

14th January 2009 – People and Places

The People and Places concept came from the business case for reorganisation put forward to the Government in 2007. It is a method of grouping local government services into easily identifiable blocks.

These are large service areas and further briefing on the budget proposals is set out on the following pages.

To enable stakeholders to use their time effectively, focus on issues that are of interest to them and provide a structure for group discussions, the debate will be split into the following service areas:

- | | |
|--------|---|
| People | - Social Care Services
- Health and Wellbeing |
| Places | - Roads and Transport
- Waste and Other Services |

On arrival at the event, please advise staff at reception on which group you wish to join.

PEOPLE

Purpose

The purpose of the People Directorate is to work, together with partners, to improve the wellbeing, health and care of all Cheshire East's people.

Objectives

The People Directorate has four overarching objectives:-

- **To realise the People concept.** People do not live their lives within our services, but across our services. We must organise and deliver our services in ways which reflect the rounded experiences of people. We must "Think Family" in all that we do. And we must strive to offer people more choices and greater control over the resources made available to them.
- **To work corporately.** If we are to realise the potential of creating a Unitary Local Authority we must work not only within our Directorate but across the whole Council. We shall need to make connections between different services, particularly if we are to come across to people as really joined up.
- **To be transformational.** We have to change things all the time in pursuit of improvement. But our ambition is greater than that. We want to take this opportunity of Local Government Reorganisation (LGR) to reinvent Local Government. That will involve transformations, which are qualitatively and quantitatively greater than routine change. One example is the work we shall be taking forward to redesign Social Care for Adults.
- **To integrate with Health.** Those who look to us for help are interested in the promptness, reliability and effectiveness of that help much more than they are in the source of the provision. We want to integrate much more with Health, both to make our collective offer to the public more seamless, and to get better value out of the resources which are currently managed separately.

Challenges

As we try to fulfil our purpose and achieve our objectives we face a number of tough challenges:

- **Ageing.** We start with a relatively old population and that will become more pronounced. The number of those over 85 years in our population is projected to increase by over 40% by 2016. That will also mean a very significant increase in the number of Older People suffering from dementia.
- **Safeguarding.** The Safeguarding of Vulnerable Adults has become a high profile issue and it demands more attention and resource from us. In the aftermath of tragic events in Haringey it is clear that a very sharp focus of regulation will be directed upon our services and arrangements for safeguarding children.
- **Access.** There are changes in the ways in which people are accessing information, entertainment and cultural services. Those changes require us to rethink the nature of our offer to the public through our Library Services and through the Museums which we fund.

- **Schools.** Our schools generally deliver positive results, although some could do better when it comes to bringing on those children who are more challenged and challenging. That means we have to push forward with the “Narrowing the Gap” agenda. Standards will require continuing attention. As schools form themselves into clusters we shall need to rethink their relationship with the Council and with the communities which they serve.
- **Health.** We shall need to pull together all our contributions to improving health and reducing health inequalities in Cheshire East. That will involve us in working with partners on some really big issues which have a major impact upon our economy, such as mental ill-health. We shall also need to tackle some tricky life-style issues such as obesity, smoking, teenage pregnancy and alcohol consumption.
- **Children’s Social Care.** The level of activity in this area has been in excess of the budget available, so the new Council is inheriting an overspend of £1.7m. That will need to be addressed. Work will be required to review Children’s Social Care, particularly its organisation and its processes.
- **Prevention.** The Council will be unable to handle all the crisis work in relation both to children and adults which might potentially be referred to it. As a result, it will need to work constructively with partners across the whole system of agencies and services, to get them to offer more to vulnerable individuals in the cause of prevention.
- **Personalisation.** We are required to look self-critically at our services and at our ways of working, in order to offer people more choices and to help them to take more control of the resources which might be made available in relation to their needs. As we do that we have to simplify processes, and take costs out.
- **Expectations.** One of our challenges will be to change the expectations of people. In Adult Services, for example, the dynamic of choice will challenge some of the more traditional forms of service provision. We are not likely to be able to continue to lay on transport for people to the extent that we used to.
- **Recession.** The recession will be a challenge to all of us. We are already beginning to see a decline in the income of our Leisure Centres. Other areas of discretionary activity and spending may also go down. We shall need to think through our response to that as a Directorate and as a whole Council.

