

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting: 19th August 2013
Report of: Mike Suarez, Chief Executive
Subject/Title: Notice of Motion – Lyme Green DIP Report
Portfolio Holder: Councillor Barry Moran, Performance

1.0 Report Summary

1.1 Council resolved at its meeting on 18th July 2013 that a motion concerning the Lyme Green DIP report stand referred to Cabinet. This report facilitates Council's referral.

2.0 Recommendation

2.1 Given that the Council has already acknowledged its shortcomings in this matter on a number of occasions, it is not considered necessary to say anything further on this.

3.0 Reasons for Recommendation

3.1 To enable Cabinet to consider the matter.

4.0 Wards Affected

4.1 No wards are directly affected by the referral of the motion to Council.

5.0 Local Ward Members

5.1 Not applicable.

6.0 Policy Implications

6.1 None.

7.0 Financial Implications

7.1 None arising from this report.

8.0 Legal Implications

8.1 None arising from this report.

9.0 Risk Management

9.1 None arising from this report.

10.0 Background and Options

10.1 A motion titled "Lyme Green DIP Report" was proposed to Council at its meeting on 18th July 2013, by Councillor Brendan Murphy and seconded by Councillor Arthur Moran.

10.2 The content of the motion was as follows:

"In the light of the findings of the Designated Independent Person - as published by the former Interim Chief Executive in the matter Lyme Green - and to have this matter finally concluded, the Council requests its Leader to publish on its behalf a formal apology for the following reasons:

1. The matter has caused widespread anxiety and considerable unnecessary and avoidable expense for taxpayers and employees.
2. The handling of the crisis has seriously damaged the reputation of the Council and its employee; furthermore it is undermining public confidence in local democracy.
3. The published report clearly indicates a failure of the Council's Executive body to maintain due diligence in its oversight of the Council's affairs."

10.3 In accordance with the Council Procedure Rules within the Constitution, Council resolved that the matter stand referred to Cabinet.

10.4 The motion laid out three reasons as to why the Leader publish a formal apology on behalf of the Council. The Council in the interest of transparency and in response to clear public interest issued a report publicly on 17th June 2013, which summarised the confidential report of the investigation of the Designated Independent Person into the related actions of Council officers and Elected members. This summary report, which was an extensive document numbering some 28 pages, considered amongst other things the matters raised within the motion.

10.5 The content of the summary report therefore provides clarification on the matter raised in the motion. This clarification is summarised in the following paragraphs.

10.6 The points made in the motion about public confidence and the anxiety, of the public were key reasons as to why this matter was dealt with robustly and a lengthy summary report was made widely available to the public via the media. Indeed the introduction to the report clarifies that, "in recognition of the level of public interest in this matter, a commitment was given by the Leader of the Council to make an

authoritative and accessible summary version of the DIP's report widely available." The robust management of this along with the transparency about how it was managed will have gone some way to helping rebuild public confidence and the Council's reputation.

- 10.7 The summary report clarifies that the net costs to the Council were less than £100,000, including a compensatory payment to the building contractor involved on site. This net figure takes account of the fact that the site preparations and reusable structures at the site can be used to support alternative development opportunities. In this context of further development, the Council has more recently reached an in principle agreement with a well-known, local independent retailer to provide a purpose-built warehouse facility on the Lyme Green depot site. These discussions have been undertaken in close consultation with the local community and Parish Council.
- 10.8 In regards to the assertion in the motion that "The published report clearly indicates a failure of the Council's Executive body to maintain due diligence in its oversight of the Council's affairs", the DIP was asked to look at whether, and to what extent, any Councillors were culpable for the failure of the Lyme Green project.
- 10.9 It was clear, from the DIP's investigation, that the decisions taken on how the project was put into practice were solely those of particular senior Council staff who were responsible for it. The DIP was critical in his comments about the actions of one elected Member, the relevant Cabinet portfolio holder with ultimate responsibility for the Lyme Green project.
- 10.10 Cabinet in receiving the motion need to consider the request that the Leader publish on behalf of the Council a formal apology.

11.0 Access to Information

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

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