

# Cabinet

## Agenda

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**Date:** Monday, 1st August, 2011  
**Time:** 2.00 pm  
**Venue:** Committee Suite 1,2 & 3, Westfields, Middlewich Road,  
Sandbach CW11 1HZ

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The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

### **PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT**

1. **Apologies for Absence**

2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any personal and/or prejudicial interests in any item on the agenda.

3. **Public Speaking Time/Open Session**

In accordance with Procedure Rules Nos.11 and 35 a total period of 10 minutes is allocated for members of the public to address the Committee on any matter relevant to the work of the Committee.

Individual members of the public may speak for up to 5 minutes but the Chairman will decide how the period of time allocated for public speaking will be apportioned where there are a number of speakers.

In order for an informed answer to be given, where a member of the public wishes to ask a question of a Cabinet Member three clear working days notice must be given and the question must be submitted in writing at the time of notification. It is not required to give notice of the intention to make use of public speaking provision but, as a matter of courtesy, a period of 24 hours notice is encouraged.

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Please contact Cherry Foreman on 01270 686463  
E-Mail: [cherry.foreman@cheshireeast.gov.uk](mailto:cherry.foreman@cheshireeast.gov.uk) with any apologies or requests for further information or to give notice of a question to be asked by a member of the public

4. **Minutes of Previous meeting** (Pages 1 - 4)

To approve as a correct record the minutes of the meeting held on 7 July 2011.

5. **Key Decision 90: Home Improvement Agency Review** (Pages 5 - 20)

To consider a report which provides an overview of the role of home improvement agencies, a summary of the review and its recommendations, and an overview of a procurement exercise carried out to test the market.

6. **Key Decision 5: Think Local Act Personal - A National Strategy for Local Implementation** (Pages 21 - 30)

To consider a report which gives details on the Think Local Act Personal national strategy.

7. **Key Decision 7: Crewe Green Link Road Project - Department of Transport Funding Bid** (Pages 31 - 48)

To consider a report which provides an update on progress made in securing Department of Transport Funding for the Crewe Green Link Road South and seeks approval to submit the Final Submission for funding.

8. **Key Decision 8: Religious Education Syllabus for Cheshire East** (Pages 49 - 76)

To consider a report which seeks approval for the revised Religious Education Agreed Syllabus for Cheshire East.

9. **Key Decision 9: Public Transport Support Criteria** (Pages 77 - 98)

To consider a report on the revised public transport criteria which will guide future investment in local bus, rail and community transport services financially supported by the Council.

10. **Key Decision 11: Customer Services Strategy** (Pages 99 - 122)

To consider a report on the new Customer Services Strategy that sought support for the recommendation to extend face to face customer access across all Cheshire East Libraries.

11. **2010/11 Final Outturn Performance Report** (Pages 123 - 190)

To consider a report which gives summary and detailed information about the financial and non-financial performance at the final stage of 2010-11.

12. **Treasury Management Annual Report** (Pages 191 - 200)

To consider a report on the Council's Treasury Management Policy.

13. **Business Planning Process 2012-2015** (Pages 201 - 258)

To consider a report seeking approval of the Council's Business Planning Process for 2012-13 onwards.

14. **Exclusion of the Press and Public**

The reports relating to the remaining items on the agenda have been withheld from public circulation and deposit pursuant to Section 100(B)(2) of the Local Government Act 1972 on the grounds that the matters may be determined with the press and public excluded.

The Committee may decide that the press and public be excluded from the meeting during consideration of the following items 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 1, 2 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

**PART 2 - MATTERS TO BE CONSIDERED WITHOUT THE PUBLIC AND PRESS PRESENT**

15. **Key Decision 14: Tatton Park Business Development Phase 1** (Pages 259 - 278)

To consider a report of the Strategic Director - Places

16. **Managing Workforce Change** (Pages 279 - 284)

To consider the report of the Head of Human Resources and Organisational Development.

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**CHESHIRE EAST COUNCIL**

Minutes of a meeting of the **Cabinet**  
held on Thursday, 7th July, 2011 in Committee Suite 1,2 & 3, Westfields,  
Middlewich Road, Sandbach CW11 1HZ

**PRESENT**

Councillor W Fitzgerald (Chairman)  
Councillor R Domleo (Vice-Chairman)

Councillors Rachel Bailey, D Brown, P Hayes, H Gaddum, J Macrae, P Mason  
and R Menlove.

Councillors in attendance:  
Councillors B Silvester, M Simon, L Smetham, C Thorley and D Topping.

Officers in attendance:  
Chief Executive; Borough Solicitor; Borough Treasurer and Head of Assets;  
Head of HR and Organisational Development; Head of Policy and  
Performance.

**21 APOLOGIES FOR ABSENCE**

There were no apologies for absence.

**22 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**23 PUBLIC SPEAKING TIME/OPEN SESSION**

No members of the public were present.

**24 MINUTES OF PREVIOUS MEETING****RESOLVED**

That the minutes of the meeting held on 4 July 2011 be approved as a  
correct record.

**25 EXCLUSION OF THE PRESS AND PUBLIC****RESOLVED**

That the press and public be excluded from the meeting during  
consideration of the following items 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 1, 2 and 4 of

Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

## **26 HARMONISATION OF TERMS AND CONDITIONS**

Consideration was given to the report of the Head of Human Resources and Organisational Development. A supplementary update report was circulated at the meeting containing a revision to the proposed package of terms and conditions of employment.

### **RESOLVED**

To recommend to Council that the Chief Executive, as Head of Paid Service, be given full delegated authority on behalf of the Council to:

1. Jointly agree, in consultation with the Trade Unions, changes to terms and conditions of employment of all employees affected by the current review and as set out in paragraphs 10.6 and 10.7 of the original report.
2. Following a positive ballot of the Trade Union membership to arrange for their implementation as a new single set of terms and conditions for all employees affected by the review through collective agreement with the joint Trade Unions.
3. In the event that the ballot of the Trade Unions membership does not endorse the joint proposal as set out at recommendation 1 above, to determine, in consultation with the Council's Staffing Committee, the final terms and conditions of employment for all employees affected by the review, together with the appropriate options for implementation.
4. Separately consider in consultation with the Council's Staffing Committee appropriate options for the implementation of a two year Increment Freeze for all staff affected by the review.

*The Head of Policy and Performance left the meeting at this stage.*

## **27 WORKFORCE CHANGE**

Consideration was given to the report of the Head of Human Resources and Organisational Development.

### **RESOLVED**

That, subject to Staffing Committee agreement being given at its next meeting, Cabinet supports the decision of the Chief Executive to release

the two employees whose roles are listed at Appendix A under the arrangements agreed in relation to voluntary severance provisions for employees in the Council.

The meeting commenced at 9.30 am and concluded at 9.50 am

W Fitzgerald (Chairman)

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## CHESHIRE EAST COUNCIL

### CABINET

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<b>Date of Meeting:</b>	1 August 2011
<b>Report of:</b>	Strategic Director – Places
<b>Subject/Title:</b>	Home Improvement Agencies
<b>Portfolio Holder:</b>	Councillor Jamie Macrae, Cabinet Member for Prosperity Councillor Rolane Domleo, Cabinet Member for Adult Services

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#### **1.0 Report Summary**

- 1.1 A comprehensive review of the way in which Home Improvement Agency services are delivered to older people and disabled adults and children to enable them to maintain independent living in their own home has been carried out. This report provides an overview of the role of home improvement agencies, a summary of the review and its recommendations, and an overview of a procurement exercise carried out.

#### **2.0 Decision Requested**

- 2.1 To develop the existing in-house Home Improvement Agency service to cover the whole Borough.
- 2.2 To note that the changes to the delivery of the Home Improvement Agency services will trigger the automatic application of the TUPE regulations which will effect a transfer of a number of staff employed by the existing service providers to the Authority.

#### **3.0 Reasons for Recommendations**

- 3.1 Contracts with the existing providers cease on 31<sup>st</sup> October 2011, and the Authority needs to have a new service in place by 1<sup>st</sup> November 2011 in order to continue delivery of the Home Improvement Agency service.
- 3.2 Upon evaluation of the Tenders, a comparison was made with the cost and quality of in-house service delivery. Contracting out the service will result in a small increase in expenditure. Whilst cost is a consideration, the opportunities presented by an in-house service will give us improved scope and flexibility to align the HIA service with other health and social care services around the Independent Living Centre model as it develops, and improve the customer journey and our speed of response, thereby reducing the need and associated cost of care packages put in place by the Authority.

#### 4.0 Wards Affected

4.1 All wards are affected.

#### 5.0 Local Ward Members

5.1 All local ward Members.

#### 6.0 Policy Implications including - Climate change - Health

6.1 Home Improvement Agencies (HIAs) are a key part of ensuring that older people and disabled adults and children who need help will get the assistance they need to promote their wellbeing, health and care, in line with the vision for Adult Services. HIAs form part of the adult social care process, by providing information and support for self-purchasers who are not eligible for social care support; prevention through home safety assessments and falls prevention; and reablement for people who meet the Fair Access to Care criteria for adaptations.

6.2 HIAs contribute to a number of cross cutting agendas, including reducing health inequalities, promoting independence, meeting the needs of an ageing population, making best use of the existing housing stock, reducing fuel poverty, tackling climate change through reducing domestic carbon emissions, and building safer communities.

#### 7.0 Financial Implications (Authorised by the Borough Treasurer)

7.1 The Authority has identified funding for the HIA service over a three year contract period, as shown in the table below:

	£
Revenue – Adult Services	
Adult Services (major adaptations)	328,047
Adult Services (handyperson services)	94,500
Adult Services (minor adaptations)	270,000
Supporting People	337,833
<b>SUB-TOTAL</b>	<b>1,030,380</b>
Other Contributions	
DCLG Handyperson Grant	330,000
Central and Eastern Cheshire PCT	47,571
<b>SUB-TOTAL</b>	<b>377,571</b>
<b>TOTAL</b>	<b>1,407,951</b>

7.2 The financial implications of each of the options considered for delivering the HIA service are presented in the table below.

7.3 The two options which were considered are as follows:

- i. Option One – To enter into a three year contract with the Bidder awarded the highest score in the Tender evaluation process
- ii. Option Two – To provide a HIA service within the Cheshire East Authority

<b>Cheshire East Home Improvement Agency service</b>				
	<b>Option One</b>		<b>Option Two</b>	
	<b>External HIA</b>		<b>In-House HIA</b>	
	<b>£</b>	<b>FTE</b>	<b>£</b>	<b>FTE</b>
Employees	0		470,516	16.5
Premises	0		24,000	
Transport	0		20,385	
Supplies & Services	0		41,500	
Third Party Payments*	473,072	15.0	0	
Central Support Costs	0		25,156	
Other Management Overheads	0		16,720	
<b>Total Expenditure</b>	<b>473,072</b>		<b>598,277</b>	
Fees and Charges	0		(165,000)	
Grant Income	(125,857)		(125,857)	
<b>Total Net Expenditure</b>	<b>347,215</b>		<b>307,420</b>	
2011-12 Forecast	343,196		343,196	
<b>Potential (savings) / costs</b>	<b>4,019</b>		<b>(35,776)</b>	
Start Up costs	0		8,750	
Exit Costs	0		45,000	

\* Under option one the Third Party Payment is the amount that will be paid to the Bidder, net of any fees and charges that they generate.

- 7.4 If Option One were selected, the Authority would need to invest a further £12,057 over the three year period of the Contract. Any set up costs and severance costs would be met by the successful Bidder.
- 7.5 If Option Two were selected, there would be possible operational costs relating to the Transfer of Undertakings Protection of Employment Regulations 2006 (TUPE) as staff employed in the delivery of the contracts currently let to Mears and Regenda have the right to transfer their employment to the Authority under their existing terms and conditions. If as a result of the transfer of the service the Authority has an excess of staff for the proposed structure there will be severance costs, which will need to be funded by the Authority in 2011-12. The Authority will be able to achieve cashable savings of £53,578 over the three year period of an equivalent Contract, net of estimated start up costs and severance costs.

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 The power to deliver a Home Improvement Agency is contained within Section 111 of the Local Government Act 1972 which states: *“Without prejudice to any powers exercisable apart from this section but subject to the provisions of this Act and any other enactment passed before or after this Act, a local authority shall have power to do any thing (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.”*
- 8.2 The Council is not liable for any costs, expenses or other liabilities resulting from any cancellation of the Tender process nor for any other costs incurred by those Tendering for the Contract.

## **9.0 Risk Management**

- 9.1 The potential risks to the Authority of a procurement challenge are outlined at Paragraph 8.2 above.
- 9.2 The HIA service is critical to the delivery of the Disabled Facilities Grant (DFG) capital programme in Cheshire East. A delay in the delivery of DFGs has revenue implications, as it increases the cost of care packages funded by Adult Services.
- 9.3 Temporary contracts have been put in place with the existing contractors to ensure continuity of service delivery up to 31<sup>st</sup> October 2011. Finance and Contract Procedure Rules were waived to exempt the letting of the temporary contracts from the requirements for competition, in order to allow the competitive procurement process to be completed. The Contract term cannot be extended as this would result in the value of the contract exceeding the European Procurement threshold.
- 9.4 If the grant funding from the Department of Communities and Local Government of £110,000 reduces in future years, the Authority will need to increase expenditure from the base budget to be able to pay the contract price under Option One. If the service were delivered in-house under Option Two, the scale of the service could be reduced in line with funding reductions, but the Authority would be responsible for any severance costs.
- 9.5 Central and Eastern Cheshire PCT have indicated that they wish to enter into the contract as a partner with Cheshire East Council. This will secure the £15,857 annual funding for the term of the contract, and negates any risk to this income.



## **10.0 Background and Options**

- 10.1 Home improvement agencies (HIAs) link housing, health and social care, by providing practical support to enable older people and disabled adults and children to maintain their independence, health and well-being in the home of their choice for the foreseeable future. Outcomes are achieved by supporting service users to make informed choices through the process of home repairs, disability adaptations or improvements to their home. This enables people to live independently and meets the coalition Government's objective of providing increased levels of care and support to people in their own homes.
- 10.2 The basic premise of a HIA service is that it provides support to assist older people, disabled adults and families of disabled children through the home repairs and adaptations process, rather than actually carrying out the physical improvements. The main client groups using HIA services are older or disabled homeowners that lack either the financial capacity or personal resources to organise works themselves. A growing client group is disabled children; 21 major adaptations were fully funded by the Authority in 2010-11, often meeting very complex needs and safeguarding the child and their parent or carer. The support that is provided includes:
- Helping people to find ways to pay for the repairs and adaptations, including assessing their entitlement to welfare benefits, and applying for disabled facilities grants, home repair loans and equity release products
  - Providing technical advice on the options available, producing architectural drawings and specifications, and assisting people through the planning and building regulations application processes
  - Assisting people to employ reputable contractors and carrying out quality checks on the work
  - Signposting and referrals to other services to help the vulnerable person address other housing related issues that are affecting their ability to continue living independently in their own home.
- 10.3 The HIA service also incorporates handyperson services, which are low-level practical services that help with the small repairs and practical tasks that many older people can no longer do. Jobs such as changing curtains, fixing down trailing wires, fixing dripping taps, low level garden maintenance, fitting grab rails and extra hand rails to stair cases are highly valued by older people and promote safety in the home. Handyperson services also reduce opportunities for rogue trader crime, by providing a reliable service at a low cost that older people trust, rather than inviting strangers into their home, often at disproportionate prices.
- 10.4 HIA services provide invaluable support to the delivery of the Authority's statutory functions, including:

- **Supporting the delivery of disabled facilities grants (DFGs).** HIAs play a key part in the process of adapting disabled people's homes, to reduce the need for care packages. Once a person has been assessed as needing a home adaptation by an Occupational Therapist in Adult Services, and they meet the Fair Access to Care criteria, the HIA will support the disabled person to identify the best way to adapt their home, complete the application process, obtain quotes and gain planning permission where necessary, and apply to the Authority for the grant. The grants are provided from the Authority's capital programme; a budget of £1,320,000 has been approved for 2011-12.
- **Installation of equipment and minor adaptations.** The Authority has a statutory obligation to provide free equipment and adaptations under £1,000 to people assessed as being in need; the Authority has a target of 2 weeks for minor adaptations (such as grab rails, hand rails and small building alterations) to be installed. These are currently installed through a mixed package of external contractors and HIA handypersons.
- **Eliminating significant health and safety hazards in the home.** Under the Housing Act 2004 where a category 1 hazard is identified in the home, the local authority has a duty to take action to remove that hazard. HIA services support homeowners to carry out repairs to reduce the risks in their home. These repairs can either be major home repairs, where the HIA supports the homeowner to apply for funding from the Authority's Private Sector Assistance capital programme, or could be small jobs carried out by the handyperson such as fixing down carpets or fitting a hand rail to the stairs to prevent falls. A budget of £300,000 has been approved for the Private Sector Assistance capital programme for 2011-12.
- **Enabling the swift transfer of care from hospital to home, and preventing readmissions.** The local authority incurs fines for delaying the discharge of people from hospital; HIA handyperson services can install minor adaptations, move furniture and fit key safes to facilitate access for carers, thereby enabling the person to be discharged from hospital.
- **Promoting health and well-being.** HIAs contribute to the fuel poverty agenda, by assisting people to access welfare benefits, improve energy efficiency and reduce their spending on heating their home. General improvements in the home environment, including addressing damp and cold homes, improves mental and physical well-being. HIAs can also work well with people who have a tendency to hoard papers and rubbish, and by taking a stepped approach can support people to make changes to their home environment – a task which is very resource intensive for housing, social care and environmental health.

10.5 The Authority currently funds three HIA services, aligned to the former district boundaries. The current service providers are:

- In-house by the Strategic Housing division of Planning and Housing – for Congleton;
- Mears, a national social housing repairs and domiciliary care provider – for Crewe & Nantwich; and
- Regenda, a registered housing provider – for Macclesfield.

10.6 The services are funded from a combination of sources:

- Revenue funding from Supporting People and Individual Commissioning in Adult Services;
- Capital funding through the DFG programme and the Private Sector Assistance programme, based on a percentage of the value of grants / loans completed;
- Central and Eastern Cheshire Primary Care Trust;
- Earned income from fees and charges to the customer;
- DCLG Handyperson Grant, paid through the local authority's Supporting People stream.

10.7 The cost of any major building works is funded by the customer, either through a grant or loan application, or from their own resources, such as savings. A professional and technical services fee for assistance to organise major building works is charged to the customer; where the work is funded by a local authority grant or loan, the fee is funded through the capital programme.

10.8 For handyperson services, the customer pays a small fee for the handyperson service, as well as the cost of any materials. For example, a customer using the service in Congleton would pay £10 for the service, and £3.50 for a grab rail.

## **11.0 Review of HIA services**

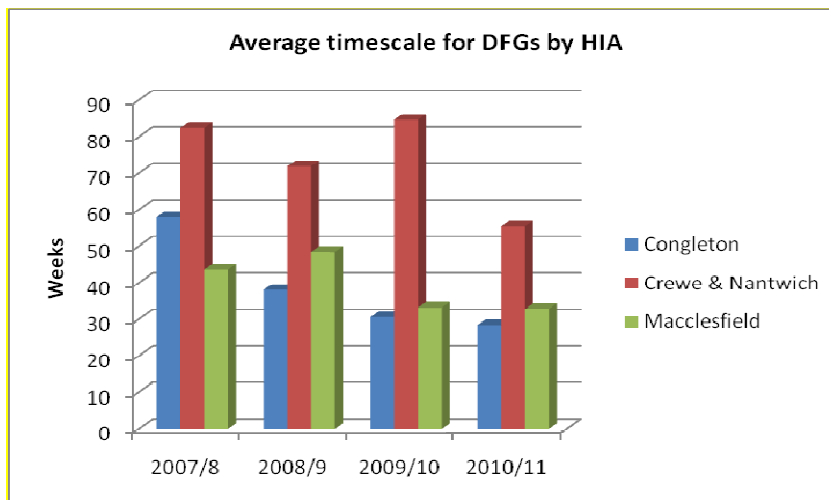
11.1 A review of the current service provision was completed in 2010. The main objectives of the review were to rationalise the service to achieve efficiencies and secure value for money, and improve service delivery to vulnerable people.

11.2 The review was led by the Strategic Housing team in conjunction with a range of stakeholders from the Supporting People, Strategic Commissioning and Individual Commissioning teams in Adult Services, Central and Eastern Cheshire PCT, existing service providers and the national body for HIA services.

11.3 The review found that over 3,000 older, disabled and vulnerable people receive housing related support each year from the HIA services.

11.4 Handyperson services have provided significant financial benefits for statutory services: every £1 spent on handyperson services in Cheshire East in 2009-10 saved £1.97 for social care, health and police.

- 11.5 There is considerable evidence of strategic relevance and demand for HIA services in Cheshire East.
- 11.6 HIAs play a critical role in the delivery of home adaptations. There has been considerable concern about the long timescales for delivery of adaptations in Cheshire East, which was a key factor in carrying out the review of HIA services. Waiting times for adaptations funded by DFGs varied considerably across the Borough, with residents in Crewe & Nantwich waiting an average of 14 months for an adaptation, compared to an average of 7.5 months in Congleton and Macclesfield. While waiting times in Congleton and Macclesfield are better, these can still be improved significantly. It was considered that insufficient levels of technical expertise were contributing to the delays across the Borough, and the review recommended that this be addressed.
- 11.7 The graph below highlights the difference in performance between the HIA services. In Congleton, the in-house service has consistently reduced timescales for completion of adaptations, achieving a 51% reduction in timescales between 2007/8 and 2010/11. Performance across all HIAs has improved, but the external services still lag behind the performance of the in-house service, with DFGs taking an average of 27 weeks longer in Crewe & Nantwich than in Congleton. Macclesfield HIA's performance appears comparable with the in-house service in Congleton; however, there are significantly fewer large scale adaptations (such as building extensions) carried out in Macclesfield than in Congleton, which masks slower timescales on simpler adaptations such as stair lifts and level access showers.



- 11.8 Long timescales for DFGs in Cheshire East were highlighted in a Daily Telegraph article in 2010. The article referred to adaptations carried out in 2008-9 by the external HIA services, and cited two examples of adaptations taking more than 5 years to be completed. There were exceptional circumstances in each case, however further examination highlighted significant delays in the HIAs' processes.

- 11.9 Performance has improved by the in-house HIA service in the Congleton area over the last four years as a result of designing out unnecessary steps in processes, developing partnership working with contractors and Registered Providers, and strong performance management. In April 2009 following local government reorganisation, a programme for improvement of the DFG process was put in place within the Authority, which has led to improvements in timescales and controlled expenditure across the Borough; consistent working practices through a single HIA service will drive down timescales and improve value for money further.
- 11.10 The pattern of supply is irregular across the Borough, with differences in the services being provided. Low cost decorating and gardening services were available in the Macclesfield area, but were not available in other areas. Similarly, a home safety project for families with children under 5 was only available in Crewe & Nantwich.
- 11.11 There was disparity in the cost and funding of services. The average cost of the service per resident supported to maintain independent living was £134.67 in Congleton, £332.13 in Crewe & Nantwich, and £144.69 in Macclesfield. The Authority spent 54% more on services in the Crewe & Nantwich area compared to Congleton in 2009-10. There was no evident correlation between the level of funding and the HIAs' performance and outcomes for customers.
- 11.12 Residents in the Crewe & Nantwich area were paying more for services, despite the poorer social and economic profile of the area, with 9 out of the 14 most deprived areas being in Crewe. For example, customers in Macclesfield received free handyperson services, while customers in Congleton paid £10 per visit, and customers in Crewe paid £15 per hour.
- 11.13 Different approaches to commissioning minor adaptations services was resulting in higher expenditure by the Authority. It was found that using an employed handyperson to deliver minor adaptations reduced costs by 113% in Congleton. In Crewe & Nantwich, the HIA did not deliver minor adaptations. Funding arrangements in Macclesfield delivered the best value for money through a fixed price arrangement. Since 2008-9, improvements in the way minor adaptations are delivered in Congleton has led to savings of £38,000 for the Authority.
- 11.14 HIA services form part of Adult Services' overall vision for future service delivery. It is envisaged that Independent Living Centres will be the hub for health and social care resources in the community, providing a whole systems response to maximising the safeguarding of vulnerable adults and children, and enabling customers to receive a streamlined service throughout the assessment journey. To achieve this, there are a number of strands of work, including HIA services, undertaken by health, social care and housing that need to be aligned.

## 12.0 Outcomes

- 12.1 HIA services help customers to achieve a wide range of outcomes relating to their health, social care, housing and economic needs. Successful outcomes include preventing the person from being admitted unnecessarily to hospital or care; enabling the person to be discharged from hospital; improving their economic well-being through the take-up of welfare benefits or reducing their expenditure on heating costs; and enabling the person to maintain independent living and personal dignity without the need for personal care from another party.
- 12.2 The lack of timely provision of equipment and adaptations for disabled people can lead to costly physical health problems. Effects of non-provision include muscle contractures, pressure sores, ulcers, infections and pain. Equipment and adaptations contribute to improved physical and mental health of carers; without suitable adaptations, there is an increased risk of musculoskeletal damage, falls leading to hospitalisation and stress caused through inadequate space for moving and handling of the disabled person.
- 12.3 Approximately 10% of all falls in older people will result in an injury, of which half will have a fracture with the most common fractures being wrist, spine, hip, humerus and pelvis. The forecast for falls in the Central and Eastern Cheshire PCT area is outlined in the table below:

Year	Population Forecast 65+	Estimate of Fallers @ 30%	Falls with Injury @ 10%	Falls with Fracture @ 5%
2007	78,670	23,601	2,360	1,180
2011	86,800	26,040	2,604	1,302
2016	100,100	30,030	3,003	1,502
2021	109,000	32,700	3,270	1,635

Source: CECPT Annual Public Health Report 2009

- 12.4 Local data suggest that around 3,500 to 4,000 older people attend A&E each year as a result of a fall. Out of a total of 55,103 people attending A&E at East Cheshire NHS Trust between April 2007 and March 2008, 1,484 (2.7%) were fallers over the age of 70 and 51% of these were admitted onto a ward, and 22% to fracture clinic, A&E review or GP follow up.
- 12.5 HIA hospital discharge services provide a rapid response to enable older people to be safely discharged from hospital into their own homes through carrying out essential repairs, minor adaptations, fitting key safes, and moving furniture. This contributes to a number of outcomes for patients, including their ability to maximise their independence as their needs are met, being able to return to their own home and continue their social networks, and improved health as they continue their recovery in a warm, safe environment. For health and social care services, resources are used to best effect as referrals are made to one agency to address a range of housing issues, and staff can focus on

delivery of services to patients without spending time organising a range of services.

12.6 Cold, damp homes can lead to a number of health conditions, including respiratory infections, cardio-vascular diseases, arthritis and high blood pressure. Cold weather increases hospital admissions, and excess winter deaths. By the HIA service assisting people to address inadequate heating and insulation and other causes of cold, damp homes, health inequalities will be reduced as physical health and well-being of occupants improves, and mental health will also improve by reducing social isolation and depression exacerbated by poor living conditions.

12.7 Performance of the HIA service will be measured through outcomes for the customer, using a framework defined by DCLG for the Supporting People programme:

1. Achieve economic wellbeing
  - a. The Service User's income was maximised
2. Enjoy and achieve
  - a. The Service User participated in leisure activities, cultural activities, faith activities, informal learning activities, voluntary work, training or education
3. Be healthy
  - a. The Service User is managing their physical and/or mental health better
  - b. The Service User is able to manage independent living better as a result of Assistive Technology, equipment, minor adaptations, large adaptations, or support with housing options
4. Stay safe
  - a. The Service User's fabric of their accommodation was maintained
  - b. The Service User is able to remain safe and secure in their chosen accommodation
  - c. The Service User is better able to manage neglect
  - d. The Service User is able to minimise the risk of harm from others
5. Make a positive contribution
  - a. The Service User has more choice, involvement and control

12.8 Other outcomes include giving children the best start in life through the provision of adaptations, falls prevention, preventing unnecessary admissions to hospital, and reducing health inequalities through reducing fuel poverty.