Financial Issues:-

- **Government Grants.** The dis-aggregation of Government Grants will in some cases give us serious problems. We face, for example, a shortfall of over £100,000 on our grant to fund mental health services. Many of the reforms which we are looking to for savings during 2009-10 depend upon uncommitted grant which we deliberately set aside for that developmental investment. They will also depend upon our ability to make use of the full Social Care Reform Grant. Over £20m of our grant income will become Area Based Grant from 1st April 2009. If services are not to be destabilised we shall need agreement from Local Strategic Partnership colleagues to maintain a steady state during the first year.

- **Responding to Demand.** The increasing Older People population and the rise in the number of those with dementia mean that we shall have to continue to invest in the development of Extra Care Housing, some of it of a specialised kind. Part of our response to the National Dementia Strategy will involve thinking very differently about the future of the Community Support Centres for Older People. All of those developments will require both capital and revenue investment to avoid greater future costs.
- **Addressing Priorities.** Safeguarding, both of Children and Vulnerable Adults, is certain to be given a much higher profile in Government policy and in regulatory attention. In both areas our services are in need of development, and that will certainly require additional revenue investment. Government's decision to transfer many services for adults with learning disabilities from the NHS to Local Government is likely to prove challenging, and will almost certainly exacerbate the great difficulty we are already having in containing expenditure in this area within budget.
- **Investing to Develop and Save.** Government is bringing forward its "Building Schools for the Future" programme. We want to draw upon that to make our schools fit for the 21st century, so we have already put in an Expression of Interest around an £80m scheme. However, to stand any chance of success we shall need to convince central government that we have put the infrastructure in place to handle something on that scale, and we may have to invest as much as £2m to do that. We are placing some Looked After young people in distant placements at great cost because we are struggling to maintain a sufficient supply of local foster carers. To avoid some of those costs we shall need to invest just over £250,000 to boost foster carer payment rates.
- **Becoming More Local.** Localism does not come cheaply. If we are to support and service localities properly, further investment will be needed. We want to make our Library Services more local. For example, we are looking to develop Partnership Libraries, where we support local interests in taking much more control of their library service. We are also looking to outpost library services into a wider range of settings. That will require capital investment, and the ambition will be frustrated from the start if the level of savings required strips out our capacity.
- **Working in New Ways.** We shall need staff to work in more flexible and mobile ways. To facilitate that we shall need to invest capital in software, hardware and some building adaptation. There will also be implications for training activity if we are wanting to get staff to change. As we take forward the Personalisation agenda it will require us to make a bigger investment in information for the public.

Running and Developing Systems

We have some important systems in place which are crucial to our operations. For example, the PARIS system is a computer based index of service users which spans both children and adult services. PARIS and many of our systems will need continuing investment if they are to be maintained and developed. Some of those systems, particularly in children's services, are specified for us from central government, so they are not optional.

Risks

There are significant risks in many areas of the proposed budget. The bulk of the savings to be made in the People Directorate are down to be made by Adult Services, many of them through the Service Redesign Project. If there is substantial slippage on that project, if significant parts of it do not deliver the savings anticipated or have to be reduced because the necessary up-front investment cannot be made, there will be some large holes in the Directorate's budget. If the exceptional inflation which is required in the Social Care field is not made available, it will become necessary during 2009-10 to cut services back commensurately.

PLACES

ROADS AND TRANSPORT

Areas of Investment

Improving the condition of our roads

Revenue spend will include repairing pot holes and pavement defects, gulley emptying, maintaining existing street lighting (excluding Parish lighting), gritting and snow clearing roads, grass cutting, replacing road signs and markings, maintaining road bridges and structures.

Capital spending will be used to maintain and improve the condition of roads and footways by treating the surfaces by a variety of means. It will also include street lighting improvements, highway drainage schemes, enhancements to bridges and structures.

Tackling congestion and air quality

Revenue spending on managing the existing network will include traffic signal operations, coordinating road works, local and strategic traffic signs, driver and travel information, parking strategy and enforcement.

Capital and revenue spending to plan and deliver improvements to the networks will include transport studies, junction and road design, improved junctions and road layouts and new road schemes and on promoting the use of alternative methods of transport other than the private car. Where appropriate it will deliver footway and road crossing improvements, cycling measures and promotion, public transport networks safer routes to school plans and measures, travel plans for major employers.

