and Town Councils be included within its Terms of Reference.
- 3 That the Corporate Development Task Group give consideration to the Corporate Plan at its next meeting, together with the Medium Term Financial Strategy, the date to be agreed; that Councillors M Hardy and J Narraway be added to the Task Group membership; and that consideration be given to forming a sub-group to consider all corporate documents as they emerge.
- 4 That the Panel recommends that policy development should continue in the new Cheshire East Authority, after 1 April and that this should either fall within the remit of the Scrutiny Committee or that separate policy development committees should be established.

9 UPDATE ON PARTNERSHIP WORKING

Consideration was given to a report, updating the Advisory Panel on the activities of the Partnership Workstream, specifically the development of the Cheshire East Sustainable Community Strategy, the Cheshire East Local Area Agreement and the Cheshire East Local Strategic Partnership, as developed through a Multi Agency Officer Group and internal Member Working Group and also the next steps. Appendix A of the report illustrated how these three core areas of work fitted together as part of the overall new performance framework for local authorities and their partners.

RESOLVED

That the report be received and noted.

10 UPDATE ON PERFORMANCE AND CAPACITY STRUCTURE

It was reported that of the four Heads of Service within Performance and Capacity, Lisa Quinn had been appointed as the Borough Treasurer and Head of Assets and Christopher Chapman had been appointed as Borough Solicitor and Monitoring Officer. The appointment of the Head of Human Resources was being considered at the Staffing Committee taking place on the day of the Advisory Panel meeting and the post of Head of Policy and Performance would be considered at the Staffing Committee to take place on the following Friday. 14 third tier posts had now been advertised across all the four existing Authorities, with a closing date of 19 December.

11 DATE OF NEXT MEETING

The next meeting would take place on 21 January 2009 at 2pm at the Municipal Buildings, Crewe.

The meeting commenced at 2.00 pm and concluded at 4.20 pm

Councillor J Hammond (Chairman)