### **13.0 Financial Impact on Social Care**

13.1 There is a considerable body of evidence to demonstrate the potential savings to social care budgets by providing efficient adaptations services through the HIA:

- 13.2 Delays in delivering adaptations have the potential of costing up to £470 per week<sup>1</sup> to the social care budget through the use of intermediate care accommodation, for people who are unable to return home. Based on the performance of the existing HIA services in delivering adaptations in 2010-11, delays in the worst performing service could increase care costs by £12,700 per person compared to the best performing HIA<sup>2</sup> (see paragraph 11.7 above).
- 13.3 The average cost of a DFG in Cheshire East (£6,000) typically pays for a stair lift and a level access shower, which will last at least ten years. The same expenditure would provide an average home care package for only one year<sup>3</sup>. Where the adaptation enables a person to return home from intermediate care, the expenditure would be recouped in three months, and further expenditure on intermediate care would be eliminated. Annual savings of up to £18,000<sup>4</sup> per intermediate care bed can be achieved through a speedy adaptations service.
- 13.4 Local authorities can be fined up to £100 per day where the transfer of care from hospital to home is delayed as a result of suitable provisions not being put in place. This could place the Authority under significant financial pressures. HIA services can help alleviate these pressures by making the home environment suitable for the person to return home. In 2010-11, the in-house service carried out minor adaptations to allow 82 people to come home from hospital; across Cheshire East this would have the potential of preventing bed-blocking for 250 people. If these people were in hospital for 1 week longer than was necessary, the Authority could be fined £175,000.
- 13.5 Falls leading to hip fractures are estimated to cost £28,600 in health and social care costs<sup>5</sup>. Speedy adaptations to prevent falls, such as grab rails, are around 400 times cheaper than the cost to statutory services of a hip fracture. In 2006/7, 503 people were operated on for hip fractures within the Central and Eastern Cheshire PCT area; the estimated cost to statutory services of emergency admission, treatment and support exceeds £14million. Many of the risk factors associated with falling can be potentially modified through multi-factorial risk assessments and interventions targeted at those at risk, including low cost environmental modifications in the home<sup>6</sup>.

#### 14.0 Revised Service Specification

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<sup>1</sup> Residential care rates in Cheshire East, 2011-12

<sup>2</sup> 27 weeks at a cost of £470 residential care rate per week

<sup>3</sup> Based on £95.93 per week for a domiciliary care package of 3 daily visits

<sup>4</sup> Based on £24,000 annual cost of funding a residential care place, less the £6,000 cost of an adaptation

<sup>5</sup> Parrott, S. (2000) The Economic Cost of Hip Fracture in the UK. University of York.

<sup>6</sup> CECPT (2009) Annual Public Health report.



- 14.1 The review highlighted the need for a single HIA service across Cheshire East, to ensure consistent and efficient service delivery and to ensure that service users are not disadvantaged by where they live. A revised service specification has been developed to ensure that services are equitable across Cheshire East.
- 14.2 The service specification for the Contract contained details of the Authority's requirements for the service, including setting out the service standards to be achieved. In particular, challenging service standards have been set for the DFG process. Average timescales for DFG approvals in 2010-11 were 20 weeks for less complex adaptations such as wet-room style showers and stairlifts, and for building extensions and conversions where planning permission was required, the average timescale was 47 weeks<sup>7</sup>. We are seeking significant improvements through the new service standards, as set out below:
- Stairlifts – 6 weeks
  - Other less complex adaptations without planning permission – 12 weeks
  - Extensive adaptations requiring planning permission – 30 weeks
- 14.3 It is anticipated that the HIA service will provide housing related support to 4,000 vulnerable people, and will assist at least 650 people to be discharged from hospital or prevent them from unnecessary admission to hospital or care.
- Minor adaptations and urgent handyperson jobs will be carried out in 5 working days, reducing the risk of falls and supporting the swift transfer of care from hospital to home. Minor adaptations services are currently delivered through different mechanisms; the new service specification consolidates the current arrangements and will drive down expenditure on minor adaptations by approximately 15%.
- 14.4 The service specification also expands the remit of the handyperson service to carry out larger jobs that fall between a typical small handyperson service and jobs that contractors will normally take on (for example, building flat pack furniture or hanging doors), and stipulates low level gardening services to be delivered across the Borough.
- 14.5 The service specification includes a requirement to develop a referral network to tackle fuel poverty in Cheshire East, in response to the Private Sector House Condition Survey's findings that over 16,000 households (11.7%) are in fuel poverty and need to spend a disproportionate amount of their income on heating their home.

## **15.0 Procurement Exercise**

- 15.1 A full and proper procurement exercise was carried out for the provision of a Home Improvement Agency service. The Contract was advertised

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<sup>7</sup> Measured from the point of referral to grant approval

on the Chest and in the European Journal. Five companies were selected through a Pre Qualification Process to be invited to tender, and three tenders were received.

15.2 The tenders were evaluated using 'Most Economically Advantageous Tender' analysis by a panel of three key users to ensure a mix of professional skills. The tenders were evaluated in a closed environment, based on the following criteria:

- i. Qualitative – 55%
  - a. Service delivery methodology
  - b. Delivering outcomes to improve life opportunities and health
  - c. Added value service enhancements
  - d. Staffing resources
  - e. Logistics, including location and accessibility
  - f. Case management
  - g. Safeguarding vulnerable adults and children
  - h. Service user involvement
  - i. Approach to procurement
  - j. Fees and Charges policy
  - k. Contract Mobilisation
  - l. Risk Management and Business Continuity
- ii. Price– 35%
- iii. Interview and Presentation – 10%

15.3 The results of the evaluation of the tender exercise are set out below:

Tenderer	Quality	Price	Interview Presentation	Total
<b>Max Score</b>	<b>55%</b>	<b>35%</b>	<b>10%</b>	<b>100%</b>
Supplier 1	35.80%	33.89%	7.40%	77.09%
Supplier 2	26.00%	33.74%	4.60%	64.34%
Supplier 3	23.20%	35.00%	6.00%	64.20%

15.4 The tender submitted by the Bidder awarded the highest score in the Tender evaluation process is of an acceptable quality and the majority of their responses were considered to either meet or exceed expectations and reflected either an adequate or excellent understanding of the Authority's requirements.

15.5 Staff employed by the Authority and by the existing contractors in the delivery of the HIA service would be transferred to the new Contractor. The new Contractor has indicated a requirement for 15.0FTE staff. There are currently 15.1FTE staff who would be transferred under TUPE, therefore the new Contractor may seek a small reduction in staffing levels. It is possible that the skills do not align with the Contractor's proposed new structure and may lead to redundancies. The new Contractor would be responsible for any severance costs.

- 15.6 If Option One were selected, the Authority would need to increase expenditure on HIA services by £12,057 over the three-year period of the contract.

## 16.0 In-House HIA Proposal

- 16.1 Rule E.18 of the Finance and Contract Procedure Rules state that where the procurement is likely to exceed £50,000, it should be established whether the service can be provided by an in-house Provider. An in-house HIA proposal has been developed by the Strategic Housing division of the Planning and Housing service (see 7.4 above, Option Two).
- 16.2 There are currently six staff (4.3FTE) employed by the Authority in the delivery of HIA services. Under TUPE regulations up to 13 staff (10.8FTE) would be entitled to be transferred to the Authority under their current employment terms and conditions from the existing service providers. Option Two is based on 16.5 FTE staff needed to deliver the requirements of the service. The reason for the proposed increase in staffing levels is twofold: to address the blockages in the DFG process identified in the service review by increasing technical support, and to increase the handyperson service to deliver minor adaptations, which will reduce expenditure on minor adaptations by around 15% (as previously stated in paragraph 12.3).
- 16.3 Whilst the number of staff employed in the delivery of the HIA service would increase by 1.4FTE, the skills of the existing staff may not be aligned to the requirements of the service and may lead to severance costs, which would need to be funded by the Authority in 2011-12. The table below sets out existing staff and the new proposal:

Role	Existing in-house service	Mears	Regenda	Existing: Total	Proposal	+ / -
	FTE	FTE	FTE	FTE	FTE	FTE
Manager / Team Leader	1.0	1.0	1.0	3.0	<b>2.0</b>	-1.0
Technical Officer	1.0	2.0	0.6	3.6	<b>5.0</b>	+1.4
Caseworker	1.2	0.8	0.6	2.6	<b>2.5</b>	-0.1
Handyperson	0.6	1.0	2.0	3.6	<b>5.0</b>	+1.4
Business Support	0.5	1.4	0.4	2.3	<b>2.0</b>	-0.3
<b>TOTAL</b>	<b>4.3</b>	<b>6.2</b>	<b>4.6</b>	<b>15.1</b>	<b>16.5</b>	<b>+1.4</b>

- 16.4 Option Two would deliver cashable savings of £53,578 for the Authority, net of estimated set up costs and severance costs that would need to be funded in 2011-12.
- 16.5 There are a number of interlinked reviews and restructuring underway as part of adult social care redesign, including occupational therapy services, the development of Local Independent Living Teams, community equipment service, and the development of the Independent Living Centres. An in-house HIA service would give us improved scope to align the HIA service with other health and social care services around the Independent Living Centre model as it develops, and improve the customer journey and our speed of response, thereby reducing the need and associated cost of care packages put in place by the Authority.
- 16.6 There is a strong culture of performance management in the existing in-house HIA service, which has led to the 51% reduction in DFG timescales in Congleton since 2007/8. By delivering the service in-house, these practices can be applied across the Borough, and further work to integrate the processes between Strategic Housing and Adult Services will deliver further improvements. An in-house service will give us the flexibility to mould the service in line with the principles of adult social care redesign, designing services around our customers' needs and designing out wasteful steps in processes.
- 16.7 Efficiencies achieved by aligning housing and social care will lead to improvements that are demonstrable through reduced timescales for adaptations, increased support for self-purchasing customers who aren't eligible for social care support and improved outcomes for customers.

#### **17.0 Access to Information**

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

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## CHESHIRE EAST COUNCIL

### CABINET

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<b>Date of Meeting:</b>	1 August 2011
<b>Report of:</b>	Director of Adults, Community, Health and Wellbeing
<b>Subject/Title:</b>	Think Local Act Personal – a National Strategy for Local Implementation
<b>Portfolio Holder:</b>	Councillor Roland Domleo, Cabinet Member for Adult Services

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#### 1.0 Report Summary

- 1.1 *Think Local, Act Personal (TLAP)*- the statement of intent that makes the link between the government's new vision for social care and *Putting People First* - has now been finalised as the way forward for personalisation and community-based support.
- 1.2 Putting People First was issued in November 2007 and articulated the shared ambition is to put people first through a radical reform of public services, enabling people to live their own lives as they wish, confident that services are of high quality, are safe and promote their own individual needs for independence, well-being and dignity.
- 1.3 Putting People First established the collaboration between central and local government, the sector's professional leadership, providers and the regulator. It set out the shared aims and values which guided the transformation of adult social care, and recognised that the sector had to work across agendas with users and carers to transform people's experience of local support and services.
- 1.4 Cheshire East Council has pursued the key approaches in Putting People First and has been a leader in developing personalisation and preventative approaches to the delivery of effective social care in the community.
- 1.5 TLAP was originally released for comment at the National Children's and Adult Social Services conference in November 2010. It asserts that councils, health bodies and providers need to work more collaboratively to personalise and integrate service delivery across health and adult social care; and make vital public funding go further. It also recognises the contribution that individuals, families, carers and communities make in providing care and support - both to those who are publicly funded and those who either pay for themselves or rely on family carers.
- 1.6 Twenty-four leading national organisations, including the Association of Directors of Adult Social Services (ADASS), umbrella bodies that represent a large number of providers from the private, independent, voluntary and community sectors endorsed the document

## **2.0 Decision Requested**

- 2.1 Cabinet notes the issue of TLAP and affirms CEC support for the approach contained within it
- 2.2 Cabinet re-affirms its support for a personalised approach to the delivery of publicly funded care, in line with the Council's Corporate Objective 1 - *To give the people of Cheshire East more choice and control around services and resources*, and notes the Personalisation Principles in Appendix 2
- 2.3 Cabinet recognises that the creation of an affordable social care system is dependent upon the development of preventative services delivered locally, most often by organisations from all sectors as well as the Council itself.
- 2.4 Cabinet notes that most people accessing care in its area are not funded by the Council and requires the Director of Adults, Community, Health and Wellbeing to identify a strategy to provide advice, information and support to the wider public including self funders and their carers to maximise independence and minimise reliance of Council funded care.
- 2.5 Cabinet notes and supports the development of an on-line citizen portal or information gateway, with a resource directory, recognising the investment required to maintain this initiative, with the initial capital investment funded as part of the Department of Health funded Common Assessment Framework pathfinder project and the ongoing maintenance funded from within existing Adults revenue budgets.

(Accessible at:-

[http://www.cheshireeast.gov.uk/social\\_care\\_and\\_health/social\\_care\\_directory.aspx](http://www.cheshireeast.gov.uk/social_care_and_health/social_care_directory.aspx) )

## **3.0 Reasons for Recommendations**

- 3.1 Personalisation and community are the key building blocks of a reform agenda, shaped around an individual's own expertise and resources. When people need ongoing support, this should help them to retain or regain the benefits of community membership including living in their own homes, maintaining or gaining employment and making a positive contribution to the communities they live in.
- 3.2 Experience has shown that most progress in implementing personalisation is made where:
- 3.3 Local leadership focuses on cultural change, just as much as systems change, encouraging concentration on outcomes determined by people and communities and engaging solutions beyond the narrow definitions of social care.

- 3.4 People have real control over the resources used to secure care and support, with commissioning strongly guided by their decisions.
- 3.4 In their local leadership role, councils can influence and support the development of a wide range of local resources and opportunities, regardless of how they are paid for or who provides them.
- 3.6 An effective community-based approach is achieved when councils and their partners:
  - I. Secure greater cooperation and better use of resources across public services to improve individuals' and their families experiences, including housing, leisure, culture, transport, health, welfare benefits, employment support, social care and community safety.
  - II. Encourage and help local communities and groups to provide networks of support, to help people improve their health and well-being, and to reduce their need for more acute care and health services.
  - III. Actively involve people, carers, families and communities in the design, development, delivery and review of innovative care and support arrangements to maximise choice and independence and utilise the widest range of resources. Facilitate a broad range of choice in the local care and support market, including housing options, and personalise the way in which care and support services are delivered wherever people live.
  - IV. Ensure that those people eligible for council social care funding receive this via a personal budget (either as a direct payment or an individual managed account) allowing them to exercise the same amount of choice and control as those who pay for their own care and support.
  - V. Ensure all people have the information and advice needed to make care and support decisions which work for them, regardless of who is paying for that care. This includes help to make the best use of their own resources to support their independence and reduce their need for long-term care. The developments of an on-line citizen portal or information gateway, with a resource directory, are viewed as pivotal developments to support this aspect of the transformed adult social care system in Cheshire East. The portal will enable people to find information, advice and services easily in one place, supporting people who want to self serve, as well as those who access social care in the more traditional ways. The portal is being developed as part of the East Cheshire Common Assessment Framework for Adults Partnership Programme, as a demonstrator programme, funded by the Department of Health.

**4.0 Wards Affected**

4.1 All

**5.0 Local Ward Members**

5.1 All

**6.0 Policy Implications including - Carbon reduction and Health**

6.1 Carbon Reduction – no impact

6.2 Health – the development of this approach requires close cooperation with Health partners. It also involves a strong informative and supportive role to citizens to ensure that they know about health risks and are supported to take responsibility for maintaining and improving their own health.

**7.0 Financial Implications (Authorised by the Borough Treasurer)**

7.1 This approach does not involve the commitment of additional resources by the Council. However, it does require a whole Council response that deploys resources differently and thereby contributing to reducing the overall cost to the Council of the delivery of care, where there are continuing pressures arising from the changing and ageing demography. Appendix 1 provides a graph and information, which has been reported to Members previously that shows the significant unfunded growth of care if action is not taken to reduce demand. Recommendation 2.5 will require relatively small scale capital and revenue to support the resource directory, the development of which has been funded by the Department of Health pathfinder in Cheshire East, with ongoing costs beyond the life of the pathfinder project being funded from within the Departments existing budgets.

**8.0 Legal Implications (Authorised by the Borough Solicitor)**

8.1 The Local Authority's statutory duties for the provision of Adult Social Care have not changed, what has changed is the Department of Health Guidance and Local Authority Circulars on how these statutory duties should be interpreted. The Guidance supports a move towards reablement services and the personalisation agenda as out lined in 'Think Local – Act Personal' and 'Putting People First' documentation, highlighted above.

8.2 The Local Authority still has a duty to assess need and meet that need in accordance with the eligibility criteria. Cheshire East currently meets critical and substantial needs only.

8.3 Significant changes in adult social care are expected following the Law Commissions recent recommendations and the recent Dilnot report, on the funding of adult social care. Central Government has said that a new white paper proposing a new Adult Social Care Act will be published in autumn 2011 with a new Act anticipated for 2012/2013. This new Act will



consolidate a number of existing Acts governing the provision of Adult Social Care and will put the 'personalisation agenda' on a statutory footing.

- 8.4 Central Government remains committed to moving towards greater integration between health and social care services and away from service led provision to personal choice via the 'Personalisation agenda'. Cabinet is being asked to agree to maintaining Cheshire East's commitment to this personalisation agenda and Cheshire East's aspirations with regard to this are captured in the Appendix.
- 8.5 There are no specific legal concerns about the decisions that cabinet are being asked to make with regard to this report.

## **9.0 Risk Management**

- 9.1 This approach is a powerful mitigator of the large risk to the Council presented by the spiralling cost of care. However, in order to mitigate the risk effectively it will require an approach by the whole Council at its partners that ensures that people are supported to maintain independence for as long as possible.

## **10.0 Background and Options**

- 10.1 The Government's Vision for Adult Social Care *Capable Communities and Active Citizens* and its White Paper *Equity and Excellence: Liberating the NHS*, maintain the drive towards the personalisation of public services in health, social care and beyond. The key delivery partners across the sector share this ambition, alongside those who use social care support, their families and carers, and the paid staff vital to delivering it. This agreement represents a joint commitment to go forward together. The delivery of *Putting People First*, whilst widely supported, required major change from providers and councils. The scale and complexity of those changes has inevitably led to uneven progress across the country with Cheshire East progressing well, especially in the delivery of personal budgets and reablement. The current financial context and consequent reductions in public expenditure now present an even greater challenge. We will need to focus heavily on reducing duplication and improving outcomes. Targeted joint prevention strategies and effective provision of information and advice will be critical to support the changes to service delivery models. Providers will need to offer an increasingly flexible and wider range of good value services developed with the people who use them, with the independent sector greatly extending its reach.
- 10.2 The strategy will build on existing strengths: the disabled people's movement, the huge contribution of family carers and the input and experience of people as they grow older. Organisational and professional culture and practices will need to adapt to facilitate greater freedom for people and their communities to shape their support. The principles of personalisation remain at the centre of this change, underpinning a leaner,

more outcome focussed and outward facing role for the public sector. The overall aim is to secure a shift to a position where as many people as possible are enabled to stay healthy and actively involved in their communities for longer and delaying or avoiding the need for targeted services. Those however who do need such help, including many people at the end of life, should have maximum control over this, with the information, means (financial and practical) and confidence to make it a reality. This agreement draws on learning from implementing *Putting People First* across England over the past three years and focuses on areas where further action is required. The agreement underlines the necessary connection between preventative, community-based approaches and personalised.

#### **11.0 Access to Information**

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

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The main document is the Think Local Act Personal compact

[http://www.puttingpeoplefirst.org.uk/library/PPF/NCAS/THINK\\_LOCAL\\_ACT\\_PERSONAL\\_17\\_1\\_11.pdf](http://www.puttingpeoplefirst.org.uk/library/PPF/NCAS/THINK_LOCAL_ACT_PERSONAL_17_1_11.pdf)

The Information Directory for Adult Services is

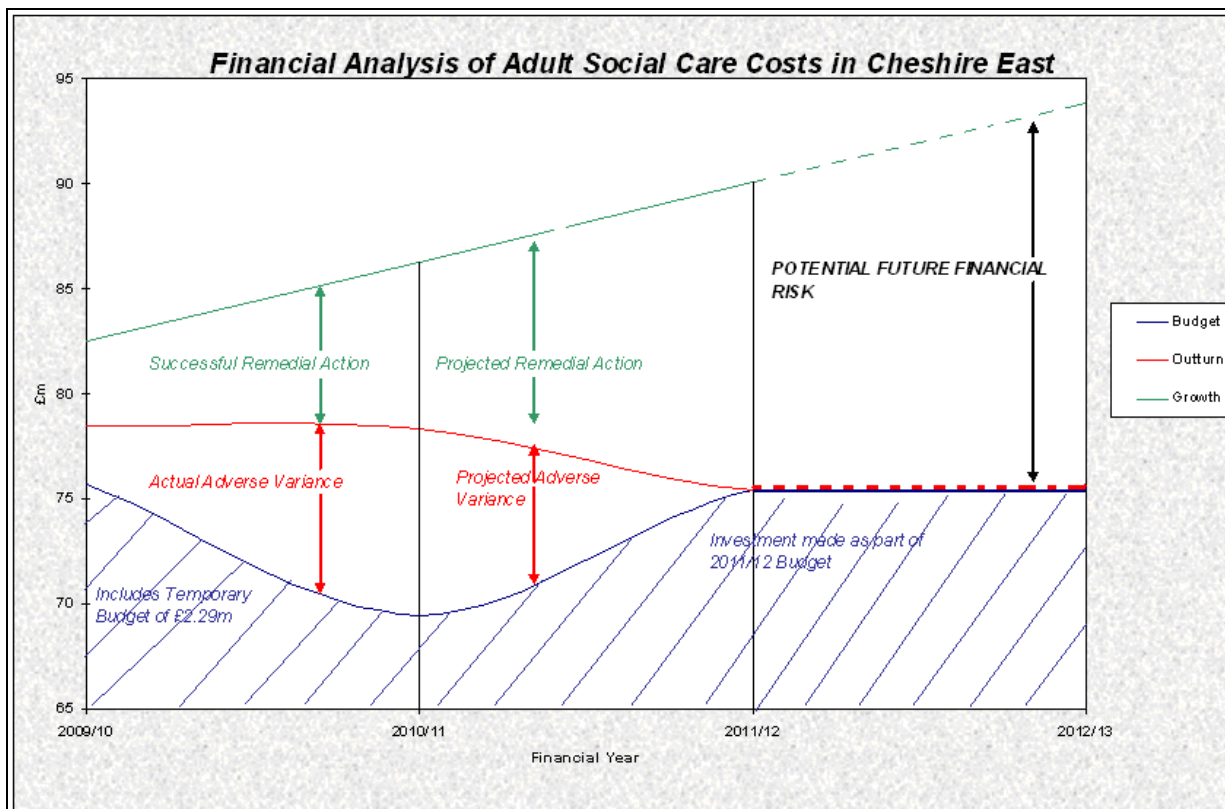
[http://www.cheshireeast.gov.uk/social\\_care\\_and\\_health/social\\_care\\_directory.aspx](http://www.cheshireeast.gov.uk/social_care_and_health/social_care_directory.aspx)

## PRESSURES ON SOCIAL CARE SPENDING

The chart below highlights the financial impact over time of increasing and ageing population across Cheshire East Council.

The demand element within the chart is shown in the Growth line, which reflects the gross cost of care line. This line demonstrates the potential care cost pressure risk for the service, which is currently being mitigated through prevention activities such as re-ablement. The chart seeks to demonstrate the impact that whilst the cost of care can be suppressed over the short term, it is inevitable over time that the pressure will be felt and reported in the financial forecasts due to population growth and pressures.

The measures in Think Local Act Personal are designed to maximise the impact of the mitigation of the growth pressures helping to manage the growth of care costs and protect the financial position of the Council and its partners.



PRINCIPLES OF THE PERSONALISATION OF ADULT SOCIAL CARE

DATE 1 AUGUST 2011

**Background**

Within three months of its formation, Cheshire East Council had signalled its intention to pursue the personalisation of Adult Social Care, building on work done in Cheshire County Council and the findings of a consultation of that Council.

At its meeting on 16 June 2009, the Cabinet resolved'

*the new model of Social Care services for Adults, which fully embraces and expresses the personalisation of services, be adopted;*

*and noted the intention to instigate a review of the Council's Finance and Contract Procedure Rules to ensure compliance with a personalised approach to commissioning adult social care services;*

These two resolutions provide the framework to change the way services are delivered and the also ensures that the framework in respect of finance and contracting are also compatible with this change. In respect of the first of the two resolutions the main change has been a significant shift towards the provision of personal budgets that provide choice and control to the person over the way care is provided to meet assessed care needs.

The second resolution has spawned a number of changes that enable personal budgets to be operated more flexibly and in particular has supported the move towards the creation and use of the Empower Card whereby people can receive money on a pre-paid card thereby eliminating the need for separate processes to collect contributions and reclaim unspent allocations. The process also enables the authority to avoid the need for expensive debt collection.

This was underpinned by Cabinet decisions of 14 March 2011.

*That approval be given to maximise the use of the Empower processes as the primary method of receiving a direct payment and as the single option to new service users unless in exceptional cases and where legally required to commission services on behalf of the customer.*

*That approval be given to explore options to streamline the Council's Appointeeship and Deputyship system via electronic banking/Empower processes and to introduce a moderate annual fee for administration of the service where possible from interest gained on accounts.*

The following are key principles in Cheshire East Council in respect of Personalisation

1. That the health and wellbeing of the assessed person be the primary consideration.
2. That reasonable risks, consistent with the operation of choice and control and the capacity of the individual to choose to take such risks, be accepted as part of the delivery of personalisation.
3. That eligibility in respect of funded care is at the level of substantial care needs.
4. That staff carry out and record their assessment of eligibility in a manner that makes clear how they have reached their decision.
5. That a range of available methods be considered to meet or reduce eligible care needs before allocating a personal budget.
6. That the amount of personal budget be set at the minimum level necessary to meet unmet substantial and critical assessed care needs.
7. That the methodology for reaching a figure for an individual personal budget be apparent in the process.
8. That the provision of a personal budget be arranged through the Empower card except where this is not possible as outlined in the Cabinet decision of 14 March 2011.
9. That the allocation of personal budgets be reviewed in line with significant changes in circumstances or annually whichever is the shorter.
10. That the allocation of personal budget should, in as many instances as possible, be designed to reduce the need for funded care.
11. That as much scope as possible be given to the individual as to how they spend their allocation in meeting their unmet care needs.
12. That the assessment of carers and meeting their needs be considered within the scope of these principles.
13. That the effectiveness of personalisation be measured in part by the proportion of the care budget that is allocated to eligible citizens and the proportion of those eligible for personal budgets (after following processes to reduce their levels of need) who are actually allocated such a budget.

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## CHESHIRE EAST COUNCIL

### CABINET

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**Date of Meeting:** 1 August 2011  
**Report of:** Strategic Director – Places  
**Subject/Title:** Crewe Green Link Road – Department for Transport Funding Bid  
**Portfolio Holders:** Councillor Jamie Macrae, Cabinet Member for Prosperity  
Councillor Rod Menlove, Cabinet Member for Environmental Services

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#### **1.0 Report Summary**

- 1.1 Delivery of the Crewe Green Link Road South is a key infrastructure priority for Cheshire East and will deliver major transport benefits across the south of the Borough and enable development of the Basford East Strategic Site.
- 1.2 This paper provides an update on progress made in securing Department for Transport Funding (DfT) for Crewe Green Link Road South (CGLRS) and seeks approval to submit our 'best and final bid' (Final Submission) for funding.

#### **2.0 Decision Requested**

- 2.1 To agree the submission of the council's final submission to the Department of Transport and delegate the final details of the bid to the Strategic Director Places in consultation with the Borough Solicitor, Borough Treasurer and relevant Portfolio Holders.
- 2.2 To note the current expected content and funding profile of the submission to Department of Transport including the financial implications for Cheshire East, as detailed in Section 7.
- 2.3 To note the overall timescales and key dates for the project and the requirement for the council to contractually commit to the scheme and funding agreements only at the next stage of Department of Transport approval. This is anticipated to be in September 2013.

#### **3.0 Reasons for Recommendations**

- 3.1 The final submission is required to be submitted to the Department for Transport by the 9 September 2011. One of the key elements of the proposal will be to demonstrate deliverability of the scheme and Cheshire East Council support is essential to the process.