Making travel safer

Investment, albeit at a lower level than hitherto, in the Cheshire Safer Roads Partnership including a programme of improvements at recognised accident sites, Speed Limit Review of the classified road network, and reviewing energy costs to light our roads.

Improving accessibility

Investment will include plans to support bus networks that are not commercially viable but meet a social need, home to school services, community rail partnerships, and improving bus and community transport services to meet local travel needs.

Capital spending on bus partnerships to enhance stops, buses, information and ticketing, improved bus stations and public transport interchanges, and minor improvements to enhance access for people with mobility issues.

Assessing the impact, and securing highway and transport improvements in relation to development plans and planning applications.

LGR Impact on Services

The management and operation of public transport services is to be carried as part of a pan-Cheshire arrangement for the first year and there are new arrangements for the “client” role for home to school and social care transport. Reduction in funding for the supported network will have an impact for the communities served by those routes and on the wider commercial network and home to school provision.

The level of the capital programme for roads and transport has a direct relationship to the overall level of service delivery across all areas of the business.

The combined impact of a reduction in the revenue budget and the loss of technical skills arising from the dis-aggregation of staff could have a detrimental impact on the ability to deliver services.

Other Key Proposals

The Council will have an on-going commitment to complete the delivery of the Alderley Edge and Nether Alderley Bypass and an interest in developing and implementing other major transport projects, namely: South East Manchester Multi Modal Study projects, Crewe Green Link Road, Crewe Rail Gateway, and Middlewich Eastern Bypass. The scale of these programmes will require significant resources to enable the Council to manage both the process and risks operating as the “intelligent client”.

There are investment needs to deliver key projects that arise from the completion of the new Cheshire East Accessibility Strategy.

The Council will be challenged to identify a new approach for procurement of services and projects in this business area. Over the next two years this will include the development of a new contract to replace the existing highways partnership with Nuttall and could be extended to include other services within Places.

Consultation Issues

In improving the condition of our roads should we:

- Direct more funding towards local roads and footways within residential communities as opposed to the strategic highway networks? *Indirectly this could have a positive impact on a variety of National Indicators within the Local Area Agreement but would have a direct negative impact on the two road condition National Indicators.*
- Split funding equitably between the Local Area Partnership boundaries? *The current condition of roads is not equal between these areas so an approach might be that the funding would be weighted between areas to enable the condition of the worst areas to improve to match those of the best.*

In **tackling congestion** should we:

- Place a higher priority on our attempts to improve the flow of traffic and increase the capacity of our networks? *Our records reveal that traffic volumes have risen significantly on certain parts of the road and transport networks in the last 5 years, leading to delays to residents, visitors and businesses and creating air quality concerns.*

In our efforts to **make travel safer** should we:

- Place a higher priority on either: (i) education, training and publicity campaigns, (ii) enforcement measures or (iii) local road improvements or a combination of two or all three of these road safety activities? *Our road safety records suggest that based on current levels of service we are on course to achieve the National casualty reduction targets by 2010.*

In **improving accessibility** should we focus our resources on:

- The range of services affecting rural accessibility and a wider emphasis on access to health and employment opportunities? *These were the priorities identified for Cheshire East at a recent consultation event on the new Accessibility Strategy.*

WASTE AND OTHER SERVICES

Areas of Investment

Waste

The challenge for waste and recycling services is to raise the quality and scope of the services provided to a consistently high standard whilst ensuring that substantial cost reductions are achieved. To provide a consistent platform from which to drive out efficiency, there will be a need to provide up-front investment in some areas so that a consistent service standard is provided. This is particularly true in the Crewe area where investment in additional bins will be required to allow the roll-out of a free of charge green waste collection to all residents thus aligning the service with that of Macclesfield and Congleton. This investment will be accompanied by additional funding requirements needed to plug the income gap left by the loss of green waste bin income currently being received by Crewe. Consideration of the introduction of a kerbside plastic collection in Macclesfield and Crewe will also be given although financing this may need to come from efficiency savings made elsewhere in the waste collection budgets.

In order to drive out the required efficiencies, investment in smarter ways to plan collection rounds will be required. An IT based 'vehicle routeing' system will be procured that will allow more efficient working routes which traverse the historical District boundaries to be identified and implemented. This will also aid the process of planning for the most efficient way of transferring waste to future waste treatment facilities where transportation costs may be a substantial element.

