

Outcome 2 - Cheshire East has a strong and resilient economy

<p>What this means:</p>	<p>We will invest in the building blocks that will allow business to grow, give our residents the right skills to secure employment and attract inward investment in to the Borough. By working together with business and our residents we will enhance the quality of place and create prosperity for all.</p>			
<p>What the Council will focus on:</p>	<p>1. Culture, Heritage and Tourism</p>	<p>2. Jobs and Skills</p>	<p>3. Business Growth and Inward Investment</p>	<p>4. Infrastructure</p>
<p>What this will look like:</p>	<p>Across the Borough our towns and villages will offer a rich mix of retail, leisure, cultural and heritage facilities that will serve our residents and attract more visitors and tourists to Cheshire East.</p>	<p>The workforce in Cheshire East will be well educated and skilled. Unemployment will be kept low, new and high quality jobs will be created and people will be ready for work as soon as they leave education or training.</p>	<p>Businesses will grow and thrive in Cheshire East. Sites and support will be available to attract new businesses to the Borough and to allow existing businesses to grow.</p>	<p>The Borough will be connected to the rest of the country and movement and connectivity within the Borough will improve as well as being safe and efficient.</p>

Key Priorities

Cheshire East has one of the strongest economies in the country and is made up of a vibrant mix of businesses across a wide range of sectors. However, we need to maintain this position and create further growth that will support the wellbeing of our residents.

However, there are some strategic risks which must be managed if we are to be able to support continuing growth in the Borough's economy.

In particular we need to continue to support housing growth in a manner so that we can provide the right type of housing that will attract people with the skills to support our local economy; as well meeting the needs of all our residents.

Furthermore, we need to ensure we can deliver employment sites so we can continue to attract inward investment and to enable our existing businesses to grow and become more productive.

Another key strand of supporting a vibrant economy is ensuring we are able to provide a rich and diverse range of leisure opportunities for visitors and local residents to enjoy.

With this in mind the Council is prioritising investment from both its capital and revenue budgets to support economic growth through the delivery of major infrastructure projects such as HS2 and through projects which will support housing, employment and regeneration in our towns and villages.

Challenges

- Not just delivering housing growth but delivering the right type of houses which meet all the needs of residents and will attract new residents to the Borough.
- Delivering employment sites to attract inward investment and to enable existing businesses in the Borough to grow.
- Delivering the required infrastructure to support growth in a sustainable manner.

Opportunities

- Ensuring we fully capitalise on the opportunity for sustainable growth that can be enabled with the arrival of high speed rail and other investments in strategic infrastructure.
- Taking a strategic approach to the way we manage our land and property so that we can not only support economic growth but also create future revenue to support the delivery of essential services.
- Regenerating our key towns so we can offer a diverse range of leisure, retail and commercial opportunities.

Proposals to vary the Budget under Outcome 2 (Economy) are focused on these areas:

Changing the way we work <i>Managing services in a way that gets more for less. Investing in modern technology to get better quality outputs, eliminating duplication and streamlining processes.</i>	2019/20 £m*	2020/21 £m*	2021/22 £m*
Visitor Economy (Revenue Savings) [3] Reviewing alternative and more efficient means of delivering visitor information in the Borough. <i>Impact on Visitor Economy Service Budget =</i>	-0.017	-0.022	-0.022
Contract and Commissioning savings (Revenue Savings) [4] The Council is reviewing all its commercial arrangements with third parties including the contracts it holds with its wholly owned companies. A proposal to deliver this saving target has been developed and has been considered by the Council's Cabinet. <i>Impact on Cross Service Budgets =</i>	-0.250	-0.250	-0.250
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19. Values are not cumulative</i></p>			

Changing the way we work <i>Managing services in a way that gets more for less. Investing in modern technology to get better quality outputs, eliminating duplication and streamlining processes.</i>	2019/20 £m*	2020/21 £m*	2021/22 £m*
Macclesfield Silk Heritage Trust (Revenue Investment) [5] This proposal recommends a standstill position in investment in the Trust, to improve sustainability whilst West Park Museum is redeveloped. <i>Impact on Cultural Economy Service Budget =</i>	+0.020	+0.020	+0.020
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19.</i></p> <p><i>Values are not cumulative</i></p>			