#### **4.0 Wards Affected**

- 4.1 Haslington and Crewe East

## 5.0 Local Ward Members

- 5.1 Cllr John Hammond, Cllr David Marren  
Cllr Margaret Martin, Cllr David Newton, Cllr Chris Thorley

## 6.0 Policy Implications including - Climate change - Health

- 6.1 The completion of CGLRS will provide traffic relief to one of the busiest road corridors in the Borough, the A534 in Crewe. This relief will:

- Reduce congestion and therefore carbon from transport use benefiting climate change
- Reduce vehicular exhaust emissions in an air quality management area, therefore benefiting health
- Make walking and cycling more attractive supporting wider health benefits from physical activity

The completion of CGLRS is also a fundamental part of delivering the council's 'All Change for Crewe' strategy, centring on LDF growth aspirations for Crewe and in opening up the Basford East Strategic employment site for future employment / regeneration opportunities

## 7.0 Financial Implications (Authorised by the Borough Treasurer)

### Funding bid

- 7.1 The basis of the funding bid is that once the council has requested a 'final' sum of funding from the DfT this cannot be further increased.
- 7.2 The council will not be contractually committed to the construction of the CGLRS until it receives a tendered price for the scheme, land acquisition is completed and the DfT has given 'Full Approval'.
- 7.3 Further cabinet approval will be sought prior to the submission of our 'Full Approval' bid (Currently anticipated for September 2013)
- 7.4 The final funding profile is anticipated to be:

DfT contribution (up to)	£17.0M
Existing Developer Funding	£4.0M
Local Authority LTP Funding (over 3 / 4 years)	£1.75M
Future Developer Funding *	£5.0M
<b>TOTAL (out-turn)</b>	<b>£27.75M</b>

\*Future Developer Funding may not be available during the construction period for the road and therefore the Council may be required to forward fund (via prudential borrowing or other means) pending future receipt of section 106/Community Infrastructure Levy resources.

- 7.5 DfT funding (£17.0M) is expected to provide approximately 60% of the cost of the project.



- 7.6 The Existing Developer contribution forms an index linked sum as part of existing signed S106 agreements. This link to construction inflation and potential minor revisions to the original planning briefs is expected to yield at least £4.0M.
- 7.7 The Local Authority LTP Funding can be spread over a three/four year period and would constitute a similar level of contribution in the LTP programme to the Alderley Edge bypass, the obligations for which will be complete by the time LTP funding is required for the Crewe Green Link Road scheme. Thus the existing level of LTP funding for other types of schemes can be maintained at similar levels to today.
- 7.8 The forecast future Developer funding is linked to the future development of either the Basford East development site or funding from developments in the wider Crewe area.
- 7.9 The Basford East Development site is partly dependent on the Crewe Green Link Road scheme. As such, it is proper for any future development that comes forward on this site (subject to due process / planning / public consultation, etc) to contribute to the link road. Given the size of the development site and, after consideration of the viabilities of a range of possible options, officers are confident that a minimum contribution of £5.0M can be secured from this development. This Developer Contribution may arise under future S106 agreements and/or land arrangements with the developing landowners and the Council will want these Developer Agreements in place before its formal "Full approval" submission.
- 7.10 However, some/all Developer Funding may not be available during the construction period for the road and therefore the Council may be required to forward fund these costs pending receipt of developer contributions and, if and to the extent it can be used for such purpose application of Community Infrastructure Levy.
- 7.11 This paper is not seeking final approval for the LTP funding or to forward fund developer contributions as a further paper will be submitted to Cabinet following DFT approval and more detailed cost analysis and profiling. However the total funding package must be submitted as part the DFT final submission and as stated above, DFT approval on this sum cannot be increased at a later date. It is therefore important that the potential financial implications are agreed in principle at this stage prior to the final submission of our business case.

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 Obligations including to make payments under a S106 agreement only come into effect if the planning permission to which it relates is implemented which is in the discretion of the developer/landowner. Also the contracting party can apply to vary any S106 obligations under planning legislation Further, third parties' could challenge the planning permissions so the S106 provisions are not secure until the challenge period expires and the permissions are free from challenge.

- 8.2 It is probable that any obligations under land arrangements as referred to in 7.9 would be conditional and/ or dependent upon the success of the developer/ land owners` own developments. The certainty or probability of payment will need to be reviewed before a decision is made on the "Full Approval" submission.
- 8.3 Section 206 of the Planning Act 2008 confers the power to charge Community Infrastructure Levy (CIL) on certain bodies known as charging authorities. Cheshire East Council is a charging authority.
- 8.4 Regulation 60(1) of the Community Infrastructure Regulations 2010 allows CIL to be used to reimburse expenditure already incurred on infrastructure in certain circumstances. Officers will further research whether and if so to what extent CIL could be applied towards this scheme.

## **9.0 Risk Management**

### Funding

- 9.1 DfT has made it clear that they expect the level of funding requested in the final submission to be lower than previously agreed. Currently, the anticipated request for DfT funding is likely to be approximately £2M lower than previously requested
- 9.2 A potential risk is the timing of any (Basford East) development brief, agreed planning requirements, off site infrastructure requirements, planning applications and planning permissions. This means that is possible that the council will not be in a position to draw down the necessary finance as it is required. In this situation, the council would, before formally submitting our 'Full Approval' bid (September 2013), have to be prepared to 'forward fund' the developer contribution and 'claw back' its costs through the subsequent Basford East planning / legal agreements.
- 9.3 In the event that no (Basford East) planning brief is agreed, or no or insufficient developer proposals or planning permissions are forthcoming, then as a fall back position, the council may have the opportunity to recover some of its costs through the forthcoming Community Infrastructure Levy (CIL) which will have to be in place in conjunction with the council's emerging LDF (currently shown as adoption in December 2014) It can ably be shown that the CGLR scheme would be a pre-requisite to cope with the wider traffic generation issues posed by the emerging LDF growth proposals for Crewe. As above, this possibility requires investigation in legal and financial senses.
- 9.4 Even if developer contributions are secured under legal agreements, there remains the risks including those mentioned in Legal Implications and the risks of developer default due to insolvency, bankruptcy, etc.
- 9.5 Since the DfT is providing a fixed sum of funding, the council will have to accept a degree of risk around issues such as land costs and construction inflation.
- 9.6 The funding profile / request for the scheme is partly made up of a quantified risk register (QRA) which is intended to mitigate the risks to the authority.

Professional advice has been sought in producing the QRA and contains elements of risk around areas of the scheme, including for example:

- ◆ Extended rail possessions
- ◆ High inflation scenarios
- ◆ Delays associated with the Compulsory Purchase process

9.7 The QRA currently stands at approximately £4.6M on a £27.75M scheme, and is considered to be adequate to cover the risks to the authority, whilst still allowing a competitive bid for funding to be achieved.

9.8 The scheme costs and risks will be further refined through to the BAFB submission date in September 2011 in order to tone the bid to be as competitive as possible as additional intelligence becomes available.

#### Delivery

9.9 With reference to 9.1 above the council needs to be mindful of the reputational risk to the authority if the amount of funding requested in the BAFB proves insufficient to deliver the scheme and for this reason the scheme is not delivered

9.10 There is now increasing certainty around aspects of the scheme design, including the largest component: the Network Rail Bridge.

#### Land Assembly and Planning

9.11 Other risks to the successful implementation of the project include the successful resolution of a re-submitted planning permission for the scheme and the successful acquisition of the land required through either negotiation or the compulsory purchase process.

### **10.0 Background and Options**

10.1 The strategic employment area at Basford East and West represent a significant location for business and employment, and will be a major catalyst for our growth ambitions for the south of the Borough. A location plan is attached at Appendix A.

10.2 CGLRS is a major component of the wider transformational regeneration plans for Crewe which aim to deliver additional GVA in the region of £250 million per annum, through the creation of up to 12,500 jobs in high value employment over the next 20 years. A plan showing the arrangement of the scheme is contained in Appendix B.

10.3 CGLRS will also unlock the strategic potential of the two major employment sites at Basford, which are the key to realising these aspirational plans. CGLRS will provide direct access to transformational employment generating opportunities, through the creation of a high quality science-oriented business and innovation park, and stimulate significant levels of investment and economic growth for Crewe and the wider sub-region.

- 10.4 Following an intense period of negotiations and discussions with DfT, Basford East is now gearing up for delivery after twenty years of delays and false starts on the site. Basford West has moved into delivery phase.
- 10.5 A funding bid for CGLRS was submitted to the Department for Transport in March 2009 by the former Cheshire County Council.
- 10.6 In April 2010, the previous Government administration announced the granting of provisional funding of £18.7M towards the construction of the link road.
- 10.7 Following the change in Government in May 2010, an immediate halt to the national major scheme programme was announced and the 'quashing' of decisions made by the former administration. The new Government also announced a new process it will use for determining funding for major schemes.
- 10.8 This new process streamlined the Governments approval procedure and introduced three Categories of schemes:

Category	Explanation
'Development Pool'	A shortlist of schemes competing to be promoted to the 'Supported Pool'
'Supported Pool'	A scheme that the Government is minded to fund subject to the scheme achieving the necessary 'Statutory procedures' (such as land acquisition and planning permission)
'Full Approval'	Once Statutory procedures have been completed the government formally releases funding for the scheme.

- 10.9 The Crewe Green Link Road scheme was included in the Development Pool. Given, the well publicised reductions to national spending (including transport) even at this stage many competitor major transport schemes were excluded. Schemes not included in the development pool will have to wait their turn, with the possibility of funding being made available in the next spending review period (2014/15 – 2019/20). The SEMMMS major road scheme in the North of the Borough is one such example.
- 10.10 Those schemes successfully included in the development pool are now the subject of a competition to be promoted to the Supported Pool. It is the intention of Government that subject to their being no major scope changes to a scheme, every scheme that is promoted to the Supported Pool would, after achieving its required statutory procedures be awarded Full Approval and be funded.
- 10.11 In total 45 schemes nationally are included in the Development Pool with an estimated cost of £945M. The DfT has funding of £630M over the spending review period (2011/12 to 2014/15) which means that the likely funding request for schemes is approximately 1.5 times the available budget.

10.12 In order to determine which of the Development Pool projects the Government supports, the DfT has instigated a competition for funding. The last date for submission of information to the DfT is the 9<sup>th</sup> September 2011. The Government has committed to announcing which schemes will be promoted to the Supported Pool by the end of 2011.

10.13 The following criteria will apply when considering the relative merits of proposals:

- Reduction in level of Government funding (formally) requested;
- The impact of the scheme on the Economy and the 'Carbon' agenda;
- A measure of how certain the 'deliverability' of the scheme is (to time, etc);
- The level of support for the scheme;
- The 'Cost-Benefit' of the scheme through an approved transport model;
- The amount proportion of funding that can be spent in the spending review period

10.14 An update on each of these areas is provided thus:

10.14.1 Reduction in level of Government Funding

A review of the costs and risks associated with the scheme has been undertaken and is being further refined. For example, good progress has been made in Land Negotiations with the Duchy of Lancaster and the rail bridge design has been progressed further. It is anticipated that these savings and other 'Value Engineering' measures will bring the cost down to approximately £27.75M (outturn)

No 'guidance' has been issued by central government on the level of reduction the government are expecting to see. Examining a range of competitor schemes, it would seem that they lie in the region of a 10-25% reduction.

At this stage the indicative reduction in DfT contribution is approximately 10%

10.14.2 The impact of the scheme on the Economy and the 'Climate' agenda

The credentials of the scheme here are well established and we anticipate scoring strongly in this area. Briefly, the scheme opens up the Basford East development site, which subject to the rigours of future planning process / LDF will open up a range of employment opportunities.

The scheme also improves access to the existing Basford West development site which has an existing planning permission.

We can also demonstrate that the scheme is required to facilitate the wider growth of Crewe as envisaged by the 'All change for Crewe' strategy.

The scheme is broadly carbon neutral with the detailed traffic modelling showing a minor reduction in vehicle emissions due to shorter trips and less traffic congestion across the wider road network

#### 10.14.3 How certain / deliverable is the scheme

Anticipated to be one of the key areas the DfT will examine. The current programme key dates are:

- Renewal of planning permission by – September 2011
- Promotion to 'Supported Pool' - Jan 2012
- Agreement of target price with contractors– June 2013
- Land Assembly – completion by - June 2013
- DfT Full approval– Oct 2013
- Rail under bridge works – Easter 2014
- Rail under-bridge works – Xmas 2014
- Main construction works an road open – Jan to Nov 2015

Detailed programming and planning has been undertaken to be able to demonstrate to the DfT that this programme is readily achievable.

Finally, it would be beneficial (though not critical) for our Final submission if we can demonstrate that the scheme has been granted planning permission. It is anticipated that many competitor schemes in the 'Development Pool' will not have passed this statutory hurdle – so giving the CGLR scheme a competitive advantage if it can be considered in time. A formal planning application was submitted to the council in early June 2011.

#### 10.14.4 The level of support for the scheme

In order to demonstrate the level of support for the scheme, a range of evidence will be drawn on to demonstrate this in the Best and Final bid – including:

- ◆ 5 weeks of pre-application planning consultation, including targeted events in the Basford, Weston area
- ◆ Presentation to Weston & Basford Parish Council
- ◆ The outcomes of the 'All change for Crewe' consultations / events
- ◆ Support and a 'joint' lobbying document from the Cheshire & Warrington Local Enterprise Partnership
- ◆ Extracts of findings from the recently completed 'Business Needs' survey

#### 10.14.5 The 'Cost Benefit ratio' of the scheme

Worked is underway to re-asses the cost benefit value of the scheme using a revised methodology in line with the government's new values. This work will not be fully complete before late August, however, early signs are positive and a strong result is anticipated.

#### 10.14.6 Spend of Dft monies in the spending review period.

The current programme shows that approximately 80% of DfT funding can be spent within the spending review period and officer view is that given that some competitor schemes are at the less advanced stage of development than CGLR this presents a favourable aspect of our 'final bid.

- 10.15 As part of the DfT process we were required to submit 'interim' (non binding) information on our scheme by the 24<sup>th</sup> June. This information is contained in Appendix C. For the purposes of this submission and for presentation purposes, it was a requirement that only external 'secured' funding could be shown as a third party contribution, with any external funding still to be legally secured shown as a Local Authority contribution. We anticipate feedback on this information in time for our final September submission.

#### **11.0 Access to Information**

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

Name: Paul Griffiths

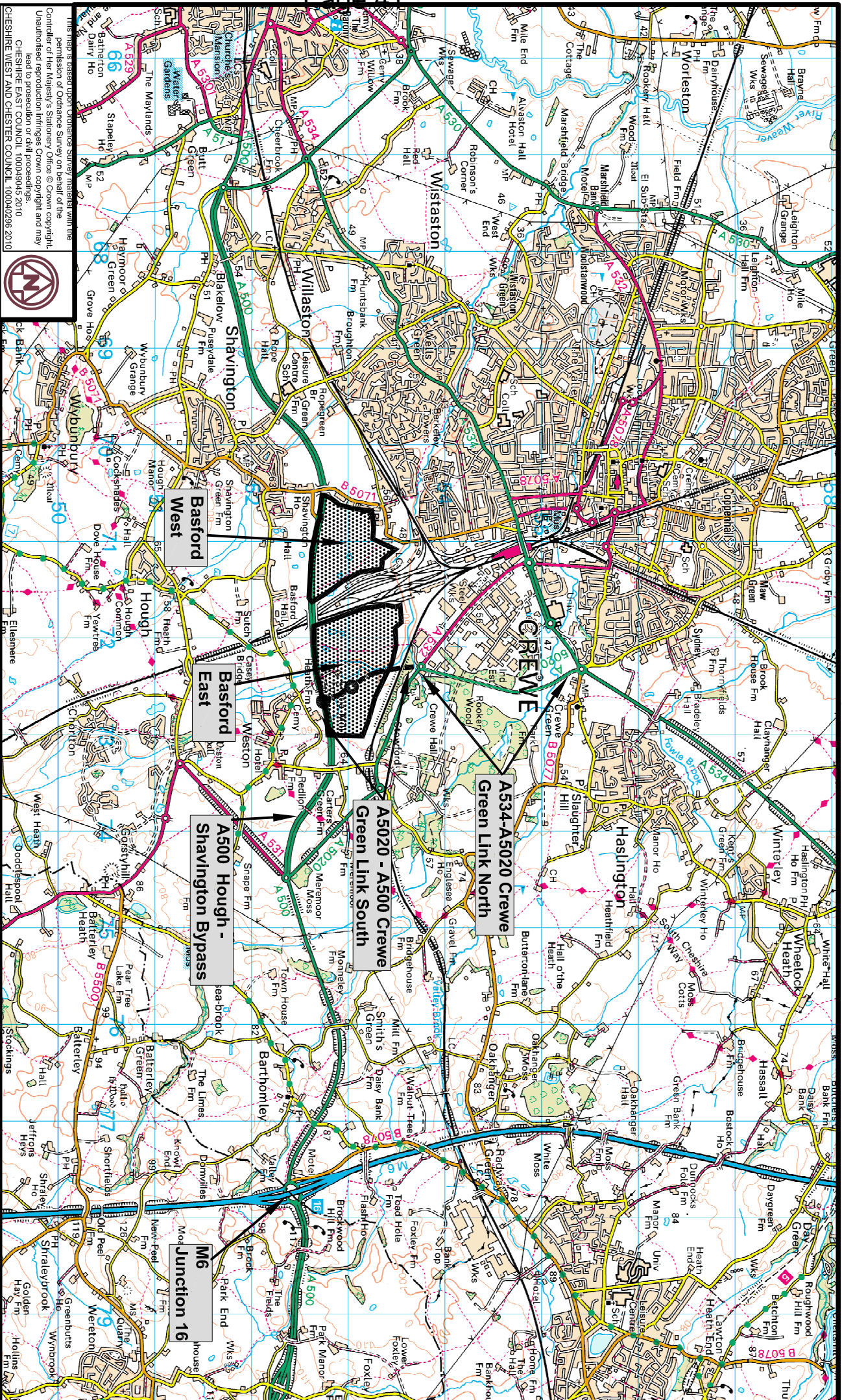
Designation: Principal Transportation Officer

Tel No: 01270 686353

Email: [paul.griffiths@cheshireeast.gov.uk](mailto:paul.griffiths@cheshireeast.gov.uk)

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CHESHIRE EAST COUNCIL, 100049045 2010  
CHESHIRE WEST AND CHESTER COUNCIL, 100049296 2010



Project:

## CREWE GREEN LINK SOUTH, CREWE

### Location Plan



Drawn by: S. Williams/A. Coward Checked by:

Date: April 2011

Scale at A4: Not to scale

Drawing No:

DR/12043/03/01

Phase/Rev:

D/B

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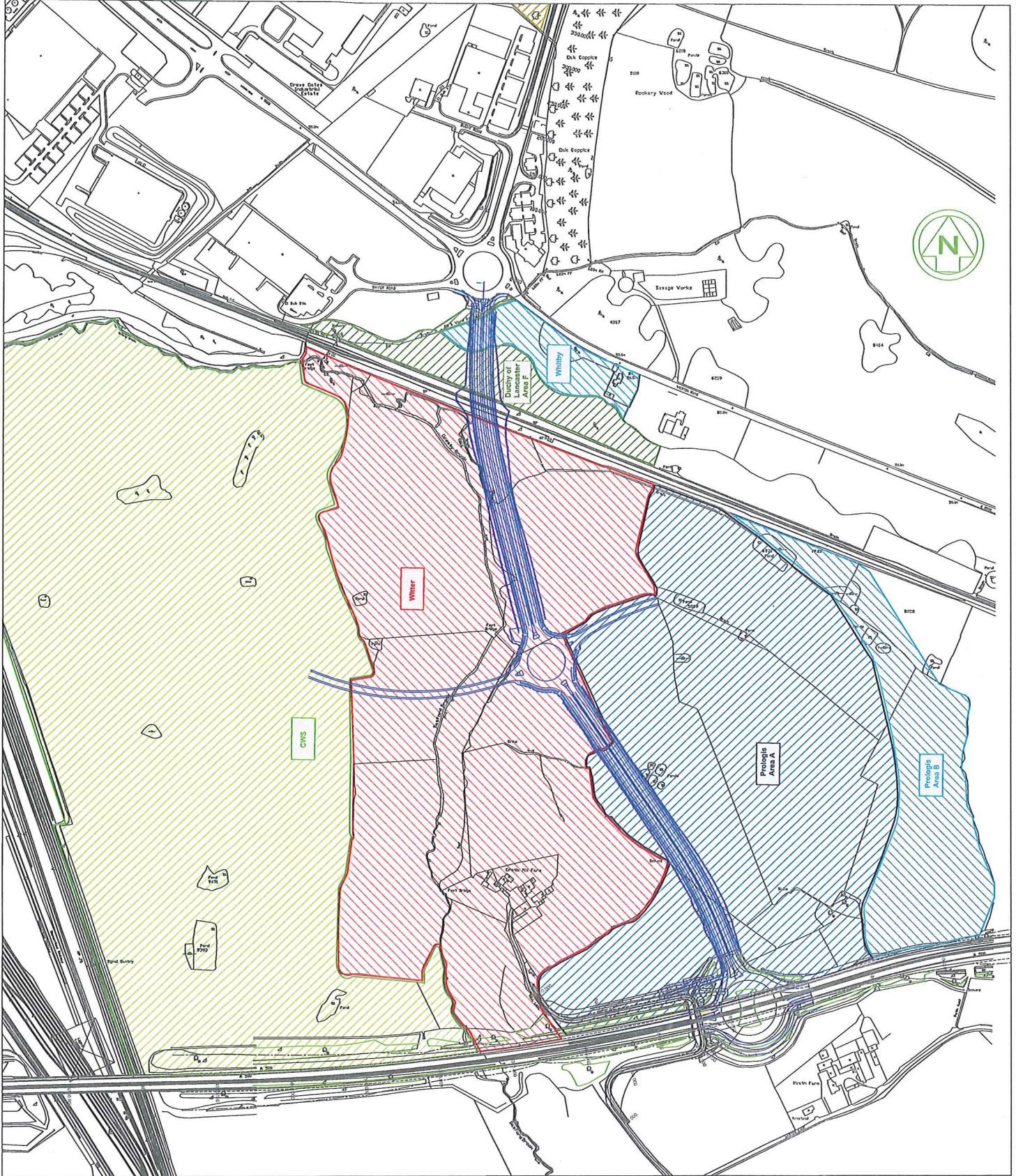


D / B	CEC frame added	12/07/11 AJC -
Ph/Rev.	Revision Details	Date Rev.by Chk by



A500 - A5020

Drawing No:	Phase/Rev:
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Page 45

**Local Authority Major Projects – Development Pool Schemes**  
**Interim Information – June 2011**

**NOTE: Responses should be no more than 2 pages; bullet points acceptable. Key information only required**

<b>Scheme Name</b>	Crewe Green Link Road
<b>Local Authority</b>	Cheshire East Council

**SCHEME CONTENT AND PROPOSED CHANGES**

Please describe any changes you are planning to make to the scheme design from that submitted in Part 2.1 of your EoI in January 2011 (including any cost savings identified and scope changes)	<b>Main Scope changes relative to scheme costs</b>	Cost Change (+ / -)
	Removal of services culvert under railway for development	-£60,000
	Removal of other development related works	-£15,000
	Review of Preliminaries	-£2,200,000
	Removal of the side roads from new roundabout	-£315,500
	SW Pumping Station design reviewed and upgraded	+£240,000
	Cut-off wall options revisited and design revised.	-£900,000
	Disposal of excess cut material from excavation works to be deposited on adjacent land plots (previously removal and disposal off-site)	-£26,000
What other alternatives and / or reductions in scope have been considered since your January EoI but are not minded to take forward (please give reasons why)	<p>Revisited the option of single carriageway (rather than dual) and the same conclusions reached as per EoI (Jan 11) with regard to lower BCR and relatively marginal cost savings and high costs for any future upgrade to dual.</p> <p>Reductions of lighting scope over the length of the scheme concluded that on grounds of design standards and safety no scope reduction applied.</p> <p>Removal of new roundabout junction from design not considered to be in line with objectives of the scheme in terms of provision for economic development of the adjacent land plots and the wider area.</p> <p>Replacement of the new roundabout junction with a traffic signal controlled junction to reduce land-take/costs. Signal controlled junction demonstrated not to operate satisfactorily with a significant reduction to the expected scheme Cost-Benefit Ratio.</p> <p>Removal of cycleway provided limited cost savings and would detract from the scheme providing links and access for all users and compromise safety.</p> <p>Consideration of options for the cut-off wall, including replacement of sheet pile with slurry wall option. Relative savings considered to be minimal with additional costs of provision for construction methodology / additional land take.</p> <p>Consideration of removal of road safety barrier (VRS) over lengths of scheme.</p>	

**SCHEME COST SUMMARY**

£m	Scheme Costs As Per January Expression of Interest	Latest Cost Estimate of Proposed Scheme
LA contribution	2.43	6.518
Third Party Contribution	8.75 (including 5.55 NWDA)	4.000
DfT Funding Contribution	18.7	16.500
<b>TOTAL</b>	<b>29.88</b>	<b>27.018</b>

**Latest estimate of the funding profile for the scheme you expect to bid for in September:**

*Assume that no DfT funding will be available before 2012/13.*

*Please specify all third party contributor(s) listing each one on a separate line.*

	Pre 2011/12	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Post 2016/17	Total	% Total
LA contribution		0.340	1.365	0.755	0.778	2.660	0.619	-	6.518	24%
Third Party contribution (a) Basford West		-	-	-	-	4.000	-	-	4.000	15%
DfT funding requested			-	3.019	10.335	2.321	0.825	-	16.500	61%
<b>TOTAL</b>		0.340	1.365	3.774	11.113	8.981	1.444	-	27.018	100%

(Where relevant) Please supply details of the expected revenues generated per year any ongoing revenue liabilities (other than routine maintenance) and how you intend to fund this in the longer term.