Capital investment in future waste treatment facilities is perhaps the biggest single capital investment that Cheshire East Council will ever embark upon. This procurement process has been on-going for several years managed by the County Council. Cheshire East Council, working in partnership with Cheshire West & Chester Council, is committed to this process with a final selection of a preferred supplier, and hence a decision on progression, expected in late 2009.

Planning and Policy

The economic climate has caused income to fall significantly from recent years and this has created additional pressures on all Policy and Planning functions as budgets continue to rely on income levels previously calculated according to past performance levels. This downward trend may continue within 2009-10. Fee income is set according to national directives and as such the Council is restricted to the amount of charges they can make in relation to these services. Budgets will need to be closely monitored throughout the year to assess the impact of any continuation of the current economic climate.

Economic Development

The Economic Development service will take the lead in Economic Development and Regeneration Strategies, Policies and Masterplans and be the interface with regional and national policies to ensure a corporate and strategic approach. It will provide economic information services to internal and external clients such as research and forecasting and web-based business directories. Inward investment will be promoted by the service and involve developing and maintaining strong links with the private sector and Government agencies to capitalise on economic opportunities and

promotion of the area. Town Centre redevelopment schemes for the major town centres within Cheshire East will take place to ensure they remain competitive running in parallel with programme development, research and funding applications for market towns and key service areas.

Economic Development will also concentrate investment on the delivery of regeneration and environmental projects including employment, housing and recreation sites, the management of business generation centres, and Business Support Development through grant funding to local Chambers of Commerce.

The service will also lead on the Council's response to the economic downturn.

Visitor Economy

There will be a new Visitor Economy service in Cheshire East bringing together services provided across the four constituent authorities and in partnership with other organisations. The management and promotion of Tatton Park as a national and regional resource for residents and visitors alike is a major investment for the Council. This new service will also concentrate on Business Tourism, support for festivals, events and themes which have a beneficial impact on the wider visitor economy (such as the Year of the Garden and the forthcoming Textile Festival). Research and Intelligence in support of the local visitor economy and marketing and promotion of Cheshire East in partnership with other organisations will be a priority.

LGR Impact on Services

Waste

The most important thing to note is that the routine collection of waste and recycling materials from the kerbside will continue as normal for all residents on 1st April and thereafter. As service standardisation and efficiency initiatives are implemented, there will of course be changes to these services which will, in some instances, just affect certain groups of Cheshire East residents, e.g. just those in the old Crewe District. However, there will be some changes that necessarily affect all residents equally. The issue of whether to collect residual non-recyclable waste on a weekly or fortnightly base will need to be determined, since both patterns of service exist in what will become the Cheshire East area.

Some waste management issues such as the waste treatment facility procurement require a pan-Cheshire approach and hence funding will remain in place for a 'Joint Waste' team in partnership with Cheshire West and Chester Council.

Planning and Policy

Given the economic downturn, Planning & Policy functions will see great strain, operating a first class service whilst progressing through the transformation to the new organisation. Processes have been implemented to identify smarter working operations internally; however, greater stakeholder consultation is required in order to better equip the service to improve in the near future.

Safer & Stronger Communities

There will be a new Safer and Stronger Communities Service which will provide the opportunity to restructure regulatory services (Environmental Health, Trading Standards and Licensing) in order to generate efficiency savings by avoiding

duplication and improving work processes. In addition, by combining Environmental Health and Trading Standards, the Council will strive to deliver improved service outcomes to reduce the burden on business and to support business in the economic downturn. A combined service will be able to develop a co-ordinated approach to inspections and to provide a wide spectrum of advice for businesses and consumers.

Economic Development

The larger scale and greater significance of the new Council's role in the economic agenda compared to the predecessor authorities has become evident and this will challenge current budgetary assumptions. Cheshire East Council will be a major player at regional and sub-regional level, needing to influence allocation and targeting of major programmes and projects where resources arise from national and regional bodies. It needs the capacity to do this effectively if the Cheshire East area is to capture these and thereby benefit from them.

The increasing range of both physical projects and intervention programmes available to support local economies necessitates a clear and well-evidenced approach. This will require a significantly enhanced capability than currently exists, or is budgeted for, if Cheshire East Council is to play the economic role expected of it.