Income generation	2019/20	2020/21	2021/22
<i>Charging strategies for each service area to increase income where appropriate based on market rates and considering the price elasticity of demand for services.</i>	£m*	£m*	£m*
<p>Increase Public Rights of Way Fees and Charges (Revenue Savings) [6]</p> <p>Additional income to be delivered through the Public Rights of Way Service.</p> <p style="text-align: right;"><i>Impact on Public Rights of Way Service Budget =</i></p>	-0.023	-0.023	-0.023
<p>Investment Portfolio (Revenue Savings) [7]</p> <p>The objective of this proposal is to deliver a long term and sustainable income to the Council through investment in commercial property. The general approach will be to consider the level of investment, risk and potential rate of return prior to considering acquiring the specific investment.</p> <p style="text-align: right;"><i>Impact on Assets Service Budget =</i></p>	-0.250	-0.500	-0.500
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19.</i></p> <p style="text-align: center;"><i>Values are not cumulative</i></p>			

Investment in services	2019/20	2020/21	2021/22
<i>Investment will be put into systems that support key services and into other assets to ensure they remain fit for purpose. The impact of capital spending will be managed at affordable levels.</i>	£m*	£m*	£m*
<p>Cheshire East Reflects (Revenue Savings) [8]</p> <p>The programme of events end in 2018 so no further funding will be required in 2019/20.</p> <p style="text-align: right;"><i>Impact on Cultural Economy Service Budget =</i></p>	-0.050	-0.050	-0.050
<p>Business Rate Growth for Council Facilities (Revenue Investment) [9]</p> <p>Recent additions to the Council's estate to improve facilities for residents have resulted in pressures on budgets. For example, the creation of improved leisure and environmental facilities, the retention of empty buildings and the revaluation of properties for business rates has resulted in higher business rates being payable, are contributing to the budget pressure.</p> <p style="text-align: right;"><i>Impact on Facilities Management Service Budget =</i></p>	+0.090	+0.180	+0.180
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19.</i></p> <p style="text-align: center;"><i>Values are not cumulative</i></p>			

Investment in services <i>Investment will be put into systems that support key services and into other assets to ensure they remain fit for purpose. The impact of capital spending will be managed at affordable levels.</i>	2019/20 £m*	2020/21 £m*	2021/22 £m*
Management of Risks Relating to Land (Revenue Investment) [10] The Council has a number of brownfield sites in its ownership, some of which are former landfill sites or contaminated land from their former uses. The Council currently has robust management arrangements for active sites, but needs to put in place a regime to address non-active sites and to undertake works on certain sites e.g. water treatment, septic tanks. <i>Impact on Assets and Facilities Management Service Budget =</i>	+0.090	+0.010	+0.010
Energy Cost Increases (Revenue Investment) [11] Additional budget requirement as a result of the increased cost of gas and electricity within Council buildings. The full impact of the increase will be mitigated in 2019/20 due to the abolition of the Carbon Reduction Commitment Levy (CRC), which has been replaced by an increase in the Climate Change Levy at lower cost than CRC. <i>Impact on Facilities Management Service Budget =</i>	+0.145	+0.145	+0.145
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19.</i></p> <p><i>Values are not cumulative</i></p>			

Reducing subsidy	2019/20	2020/21	2021/22
<i>Ensure limited resources are redirected to the areas with the most critical need.</i>	£m*	£m*	£m*
<p>Homelessness Reduction Act - new burdens (Revenue Investment) [12]</p> <p>The Minister for Local Government is providing local authorities with new burdens funding following the introduction of the Homelessness Reduction Act. The Homelessness Reduction Act places new statutory duties on Local Authorities.</p> <p>The Homelessness Reduction Act has significantly reformed England’s homelessness legislation to ensure that more people get the help they need to prevent them becoming homeless in the first place. It forms part of the Government’s end to end approach to tackling homelessness, helping both those at risk of homelessness and those experiencing a crisis. The new burdens funding for the Act sits alongside other funding for homelessness, including the Homelessness Prevention funding and the Flexible Homelessness Support Grant.</p> <p>The funding has been made available for local authorities to meet the new duties contained within the Act.</p> <p style="text-align: right;"><i>Impact on Strategic Housing Service Budget =</i></p>	+0.010	-0.037	-0.037
<p>Community Transport (Revenue Savings) [13]</p> <p>Following the introduction of the revised bus network the Council has continued to look how to deliver its transport related services in the most effective and efficient way. This programme is now looking at a review of the Council’s flexible transport Little Bus service. In addition, staff and overhead efficiencies from the Council’s wholly owned company, TSS, are being proposed.</p> <p style="text-align: right;"><i>Impact on Client Commissioning - Transport Service Budget =</i></p>	-0.109	-0.200	-0.200
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2018/19.</i></p> <p style="text-align: center;"><i>Values are not cumulative</i></p>			