N/A

<p><b>Please describe the status of 3<sup>rd</sup> party contributions identified above &amp; any further contributions being pursued.</b></p>	<p>Planning Obligation by agreement pursuant to a legally binding Section 106 agreement relating to the development of land at Basford West, Crewe. The Crewe Green Link Road Contribution is an Index Linked sum of £3,200,000 from 2008. This equates to approximately £3,400,000 (in 2013/14) as a contribution.</p> <p>The is a strong likelihood of this contribution being increased, as discussions with the developer have been underway for some time about a revised land use policy to part of the Basford West site. A minimum figure of £600,000 is anticipated in time for the final approval application.</p>																
<p><b>VALUE FOR MONEY INFORMATION</b></p>																	
<p><b>Please provide a short description of your current assessment of the value for money of the scheme you intend to bid for in September (including your current estimate of the Benefit Cost Ratio)</b></p>	<p>Latest assessment of the VfM is that presented in the Expression of Interest form. The table below is reproduced from the EOI form. In the EOI form BCR estimated as 4.0.</p> <table border="1" data-bbox="531 488 1492 745"> <thead> <tr> <th></th><th>PVB (£000)</th></tr> </thead> <tbody> <tr> <td>Revised PVB from DfT</td><td>68,235</td></tr> <tr> <td>Change landscape impact from -£10m to -£0.5m</td><td>+9,500</td></tr> <tr> <td>Existing network maintenance costs</td><td>Not estimated</td></tr> <tr> <td>Reduction in delay during maintenance of existing network</td><td>Not estimated</td></tr> <tr> <td>Journey time, estimate as 10% of user time benefits</td><td>+7,200</td></tr> <tr> <td>Wider Impacts</td><td>+13,650</td></tr> <tr> <td><b>New PVB estimate</b></td><td><b>98,585</b></td></tr> </tbody> </table> <p>As discussed below we are currently refreshing the appraisal in line with DfT's latest guidance and with updated assumptions regarding land use changes. We do not yet have revised benefit estimates. We do not envisage any material changes to the previously estimated non-monetised impacts.</p> <p>Work is currently ongoing to finalise scheme cost estimates and partners' contributions as summarised above. This work is indicating that:</p> <ul style="list-style-type: none"> <li>- total capital costs will be approximately 8% lower than those presented in the EOI</li> <li>- 3<sup>rd</sup> party funding will increase by £800k – a reduction to the PVB</li> </ul> <p>public sector funding will decrease by £3.2m – a reduction in the PVC</p> <p>These changes would result in the BCR increasing to approximately 4.6.</p>		PVB (£000)	Revised PVB from DfT	68,235	Change landscape impact from -£10m to -£0.5m	+9,500	Existing network maintenance costs	Not estimated	Reduction in delay during maintenance of existing network	Not estimated	Journey time, estimate as 10% of user time benefits	+7,200	Wider Impacts	+13,650	<b>New PVB estimate</b>	<b>98,585</b>
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Wider Impacts	+13,650																
<b>New PVB estimate</b>	<b>98,585</b>																
<p><b>What key issues remain to be resolved with the modelling and appraisal of the scheme and how will these be resolved?</b></p>	<p>DfT's feedback on the modelling and appraisal raised one issue – the treatment of uncertainty in developing scenarios. We are currently developing the scenario inputs using detailed information from Cheshire East Council's planning officers and the approach to uncertainty specified in TAG Unit 3.15.5.</p> <p>On our EOI form we queried DfT's assessment of landscape disbenefits of £10m. We have reviewed the relevant guidance on this issue and have sent you a note for your comment which sets out our proposed approach to valuing landscape impacts.</p> <p>As discussed in our EOI we propose to quantify reliability and Wider Impacts using the approaches set out in the current TAG Units.</p> <p>We have completed the SDI Step 0 Assessment which we sent to DfT on 23<sup>rd</sup> May. We are progressing with SDI assessments on the basis of this initial assessment. DfT's comments on our assessment are required by end-June so that we can ensure that our approach to SDIs will be acceptable to you.</p>																
<p><b>Please provide details (title and date you intend to submit) of supporting modelling and appraisal documents you intend to share with DfT prior to submission of the BAFB.</b></p>	<p>The modelling and appraisal documents specified in Annex A of the VfM guidance will be provided. These are:</p> <ul style="list-style-type: none"> <li>- Data collection report</li> <li>- Highway model validation report</li> <li>- Demand model reports</li> <li>- Forecasting report</li> </ul> <p>The highway base model base year is 2006 and has been updated to reflect TAG changes to values of time and operating costs for 2006 resulting from the recent TAG unit 3.5.6 update. The changes are restricted to the SATURN assignment parameters PPM and PPK, and no adjustments have been made to the previously validated matrices. Validation statistics have been produced which show there is very little perturbation of the validation of the base highway model. To demonstrate this we will produce the highway model validation report flow and journey time validation appendices consistent with those previously produced. We do not intend to update the highway model validation report as</p>																

	<p>the updated appendices will demonstrate that the original document remains applicable.</p> <p>Similarly the demand model used to support the Programme Entry Business case has been updated with inputs from the new base model and new TAG values of time. The DIADEM realism tests have been repeated with the previously calibrated sensitivity parameters and have produced results with no significant difference from the previous calibration runs. We will report the new realism test results and comparison with previous test results but do not intend to reproduce the demand model report as it too will remain valid.</p> <p>We will therefore re-supply DfT in June 2011, with:</p> <ul style="list-style-type: none"> <li>– Data collection report</li> <li>– Highway model validation report</li> <li>– Demand model report</li> </ul> <p>Also in June 2011 we will produce:</p> <ul style="list-style-type: none"> <li>– short note on the model re-validation and updated model validation appendices.</li> <li>– short note on the updated realism tests.</li> </ul> <p>We aim to complete the forecasting report by end-July 2011.</p> <p>The BAFB form will be accompanied by a 10-15 page appraisal summary document and the AST.</p>
<b>CONSULTATION</b>	
<p><b>Please provide details of any consultation activities you have carried out in the last 6 months noting key outcomes such as areas of support and opposition. Please provide details of any other consultation you plan to carry out before September.</b></p>	<p><b><u>Pre-planning application consultation</u></b> which ran from Monday 9th May and ended mid June 2011.</p> <p>*Weston &amp; Basford Parish Council support for the scheme subject to conditions about the 'type' of development that comes forward on Basford East;</p> <p>*Support from business in the area, including the South Cheshire Chamber;</p> <p>*Local concern (Weston area) about the road scheme, though feedback suggests this is directed at the Basford Development site proposals (which has been a planning allocation for years)</p> <p><b><u>All Change for Crewe Public Consultation (November 2011)</u></b></p> <p>We consulted residents and interested parties in Crewe to give them the opportunity to have their say over the Council's ambitious plans to regenerate Crewe over the next two decades.</p> <p>57% of respondents said that better connections to the motorway were a high priority for them by scoring it between 7 and 10 in terms of importance.</p> <p>In terms of improvements to the town centre, better traffic management and improved cycle access were high on the agenda from the comments received. Crewe Green Link Road facilitates these improvements.</p>
<b>DELIVERY</b>	
<p><b>Please detail the key delivery milestones within your proposed bid.</b></p>	<ul style="list-style-type: none"> <li>• Renewal of planning permission by – Aug 2011</li> <li>• Re-activated DfT Programme entry – Jan 2012</li> <li>• Network Rail Implementation agreement in place – Jan 2012</li> <li>• Advanced Environmental Works (to precede DfT final approval) tender period – Dec 2012.</li> <li>• Contract approved and sealed – March 2013.</li> <li>• Infrastructure works tender period, following OJEU notices – Mar 2013.</li> <li>• Approval and issue of EPSL for environmental works - Dec 2012</li> <li>• Advanced environmental works Contract award - by Jan 2013</li> <li>• Agreement of target price – June 2013</li> <li>• Land Assembly – completion by - June 2013</li> <li>• DfT Final approval submission, post tendering – Aug 2013</li> <li>• DfT Final approval post their consideration – Oct 2013</li> <li>• Final approval and contract sealed for both Infrastructure work and Network Rail work – Oct 2013</li> <li>• Rail under bridge works – Easter 2014</li> <li>• Rail under-bridge works – Xmas 2014</li> <li>• Main Construction works &amp; road open – Jan to Nov 2015</li> </ul>
<b>SUBMITTED BY</b>	<i>Graham Martin on behalf of <b>Cheshire East Council</b></i>
<b>DATE</b>	<b>Friday 24<sup>th</sup> June 2011</b>

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## CHESHIRE EAST COUNCIL

### CABINET

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<b>Date of Meeting:</b>	1 August 2011
<b>Report of:</b>	Director of Children's Services
<b>Subject/Title</b>	Religious Education Agreed Syllabus for Cheshire East
<b>Portfolio Holder</b>	Councillor Hilda Gaddum, Cabinet Member for Children and Family Services

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#### 1.0 Report Summary

This report requests Cabinet to consider and agree the Religious Education Agreed Syllabus for Cheshire East Council. This is a statutory requirement. The previous syllabus was agreed by Cheshire County Council in 2005. The syllabus has been reviewed and drafted by a working party. It was agreed at the Religious Education Agreed Syllabus conference held on 25 May 2011 by the SACRE members.

#### 2.0 Decision Requested

- 2.1 For Authorised Officers to take all necessary actions to agree the Religious Education Agreed Syllabus for Cheshire East Council.

#### 3.0 Reasons for Recommendations

- 3.1 The Religious Education (RE) syllabus must be revised every five years. The previous syllabus was approved and adopted by Cheshire County Council in September 2005 and is, therefore, now due for review so that a revised syllabus can operate from September 2011. It is a duty of the Local Authority to establish an agreed syllabus conference, to produce and recommend an agreed syllabus for RE, as set out in Schedule 31 of the Education Act 1966 which derives from the 1944 Act.

#### 4.0 Wards Affected

- 4.1 All

#### 5.0 Local Ward Members

- 5.1 All

#### 6.0 Policy Implications including - Carbon reduction - Health

- 6.1 N/A

## **7.0 Financial Implications (Authorised by the Borough Treasurer)**

7.1 None

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

8.1 Every maintained school in England must provide a basic curriculum (Religious Education, sex education and the National Curriculum). This includes provision for RE for all registered pupils at the school (including those in the sixth form), except for those withdrawn by their parents (or withdrawing themselves if they are aged 18 or over) in accordance with Schedule 19 to the School Standards and Framework Act 1998. (For further information on the right to withdrawal see HANDBOOK Part 1).

8.2 The statutory document in determining the teaching of RE is the locally agreed syllabus within the Local Authority concerned.

8.3 Schools designated as having a religious character are free to make their own decisions in preparing their syllabuses. Local Authorities must, however, ensure that the agreed syllabus for their area is consistent with Section 375(3) of the Education Act 1996, which requires the syllabus to reflect that the religious traditions of Great Britain are in the main Christian whilst taking account of the teaching and practices of the other principal religions represented in Great Britain. (1)

8.4 Schools are not obliged to provide Religious Education to pupils who are under compulsory school age (section 80(2)(a) of the Education Act 2002), although there are many instances of good practice where RE is taught to these pupils. Separate legislative provision on RE is made for maintained special schools. Regulations covering maintained special schools require them to ensure that, as far as practicable, a pupil receives Religious Education.

(1) The major world religions referred to in this syllabus are Buddhism, Christianity, Hinduism, Islam, Judaism and Sikhism. Some study of secular world views and a religious community with a significant local presence may be appropriate.

For further guidance see- 'Religious Education in English Schools; Non Statutory Guidance 2010' [www.teachernet.gov.uk/publications](http://www.teachernet.gov.uk/publications) DCSF-00114-2010

## **9.0 Risk Management**

9.1 Not meeting the statutory requirement; Schedule 31 of the Education Act 1966 which derives from the 1944 Act.

## **10.0 Background and Options**

10.1 The focus of this Agreed Syllabus is to set a framework to support those who are responsible for the provision and quality of Religious Education in maintained schools in Cheshire East. It aims to be fully inclusive, exploring the beliefs, ethics and lifestyles that Religious Education encompasses. It seeks to promote high levels of consistency in teaching and learning, while giving teachers freedom to find the best ways to help pupils engage with challenging spiritual, moral, social and cultural questions that arise in their lives and in their community.

10.2 Every pupil has a statutory entitlement to Religious Education as it makes a distinctive contribution to a broad and balanced curriculum. Pupils should have the opportunity to explore the role and significance of religion in society and the important beliefs and values that shape the world today. Religious Education helps pupils understand the religious experience of others and the ways in which it gives adherents a sense of purpose and meaning in their lives.

10.3 Section 1 of Appendix 1 details what it is that the Cheshire East RE agreed syllabus is trying to achieve under the following headings:

- The importance of RE
- The Legal Framework
- Access & Entitlement
- RE & Inclusion
- Gifted & Talented
- RE & pupils with SEN
- How RE contributes to Spiritual, Moral, Social & Cultural Education
- RE & Integrated communities

10.4 Section 2 details how the learning is organised.

### **10.4.1 Part A**

- Content, time allocations & reporting in the key stages
- Introduction to aspects of faith
- Attainment targets in RE
- Effective learning in RE
- Skills for effective learning

### **10.4.2 Part B**

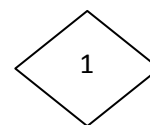
- Introduction to content overviews
- Progression units in
  - Buddhism
  - Christianity
  - Judaism
  - Islam
  - Hinduism
  - Sikhism

- 10.5 The membership of the Standing Advisory Committee on Religious Education is set out in Appendix 2.

**11.0 Access to Information**

- 11.1 The background papers relating to this report can be inspected by contacting the report author.

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## ***Section 1***

### ***What are we trying to achieve?***

**Introduction/The importance of Religious Education**

**The Legal Framework**

**Access & Entitlement**

**Religious Education & Inclusion**

**Gifted & Talented**

**Religious Education & the Pupil with Special Educational Needs**

**How RE contributes to Spiritual, Moral, Social & Cultural Education**

**Religious Education & Integrated Communities**

## **Introduction to Cheshire East Religious Education Agreed Syllabus**

The focus of this Agreed Syllabus is to set a framework to support those who are responsible for the provision and quality of Religious Education in maintained schools in Cheshire East. It aims to be fully inclusive, exploring the beliefs, ethics and lifestyles that Religious Education encompasses. It seeks to promote high levels of consistency in teaching and learning, while giving teachers freedom to find the best ways to help pupils engage with challenging spiritual, moral, social and cultural questions that arise in their lives and in their community.

### **The Importance of Religious Education**

Every pupil has a statutory entitlement to Religious Education as it makes a distinctive contribution to a broad and balanced curriculum. Pupils should be the opportunity to explore the role and significance of religion in society and the important beliefs and values that shape the world today. Religious Education helps pupils understand the religious experience of others and the ways in which it gives adherents a sense of purpose and meaning in their lives. The exploration:

- supports pupils in their own search for meaning and purpose in life
- helps pupils develop their own beliefs, values and ideals
- provides a safe and secure environment for pupils to challenge prejudices and misconceptions
- encourages tolerance and respect for themselves and for other people
- enables pupils to be discerning so that they can make informed choices about systems of belief whether faith or secular
- encourages pupils to recognise and celebrate diversity in society
- enhances pupils' understanding of history, art, music, literature and the media.

It is not the intention of religious education in maintained schools to promote the beliefs or practices of any one religion or denomination.

## **The Legal Framework**

Every maintained school in England must provide a basic curriculum (Religious Education, sex education and the National Curriculum). This includes provision for RE for all registered pupils at the school (including those in the sixth form), except for those withdrawn by their parents (or withdrawing themselves if they are aged 18 or over) in accordance with Schedule 19 to the School Standards and Framework Act 1998. (For further information on the right to withdrawal see HANDBOOK Part 1)

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Schools designated as having a religious character are free to make their own decisions in preparing their syllabuses. LAs must, however, ensure that the agreed syllabus for their area is consistent with Section 375(3) of the Education Act 1996, which requires the syllabus to reflect that the religious traditions of Great Britain are in the main Christian whilst taking account of the teaching and practices of the other principal religions represented in Great Britain. (1)

Schools are not obliged to provide Religious Education to pupils who are under compulsory school age (section 80(2)(a) of the Education Act 2002), although there are many instances of good practice where RE is taught to these pupils. Separate legislative provision on RE is made for maintained special schools. Regulations covering maintained special schools require them to ensure that, as far as practicable, a pupil receives Religious Education.

(1)The major world religions referred to in this syllabus are Buddhism, Christianity, Hinduism, Islam, Judaism and Sikhism. Some study of secular world views and a religious community with a significant local presence may be appropriate.

For further guidance see- 'Religious Education in English Schools; Non Statutory Guidance 2010' [www.teachernet.gov.uk/publications](http://www.teachernet.gov.uk/publications) DCSF-00114-2010

## **Access and Entitlement**

All pupils, including those with any special educational needs including those are gifted and talented, have an entitlement of full access to the Religious Education curriculum.

This entitlement will need to take account of the physical, sensory, academic, emotional and learning needs of individual pupils in ways which acknowledge the value of their responses, contributions and achievements.

A wide range of approaches to the two Attainment Targets, "Engaging Encounter with Religion" and "Reasoned Response to Religion", should be encouraged through any medium suited to the experience and ability of individual pupils.

Evidence of pupil responses to the Attainment Targets and Programmes of Study may take a variety of forms including aural, oral, visual and written.

Teachers must take account of the requirements and make provision, where necessary, to support individuals or groups of pupils to enable them to realise their full potential and participate effectively in Religious Education and assessment activities.



## Religious Education and Inclusion

Religious Education can make a significant contribution to inclusion, particularly in its focus on promoting respect for all.

The national framework for Religious Education, (QCA 2004), contains many references to the role of Religious Education in challenging stereotypical views and appreciating, positively, differences in others. The national framework enables all pupils to consider the impact of people's beliefs on their own actions and lifestyle. The national framework also highlights the importance of religions and beliefs and how Religious Education can develop pupils' self-esteem.

### **Effective inclusion involves teaching a lively, stimulating Religious Education curriculum that:**

- builds on and is enriched by the differing experiences pupils bring to Religious Education.
- meets all pupils' learning needs including those with learning difficulties or who are gifted and talented, boys and girls, pupils for whom English is an additional language, pupils from all religious communities and pupils from a wide range of ethnic groups and diverse family backgrounds.

### **To overcome any potential barriers to learning in Religious Education, some pupils may require:**

- support to access text, such as through prepared tapes, particularly when working with significant quantities of written materials or at speed.
- help to communicate their ideas through methods other than extended writing, where this is a requirement. For example, pupils may demonstrate their understanding through speech or the use of ICT.
- a non-visual way of accessing sources of information when undertaking research in aspects of Religious Education, for example using audio materials.

(Based on Non - Statutory National RE Framework QCA 2004)

## Gifted and Talented Pupils

Teachers are responsible for the majority of the provision for more able pupils. Therefore, the role of the teacher is crucial in helping these pupils to reach their potential.

### 1 Differentiation

Differentiation takes many forms. Some of the major differentiation strategies are:

- Differentiation by task
- Differentiation by time
- Differentiation by outcome
- Differentiation by resources
- Differentiation by dialogue/questioning

### 2 Assessment

The principles that underpin effective class-based assessment, apply equally to the assessment of more able pupils. The same quality feedback is required to indicate both what the child has done well and what the next step in the learning needs to be. In a number of instances, particularly at the end of a key stage, it is important for teachers to be aware of the next developmental stages in a child's learning which may be beyond those key stage specific expectations.

### 3 The Learning needs of gifted and talented pupils

More able pupils need the opportunity to move rapidly through elementary stages and progress quickly to enriched, enhanced and advanced resources. They need the opportunity to work independently make choices and develop skills in investigation and research.

- **Individualisation**

Individualisation gives the pupil greater responsibility for the content and pace of their own educational progress. In this, pupils would be required to monitor their own learning.

- **Co-operative learning**

The pupils explain their reasoning to each other. Co-operative teaching-learning interactions in the classroom are also ideal for helping pupils progress to higher levels of understanding.

## **Religious Education and the Pupil with Special Educational Needs**

Religious Education, of the explicit and implicit type, provides important learning opportunities for pupils with special educational needs, which are unique to the curriculum. Each pupil is entitled to access the Religious Education curriculum with regard to his/her needs, and equal to that of every other individual of the same age.

When looking at the syllabus, the aspects of different faiths may appear to be difficult to communicate with SEN pupils however the material contained within the syllabus is a rich source of stimuli..

RE provides us with specific opportunities for SEN pupils to:

- develop spiritually,
- develop a motive to partake and/or communicate,
- celebrate all that is best within their experience and express satisfaction at their achievements and those of others,
- live purposefully and positively as an individual whatever their physical, sensory or learning disability,
- develop positive attitudes towards their own feelings and the beliefs and practices of others
- experience feelings such as awe and wonder.

NB Please see Handbook Part 2 for specific examples of sensory planning.

## **Promoting Spiritual, Moral, Social & Cultural Development through Religious Education**

**Religious Education provides opportunities to promote *spiritual development* through:**

- discussing and reflecting on key questions of meaning and truth such as the origins of the universe, life after death, good and evil, beliefs about God and values such as justice, honesty and truth.
- learning about and reflecting on important concepts, experiences and beliefs that are at the heart of religious and other traditions and practices.
- considering how beliefs and concepts in religion may be expressed through the creative and expressive arts and related to the human and natural sciences, thereby contributing to personal and communal identity.
- considering how religions and other world views perceive the value of human beings, and their relationships with one another, with the natural world and with God.
- valuing relationships and developing a sense of belonging.
- developing their own views and ideas on religious and spiritual issues.

**Religious Education provides opportunities to promote *moral development* through:**

- enhancing the values identified within the National Curriculum, particularly valuing diversity and engaging in issues of truth, justice and trust .
- exploring the influence of family, friends and media on moral choices and how society is influenced by beliefs, teachings, sacred texts and guidance from religious leaders.
- considering what is of ultimate value to pupils and believers through studying the key beliefs and teachings from religion and philosophy about values and ethical codes of practice.
- studying a range of ethical issues, including those that focus on justice, to promote racial and religious respect and personal integrity.
- considering the importance of rights and responsibilities and developing a sense of conscience.

**Religious Education provides opportunities to promote *social development* through:**

- considering how religious and other beliefs lead to particular actions and concerns.
- investigating social issues from religious perspectives, recognising the diversity of viewpoints within and between religions as well as the common ground between religions.
- articulating pupils' own and others' ideas on a range of contemporary social issues.

**Religious Education provides opportunities to promote *cultural development* through:**

- encountering people, literature, the creative and expressive arts and resources from differing cultures.
- considering the relationship between religion and cultures and how religions and beliefs contribute to cultural identity and practices.
- promoting racial and interfaith harmony and respect for all, combating prejudice and discrimination, contributing positively to community cohesion and promoting awareness of how interfaith cooperation can support the pursuit of the common good.

(Based on Non - Statutory National RE Framework QCA 2004)

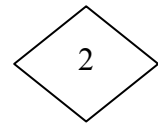
## Religious Education & Integrated Communities

RE makes an important contribution to a school's duty to promote integrated communities, (formerly referred to as community cohesion). Religious Education can contribute to promoting a positive and inclusive whole school ethos that champions democratic values and human rights.

It provides a key context to develop young people's understanding and appreciation of diversity, to promote shared values and to challenge racism and discrimination. Effective RE will promote integrated communities at each of the four levels outlined in DCSF guidance on community cohesion\*.

- **The school community** – RE provides a positive context within which the diversity of cultures, beliefs and values can be celebrated and explored.
- **The community within which the school is located** – RE provides opportunities to investigate patterns of diversity of religion and belief and forge links with different groups in the local area.
- **The UK community** – a major focus of RE is the study of diversity of religion and belief in the UK and how this influences national life.
- **The global community** – RE involves the study of matters of global significance recognising the diversity of religion and belief and **its impact on world issues**.

\* <http://www.teachernet.gov.uk/docbank/index.cfm?id=11635>



## **Section 2**

### How do we organise Learning?

#### ***Section 2 Part A***

Content, Time Allocations & Reporting in the Key Stages

Introduction to Aspects of Faith

Attainment Targets in RE

Effective Learning in RE

Skills for Effective Learning

## Section 2 Part A

### Content & in Time Allocations in the Key Stages

This syllabus has been designed to give maximum flexibility for schools to plan and organise religious education in the light of their own circumstances and the character of their local community. It is necessary, however, for schools to plan the programme for religious education at each key stage against the following requirements.

#### **Religion & Beliefs**

- ◆ **Foundation Stage** - Christianity.
  - ◆ **Key Stage 1** - Christianity and normally one other principal religion.
  - ◆ **Key Stage 2** - Christianity and two other principal religions
- It is expected by the end of Key Stage 2 at least Judaism Unit 1 will have been taught.
- ◆ **Key Stage 3** - Christianity and at least two other principal religions.
  - ◆ **Key Stage 4 - (14-16)** - Christianity and at least one other principal religion or any examination board specification, which includes Christianity.
  - ◆ **16-19** - Christianity and other principal religions or any examination board specification, which includes Christianity.

It is expected that during all Key Stages, a secular world view will be taught as appropriate through the RE curriculum, e.g. through topics on creation or God. Where there are other religious communities with a significant local presence, e.g. Jehovah's Witness, Mormons, Bahai Faith, pupils may study aspects of these communities. See Handbook Part 2 for example units.

**NB It is expected a pupil encountering a religion for the first time would begin at Unit 1 of the Content Overview for that religion. A combination of Units 1 and 2 may be used if a student encounters a religion for the first time in Key Stages 3 or 4. There is a Unit R for Foundation Stage Christianity.**

The requirements of the syllabus cannot be fulfilled unless 5% of curriculum time is allocated to the teaching of Religious Education.

It is expected that by the end of the summer term, foundation stage classes will be moving towards the statutory requirement for Key Stage 1.

In Key Stage 1 the requirement is for 36 hours per year.

In Key Stage 2 the requirement is for 45 hours per year.

In Key Stage 3 the requirement is for 45 hours per year.

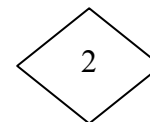
In Key Stage 4 the requirement is for 40 hours per year.

#### **Reporting**

**It is a legal requirement to report on pupil's progression in religious education at least once a year.**

**At the end of Key Stages 1, 2 and 3 teachers should report the assessment levels, which the pupil has achieved. At the end of Key Stages 4 and 5 teachers should report against the end of Key Stage descriptions.**





## Introduction to Aspects of Faith

### Explanation of aspects of faith or key concepts

The religious Education curriculum introduced in 2007, included a different approach for RE, with a greater emphasis on six “key concepts” or ‘aspects of faith’. These were:-

1. **Beliefs, Teachings and Sources**- exploring the teachings, texts and authorities in a particular religion
2. **Practices and Ways of life**-examining the impact of religion on how people live their lives.
3. **Expressing meaning**-appreciating that beliefs are expressed in various forms, including writing, silence, art, music, dress, dance, ritual and food.
4. **Identity, Diversity and Belonging**- understanding how individuals develop a sense of identity and belonging through their faith and how this may differ within and between religions
5. **Meaning, Purpose and Truth**-exploring how religions answer ultimate questions which face humanity. These include the existence of God and the nature of being human. They should also include pupils’ own questions
6. **Values and Commitments**-understanding how moral values and a sense of obligation can come from religious beliefs.

These six aspects of faith have been used as the framework of the content overviews for each faith. The advantage of these aspects of faith is that they ensure that pupils appreciate the breadth and depth of a religious faith.

Within these units there are some distinctive religious concepts which children should be taught to grasp and understand. These key religious concepts will include ideas;

- which are specific to particular religions, such as the Christian ‘resurrection’ or the Hindu ‘atman’
- which are common across a number of religions, such as ‘divine’, ‘spirit’, ‘sacred’
- which are used by students of religion in the course of their enquiries, such as ‘belief’, ‘symbol’, myth, ‘ritual’
- which characterise the aspects of human life which underpin the quest for meaning, such as ‘belonging’, ‘identity’, ‘death’, ‘suffering’.

**All six of the above aspects of faith should be covered in each year of the key stage, so that students should have a deeper understanding of what it means to be religious.**

**Attainment Targets in Religious Education****Engaging Encounter and Reasoned Response**

The attainment targets set out below are intended to state clearly the distinctive process of learning in Religious Education and provide the basis for planning effective teaching at each key stage.

**Attainment Target 1 Engaging Encounter with Religion**

This attainment target requires pupils to;

- Engage in an open and sensitive exploration to religion
- Acquire knowledge of religious beliefs, practices and values in Christianity and other principal religions represented in Great Britain as other world views and religions, e.g. Baha'i and secular philosophies, e.g. Humanism.
- Develop an understanding of the influence of religious beliefs, practices and values on individuals, communities, societies and cultures.
- Use the skills of interpretation, analysis and explanation.

**Attainment Target 2 Reasoned Response to Religion**

This attainment target requires pupils to;

- Develop the ability to make reasoned responses and informed judgements about religious and moral issues.
- Explore and learn to communicate their own beliefs, values and experiences in terms of the spiritual, moral, social and cultural aspects of life by;
  - *developing an awareness of the fundamental questions of life raised by human experience and how religions seek to answer them;*
  - *responding to such questions by relating religious beliefs, practices and values to their own understanding and experience;*
  - *reflecting on their own beliefs, values and experience in the light of their study*

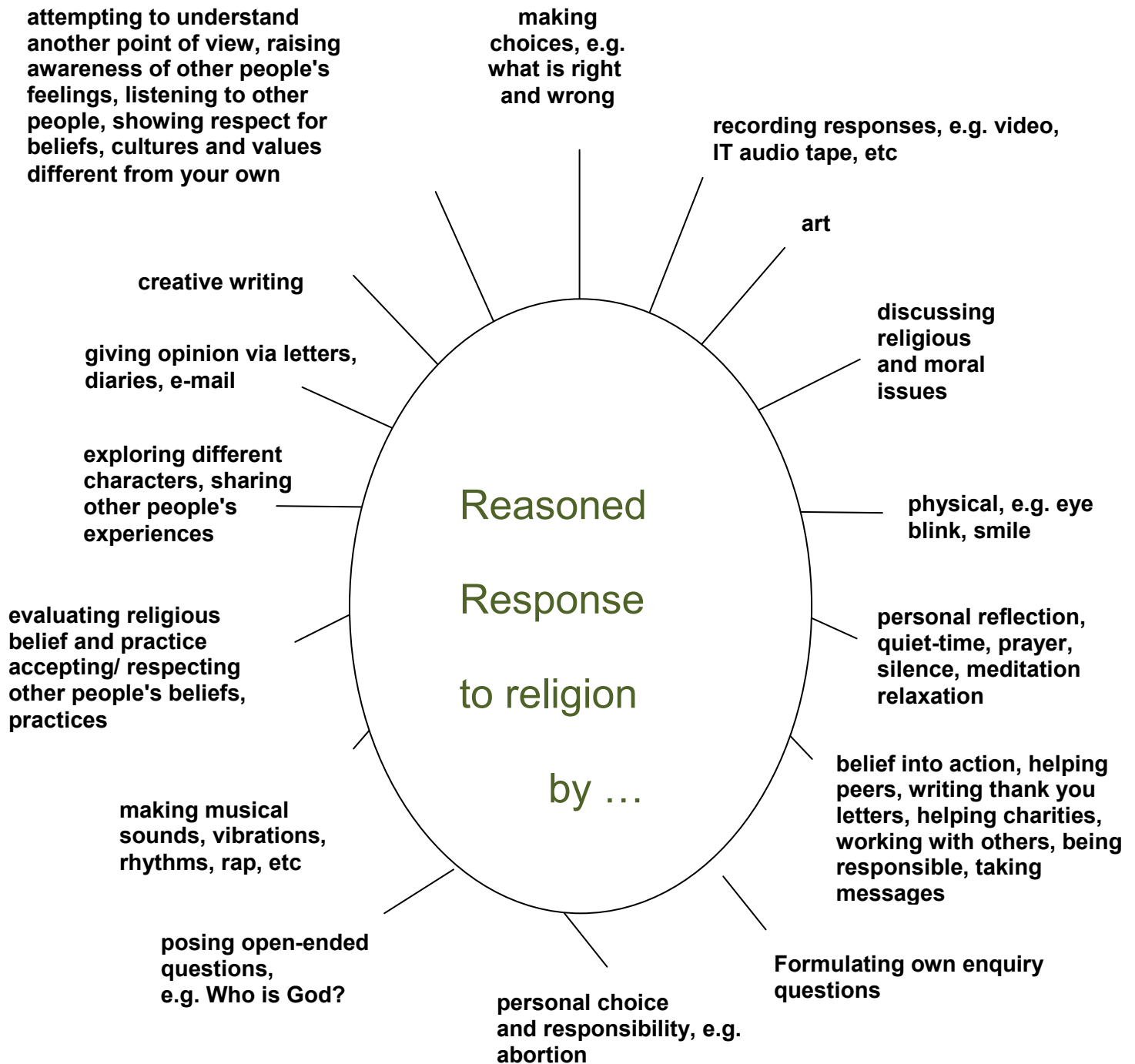
- Develop respect for other people their beliefs and life styles.
- Develop the skill of evaluation.