Cheshire East Council will inherit all the major transport projects promoted by the County Council together with regionally recognised and supported programmes such as those that together comprise Crewe Gateway. It will need the technical and resource capacity to build on these foundations and to turn these large scale, important plans into effective delivery.

The national, regional and local economic conditions and situation have deteriorated sharply since the assumptions underpinning previous budgetary assumptions. The ability of the new Council to respond effectively to current economic circumstances by supporting its communities and businesses will be tested. Previously successful areas are under strain and those which were underperforming are weakening further.

Cheshire East Council cannot address this on its own but needs to take a leadership role and work in concert with a range of partner and stakeholder bodies and businesses.

Visitor Economy

The Visitor Economy is very significant for the Cheshire East area. It is currently influenced or delivered by councils and others acting through a range of partnerships and organisations with greater or lesser degree of coordination. For example, Tatton Park is a ring-fenced trading account delivering services under the terms of a lease from the National Trust. Funding is provided to Visit Cheshire and Chester to jointly deliver some services.

Cheshire East Council needs to be in a position to give leadership, to rationalise effort and yet build greater synergy and integration across the diverse components of the visitor economy. Importantly, it needs to gain better understanding at regional and local level of the economic significance of this sector, especially as much is based on small enterprises who may be vulnerable in the downturn. Overall, the

visitor economy offers considerable economic potential for the area if its energies and attributes can be better captured and well-targeted, often low-cost, investments made.

Other Key Proposals

Waste

In order to drive out efficiencies from waste collection activities it is important to bench-mark the efficiency of current systems. To this end, a 'market-testing' exercise will take place in 2009-10 where private contractors are invited to bid to deliver the waste and recycling services that are currently delivered by in-house teams. Only in the event that substantial savings are available from contracting out the services would such a decision be taken.

Planning and Policy

Areas of investment will be kept to a minimum where possible utilising the services and systems we have in place, moving forward in a constructive and concise way. In areas of Planning and Policy, to achieve and reduce likely impacts of income levels dropping, we will be combining service operations sooner rather than later in order to realise economies of scale, together with potential savings.

Safer and Stronger Communities

The reorganisation of the three existing warden schemes into one uniformed enforcement service will support a cleaner, safer and greener Cheshire East. A review of the three existing CCTV arrangements will present scope for future efficiencies, a more targeted prevention and detection service and possible synergies with building security, the warden service and potential income generation.

Consultation Issues

Waste

Changes to the way waste and recycling issues are managed are some of the few changes that a council can make that affects nearly all of its residents. Consultation on these changes needs to be part of a separate dedicated exercise. Throughout 2009-10 Members and residents alike will be given an opportunity to express their views on the options for change.

Economic Development

Issues for Economic Development include:

- Should the Economic Development budget reduction be reviewed in the light of current economic conditions and changes in circumstances since the original bid?
- What services and activities should be given priority?
- How might the delivery of some other Economic Development services by partners be facilitated by the Cheshire East Authority?

Visitor Economy

Issues for Visitor Economy include:

- What services should be offered if budget savings have to be made?
- How could Cheshire East facilitate the delivery of visitor economy services by other partners and organisations?

PERFORMANCE AND CAPACITY

Consultation Issues

The third Directorate is called Performance and Capacity and includes services such as Property, Human Resources, Legal and Finance.

Budget proposals are being finalised to deliver business case savings of £10m, resulting in a significant staff reduction. This will be achieved by rationalising existing staffing resources and ensuring that new structures are lean, efficient and fit for purpose.

Additional savings over and above the business case of £2.7m are also included in the budget proposals.

These savings will be achieved by:

- Smarter procurement practice, through the utilisation of modern procurement methods including e-procurement and Framework Agreements.
- Rationalisation and disposal of surplus assets.
- Increased energy efficiency.
- Establishing a single ICT support system to enable full utilisation of technology.
- Aggregating current systems to have the same customer, financial and planning systems to save on direct support payments.
- Providing transactional services on a shared authority basis.
- Utilisation of mobile technologies and home working to save on accommodation costs.
- Amalgamation of legal and financial services to improve the standard and consistency of support to front line services and partnerships.

Conclusion

Thank you for taking part in the Budget Consultation process for Cheshire East Council.