## Attainment Targets in Religious Education

### Attainment Target 1 Engaging Encounter with Religion.....



Religion may be encountered by using pupils' preferred learning styles, e.g. visual, auditory and kinaesthetic.

**Attainment Targets in Religious Education****Attainment Target 2      Reasoned Response to Religion**

**Attainment Targets in Religious Education*****AT 2 Reasoned Response to Religion******Good and Bad Practice***

Reasoned Response to religion  
is.....

- ◆ relevant to all pupils, regardless of their religious (or non-religious) background
- ◆ inextricably linked with attainment target 1 Engaging Encounter with Religion
- ◆ about beliefs, practices and values in religion(s)
- ◆ concerned with the active response of pupils, to what they are encountering
- ◆ about helping pupils to apply the meaning and significance of religious ideas to their own lives
- ◆ about valuing pupils' own ideas and concerns
- ◆ sometimes about challenging pupils' own ideas and putting forward alternative views for consideration
- ◆ about developing skills, and attitudes.
- ◆ raising questions from religious teaching that speak to pupils' personal experience
- ◆ open-ended, allowing pupils to explore ideas
- ◆ about enabling pupils to draw their own conclusions
- ◆ assessable

Reasoned Response to religion is  
not.....

- ◆ confined to pupils from a faith background
- ◆ free of religious content
- ◆ simply thematic teaching
- ◆ passive learning
- ◆ about promoting a religious lifestyle
- ◆ an invasion of pupils' privacy
- ◆ value-free
- ◆ about providing pat answers
- ◆ dogmatic
- ◆ about providing set conclusions
- ◆ concerned only with measurable learning outcomes

*(Adapted from Non-Statutory Guidance on RE, QCA September 2004)*

## ***Effective Learning in Religious Education***

Effective learning in religious education requires clear and purposeful teaching, based on the General Aims for religious education and the Attainment Targets set out in this syllabus, and the recognition that:

- ◆ the pupil is an active learner,
- ◆ there should be a dynamic interaction between the pupil and the subject of study.

Religious education is centrally concerned with questions of fundamental importance to human beings. Pupils should be provided with a range of opportunities to:

- ◆ inquire,
- ◆ question,
- ◆ develop their own responses,
- ◆ formulate their own views to these fundamental questions as they encounter and respond to religion.

**Religious education also seeks to promote the following positive attitudes and personal qualities, which are essential for effective learning:**

### **enthusiasm**

indicated by eagerness to know, commitment to learn, perseverance when faced with new challenges or difficult ideas;

### **curiosity**

indicated by willingness to ask questions, the desire to find out more, openness to new ideas and points of view;

### **reflection**

indicated by willingness to give serious thought to spiritual, moral and religious issues, recognition that encountering religion often poses challenges to existing views, readiness to reconsider personal beliefs and values;

### **respect**

indicated by treating the beliefs and values of others seriously, recognising that other people's views are often held with deep commitment, recognising the right of other people to be different;

### **tolerance**

indicated by readiness to consider the views of others, recognition of the sincerity with which other people may hold different views, conviction that people of different views may live harmoniously together.

## Religious Education Skills for Effective Learning

### Context

Progress in Religious Education is dependent on the application and developing use of general educational skills and processes. The following skills are central to Religious Education.

Teachers should plan to enable pupils to make progress in the use and application of these specific RE skills through each key stage.

RE Skills	Example of teaching and learning activities
<b>Analyse</b> – this includes the ability to: <ul style="list-style-type: none"> <li>• <b>draw out</b> essential ideas, distinguish between opinion, belief and fact</li> <li>• <b>distinguish</b> between key features of different faiths</li> <li>• <b>recognise</b> similarities and differences</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Highlight</b> key words or beliefs on a handout</li> <li>• <b>Sort out</b> pictures of religious artefacts and symbols, matching them to the correct faith or festival</li> <li>• <b>Identify</b> the ‘odd one out’, e.g. a Hindu artefact within a set of Christian artefacts</li> <li>• <b>Match</b> quotations to different faiths studied</li> <li>• <b>Identify</b> differences and similarities between religious practices of different faiths studied using, for example a triad activity</li> </ul>
<b>Synthesise</b> – this includes the ability to: <ul style="list-style-type: none"> <li>• <b>link</b> significant feature/s of religion together in a coherent pattern</li> <li>• <b>make links</b> between religion and human experience</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Talk</b> about prayers, texts, places of worship and festivals, drawing conclusions about similar beliefs, values and practices</li> <li>• <b>Identify</b> similarities and differences within religions, e.g. between Christian denominations and different religions</li> </ul>
<b>Express</b> – this includes the ability to: <ul style="list-style-type: none"> <li>• <b>explain</b> concepts, rituals and practices</li> <li>• <b>identify</b> and <b>express</b> matters of deep concern by a variety of means, not only through words</li> <li>• <b>respond to</b> religious issues through a variety of media</li> </ul>	<b>Creative:</b> drama, role-play, dance, mime, add percussion or actions to religious story or song; make a game <ul style="list-style-type: none"> <li>• <b>Visual:</b> use of collage, colour, charts, diagrams, digital video, photography, IT presentation (e.g. PowerPoint)</li> <li>• <b>Oral:</b> use of audio recording or presentation or debate</li> <li>• <b>Written:</b> poetry or reflective diary or letter or email or narrative story or newspaper report questions for interview or visit</li> </ul>
<b>Apply</b> – this includes the ability to: <ul style="list-style-type: none"> <li>• apply what has been learnt from a religion to a new situation</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Write</b> a story to be acted out showing the meaning of a faith story or religious teaching in a different context</li> <li>• <b>Design</b> own symbols</li> <li>• <b>Respond to</b> a case study or dilemma, for example, think about what Jesus, Guru Nanak, Buddha might do or say; what a Muslim might do or say etc</li> </ul>
<b>Evaluate</b> – this includes the ability to: <ul style="list-style-type: none"> <li>• <b>draw conclusions</b> by reference to different views and using reason to support own ideas</li> <li>• <b>debate</b> issues of religious significance with reference to experience, evidence and argument.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Use sorting and ranking</b> strategies, such as diamond ranking statements according to what pupils think or what a Muslim/Christian/Jew/Buddhist/Sikh/Hindu might think</li> <li>• <b>Contribute</b> personal responses to statements relating to topics in RE (e.g. ‘can of worms’ activity)</li> <li>• <b>Respond</b> to points of view on a scale of 1–10, followed by discussion, for example, a continuum or human bar chart activity</li> </ul>

RE Skills	Example of teaching and learning activities
<b>Investigate</b> – this includes the ability to: <ul style="list-style-type: none"> <li>• <b>gather</b> information from a variety of sources</li> <li>• <b>ask</b> relevant questions</li> <li>• <b>know</b> what may be appropriate information</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Use a widening range</b> of sources to pursue answers</li> <li>• <b>Highlight</b> important information on a handout</li> <li>• <b>Watch/listen</b> and make notes from video/audio/website</li> <li>• <b>Clarify questions</b> to be asked and write/email for information</li> <li>• <b>Prepare questions</b> for a visitor</li> </ul>
<b>Interpret</b> – this includes the ability to: <ul style="list-style-type: none"> <li>• <b>draw meaning</b> from artefacts, symbols, stories, works of art and poetry</li> <li>• <b>interpret</b> religious language</li> <li>• <b>suggest</b> meanings of religious texts</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Explain</b> the meaning of words/actions /artefacts /symbols</li> <li>• <b>Respond</b> to questions such as: What do you think it is? What is going on (in a picture)? What issues does the story raise?</li> <li>• <b>Use</b> figures of speech or metaphors to speak about religious ideas</li> <li>• <b>Read</b> prayers and <b>explain</b> what they show about the person's beliefs and feelings</li> </ul>
<b>Reflect</b> – this includes the ability to: <ul style="list-style-type: none"> <li>• <b>ponder</b> on feelings, relationships, experience ultimate questions, beliefs and practices</li> <li>• <b>think and speak</b> carefully about religious and spiritual topics</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Provide opportunities</b> for pupils to describe how atmosphere and actions make them feel</li> <li>• <b>Take part</b> in stilling/guided visualisation activities</li> <li>• <b>Use music</b> to explore feelings/thoughts</li> <li>• <b>Write</b> a prayer a Jewish/Christian/Muslim child might use</li> <li>• <b>Make</b> a 'wall of wisdom' to record pupils' insights</li> <li>• <b>Express feelings/insights</b> in a reflective poem (or prayer)</li> </ul>
<b>Empathise</b> – this includes the ability to: <ul style="list-style-type: none"> <li>• <b>consider</b> the thoughts, feelings, experiences, beliefs and values of others</li> <li>• <b>see</b> the world through someone else's eyes</li> <li>• <b>develop</b> the power of the imagination to identify feelings such as love, forgiveness, sorrow, joy</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Role-play</b> and freeze-frame,</li> <li>• <b>Role-play</b> and freeze-frame, drama/mime activities</li> <li>• <b>Fortune line or feelings graph</b> for one character, e.g. Peter in Holy Week</li> <li>• <b>Write</b> thought bubbles or captions to pictures or slides</li> <li>• <b>Tell a story</b> from another person's point of view</li> <li>• <b>Hot seat</b> i.e. answer questions in role of another person</li> <li>• <b>Read or hear or watch or talk</b> about a real-life case study</li> <li>• <b>Take part</b> in a guided visualisation</li> <li>• <b>Respond</b> to a case study</li> </ul>

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## ***Section 2***

### How do we organise learning?

#### ***Section 2 Part B***

Introduction to Content Overviews

Progression Units in;

Buddhism

Christianity

Judaism

Islam

Hinduism

Sikhism

### Introduction to Content Overviews

Each of the six major world religions, Buddhism, Christianity, Hinduism, Islam, Judaism and Sikhism has five units of work

Unit one is a guide showing what might be covered at KS1, unit 2 shows what might be covered at KS2 etc.

It is expected that a pupil encountering a religion for the first time would begin at Unit 1 of the content overview for that religion except for Christianity where there is a Unit R.

A combination of Units 1 and 2 may be used if a student encounters a religion for the first time in Key Stages 3 or 4.

The content becomes more challenging and detailed as the units progress.

Teachers must ensure that the **skills** pupils are asked to demonstrate in lessons also become increasingly more challenging. (See the level descriptors and section on skills)

Each unit is divided into six aspects of faith, (See Section 2 Part A page 13 for detailed explanation of Aspects of Faith).

**All six aspects of faith should be covered over a year and always include AT1 & 2.**

Please see Handbook Part 2 for other examples of units on a secular world view and the Baha'i faith.

## Appendix 2

**Membership of the Review Agreed Syllabus Conference 2011****Committee A Other Christian Denominations/Other Faiths**

<u>Name</u>	<u>Denomination/Faith</u>
Mr J. Ahmed	Islam
Mr R. Beard	Church of Jesus Christ of Latter Day Saints
Mrs R. Habibi	Baha'i
Mr K. Powell	Roman Catholic
Mrs H. Staniland	Methodist
Rev Dr Vernon Marshall	Unitarian
Mr J. Vaja	Hinduism

**Committee B Church of England**

Rev J. Brooke  
Mrs S. Glover  
Rev T. Shepherd

**Committee C Teachers' Associations**

Mrs A. Boulton	NAHT
Mr I. Bonner	ATL
Miss L. Ranger	NUT
Mrs J. Rippin	NUT

**Committee D Local Authority Cheshire East**

Cllr Mr S. R. Wilkinson (Chair)  
Cllr Mrs S. Jones (Vice Chair)  
Cllr Mrs H. Gaddum

**Cheshire East Council****Local Authority Officers to SACRE**

Anne Gadsden, Excellence & Equity Manager  
Lois Wilkinson, Clerk

**Members of the Agreed Syllabus Working Party****Teachers**

Gemma Reynolds	Middlewich Primary School, Middlewich
Pauline Flanagan	Springfield Special school, Crewe
Dai Jones	Tytherington High School Macclesfield
Rachel Long	Poynton High School, Poynton
Rachel Rivers	Shavington Primary School, Crewe

**RE Consultants**

Mrs Sue Wilson (Secondary)  
Mrs Sue Glover (Primary)

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## CHESHIRE EAST COUNCIL

### CABINET

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**Date of Meeting:** Monday 1<sup>st</sup> August 2011  
**Report of:** Strategic Director – Places  
**Subject/Title:** Public Transport Support Criteria  
**Portfolio Holder:** Councillor Rod Menlove, Cabinet Member for Environmental Services

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#### 1.0 Report Summary

- 1.1 This report outlines revised public transport support criteria which will guide future investment in local bus, rail and community transport services financially supported by the Council.
- 1.2 Through applying revised support criteria, the Council are seeking greater value for money on the overall package of supported public transport services. The recent changes in central government allocation of funding have increased pressure on local authority budgets and the funding available to support public transport. For example, the specific grant to support rural public bus services has been withdrawn, increasing pressure on the Council's Revenue Support Grant.
- 1.3 The Council will still be supporting more than 2 million passenger journeys a year, and committing to budget support of £2.3m a year. This is substantially more than many other local authorities.
- 1.4 The previously adopted criteria related solely to perceived value-for-money criteria, namely the cost per passenger journey. This no longer reflects the strategic ambitions for transport, especially since the adoption and publication of the 3<sup>rd</sup> Local Transport Plan (the first which is specific to Cheshire East Council). In that plan and its associated implementation plan, full Council agreed to implement revised transport support criteria, to better reflect the aspirations in the LTP.
- 1.5 The criteria proposed in this report fully reflect the key themes and aspirations contained within the LTP. The LTP was subject to extensive public and Member consultation, and the prioritisation exercises undertaken as part of that consultation have been used extensively to shape the criteria proposed for adoption.

#### 2.0 Decision Requested

- 2.1 Agree to the revised public transport support criteria in Appendix 1;
- 2.2 Agree to implement the revised support criteria and withdraw support for "low priority" services as identified in Appendix 2, in line with the timetable outlined in Appendix 3;
- 2.3 Note the comments from Environment Scrutiny Committee.

### **3.0 Reasons for Recommendations**

- 3.1 The proposed criteria reflect wider aspirations for the area contained within the Sustainable Community Strategy (SCS), Corporate Plan, Economic Development Strategy and emerging Local Development Framework (LDF). They are also directly linked to the Local Transport Plan, which was shaped by widespread stakeholder consultation including prioritisation exercises.
- 3.2 The proposed criteria enable existing and any potential future contracts to be tested in terms of strategic priorities for transport, accessibility and financial considerations. The proposed criteria aim to provide a fair, transparent and accountable process to manage contracts within budget constraints, provide maximum value for money and support wider strategic considerations.
- 3.3 Significant analysis has been undertaken by officers to weigh each current supported transport contract against objective criteria. However, it is inevitable that some element of subjectivity must be brought to bear. Members on the Environment and Prosperity Scrutiny Committee have been given opportunity to challenge the criteria, including suggestions for modifications and additions to the criteria, to minimise the subjectivity that may remain.

### **4.0 Wards Affected**

- 4.1 All

### **5.0 Local Ward Members**

- 5.1 All

### **6.0 Policy Implications including – Carbon Reduction – Health**

- 6.1 The criteria link directly to the Local Transport Plan. The proposals contribute towards delivery of the Council's carbon reduction agenda and Air Quality Strategy by including carbon emissions as part of the assessment criteria, which has associated health benefits. In terms of wider Council policy, the revised criteria aim to promote equality of access to local services. Finally, the revised criteria ensure the longer term financial sustainability of supported transport contracts.

### **7.0 Financial Implications (Authorised by the Borough Treasurer)**

- 7.1 Local transport authorities are free to decide the total budget that they wish to devote to supporting passenger transport services, in the light of overall budget availability, local needs and local priorities. Whilst central government has traditionally provided specific funding pots (e.g. Rural Bus Subsidy Grant and Rural Bus Challenge Grant), those grants have now been absorbed into the Council's Revenue Support Grant and this element of funding is therefore largely discretionary.
- 7.2 Through applying revised support criteria, the Council are seeking greater value for money on the overall package of supported public transport services in Cheshire East. The policy changes are expected to lead to savings of approx £500k, which is the

agreed level of saving required under the council's Medium Term Financial Strategy and current annual budget. A new set of criteria will determine which public transport services are supported, so that the Council achieve maximum value for money within the agreed budget limit for 2011/12.

- 7.3 In addition, the Council supports local community transport groups. It is proposed that in future the budgets for public transport and community transport be jointly managed, and consistent criteria applied to the combined budget, to ensure the most appropriate transport support is procured irrespective of the end provider or organisational structure.

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 The Transport Act (1985) imposes duties on and grants powers to local authorities to establish policies and carry out certain functions in relation to public transport.

### **8.2 Section 63, (1) states:**

In each non-metropolitan county of England and Wales it shall be the duty of the county council — (a) to secure the provision of such public passenger transport services as the council consider it appropriate to secure to meet any public transport requirements within the county which would not in their view be met apart from any action taken by them for that purpose.

#### **In addition:**

A non-metropolitan county council in England and Wales or, in Scotland, a . . . council shall have power to take any measures that appear to them to be appropriate for the purpose of or in connection with promoting, so far as relates to their area —

(a) the availability of public passenger transport services other than subsidised services and the operation of such services, in conjunction with each other and with any available subsidised services, so as to meet any public transport requirements the council consider it appropriate to meet; or (b) the convenience of the public (including persons who are elderly or disabled) in using all available public passenger transport services (whether subsidised or not).

#### **Finally:**

It shall be the duty of a county council or (as the case may be) of a regional or islands council, in exercising their power under subsection (6) above, to have regard to a combination of economy, efficiency and effectiveness. It shall be the duty of any council, in exercising or performing any of their functions under the preceding provisions of this section, to have regard to the transport needs of members of the public who are elderly or disabled and to the appropriate bus strategy.

- 8.3 The criteria proposed by this report discharges the statutory obligation to: firstly, establish policies; secondly, secure appropriate public transport to discharge these policies; finally, takes into account the needs of members of the public who are elderly or disabled, and has due regard to economy, efficiency and effectiveness.
- 8.4 The council is required to identify the impacts on certain protected groups to ensure equality of opportunity. For example, there must be an assessment made of the

impacts on groups or individuals who are disabled, who belong to ethnic or racial groups, and on the grounds of age or sex discrimination. A full equality impact assessment has been drafted to inform the proposals and it will be finalised following the outcome of the Cabinet meeting.

## **9.0 Risk Management**

- 9.1 If Cabinet decides to adopt the revised criteria, there is a need to manage implementation carefully to minimise the reputational risk to the authority in withdrawing, or providing alternative ways of delivering, public transport services which are relatively low priority in comparison to other services.
- 9.2 Members have also pointed out the potential risk that subsidy withdrawal may present to the financial health of either individual companies, or the bus industry at large. Cheshire East Transport is currently in discussion with a large number of companies who may be affected by the revised criteria (and the potential subsidy withdrawals) to mitigate the impact wherever possible on each company and the industry.

## **10.0 Background and Options**

- 10.1 Currently 80% - 85% of the bus network in Cheshire East is operated commercially and the remaining 15% - 20% is subsidised by the Council. Cheshire East Council currently spends £2.8m on subsidising local bus services, which are not commercially viable but are considered to require taxpayer support. In addition, the Council provides around £450k of funding to support community transport.
- 10.2 The statutory duty for local transport authorities to support services which are necessary to meet the travel needs of the area does not include a clear definition of what this means in practice, so it is for each local authority to decide what it considers to be necessary, and prioritise the range of community travel needs.
- 10.3 There is a specific duty to identify the needs of older and disabled residents; a duty that the council currently discharges mainly through the support for community transport, but also through infrastructure measures such as wheelchair accessible bus stops, stations and vehicles. However, Members have pointed out that no specific assessment of older and disabled travel needs has previously been undertaken, and therefore revisions have been made to the initially-suggested criteria (see 10.14).

### Current Inherited Criteria

- 10.4 Currently the local bus services which are supported by the Council are a result of historical arrangements inherited from the previous Cheshire LTPs (2001-2011). The criteria considers subsidy per passenger journey only and does not take account of wider social, economic and environmental considerations, nor does it specifically include the duty to consider the needs of elderly or disabled people.
- 10.5 This blunt assessment does not reflect the range of community travel needs and is not linked to the wider transport strategy contained in the new LTP. The criteria do not reflect the specific transport aspirations of Cheshire East Council which have emerged since Local Government Reorganisation. The criteria adopted are therefore



considered to be inappropriate for the needs of Cheshire East Council, and therefore revised criteria are required.

### Total Transport Transformation

- 10.6 Cheshire East Council is driving forward a major transformation programme which aims to revolutionise the way in which transportation is delivered across the borough. The aim is to meet the future needs of customers by providing more effective and efficient public services. The programme includes the development and implementation of a new LTP setting out the strategic priorities for transport over the next 15 years.

### Cheshire East's New Local Transport Plan (2011-26)

- 10.7 Cheshire East's new LTP is framed around the seven priorities of the Sustainable Community Strategy (SCS) so that the role of transport in delivering the economic, environmental and social ambitions for the area is clearly understood. The LTP provides the strategic framework for transport in the borough and aims to shape investment in local highway and public transport networks over the next 15 years.
- 10.8 Following extensive stakeholder and community consultation, the strategic priorities for transport are to "ensure a sustainable future" and "create conditions for business growth". The first LTP implementation plan includes a commitment to introduce new public transport support criteria to prioritise investment in local public transport services in line with the overall strategic priorities for transport.

### Proposals for Revised Support Criteria

- 10.9 Establishing new locally determined criteria, specific to Cheshire East, will create a framework to guide decision-making on what support is made available in order to achieve maximum value for money in a climate of budget constraints. The intention is for all existing public transport contracts and any future requests for additional services to be subjected to the criteria to identify those services deemed suitable for council support.
- 10.10 To assist Members in deciding what transport support is considered to be necessary in Cheshire East, a range of potential criteria have been explored, including:
- Assessment of utility of service / journey purpose (e.g. health, employment)
  - Assessment of travel time
  - Cost per passenger journey
  - Total revenue / total cost ratio by service
  - Number of passengers – total, average, minimum
  - Passenger trends / commercial potential
  - Availability of alternative transport services (e.g. community transport), particularly in respect of residents with significantly impaired mobility
  - Deprivation measures, socio-economic measures or geographic criteria
  - Specific links to economic regeneration
  - Travel to work corridors
  - Impact on carbon emission (e.g. air quality management area, congestion hotspots)
  - Settlement size, with larger settlements typically favoured over smaller

- Integration between modes of transport
- Ability to attract external funding / cross-departmental internal resources

10.11 It is clear that there are many ways in which we can approach this issue and many criteria (including some not listed above) which could be used as an eventual solution, so it is necessary to focus upon what is important to Cheshire East Council and reflect wider strategic aspirations for the area.

10.12 Appendix 1 sets out recommended criteria based on three main objectives - LTP priorities, accessibility and financial considerations:

- **LTP Priority Themes** – Public transport has a role to play in “creating conditions for business growth” and “ensuring a sustainable future” by supporting access to employment and economic regeneration, as well as encouraging modal shift towards greater use of public transport.
- **Accessibility** – Community consultation on both the Sustainable Community Strategy (SCS) and LTP identified a desire for improved integration between different modes of transport, particularly bus and rail services. It is also important to consider the level of travel choice and alternative travel options available to avoid communities becoming socially isolated and excluded.
- **Financial Considerations** – The current financial challenges, which are expected to continue over the coming years, require the need to ensure maximum value for money. In addition, there is a statutory duty to consider the economy, efficiency and effectiveness of the supported network. Cost per passenger will continue to be an important factor to consider, as well as whether a service attracts external funding from other sources, the number of passengers using the service and the commercial potential (e.g. patronage trends).

10.13 The criteria have been translated into a scoring mechanism which attempts to rank currently supported services into one of three categories of priority for funding – low, medium and high. It then follows that as part of the requirement to reduce expenditure, it is those contracts in the “low priority” category that would be considered first.

#### Comments from Elected Members

10.14 In examining the proposed criteria, a range of issues and concerns have been expressed by Members and comments have been noted. The key suggested changes and officer responses are shown below:

##### ***1. More consideration given to the travel needs of rural areas***

- The proposals aim to reflect the needs of rural areas through the ‘travel alternative’ criteria, which gives a higher score to those services where there is little or no reasonable alternative in the local area. However, it is inevitable that since most of our support is for rural bus services, that the impact appears to fall disproportionately on rural areas.
- It is considered that the existing criteria appropriately reflect the need of rural areas as far as is possible. In addition, work is currently being undertaken to examine the

coverage of community transport provision and it is likely that more areas will have access to community transport, albeit with different frequency or model of operation.

## ***2. A specific measure for older and disabled travel needs***

- The council has a specific duty to identify the needs of older and disabled residents. Concessionary fare data has been used to identify the proportion of passenger journeys by concessionaires. Unsurprisingly bus services that operate in the middle of the day (between 09.00 and 15.30) are more likely to be used by older people.
- Following discussion with Members, Appendix 1 has been amended to include criteria relating to older and disabled people. Concessionary fare data has been incorporated and those services carrying a high proportion (+50%) of older and disabled people score more highly.

## ***3. Consideration of the impact on younger people***

- Services that operate wholly or mainly for younger people are for children who live either too close to school to qualify for taxpayer support on statutory grounds, or are not attending the nearest suitable educational establishment. As such, there is no statutory requirement to consider their needs, other than in the context of the promotion of sustainable school travel.
- The statutory duty to consider whether a route to school (within the statutory walking distance of the nearest school) is abnormally hazardous / unsafe and to provide free home to school transport for pupils who are eligible, in line with nationally agreed criteria, is part of the Council's home to school transport policy – which is completely separate and unaffected by the proposals for revised public transport support criteria.
- Members considered that – whilst there is significant sympathy for parents and children affected by potential subsidy withdrawals – the current criteria fairly reflect the priorities identified during the LTP consultation and should therefore be adopted.

## ***4. Increasing the priority given to health / medical / welfare travel needs***

- Members considered that too low a priority had been attached health / medical / welfare travel within the journey purpose criteria. This is acknowledged and the scoring system amended (from 3 to 4 points).

## ***5. The extent to which “choice” should be considered***

- Members identified that should the criteria be adopted, there would be an impact on the travelling public in terms of choice of travel – whether it be choice of destination, time of travel, day of travel, school choice, and indeed ability to travel if fares increased. It is recognised that the criteria do restrict choice, but the criteria aim to support access to essential services – rather than provide choice.

## **6. Consideration of forums for the public and members to input into strategic debate with public transport operators**

- Members welcomed the desire of the Portfolio Holder to reinstate local representation on the public transport forums, but expressed desire that this process be given a higher priority. It is considered that representation on the appropriate public transport forum would assist officers to better understand the needs of local communities.

### Potential Impact of New Criteria

10.15 The table below illustrates the type of local bus services which are currently subsidised by the Council. This includes the £2.8m supported bus budget. As noted above a further review of community transport has been launched and it is proposed no change to either increase or reduce the current support for community transport is made at this time.

10.16 Currently, weekday contracts make up the largest proportion of expenditure (58%), including urban, inter-urban and rural services. Nearly a third (30%) of expenditure provides bus services to local schools for children who either live too close to school to be eligible for statutory travel assistance, or are attending a school that is not the nearest suitable educational establishment.

Type of Service	Gross expenditure	Proportion of expenditure	Estimated No. of Passengers by type of service
School (term time only)	£986k	30%	1,679
Mon to Fri/Mon to Sat	£1,885k	58%	5,990
Evenings	£236k	7%	741
Sunday	£111k	3%	1,526
Market/Single Day	£38k	1%	530
TOTAL	£3,256k	100%	10,466
Income received	(£495k)		
<b>Net expenditure</b>	<b>£2,761k</b>		

10.17 In order to assess the potential impact of applying the revised criteria, each of the current contracts has been scored and ranked to assess the relative ranking and hence priority attached to each service.

10.18 The types of services which score highly and are considered “high priority” are mainly weekday services operating on urban or inter-urban routes, such as Crewe-Macclesfield, Beartown network in Congleton, and Macclesfield-Poynton. There are also a number of evening and Sunday services providing access to the hospital in Crewe, leisure facilities in Greater Manchester etc that are not served by alternative provision, whether commercial or subsidised.

10.19 The routes which score highly provide access to employment and essential services, as well as serving congestion hotspots and air quality management areas. They are considered “multi-use” in terms of journey purpose. These services also carry a

significant number of passengers with relatively low cost per passenger. Cheshire East Transport will seek to work with transport providers to determine if these services could potentially be operated commercially (if they present a suitable commercial opportunity).

- 10.20 The types of services with lower scores which are considered “low priority” are mainly school services that operate during term time only, for children who live too close to school for children to be entitled to transport at taxpayer expense or are attending a school that is not the nearest suitable educational establishment. These bus services are predominantly “single-purpose” in providing access to school only. Other services in this category include Sunday services and weekday services operating in rural areas with low passenger numbers and are high cost per passenger relative to other services.

#### Mitigating Impacts

- 10.21 It is accepted that even though the relative numbers of current users may be low for services from which subsidy may be withdrawn, there is still an impact on the passengers who currently use the services. It is therefore appropriate to outline the mitigating factors that the council will undertake should subsidy be withdrawn.
- 10.22 For those services with a relatively low score for accessibility, it means there are suitable alternative services within reasonable walking distance of the service at risk. Whilst the alternative service may not be a direct service (i.e. requires a change of bus partway through the journey), or may not operate at the same time as the service at risk, it is considered that there is a suitable alternative already in place.
- 10.23 Cheshire East Transport have carried out a full analysis of the alternative transport options available should the withdrawal of council support for “low priority” services result in the service being withdrawn by the operator. A number of commercial bus services could provide a reasonable alternative for the school day public bus services. For those “low priority” services affecting the general public, the aim would be to work closely with community transport operators to provide “lifeline” journeys wherever possible. However, should the bus companies decide to withdraw services there will be an impact on the travelling public.
- 10.24 For some services, there is potentially a compromise with commercial operators who will be encouraged to operate some or the entire route commercially. For example, some services operate with relatively low levels of subsidy per passenger, and it may be that with additional marketing, promotion and publicity of these services they may become commercially viable. The initial consultation with bus operators has identified a number of routes which the operators are minded to continue without council support.
- 10.25 Also, through acceptance of increased fares, it may be possible to shift the balance away from taxpayer support in favour of a greater share of cost being borne directly by passengers. For some services, a moderate increase in the fare charged would entirely eliminate the taxpayer subsidy required, and it is proposed that any service that requires less than 75p per journey subsidy becomes subject to negotiation with commercial operators to identify options for reducing taxpayer support.

- 10.26 However, it may not be possible to mitigate the impacts of subsidy withdrawal in every case. This may result in the operator deciding not to operate the route in future, and it may be that in some instances there is no suitable alternative transport.
- 10.27 In addition, many of the routes that are currently considered to be low priority are for support for transport for children who live too close to school to qualify for transport at taxpayer expense, or are not attending the nearest suitable school. These routes interact with other routes which have been the subject of policy proposals from Children's and Families Services, although the decision has been deferred for a period of twelve months.
- 10.28 However, these proposals have no bearing on the recently proposed changes for home to school transport, which are provided under the Council's home to school transport policy. None of the routes recommended for withdrawal of subsidy in this report result from the home to school transport policy proposals but are instead completely separate bus routes currently supported for public transport strategic reasons. The reductions in funding available to the Council for public transport support leave no option but to withdraw subsidy in the current financial year from currently supported routes and therefore the changes must be implemented as soon as practicable.
- 10.29 The council's support for public bus services which carry school children not eligible for home to school transport is a significant benefit – however, this level of provision is not available to all. There is currently inequity in the way school day public bus services are supported, which is a result of historical arrangements and decisions prior to Local Government Reorganisation.
- 10.30 It is considered that the most appropriate mitigation for these routes would be to identify suitable alternative routes for the children potentially affected, and if none exist, the council commits to working with the affected schools, parents and local transport operators to seek to ensure that accessible and sustainable travel continues to be available for pupils attending affected schools, subject to parents and / or schools bearing the full costs of the transport.
- 10.31 It should be noted that whilst every effort has been and will be made to mitigate impacts, withdrawals of support for public transport are inevitably an unpopular and unwelcome development. Cheshire East Transport will endeavour to accommodate any reasonable request for examination of issues in particular areas to identify alternative solutions should significant adverse impacts result from the implementation of revised support criteria.
- 10.32 It is also important to consider wider factors affecting bus industry, including the Government's reduction in the Bus Service Operators Grant (BSOG) to be implemented in April 2012. This may result in de-registration of commercial bus services which are no longer viable and/or an increase in the cost of tenders for supported services. However, the proposal to change the way the payment is allocated from 'number of miles' to 'number of passengers' has been deferred following consultation, as it was recognised that this would have a negative impact on rural bus services, which is a positive outcome for Cheshire East.

- 10.33 Even with the proposed subsidy withdrawals, the council will still be supporting more than 2 million passenger journeys a year, and committing to budget support of £2.3m a year. This is substantially more than other local authorities have been able to commit to, as many have either already or are in the process of withdrawing a substantially greater proportion of their existing support. The estimated net cost per passenger journey of the contracts proposed for subsidy withdrawal average £2.35 per passenger journey; the routes proposed for continued support average £1.05 per passenger journey. It is clear that this represents better value for the taxpayer since the routes with highest levels of passenger subsidy are in the lowest priority category.

## **11.0 Access to Information**

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

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Williams

Designation: Transport Manager

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## Appendix 1 – Revised Public Transport Support Criteria

Proposed Criteria			
Objective	Criteria	Scoring	
<b>LTP Priority Themes</b> Weighting 35%	Business growth journey purpose (max. score of 10)	Employment	5
		Education / training	4
		Health / medical / welfare	4
		Shopping / personal business	2
		Leisure (social / recreation)	1
	Sustainable economic growth	The route serves a significant (>1000 trips) travel to work area	4
		The route serves a moderate (500-1000 trips) travel to work area	2
		The route serves a low (<500 trips) travel to work area	0
	Impact on carbon emissions	The route directly serves an Air Quality Management Area (AQMA) and/or congestion hotspot	4
		The route passes nearby an AQMA and/or congestion hotspot	2
		No AQMA or congestion hotspots are served by the route	0
<b>Accessibility</b> Weighting 40%	Integration - transport interchange	More than 1 interchange point or major interchange point on route	4
		One interchange point on route	2
		No interchange points on route	0
	Accessibility - travel alternative	No reasonable alternative	5
		Alternative within 2 hours during daytime within no more than 800 metres	4
		Alternative within 2 hours during daytime at same location	3
		Alternative within 1 hour during daytime within no more than 800 metres	2
		Alternative within 1 hour during daytime at same location	1
	Access for older & disabled people	More than 50% passenger journeys by concessionaires	5
		Between 33% and 50% passenger journeys by concessionaires	3
		Less than 33% passenger journeys by concessionaires	1
		No passenger journeys by concessionaires	0
<b>Financial Considerations</b> Weighting 25%	Cost per passenger	Subsidy per passenger is no more than £1	5
		Subsidy per passenger is more than £1, but no more than £2.50	4
		Subsidy per passenger is more than £2.50, but no more than £5	3
		Subsidy per passenger is more than £5 but no more than £10	2
		Subsidy per passenger is more than £10	1
	Funding options / alternatives	Potential for external funding contributions	4
		Potential for sharing of internal resources (e.g. cross-departmental)	2
		No funding / resource alternatives	0
	Service Usage	More than 100,000 passenger journeys per annum	5
		More than 25,000 but not more than 99,999 passenger journeys per annum	4
		More than 10,000 but not more than 24,999 passenger journeys per annum	3
		More than 5,000 but not more than 9,999 passenger journeys per annum	2
		Up to 4,999 passenger journeys per annum	1
	Patronage trends - commercial potential	Passenger numbers increasing	4
		Passenger numbers stable	2
		Passenger numbers decreasing	0

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## APPENDIX 2 - Impact on current supported public transport contracts

### Proposed Low Priority Contracts - Recommended that support be withdrawn

Contract Number	Route	Days Operated	Contract Index out of 100	Annual Support	Annual Passenger Journeys
50529	38 Broken Cross - Gawsworth Primary	Schooldays	13	£18,410	900
50562	73 Hurdsfield - All Hallows/St Edwards	Schooldays	20	£19,660	7241
50526	E76 Tytherington - St. Albans Primary	Schooldays	23	£23,342	6555
80892	102 Mossley - Eaton Bank School	Schooldays	24	£31,207	8890
80893	103 Bromley Estate - Eaton Bank School	Schooldays	24	£21,934	7241
80889	Congleton - Eaton Bank School	Schooldays	25	£23,987	9502
70735	Crewe - Sandbach Boys School	Schooldays	26	£5,127	6047
50516	188 Shaw Heath - Mobberley Primary	Schooldays	26	£23,096	9046
50534	110 Wilmslow/Lacey Green - St Benedicts	Schooldays	26	£22,950	3608
50520	E80 Bollington/Tytherington - All Hallows	Schooldays	27	£27,967	23351
50546	E74 Forest Cottage - Tytherington High	Schooldays	30	£29,763	7626
53051	E50 Great Warford - Fallibroome High	Schooldays	30	£16,686	3721
50501	Forest Cottage - Tytherington High School	Schooldays	32	£30,877	12055
50580	E78 Macclesfield/Weston - Fallibroome	Schooldays	33	£43,380	10035
50592	Langley - Macclesfield	Sundays	37	£1,702	532
50502	E78 Langley - Macclesfield High Sch	Schooldays	38	£37,473	10156
50538	867 Woodford Road -Poynton High School	Schooldays	40	£26,576	19380
50108	108 Stockport - Macclesfield - Leek	Sundays	46	£17,658	4552
50590	RR3 Disley - Macclesfield	Wednesdays	46	£4,117	1376
50522	E69 Alderley - Altrincham	Saturdays	49	£5,033	1831
53055	27 Macclesfield - Tatton Park	Summer Sundays	50	£4,714	792
50504	9/10 Bollington/Tytherington - Macclesfield	Sundays	50	£9,140	10222
50514	Knutsford Village Rider	Mondays to Fridays	52	£12,701	3863
80896	315 Alsager - Scholar Green	Mondays to Fridays	52	£30,988	4906

## APPENDIX 2 - Impact on current supported public transport contracts

### Proposed Medium Priority Contracts - maintain current level of support & kept under continuing review

Contract Number	Route	Days Operated	Contract Index out of 100	Annual Support	Annual Passenger Journeys
50569	130 Macclesfield - Parrs Wood	Monday to Saturday (Evenings)	53	£33,436	12358
80890	99 Biddulph - Macclesfield	Saturdays	54	£10,802	9685
70801	45 Crewe - Marshfields - Nantwich	Mondays to Saturdays (some journeys)	55	£20,938	42534
50191	391 Poynton - Stockport	Mondays to Saturdays	56	£130,174	80737
50533	5/6 Macclesfield - Weston Circular	Mondays to Fridays (Evenings)	57	£16,623	23330
50568	130 Macclesfield - Manchester	Saturdays (early morning)	58	£8,463	6491
80846	38 Crewe - Macclesfield	Monday to Saturday ( 3 journeys)	59	£5,945	16608
50574	9/12 Macclefield - Moss Rose/Bollington	Monday to Saturday (Evenings)	62	£19,007	33398
70723	8/15/45 Crewe Local Services	Mon - Sat Eve	62	£39,204	20456
70016	16 Crewe - Sydney	Mondays to Saturdays	63	£16,812	26973
80832	38 Crewe - Macclesfield	Sunday evenings	63	£19,154	5599
70009	9 Crewe - Rope Green	Mondays to Saturdays	63	£13,790	22919
50503	108 Leek - Macclesfield	Mondays to Fridays	64	£33,363	9485
50511	300 Knutsford Town Service	Evenings	64	£27,912	16972
50528	300 Knutsford - Longridge Circular	Mondays to Saturdays	64	£21,479	77640
70800	44 Crewe - Shavington - Nantwich	Mondays to Saturdays (some journeys)	64	£22,402	34581
70709	8/15/45 Crewe Sundays	Sundays	65	£8,240	8011
50515	5/6 Macclesfield - Weston Estate	Sundays	65	£12,047	10335
80820	319 Sandbach - Holmes Chapel - Goostrey	Mondays to Fridays	66	£19,631	29611
50576	11 Macclesfield - Bollington	Mondays to Saturdays	66	£38,590	59514
80854	37 Crewe - Winsford	Monday to Saturday Evening	66	£9,331	12541

## APPENDIX 2 - Impact on current supported public transport contracts

### Proposed High Priority Contracts - maintain current level of support (strategically vital for public transport support)

Contract	Route	Days Operated	Contract Index out of 100	Annual Support	Annual Passenger Journeys
70714	14/45A Crewe - Sydney/Marshfield	Mondays to Saturdays	67	£12,385	24533
70032	32 Sandbach - Crewe	Mondays to Saturdays	68	£66,245	25591
80897	SB1-3 Sandbach Town Services	Monday to Friday	70	£9,754	23821
80845	38 Crewe - Macclesfield	Monday to Saturday evenings	71	£74,186	55037
53050	27 Macclesfield - Knutsford	Mondays to Saturdays	72	£129,914	73491
80894	315 Congleton Rode - Heath	Monday to Saturday	72	£5,945	25591
70741	6 Shavington - Leighton Hospital	Monday - Saturday Eve	73	£16,492	12352
50567	130 Macclesfield - Manchester	Sundays	73	£30,576	22518
53052	200 Wilmslow - Manchester Airport	Monday to Sunday	73	£92,764	23430
70006	6 Shavington - Leighton Hospital	Sundays	74	£7,392	7797
50506	19 Macclesfield - Prestbury	Mondays to Saturdays	75	£27,835	47738
50530	Lower Peover - Knutsford - Warrington	Tuesdays & Fridays	75	£9,765	7204
50288	88 Knutsford - Wilmslow - Altrincham	Mondays to Saturdays	76	£161,747	125525
70039	39 Crewe - Nantwich & Flexirider	Mondays to Saturdays	77	£78,366	20632
80895	Beartown Network	Monday to Saturday	78	£117,845	185889
50392	392/3 Macclesfield - Poynton - Stockport	Mondays to Saturdays	78	£115,893	122963
70061	73 Nantwich - Wrenbury - Whitchurch	Mondays to Saturdays	81	£60,006	47318
50594	14/16 Sutton/Langley - Macclesfield	Mondays to Saturdays	83	£63,510	65867
73773	51/52/53 72/73 Nantwich - Whitchurch/Locals	Mondays to Saturdays	83	£107,164	48668
53289	289 Northwich - Knutsford - Altrincham	Mondays to Saturdays	92	£96,614	25381
73042/78	42 Crewe - Congleton 78 Nantwich - Rode Heath	Mondays to Saturdays	96	£326,984	188613

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## Alternative Travel Options for Proposed "Low Priority" Public Bus Services

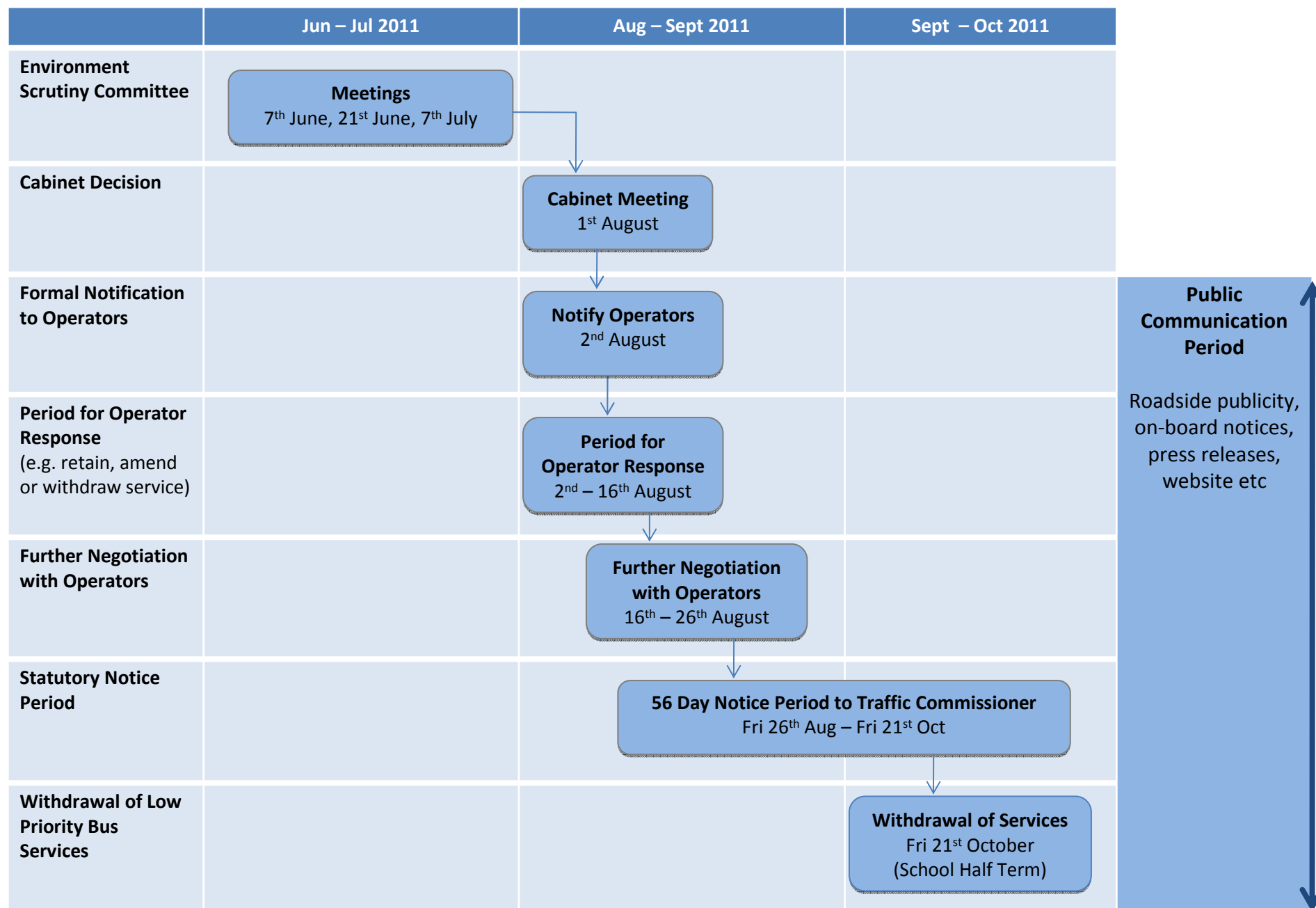
SCHOOLDAY PUBLIC BUS SERVICES											
Contract	Route	School	Annual passenger journeys	Average number of pupils on bus on daily basis (based on 190 day school term)	Distance of existing bus route (including pick up points on route)	Distance of direct route from start to destination	Duration of existing bus route	Change in time of suggested alternative route (including walking time to bus stops)	Suggested alternative bus (some journeys may require using 2 buses as indicated)	Eligible pupils on contract (all)	Eligible pupils on contract on hazardous grounds only
50529	38 Broken cross - Gawsworth	Gawsworth Primary	900	2.3	9.39 miles	2.8miles	20 mins	Increase >10 mins < 30 mins	2A & 38 Arriva NW	0	0
50562	73 Hurdsville - All Hallows / Christ the king	All Hallows Catholic High	7,241	19.0	5.04 miles	1.5 miles	24 mins	Increase < 10 mins	60 Bowers coaches *	0	0
		Christ the king RC and CE Primary				1.3 miles	39 mins	Decrease	60 Bowers coaches *	0	0
50526	E 76 Tytherington - St Albans Primary	St Albans Primary	6,555	17.3	5.11 miles	2.7 miles	33mins	Decrease	4 Macc Upton Priory Circular *	2	0
80892	102 Mossley - Eaton Bank School	Eaton Bank School	8,890	23.4	2.82 miles	2.5 miles	26 mins	Increase<10 mins	99 Baker Bus and K80 Ladyline	1	0
80893	103 Bromley Estate - Eaton Bank School	Eaton Bank School	7,241	19.0	2.64 miles	1.8 miles	25 mins	Decrease	K80 Ladyline	0	0
80889	Congleton - Eaton Bank School	Eaton Bank School	9,502	25.0	3.36 miles	2.9 miles	35 mins	Increase < 10 mins	99 Baker Bus	0	0
70735	Crewe - Sandbach Boys School	Sandbach Boys	6,047	15.9	9.59 miles	5.2 miles	35 min	Increase < 10 mins	78 D&G Bus	2	0
50516	188 Shaw Heath - Mobberley Primary	Mobberley Primary	9,046	23.8	4.49 miles	2.3 miles	20 mins	Decrease ( may increase is bus using bus stop on Smith Lane loop)	88 Vale of Llangollen * (does not do loop of Smith Lane	2	1
50534	110 Wilmslow / Lacey Green - St Benedicts	St Benedict's Primary	3,608	9.5	7.51 miles	3.2 miles	25 mins	Increase < 10 mins	130 Arriva	0	0
		Lacey Green Primary			2 miles	15 mins	Increase >10 mins < 30 mins	130 Arriva	0	0	
50520	E80 Bollington / Tytherington - All Hallows	All Hallows Catholic High	23,351	83.0	4.49 miles	3.5 miles	25 mins	Increase >10 mins < 30 mins	10 Arriva *	19	0
		Tytherington high			1.7 mils		Decrease	10 Arriva *	0	0	
50546	E74 Forest Cottage - Tytherinton high	Tytherington high	7,626	20.0	2.75 miles	1.5 miles	22 mins	Increase < 10 mins	58 bowers coaches *	1	0
53051	E50 Great Warford- Fallibroome High	Fallibroome High	3,721	9.7	8.82 miles	8.3 miles	40 mins	Increase > 30 mins	27 & 27a Bowers Coaches *	2	0
50501	Forest Cottage - Tytherington High	Tytherington high	12,055	31.7	4.53 miles	1.5 miles	30 mins	Increase < 10 mins	58 Bowers Coaches *	0	0
50580	E78 Macclesfield/Weston-Fallibroome	Fallibroome High	10,035	26.4	3.65 miles	2.8 miles	20 mins	Increase >10 mins < 30 mins	14 & 4 Arriva *	3	0
50502	E78 Macclesfield/Weston-Macclesfield High	Macclesfield High	10,156	26.7	6.64 miles	2.8 miles	25 mins	Increase < 10 mins	14 Arriva & 108 Vale of Llangollen *	0	0
50538	867 Woodford Road - Poynton High School	Poynton High	19,380	51.0	3.03 miles	2.8 miles	18 mins	Increase > 30 mins	391 Bakers	7	6
TOTAL NUMBER OF ELIGIBLE PUPILS TRAVLLING ON PUBLIC BUS SERVICES PROPOSED AS "LOW PRIORITY"										39	

\* These commercial services may have some issues with capacity - it is difficult to confirm this without knowing the alternative travel patterns likely to be adopted

OTHER PUBLIC BUS SERVICES							
Contract	Route	Day of Operation	Annual passenger journeys	Average number of passengers per journey	Distance of existing bus route (including pick up points on route)	Suggested alternative route	
50592	Langley - Macclesfield	Sundays	532	2	7.61 miles	No alternative route if bus services 9 and 108 are also withdrawn - there may possibly be some Community Transport alternative in future.	
50108	108 Stockport - Macclesfield - Leek	Sundays	4,552	14	29.21 miles	No alternative route if service 10 is also withdrawn - there may possibly be some Community Transport alternative in future.	
50590	RR3 Disley - Macclesfield	Wednesdays	1,376	13	12.06 miles	Although there is an alternative from the centre of Disley (a small number of service 60 journeys), this service covers the Danebank and Higher Disley areas from where there are no alternatives. It is possible that a Community Transport service could be used from these areas to feed in to alternative services.	
50522	E69 Alderley - Altrincham	Saturdays	1,831	18	22.78 miles	No direct alternative, however, any Community Transport alternatives for contract 50514 could also encompass parts of this service.	
53055	27 Macclesfield - Tatton Park	Summer Sundays	792	16	28.93 miles	There is no alternative to this service. It would be difficult to provide a Community Transport alternative to this service as the majority of passengers are likely to be visitors and therefore would not be registered for Community Transport.	
50504	9 / 10 Bollington / Tytherington - Macclesfield	Sundays	10,222	4	5.15 miles	No alternative service with the withdrawal of contract 50592. Some provision by Community Transport may be possible in future.	
50514	Knutsford Village Rider	Monday to Fridays	3,863	15 per day		Some areas covered by this flexible service are covered by service 27 and 88. There is a possibility of Community Transport services being used to feed in to main routes on a limited number of days.	
80896	Alsager to Scholar Green	Monday to Fridays	4,906	4	6.27 miles	This contract increases the service to hourly, therefore a two hourly service will still exist. An alternative also exists by means of a walk from Red Bull, which is on the service 20 route, from Crewe to Hanley.	



## Appendix 4 – Timetable for Implementation



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## CHESHIRE EAST COUNCIL

### CABINET

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**Date of Meeting:** 1 August 2011  
**Report of:** Customer Services Manager  
**Subject/Title:** Customer Services Strategy  
**Portfolio Holder:** Councillor David Brown

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#### **1.0 Report Summary**

- 1.1 A new Customer Services Strategy has been developed by a cross-functional steering group. The purpose of the strategy is to outline the broad principles that will drive the development of an efficient and customer focused operating model across all Council services. These principles may reinforce decisions already taken and implemented, or they will influence service redesign and be implemented through a series of related projects.
- 1.2 In considering the face to face element of the strategy, a review and lessons learned from the phase 1 transfer of customer service points to libraries was undertaken. The strategy recommends providing customer access through all remaining libraries in Cheshire East. This will increase the number of communities with local customer access and deliver a net annual saving of £240k.

#### **2.0 Decision Requested**

- 2.1 Cabinet endorse the new Customer Services Strategy and support the recommendation to extend face to face customer access across all Cheshire East libraries.

#### **3.0 Reasons for Recommendations**

- 3.1 Following the Comprehensive Spending Review, local authorities are challenged to try to reduce costs without compromising service standards or reducing access or uptake (particularly among more vulnerable or disadvantaged service users). The Government continues to call for public services for all that are efficient, effective, excellent, equitable and empowering – with the customer always at the heart of service provision.
- 3.2 Research recently published by the Institute of Customer Services reported that there is strong evidence that customer service contributes to the success of organisations, with an increasing recognition within the private sector of customer service as a source of competitive advantage and differentiation. The research found that there was no magic ingredient to excelling at customer service but organisations that took part in the research stated repeatedly that success came from getting the basics right such as delivering

on time, keeping promises, communicating effectively, correcting mistakes, and streamlining processes to make doing business as easy as possible for the customer. The research also found that success is driven by a clear, organisation wide vision of the importance of customer service.

- 3.3 The Customer Services Strategy considers how customers can access Council services, what we can do to better understand customer expectations, and how our culture and the behaviours and attitudes of our people is critical to providing customer service excellence. This strategy is critical in ensuring Cheshire East achieves its corporate objective of *'being an excellent Council'*. The Customer Services Strategy is provided as an appendix to this report.

#### **4.0 Wards Affected**

- 4.1 All wards.

#### **5.0 Local Ward Members**

- 5.1 Not applicable.

#### **6.0 Policy Implications including - Carbon reduction - Health**

- 6.1 Extending face to face customer access across all libraries will reduce the travel and associated energy usage for residents in communities that currently travel to another town for face to face access.

#### **7.0 Financial Implications (Authorised by the Borough Treasurer)**

- 7.1 The extension of customer access across the remaining libraries will require an increase in the revenue budget for libraries. This increase is required to ensure the smaller libraries have sufficient resources to handle the increased demand from customers. Based on the experience of the first phase, the larger libraries have been able to absorb the additional customer demand. Additional budget will also be required for re-grading of staff at larger libraries that have traditionally been on a slightly lower grade than their colleagues at the smaller libraries. The additional responsibilities for customer access bring the roles into alignment. This revenue budget increase will be funded by efficiency savings in Customer Services.
- 7.2 The £240k net annual saving from transferring the former Customer Service Points to libraries has been included within the 2011/12 budget.
- 7.2 Any other changes introduced as a result of the Customer Services Strategy will be cost neutral or contribute to savings already budgeted.
- 7.3 The cost of new systems and equipment required as a result of the Customer Services Strategy will be funded from the Customer Services capital budget.

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 If redeployment or voluntary redundancy is not possible for any staff displaced when an existing customer service point is transferred to the library, there is a risk that compulsory redundancy may be necessary following an appropriate selection exercise.

## **9.0 Risk Management**

- 9.1 There is a risk that key stakeholders within communities that will experience changes to their local face to face access will not support this proposal which could generate adverse publicity for the Council. Consultation will be held with stakeholders within the local communities to discuss any concerns with the proposed changes.
- 9.2 There is also a risk of confusion amongst customers affected by changes to their local face to face access, in particular attempting to access Council services in the former customer service locations. A customer communication plan will be developed to mitigate this risk and ensure customers are fully informed of any changes to local access.

## **10.0 Background and Options**

- 10.1 Cabinet approved a proposal in February 2010 to transfer the former District Council Customer Service Points to libraries to provide a single Council access point in those communities. The formation of the unitary authority created this opportunity to make better use of both staffing and property resources, but also provide customers with more flexible opening hours into the evening and weekends. This transfer was completed in six locations from April to September. In developing the Customer Services Strategy, a review of the lessons learned from the initial transfer was considered to clearly define the role that libraries will play as the local community hub, and what customers can expect.
- 10.2 Customers can expect to receive information, advice and signposting on all Council services. In most situations this will involve:
- answering the enquiry directly
  - or directing customers to a resource on the internet;
  - or providing them with a telephone number of somebody that can help;
  - or providing them with a form to complete;
  - or helping them connect to a specialist via video conferencing technology for more in-depth enquiries;
  - or for some services this may involve making an appointment for them to meet a specialist at another time in the library.
- 10.3 When a customer walks into a library they will not see a separate customer service desk, but will be able to approach any member of library staff to assist them. There will not be a confidential meeting room available in every library, but the layout of the library will facilitate discrete discussions if required. This

issue has been considered in the new library design that is being introduced with the roll out of self service, with the removal of the traditional counter and the encouragement of customer self service to reduce queues. Customers will be able to talk to staff at pods or desks that are distributed throughout the library. The opening hours of the library will not change because they become a community hub, but will continue to be reviewed to try and achieve the optimum opening hours for the local community within current resources.

- 10.4 All of the libraries will be equipped with scanners to quickly forward benefits claim information and remove the need for a daily courier service. A video conferencing kiosk will be installed at each library to enable library staff to put customers in touch with the Contact Centre or directly to back office specialists for in-depth enquiries. It will also enable the provision of some new services via the library, such as issuing of Blue Badges. Alternatively, some services may offer the option to make an appointment for the customer to meet a specialist at another time in the library. In Crewe and Macclesfield, customers will be directed to the nearby Customer Service Centres rather than arranging appointments in the library or connecting them via TellyTalk.
- 10.5 Customer access will be extended to the remaining libraries in Cheshire East. Customer access in Nantwich, Poynton and Sandbach could transfer from the existing arrangements to the libraries subject to further local consultation.

#### **11.0 Access to Information**

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

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# Customer Services Strategy 2011-14

Author	Paul Bayley
Version	2.0
Date issued	11 <sup>th</sup> July 2011

## 1 Introduction

Following the Comprehensive Spending Review, local authorities are challenged to try to reduce costs without compromising service standards or reducing access or uptake (particularly among more vulnerable or disadvantaged service users). The Government continues to call for public services for all that are efficient, effective, excellent, equitable and empowering – with the customer always at the heart of service provision. Its Customer Service Excellence standard tests those areas that research has indicated are a priority for customers, with particular focus on delivery, timeliness, information, professionalism and staff attitude. There is also emphasis placed on developing customer insight, understanding the user's experience and robust measurement of service satisfaction.

Research recently published by the Institute of Customer Services reported that there is strong evidence that customer service contributes to the success of organisations, with an increasing recognition within the private sector of customer service as a source of competitive advantage and differentiation. The research found that there was no magic ingredient to excelling at customer service but organisations that took part in the research stated repeatedly that success came from getting the basics right such as delivering on time, keeping promises, communicating effectively, correcting mistakes, and streamlining processes to make doing business as easy as possible for the customer. The research also found that success is driven by a clear, organisation wide vision of the importance of customer service.

This document sets out the Customer Services strategy for Cheshire East Council for 2011-2014. It considers how customers can access Council services, what we can do to better understand customer expectations, and how our culture and the behaviours and attitudes of our people is critical to providing customer service excellence. It is anticipated that many of the principles outlined in this strategy will exist beyond that timeframe, but a three year review cycle is appropriate given the constantly increasing customer expectations and rapidly evolving technology landscape driven by innovations in the private sector. The strategy has been developed through a Customer Services Steering group attended by representatives from all areas of the Council.

The purpose of the strategy is to outline the broad principles that drive the development of an efficient and customer focused operating model. These principles may reinforce decisions already taken and implemented, or they will influence service redesign and be implemented through a series of related projects. This strategy is critical in ensuring Cheshire East achieves its corporate objective of *'being an excellent Council'*.



## 2 Background

The current customer experience for a customer contacting Cheshire East Council is inconsistent, reflecting the varying levels of progress made in harmonising the different services inherited from the legacy authorities and redesigning the service around the needs of the customer. The following SWOT analysis highlights, however, that while there are weaknesses with our current service provision, there are also significant strengths that we have developed in the first two years of Cheshire East. There are also very timely opportunities to leverage and threats to consider. This has encouraged more Council services to actively engage in the development of this strategy.

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> <li>• Flexible telephony platform / virtual contact centre</li> <li>• Cheshire East 'essential numbers'</li> <li>• Usable and accessible website with 3* SOCITM rating providing 24x7x365 access</li> <li>• Modern customer service centres at Macclesfield and Crewe</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of standardised end to end processes, e.g. Waste &amp; Recycling</li> <li>• Inconsistent face to face and telephone access depending on where the customer lives</li> <li>• Limited internal and external service standards measurement outside of the customer service centres</li> <li>• Limited integration to line of business systems from the website</li> <li>• No single view of customer; customers regularly have to tell us the same thing several times</li> <li>• Disconnected front line service delivery; limited promotion of related services</li> </ul>
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> <li>• Transaction costs per channel : Face to Face £7.40, Telephone £2.90, Web £0.32 (SOCITM Insight Aug 2010)</li> <li>• Extensive library network</li> <li>• % of residents not yet online</li> <li>• Service redesign</li> <li>• Customer insight to connect customer needs</li> <li>• New technologies, e.g. smart phones</li> </ul>	<ul style="list-style-type: none"> <li>• Pace and ambition of service harmonisation and transformation plans</li> <li>• Staff resistance to change</li> <li>• Customer resistance to channel shift</li> <li>• Media and customers perceive encouraging self service as a reduction in service</li> <li>• Increasing customer expectations</li> </ul>

### 3 Strategy Framework

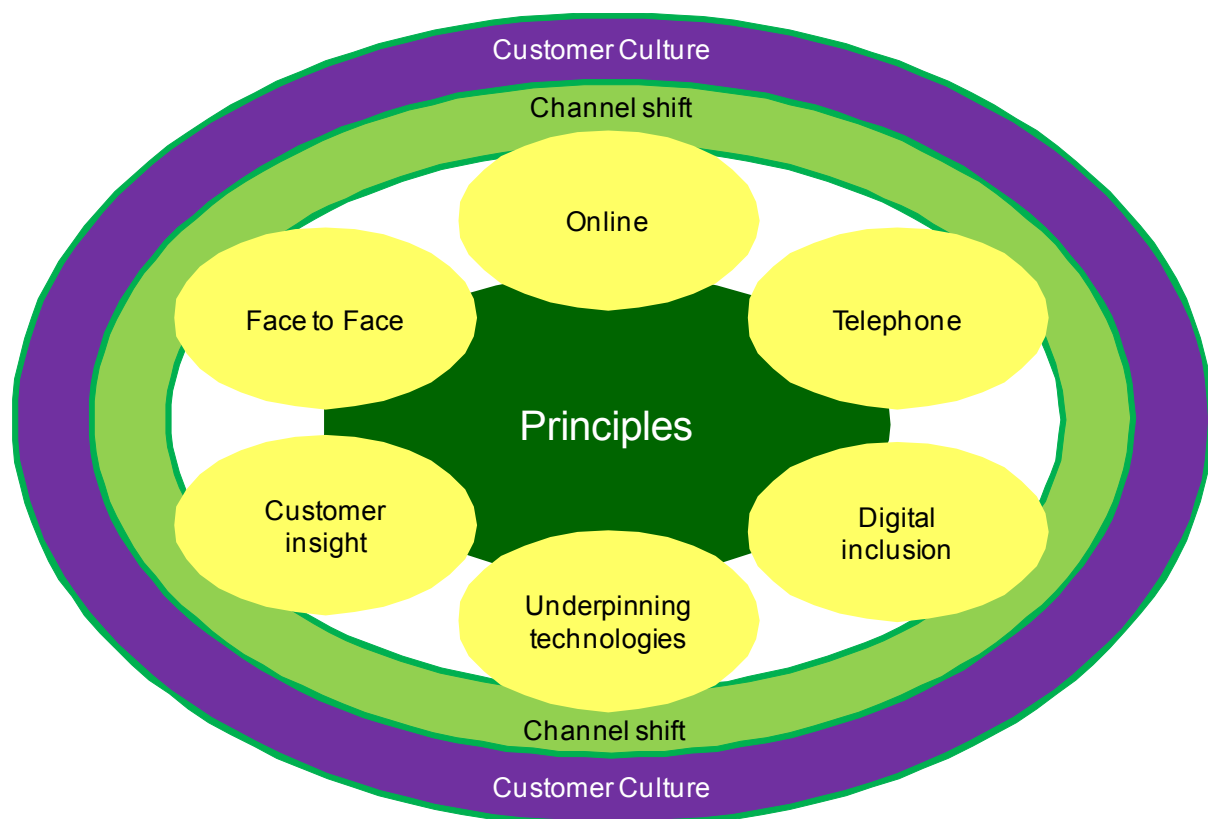
To provide a framework for the development of this Customer Services Strategy, the steering group adapted a model from *Channel Strategy Guidance* published by the Cabinet Office in 2009. The diagram below provides a simple illustration of how different components fit into the Customer Services Strategy, and how they relate to each other.

**Principles** - The strategic principles used to build the customer services strategy.

The individual elements of the customer services strategy. These include the main access channels for customers, as well as critical enablers and specific communication plans.

Channel shift – the comprehensive drive to encourage customers to access services via channels other than those to which they are accustomed. The launch of the Race Online 2012 by Martha Lane Fox, the UK's Digital Champion, has seen a subtle policy shift from Central Government from providing channel choice to encouraging channel shift and making services digital by default. When 'channel shift' takes place, web enquiries will increase but the marginal cost of servicing these enquiries is almost zero and so many more can be handled at the same cost.

Customer Culture – the values and behaviours embedded within the organisation to put customer needs at the heart of service delivery.



## **4 Strategic Principles**

The strategic principles that underpin this Customer Services Strategy are:

- 1. Provide straightforward, high quality, value for money service through a choice of access channels.**
- 2. Put the needs of the customer and local communities at the heart of service design, and develop more connected service delivery through the intelligent use of customer insight data to anticipate related needs.**
- 3. Increase resolution at first point of contact and reduce avoidable contact caused by service failures, progress chasing and poor communication.**
- 4. Encourage customers to use access channels that are more appropriate to the transaction and cost effective for the Council.**

## 5 Face to Face Strategy

Some customers prefer to access our services face to face, but this is the most costly access channel for the Council. The key consideration for this element of the strategy was to provide an accessible face to face option for customers wherever they live in the Borough through leveraging existing Council resources within communities such as libraries. The below principles applies to the provision of general customer access to Council services. Solutions to meet a specific need such as Children's Centres or Benefits surgeries and home visits will be considered within the plans of those services.

### 5.1 Principles

- **Our Customer Service Centres in Crewe and Macclesfield will provide customers with a one stop shop service, including access to specialist staff on an appointment basis (appointments will not be required in emergency situations such as safeguarding incidents).**
- **Libraries, or other community hubs where appropriate, will provide an Information Point service in other locations. The role of these Information Points will be to provide information, signpost and help customers to self serve. Handoffs for more in-depth enquiries will be facilitated through the use of video conferencing technology.**
- **Customers will be directed to direct debit, online, PayPoint and Post Offices for Council tax payments rather than Council premises.**
- **We will review specific 'face to face' only processes, such as concessionary travel, to identify opportunities to provide a choice of channels that are more convenient to the customer and cost effective for the Council.**

### 5.2 Face to Face Strategy actions in detail:

Ref	Action	Owner	Delivery Date
FF1	Identify communities with a need and a preference for face to face access that do not have a library and identify options to provide customer access in these communities	Customer Services	June 2011
FF2	Review 'face to face' only processes, e.g. concessionary travel, for opportunities to increase channel choice for customers	Customer Services	October 2011
FF3	Complete the roll out of customer access through the remaining Cheshire East libraries	Customer Services / Libraries	September 2012
FF4	Provide a video conferencing solution in community hubs to provide face to face access to specialist resources	Customer Services	September 2012

## 6 Telephony Strategy

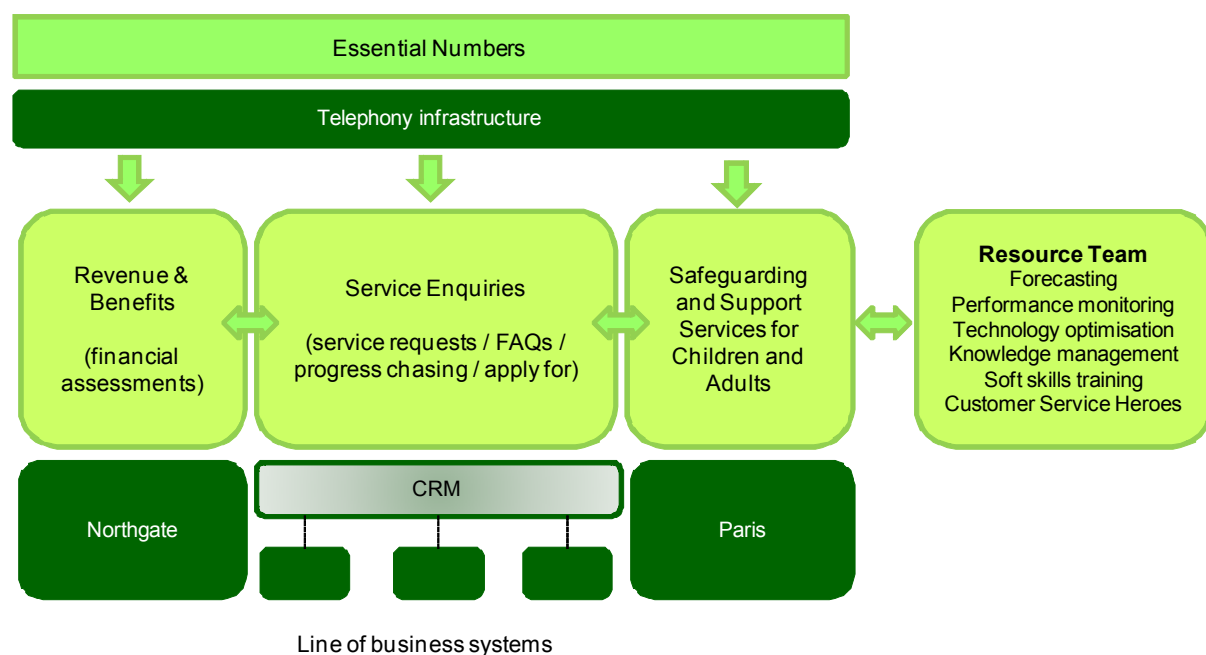
Contact Centres have been proven to be the most efficient way to handle large volumes of telephone calls, but there is a balance that must be considered to ensure that quality is not compromised in the pursuit of maximum efficiencies. The key question that this element of the strategy has addressed is how we will achieve that balance.

This strategy proposes an operating model that consolidates call handling around customer need to achieve the optimum balance between efficiency and effectiveness. The diagram below provides a simple illustration of this operating model.

Customers with individual needs for which we provide individual solutions will be connected directly to specialists who will be trained to assess their needs. Customers and professionals contacting Children and Adults services will be connected to the Safeguarding and Support Team for Children and Adults. This team will facilitate the early intervention and prevention agenda and focus on reablement, whilst ensuring that our most vulnerable Adults and Children receive prompt and timely interventions that address their needs through timely access to multi professional locality teams.

Similarly, customers in financial hardship who contact us seeking advice on Council Tax and Housing benefits will be connected directly to a team of Benefits trained specialists who will be able to assess their eligibility at first point of contact to ensure the prompt set up of appropriate benefits payments.

Customers requiring a standard service will be connected to a general service enquiries team, who will be able initiate service requests, take applications, respond to FAQs and provide progress updates, supported by a single CRM system to ensure process compliance and effective communication with 'back office' services.



All of these teams will be supported by a central Resource team that will monitor performance, forecast customer demand, optimise the technology and provide knowledge and soft skills training.

Some services will continue to receive calls directly where call volumes are generally low and it is a non-standard service that is tailored to the needs of the individual. An example of this is the Housing Options team.

The strategy has also challenged the out of hours service available by telephone, concluding that a locally provided service that deals effectively with emergencies only represents better value for money than a low cost service located outside of Cheshire East that answers all calls made to the Council outside of core opening hours. Customers that call one of the essential numbers outside of core opening hours will be informed that the office is closed. They will be directed to the website if they wish to self-serve, or they will be advised to redial the Social Care Out of Hours team for social care emergencies or our Emergency Control Centre for all other emergencies. Calls to the Emergency Control Centre will be routed to the CCTV room, which is operational 24 x 7. The CCTV room will assess the nature of the call and initiate out of hours escalation procedures as appropriate. This new service replaces the previous out of hours service provided by MessagePad, enabling us to provide local telephone access 24 x 7 x 365 to the customers of Cheshire East.

## 6.1 Principles

- **Core opening hours for telephone contact are 08.30 to 17.00, Monday to Friday.**
- **Local out of hours service providing emergency response only.**
- **Consolidate call handling around customer need to achieve the optimum balance between efficiency and effectiveness**
  - **Social Care (care needs assessment)**
  - **Benefits (financial needs assessment)**
  - **Service enquiries (service requests / FAQs / progress chasing / apply for)**
- **Provide automated telephone services where appropriate as an option**

## 6.2 Telephony Strategy actions in detail:

Ref	Action	Owner	Delivery Date
TL1	Standardise Contact Centre opening hours to 08.30 – 17.00, Mon to Fri	Customer Services	April 2011
TL2	Implement local emergency only out of hours service through the CCTV service	Customer Services / Community Safety team	May 2011

<b>Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Delivery Date</b>
TL3	Implement the Safeguarding and Support Services team for Children and Adults	Customer Services / Family Information Service (FIS)	August 2011
TL4	Implement customer relationship management system to create and track general service requests	Customer Services	September 2011
TL5	Complete migration of general service enquiries into the Contact Centre	Customer Services	March 2012

## 7 Online Strategy

The Cheshire East website consistently receives positive reviews, both from customers through the 'rate this page' function and through independent surveys and mystery shopping. It was recently highlighted as a 'reviewer's favourite' in SOCITM's 2011 survey where it was rated in the top 32% of local authority websites. The reviewer described the website as:

*"The strapline '24 hour access to your Council' is achieved with a wide range of online services and a 'Find Nearest' that is rich with information. It feels to me as if this council has really thought about providing information and services. It has got the basics right rather than focusing on techie 'bells and whistles' and prettiness.*

*I rejoiced in the simplicity of design. People want to find information easily and quickly. Cheshire East website makes this possible."*

One of the key considerations for this element of the strategy was the challenge of evolving the website from an information site to a fully transactional site. More and more services can now be requested online, but full integration to back office systems is limited and so requests are often re-keyed and customers must contact us by other channels for progress updates. Our improving website has effectively extended the opening hours of the Council for those wishing to log a service request or find information. To fully empower the customer and improve the overall service proposition, however, the website must become fully transactional with two way integration to back office systems.

Another consideration is the growing use of alternative online channels and tools in providing services to customers. In 2010, 52% of mobile phones sold in the UK were smart phones, and 31% of users accessed the internet via a mobile phone. We need to better understand the types of customers that will access the Council via these alternative online channels and what services they typically use so that we can design a user interface or set of applications that meets the needs and expectations of this group of customers.

### 7.1 Principles

- **Promote Cheshireeast.gov.uk as the main access point for the Council's services for simple information and transactional services.**
- **Aim to place 100% of our transactional services online.**
- **Provide customers with access to personalised services and confidential information through a secure portal on our website.**
- **Place more of our forms and leaflets online to minimise printing and reduce our environmental impact.**
- **Explore the use of new channels and tools, such as smart phones, Digital TV and social media to reach different customer groups.**



**7.2 Online Strategy actions in detail:**

<b>Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Delivery Date</b>
ON1	Complete gap analysis and review of transactional services online and prioritise services for implementation	Customer Services	June 2011
ON2	Identify and recommend options for the provision of Council services via smart phones, Digital TV and social media	Customer Services	July 2011
ON3	Develop and implement systems to present information on the website targeted to a location, individual or role	Customer Services	October 2011

## 8 Digital Inclusion Strategy

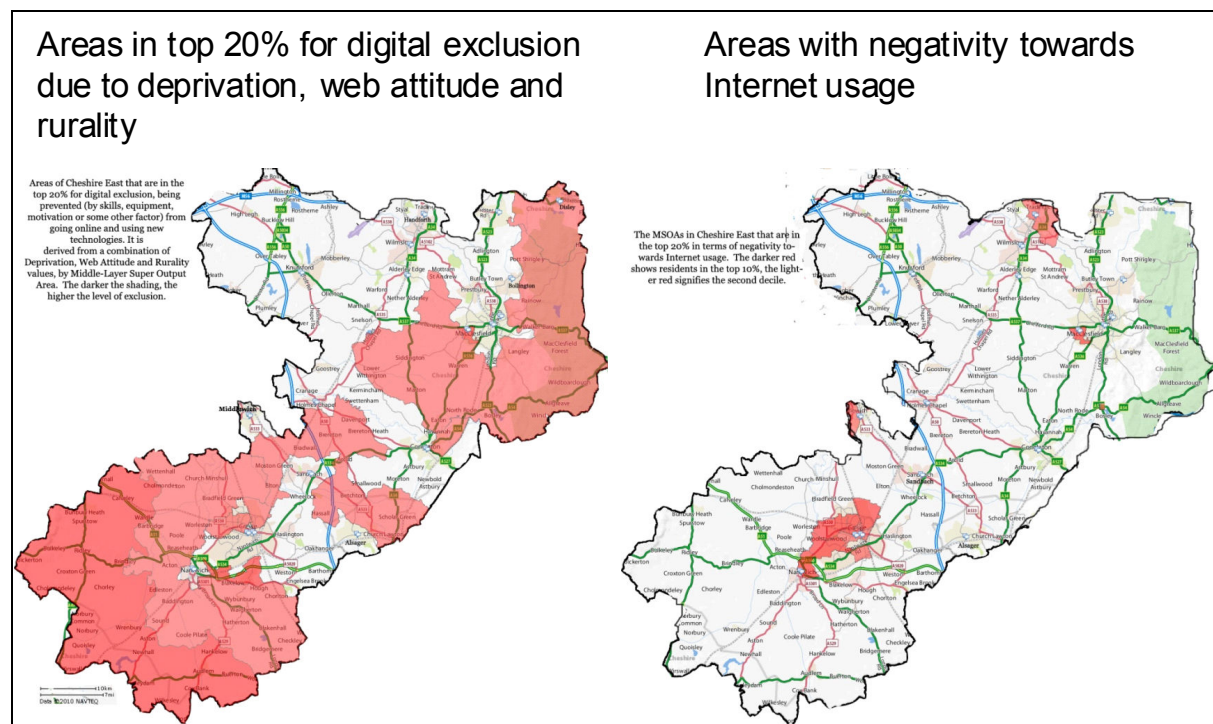
30 million adults in the UK access the internet every day but 9 million have never used the internet. Exclusion from access to digital channels matters for these users as this group includes the socially excluded and hard to reach groups who are likely to have the greatest needs from public services. It also impacts the delivery of efficient public services, because when people cannot access services online they use alternative channels that are generally more expensive.

In her *Manifesto for a Networked Nation* published in July 2010, Martha Lane Fox, the UK Digital Champion, has set out the ambitions for all organisations that deliver or benefit from digital services:

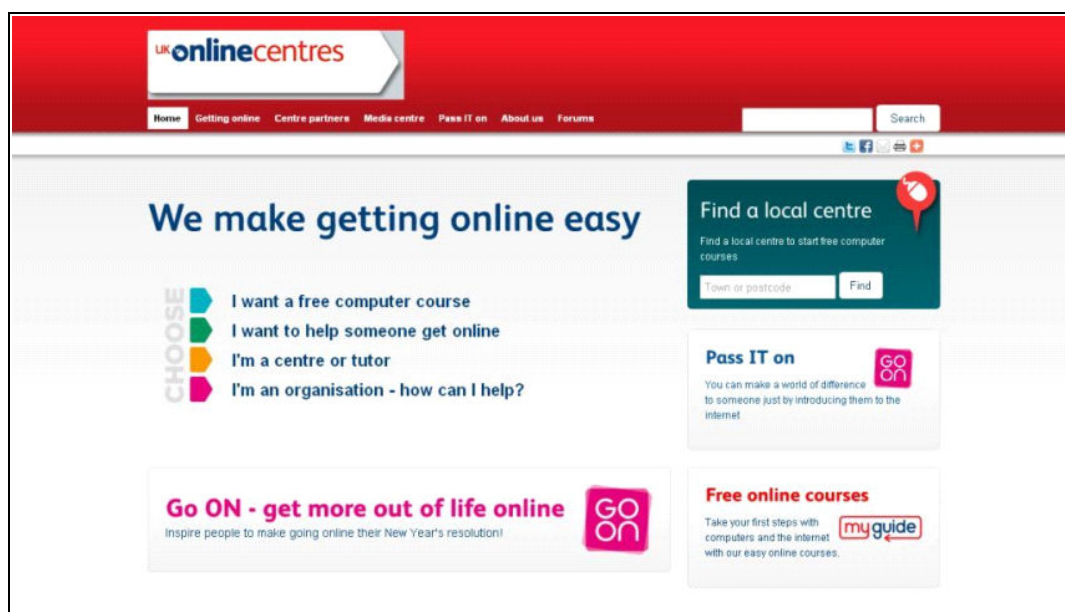
*“We need to be ambitious, think ‘internet first’ when we design services, and put the needs of the hardest to reach at the heart of industry, charity and government. There is a social and moral case to make sure more people are online but there is a clear economic case too. We will all be better off when everyone is online.*

*Leaders at every level of industry, government and the charitable sector should embed manifesto challenges into corporate plans and make Race Online 2012 pledges by the end of 2010.*

*Government should expect people of working age to use some key online services and signpost those who need help to web access and training points. People must know where they can find local web access and/or training points and where they can go to get assistance with online public services, supported by local digital champions in every community.*



The map on the left above highlights areas of Cheshire East in the top 20% for digital exclusion, being prevented (by skills, equipment, motivation or some other factor) from going online and using new technologies. The map on the right highlights areas in Cheshire East that are in the top 20% in terms of negativity towards internet usage. We can conclude from these two maps that the majority of Cheshire East residents that are not excluded from accessing digital channels due to a negative attitude or resistance to online services, but most likely due to lack of equipment, access to good quality broadband or lack of training.



The UK online centres network was set up by government in 2000 to provide people with free or low cost access to computers and the internet, as well as the help and support they need to use them. Many different organisations make up the UK online centres network. Some are privately owned, others are based in the voluntary or community sector. They include libraries, Surestart centres, Housing Associations, Age UK centres, individual community centres and schools. All Cheshire East libraries are already designated online centres. The public sector has a responsibility to help people who do not (yet) have access to or the skills or confidence to use digital services, particularly if public services in the future are going to be 'digital by default'.

## 8.1 Principles

- **Commit to the Race Online 2012 and help 2,000 Cheshire East residents get online by the London 2012 Olympic Games.**
- **Identify and promote UK online centres throughout Cheshire East to make it easy to get online through our libraries and community partners.**
- **Explore the opportunity to provide Wi-Fi access in our online centres and other community hubs.**
- **Develop a mobile online solution to reach those customers that may not access the internet through a PC but regularly use the internet through their mobile phone.**

**8.2 Digital Inclusion Strategy actions in detail:**

<b>Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Delivery Date</b>
DIN1	Sign up for the Race Online 2012 and pledge to help 2,000 residents of Cheshire East get online	Libraries	May 2011
DIN2	Develop a Digital Inclusion campaign to promote the libraries as UK online centres and encourage volunteers and residents to support and participate in training	Libraries	June 2011
DIN3	Undertake a feasibility study to provide Wi-Fi access in libraries	ICT Strategy	June 2011
DIN4	Identify alternative online centres in communities that do not have a library	Customer Services	October 2011

## 9 Customer Insight

Successful organisations with reputations for outstanding customer service recognise they need to step away from their own beliefs about what customers value and find out what their customers actually think is important. Using customer insight to drive service redesign or simple front-line process improvements will ensure that we provide services that our customers consider value for money. This insight may come from focus groups, structured surveys, customer complaints and suggestions, mystery shopping or even simple unprompted feedback via the website.

The Council provides a broad range of services, and customers often have to contact more than one department when they go through a significant life event such as starting school or moving into the area. One of the biggest opportunities to improve the way customers perceive how easy the Council is to do business with is to connect our services and promote relevant related services when a customer contacts us.

### 9.1 Principles

- **Develop campaigns to connect services and promote related needs when a customer contacts us, e.g. checking whether a customer has an assisted lift for their bins when they apply for a blue badge.**
- **Use the Citizen's Panel to test reaction to proposed changes to the customer experience and influence service redesign.**
- **Measure the customer experience through customer satisfaction surveys, mystery shopping and customer complaints, compliments and suggestions across all access channels.**

### 9.2 Customer Insight actions in detail:

Ref	Action	Owner	Delivery Date
CIN1	Introduce customer satisfaction call backs	Customer Services	October 2011
CIN2	Develop a strategy for promoting related needs to customers when they contact us via telephone, face to face and online to ensure we capture information from a customer once and use it many times	Customer Services	March 2012

## 10 Underpinning Technologies

Technology plays a critical role in enabling the delivery of an efficient and effective customer experience. The development of this strategy has identified some key technology enablers that could significantly improve the customer experience across a number of services.

A data warehouse that enables data matching and cleansing between the various customer databases across the Council and provides a single view of the customer will enable us to deliver a more connected customer experience and remove the need for customers to contact us many times to give us the same information. It will also drive efficiency through eliminating multiple entry of the same data.

Many of our services are delivered by field based crews who are effectively out of communication during much of the working day. Any progress updates or issues are not communicated to our customer interface until the end of the working day. Customers often contact us during the day to report issues, such as missed waste collections, while the crews are in the field and we have to call them back the next day once the updates from the crews are available. Many organisations have now deployed mobile communication devices to deliver automated flow of information between the Contact Centre (and website) and the “crews on the ground” enabling real-time status updates and tracking and improved work allocation. Investing in this capability will help to reduce avoidable contact.

High speed broadband connectivity across Cheshire East is essential to provide all customers with access to our digital services. Providing broadband to rural areas is a particular challenge in Cheshire East. This strategy supports the need for continued investment in rural broadband access.

### 10.1 Principles

- **Provide a single view of the customer to remove the need for the customer to tell us the same information more than once – gather information once and use it many times to eliminate multiple entry of data.**
- **Provide real-time service data at the customer interface, e.g. Waste crews reporting bins that are not put out or where there is obstructed access through handheld or in-cab devices.**
- **Ensure there is good broadband access in all Cheshire East communities.**

### 10.2 Underpinning Technologies actions in detail:

Ref	Action	Owner	Delivery Date
UT1	Implement the master customer index to initially connect the CRM and Council Tax databases and create the foundations for the Cheshire East customer hub	ICT	October 2011

<b>Ref</b>	<b>Action</b>	<b>Owner</b>	<b>Delivery Date</b>
UT2	Develop technical proof of concept for mobile working device (PDAs) for field based workforce	ICT	March 2012
UT3	Work with communities to understand the demand for better broadband and with telecommunications suppliers to further their investment in broadband within Cheshire East	ICT	March 2012
UT4	Bid for Public Sector gap funding to ensure all areas of Cheshire East have access to high capacity, reliable broadband services	ICT	April 2012

## 11 Customer Culture

Culture is the combination of values, beliefs and norms that provide direction and energy to what people do each day...or put another way, who and what's important around here? It drives the attitudes and behaviours of our people on the front-line with the customer.

Customers will remember and talk about their experiences with Cheshire East based on their interactions with our people and the impression they leave on them. We can have effective processes and technologies, but these are meaningless without people that can engage with the customer and understand what they really need from us. On the flip side, sometimes our processes and technologies let us down, and how we handle these difficult interactions with the customer can still make it a positive and memorable experience for the customer.

We want our customers to describe Cheshire East as:

- Simple to do business with
- Connected and joined up
- Get it right first time at first point of contact
- Have an attitude of helpfulness
- Proactive, professional and positive

Organisational culture can either help or hinder the delivery of a great customer experience consistently across all access channels. The four cultural building blocks, in the table below summarise how a strong customer focus should be embedded in all that we do, and have been used to develop the principles and priorities for action to develop a customer focused culture in Cheshire East.

<b>Communication</b>	<b>Capability</b>
<ul style="list-style-type: none"> <li>• Customer focused vision and values</li> <li>• Words and actions mirror our vision</li> <li>• Consistent messages &amp; stories</li> <li>• Aligned business processes &amp; management rituals</li> </ul>	<ul style="list-style-type: none"> <li>• Link between strategy and execution</li> <li>• Develop technical and soft skills</li> <li>• Consider everyone</li> <li>• Get it right in recruitment</li> </ul>
<b>Connectedness</b>	<b>Commitment</b>
<ul style="list-style-type: none"> <li>• Systems thinking – understand linkages</li> <li>• Customer check - policies, processes, and procedures</li> <li>• Clarify risk tolerance and penalties</li> <li>• Monitor cause and effect</li> </ul>	<ul style="list-style-type: none"> <li>• What gets measured / recognised / rewarded gets done</li> <li>• Seek, share and use feedback from customers and staff</li> <li>• Benchmark, monitor and celebrate success</li> <li>• Make “the customer” our number one priority</li> </ul>



### 11.1 Principles

- Define the customer value proposition for every service.
- Make explicit and embed 'customer' in our service, planning and performance reporting processes.
- Embed 'customer focus' within our values, competency frameworks, and reward and recognition schemes.
- Develop our workforce to equip and empower them to deliver customer service excellence

### 11.2 Customer Culture actions in detail:

Ref	Action	Owner	Delivery Date
CUL1	Add the Customer Service Excellence training programme to the Corporate Training Directory to make it available to all services	Organisational Development	May 2011
CUL2	Develop strategic customer measures and targets within the corporate balanced scorecard performance reports	Performance & Partnerships	June 2011
CUL3	Review and challenge service plans to embed customer measures across all services	Performance & Partnerships	June 2011
CUL4	Commission an internal staff survey to understand where we think we are now to provide a baseline from which we can measure progress	Customer Services	June 2011
CUL5	Commission proof of concept to review and define the customer value proposition for a service(s) (see Appendix 1 for proposed scope of the proof of concept)	Corporate Improvement / Customer Services	September 2011
CUL6	Make customer focus explicit within aspire values and behavioural competency framework	Organisational Development	January 2012
CUL7	Develop and launch a recognition scheme to recognise individual customer service heroes	Organisational Development	January 2012
CUL8	Develop an e-learning module for the Employee Induction programme to provide an overview of the range of services the Council provides to help staff make the connections	Organisational Development	Mar 2012

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# CHESHIRE EAST COUNCIL

## CABINET

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<b>Date of Meeting:</b>	1 August 2011
<b>Report of:</b>	Borough Treasurer and Head of Assets Head of Policy and Performance
<b>Subject/Title:</b>	2010/11 Final Outturn Performance Report
<b>Portfolio Holders:</b>	Councillor Wesley Fitzgerald, Cabinet Member for Resources Councillor David Brown, Cabinet Member for Performance and Capacity

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### 1.0 Report Summary

- 1.1 Cheshire East is committed to continuous improvement and excellence in all that it influences and delivers. This report gives summary and detailed information about its financial and non-financial performance at the final outturn stage of 2010/11.
- 1.2 Annex 1 provides Cabinet with the final financial outturn performance for the 2010-11 financial year. It particularly focuses upon areas of high financial risk to the Council, and highlights significant changes from the Three Quarter Year Review (TQR) reported in January. The report includes updates on the Capital Programme, Debt, and in-year collection rates for Council Tax and Business Rates.
- 1.3 Annex 2 provides a summary of the key performance headlines for 2010-11.

### 2.0 Decision Requested

- 2.1 Cabinet is requested to note and comment as appropriate on the following financial issues, contained in Annex 1:
  - the final revenue and capital outturn positions for the Council;
  - the impact on the Council's general reserves position as detailed in Section 2;
  - the Council's in-year collection rates for Council Tax and Business Rates, detailed in Section 7;
  - the Council's invoiced debt position as shown in Section 8;
  - progress on delivering the 2010-11 capital programme, detailed in Section 9 and Appendix 1;
  - Delegated Decisions approved by Directors for Supplementary Capital Estimates (SCE) and virement requests up to £100,000, as shown in Appendix 3a;
  - Delegated Decisions approved by Directors in consultation with the relevant Portfolio Holder and the Portfolio Holder for Resources for Supplementary Capital Estimates and virement requests over £100,000 and up to and including £500,000 as shown in Appendix 3b.

2.2 Cabinet is requested to note and comment as appropriate on the following service performance issues, contained in Annex 2:

- note the successes achieved during 2010/11, and consider the issues raised in relation to under performance against targets and how these will be addressed.

2.3 Cabinet is requested to approve the following:

- (i) a budget carry forward into 2011-12 of £160,000 for parish and council elections within Democratic Services, as previously identified at the three quarter year review (Section 3);
- (ii) the allocation of the £200,000 policy changes contingency earmarked for ICT to meet legacy authority leasing costs (Section 3);
- (iii) the revised in-year capital budget for 2010-11 as set out in Section 9, including:
  - Supplementary Capital Estimates and virement requests over £500,000 and up to and including £1.0m, as shown in Appendix 3b
  - Reductions in approved capital budgets, as shown in Appendix 3c.

2.4 Cabinet is asked to recommend that Council approve an SCE request in excess of £1m for Alderley Edge By Pass as detailed in Appendix 3b:

### **3.0 Reasons for Recommendations**

3.1 The Council is committed to high standards of achievement and continuing improvement. Performance information plays a vital role in ensuring that the Council celebrates its achievements, understands its performance in key areas and addresses issues of under performance. The Council and partners have identified a series of improvement measures to support outcomes for local people as outlined in the priorities and objectives of the Sustainable Community Strategy.

3.2 In accordance with good practice, Members should receive a quarterly report on the financial performance of the Council. Finance Procedure Rules set out the requirements for financial approvals by Members, and relevant recommendations are contained in this report.

### **4.0 Wards Affected**

4.1 All

### **5.0 Local Ward Members**

5.1 All

## **6.0 Policy Implications including - Climate change, Health**

- 6.1 Performance management supports delivery of all key Council policies including climate change and health. Ongoing impacts of the 2010-11 financial outturn in future years have been taken into account in determining the 2011-12 Budget. The impact of the outturn on general reserves will now be fed into the assumptions underpinning the 2012-13 Financial Scenario and Budget, and Reserves Strategy.

## **7.0 Financial Implications (Authorised by the Borough Treasurer)**

- 7.1 The Council's financial resources are aligned to its priorities and used to deliver priority outcomes for local communities. Monitoring performance helps ensure that resources are used effectively and that business planning and financial decision making are made in the context of performance.

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 Although the Council will no longer be required to report to Government on its performance against measures in the National Indicator Set, monitoring and reporting on performance is essential if decision-makers and the public are to be assured of adequate progress against declared plans and targets.

## **9.0 Risk Management**

- 9.1 Financial risks are assessed and reported on a regular basis, and remedial action taken if and when required. Risks associated with the achievement of the 2011-12 budget, and the level of general reserves will be factored into the 2012-13 Financial Scenario and Budget, and Reserves Strategy.
- 9.2 Performance and risk management are part of the key management processes of the Authority. Risks are captured both in terms of the risk of underperforming and the risk to the Council in not delivering its ambitions for the community of Cheshire East. The Policy & Performance team are working to further align the relationship between performance management and risk management as part of the 2011-12 service planning process.

## **10.0 Background**

- 10.1 Our vision, corporate plans, financial allocations, democratic and organisational structures are all designed to help us achieve the outcomes that matter to the people of Cheshire East. Performance reporting and a focus on improvement are fundamental to achieving our long term ambitions. The report reflects a developing framework to embed performance management culture throughout the organisation.

## **11.0 Access to Information**

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

Name:	Lisa Quinn / Vivienne Quayle
Designation:	Borough Treasurer and Head of Assets / Head of Policy and Performance
Tel No:	01270 686628 / 01270 685859
Email:	<a href="mailto:lisa.quinn@cheshireeast.gov.uk">lisa.quinn@cheshireeast.gov.uk</a> <a href="mailto:vivienne.quayle@cheshireeast.gov.uk">vivienne.quayle@cheshireeast.gov.uk</a>

## ANNEX 1

**FINAL OUTTURN 2010-11 - FINANCIAL PERFORMANCE****1.0 INTRODUCTION**

- 1.1 This report sets out the Council's financial performance for 2010-11, and summarises the final revenue and capital outturn positions for services. It focuses upon the key financial issues affecting services, and highlights significant changes from the position reported at the Three Quarter Year Review (TQR). The report includes updates on the Capital Programme, Treasury Management, Debt, and in-year collection rates for Council Tax and Business Rates.

**2.0 OVERALL SUMMARY**

- 2.1 Table 1 provides an analysis of the impact of the outturn on the Council's general reserves or "balances" and compares this with the position at TQR.

**Table 1 – Impact on Balances**

	Budget 10-11	TQR 10-11	Outturn 10-11
	£m	£m	£m
Planned Repayment to Balances	4.3	4.3	4.3
<u>Adjusted by:</u>			
<u>Additions to Balances</u>			
Fleming VAT claims	0.6	1.6	1.8
Business Financing Scheme	0.3	0.3	0.4
<u>Use of Balances</u>			
Transfer to VR reserve	-1.5	-1.5	-1.5
Service Outturn Impacts		-7.7	-2.2
Supplementary Revenue Estimates		-0.2	-0.1
Other Corporate items		-0.3	-0.4
<b>Net Total Impact on Balances</b>	<b>3.7</b>	<b>-3.5</b>	<b>2.3</b>
Balances at 1 April 2010		10.2	10.2
<b>Balances at 31 March 2011</b>		<b>6.7</b>	<b>12.5</b>

- 2.2 The impact of the 2010-11 outturn on the level of balances is a net increase of £2.3m. This increase in reserves has been achieved despite significant underlying budget pressures in services, particularly in Adults,

and represents an improvement of £5.8m since the TQR position reported to Members in February. This is explained by better than forecast positions on services' outturn position (£4.0m), capital financing (£0.5m) surpluses on earmarked reserves and provisions (£1.0m), and unbudgeted income (£0.3m).

- 2.3 Overall, services are reporting an overspend of £9.5m, which represents an improvement of £4.0m since TQR. A favourable variance on the capital financing budget, together with unallocated contingencies, and surplus balances on earmarked reserves and provisions have resulted in offsetting underspends of £7.3m. These have reduced the net service overspend to £2.2m, compared to a forecast of £7.7m at TQR. This position is shown in Table 2 below.
- 2.4 After also taking into account corporate items, including appropriations to earmarked reserves, supplementary revenue estimates, and Fleming VAT claims income, together with the planned contribution to reserves of £4.3m, a net overall increase of £2.3m in balances has been achieved.



**Table 2 – Service Final Revenue Outturn**

	FINAL OUTTURN 2010-11						MEMO
	Net Budget	Actual Outturn	Variance from Budget	SREs for Approval	Proposed Carry forwards	Net Variance	Variance at Three Quarter Review
	£000	£000	£000	£000	£000	£000	£000
<b>CHILDREN &amp; FAMILIES</b>	<b>46,129</b>	<b>47,092</b>	<b>963</b>			963	<b>4,094</b>
Adults	69,372	78,137	8,765			8,765	8,376
Health & Wellbeing	12,113	13,052	939			939	957
<b>ADULTS, COMMUNITY &amp; HEALTH &amp; WELLBEING</b>	<b>81,485</b>	<b>91,189</b>	<b>9,704</b>			9,704	<b>9,333</b>
<b>PLACES</b>	<b>51,743</b>	<b>51,984</b>	<b>241</b>			241	<b>264</b>
Treasurer & Head of Assets	26,090	26,413	323	(200)		123	760
HR & OD	3,247	3,071	(176)			(176)	(89)
Borough Solicitor	6,363	5,981	(382)		160	(222)	(402)
Policy & Performance	8,413	7,346	(1,067)			(1,067)	(450)
Corporate Improvement	425	364	(61)			(61)	(20)
<b>PERFORMANCE &amp; CAPACITY</b>	<b>44,538</b>	<b>43,175</b>	<b>(1,363)</b>	<b>(200)</b>	<b>160</b>	<b>(1,403)</b>	(201)
<b>Sub Total - Services</b>	<b>223,895</b>	<b>233,440</b>	<b>9,545</b>	<b>(200)</b>	<b>160</b>	<b>9,505</b>	<b>13,490</b>
<b>CENTRALLY HELD ITEMS</b>							
<b>Capital financing</b>	<b>13,694</b>	<b>11,123</b>	(2,571)			(2,571)	(2,100)
<b>Unallocated contingencies</b>	<b>7,624</b>	<b>5,157</b>	(2,467)			(2,467)	(2,400)
<b>Surplus reserves /provisions</b>	<b>(907)</b>	<b>(3,224)</b>	(2,317)			(2,317)	(1,300)
<b>Total Service Outturn</b>	<b>244,306</b>	<b>246,496</b>	<b>2,190</b>	<b>(200)</b>	<b>160</b>	<b>2,150</b>	<b>7,690</b>

### 3.0 KEY SERVICE ISSUES

Below is a summary of the key service outturn issues, and main changes from the forecasts made at the Three Quarter Year Review (TQR).

**Children & Families - £1.0m overspend**

- 3.1 The final outturn for Children and Families is an overspend position of £0.963m. At the Three Quarter Review the reported position was a net overspend of £4.1m, after allowing for remedial action of £4.6m. However this position was improved at year end following the reprioritisation of spend against a further £3m of unallocated SureStart funding, Standards funds and Dedicated Schools Grant (DSG).
- 3.2 The most significant improved remedial action has been to increase the level of unallocated grant that can be used flexibly across the Department to help reduce the overall spending pressure. Previously £1m of SureStart grant had been available; at TQR it was thought this figure was more likely to be around £2.5m which can be used to support early intervention activity previously funded from Council base budgets; however at year end another £1.5m was identified as available.

**Integrated Delivery**

- 3.3 The increased numbers of Looked After Children has been a feature of the budget pressure during 2010/11, and Cared For Children/Children in Need/Child Protection overspent by £4.7m. In November 2009, when the budget information was gathered to build the 2010/11 budget there were 370 Looked After Children. Early in 2010/11 the numbers increased to a peak of 490 children, which based on the national average cost of care for each child of £50k per annum, would have added over £6m of full year budget pressure. Through proactive intervention strategies the Department has started to reduce the numbers needing to be taken into care, with 439 children currently being looked after as at March 2011. This has already been reflected in decreasing agency (£100k) and fostering (£90k) costs.
- 3.4 In addition the service has been given £4m growth in 2011-12 in order to address the fundamental issue of budgeting at the right level. However whilst recognising that this growth ensures this service is adequately funded at the start of the year, the service acknowledges this is a continuing area of budget pressure. In the first two months of 2011-12, two multi sibling families have come into care, increasing the numbers of Looked After Children to 446 in June 2011.

**Improvement and Achievement**

- 3.5 Strengthening safeguarding arrangements for children and young people is a key priority. Over the preceding 2 years this entailed a review of the approach to safeguarding across the Borough, which resulted in increasing numbers of children requiring care, before more recently moving to an approach with increased intervention and support, which aims to keep more children in their own homes. Additionally, significant

steps have been taken to reposition the Service in its relationship with schools. Government policy promoting autonomous schools and the redirecting of funding streams from the Local Authority to schools has promoted a positive dialogue with schools regarding the future delivery and purchasing of central support services. Moving forward this has additionally enabled more resources to be delegated to schools enabling them to determine much more transparently which services they need to purchase and from where.

- 3.6 Transport remains an area of budget pressure, in both Home to School transport and Looked after Children. At LGR insufficient budget was allocated to Cheshire East resulting in a final overspend of around £700k. This has been addressed in the budget setting for 2011-12, with growth of £1.0m being allocated to transport, to meet this inherited underfunding, and to absorb increasing fuel prices and the impact of the revised hard to place protocol. This area will come under review in 2011-12.

#### Dedicated Schools Grant (DSG)

- 3.7 The outturn position on the Local Authorities Schools account at the end of 2010/11 is a credit balance of £0.538m. This is due to underspends within centrally retained DSG budgets. It has been agreed with Schools Forum (meeting of the 21st June) that the Local Authorities DSG carryforward of £0.538m will be ringfenced so that it will either be used by the Local Authority to meet schools related expenditure, or it will be delegated to schools at a later date. A report will be made to Schools Forum later in the year to advise on how the carryforward will be used.

**Table 3 - Dedicated Schools Grant**

Contingency Title	Budget 2011/12 £m	Budget 2010/11 £m	Actual 2010/11 £m	Variance £m
1. General contingency	0.914	0.414	0.414	0.000
2. Early Years	0.096	0.096	0.000	(0.096)
3. SEN	2.828	1.328	2.338	1.010
4. LA Rates	0.193	0.193	0.085	(0.108)
5. DSG Pupil Numbers	0.000	0.220	0.000	(0.220)
Total	4.031	2.251	2.837	0.586
6. Less DSG carryforward 09/10 to offset SEN overspend	0.000	0.000	(1.158)	(1.158)
DSG underspend 2010/11	4.031	2.251	1.679	(0.572)
Other DSG overspends			0.034	0.034
DSG underspend 2010/11				(0.538)

- 3.8 Schools have carryforward balances of £ 9.975m at the end of 2010/11. These will be carried forward in full for schools use in 2011/12.

- 3.9 Work is currently underway to understand the full year implications in 2011/12 of these final positions and to improve procedures around costs traditionally recharged towards the end of the financial year.

Conclusion

- 3.10 During the latter part of 2010-11, Children and Families underwent a thorough budget review, building up a Needs Led budget based on services and requirements. The budget policy proposals allocated growth of £5.8m to the service, to target the shortfall in budget provision in Looked after Children and in Transport, and to help develop an alternative residential provision. However the service has also been tasked with delivering £5.6m savings, through efficiencies in commissioning, reductions in placements and as a result of the changes to the level of grant funding received.
- 3.11 As part of this, the service has again restructured and created three service delivery arms; Early Intervention and Prevention; Safeguarding and Specialist Support; and Strategy, Policy and Performance.
- 3.12 The First Quarter Review for 2011/12 will provide a first in depth analysis of all of the factors including the current year growth, any inherent problems carried forward from 2010/11 and any new emerging pressures. It will report on the three service arms within children and Families, alongside Schools, and will therefore tie together the ongoing Benefits Realisation work with all other financial issues.

**Adults, Community and Health & Wellbeing - £9.7m overspend**

- 3.13 The final outturn position of an overspend of £8.7m on the Adults part of the service represents a deterioration of £0.4m from the £8.3m reported at the Three Quarter Year (TQR). The final position for Health & Wellbeing of an overspend position of £939k correlates very closely with the £957k reported at TQR. In total terms therefore the final position for the Adults, Community, Health & Wellbeing department is an overspend of £9.6m which is a worsening of the position by almost £0.4m.

Summary

- 3.14 Whilst the final outturn represents a relatively small change from TQR there are a number of issues which need drawing out at this point. Firstly, Members may recall the warning of possible further deterioration being reported to Cabinet at the Away Day in March. This worsening of the position was given as being in the range of £1.5m to £3.0m.
- 3.15 A range of £1.5m to £3.0m was quoted as a number of factors were still to be determined at that point, including for example, negotiations with Health on the apportionment of certain financial issues that span the

Health / Social Care spectrum of activities. This final position indicates the range provided was too bleak and the desire expressed at the time and since, to stay below the estimated range has been exceeded.

- 3.16 Care costs, which are the key financial driver within Adults have turned out as expected. This is positive in terms of the early indications that can be drawn from the recent developments being implemented around cost control and initiatives to prevent costs rising in a period of increased demand (more robust reviews, short period of reablement etc). These will be fully followed through on a full year basis in 2011/12 and reported at the key points It reflects the point made at Cabinet/CMT meeting in March that the service did not consider that there were any operational reasons to suppose that the position had worsened..
- 3.17 The projected final outturn for Health & Wellbeing closely reflects the position outlined at TQR. The overall position masks individual compensating variances and actions remedial action taken which are outlined in detail below.

Adults, Community & Health and Wellbeing (£9.6m over spend)

- 3.18 The majority of this relates to Adults Social Care (£8.7m). This latest position more accurately captures the full year impact of underlying budget pressures built up from the inception of the Council and takes full account of the permanent base budget available to fund these pressures.
- 3.19 Since the inception of the Council the directorate has grappled to contain the growth in care costs being incurred as a result of the demographics within the Borough. This was exacerbated by the fact that it is now clear that the original budget for adult social care represented a significant underfunding of the service. However, pressure on care costs are set to continue as the population ages, with those aged 65-74 anticipated to grow by over 17% and those over 85 anticipated to grow by almost 20% over the next 5 years alone. Alongside this growth in care costs, both the projected outturn and wider financial budgetary position of the department and Council need to be considered.
- 3.20 Since 1<sup>st</sup> April 2009 care costs in Cheshire East have increased by 6% year on year compared with 4% nationally. The issues are not just confined to the ageing population. Learning Disability (LD) clients coming through transition from Children's Services to Adults are increasing, in terms of both numbers and in the complexity of conditions presented. Whilst the projected percentage increase is small (just over 3% over the next 5 years) the increase in costs can be disproportionately high as these are the highest cost service users. This is illustrated by the stark reality that 5 cases alone coming through transition from Children's Services accounted for the full £400k growth built into the Adults budget in 2010/11

to cope with increased demand. This is notable for example in respect of autism which often requires complex support.

- 3.21 However, it is the increasing number of older service users that has placed the most significant extra financial costs on the authority. For example, expenditure being incurred on over 85's in the current financial year is projected at over £20m. This is the beginning of a trend that shows this age category doubling over the next 15 years within the Borough. The latest projection in terms of Older People's service users is a year on year increase in costs in 2010/11 of £1.5m.
- 3.22 External factors outside the control of the department are also adding to the financial pressures. The current tough economic climate means people generally have less money. Personal capital and savings, which would previously have funded individual contributions to care costs, are being eroded. Even after rigorous financial assessment procedures and support to secure all the benefits available, many individuals are able to contribute less to the cost of their care, meaning greater costs to the Council.
- 3.23 In addition, returning self funders have significantly increased, previously from averaging about 6 per care period (80 per annum) to over 140 per annum. Restrictions on other funding sources and changes in national benefits legislation also increase the local financial burden. This is illustrated by changes to the Independent Living Fund (ILF) where no new awards are being made. It is estimated this has resulted in a reduction of income to clients within the Borough who previously would have been eligible to some £1.2m in the current financial year. This is income from central government which would have reduced our net costs of care.
- 3.24 As the financial pressures begin to affect providers there are increasing examples of them being unable to deliver services for the prices that Councils are prepared to pay, particularly for residential care for older people. At a national level Southern Cross has caught the headlines but there are local examples too of the difficulties faced by providers in this sector. Both providers and citizens are showing an increased tendency to resort to the law to challenge the level of funding provided by Council and this too is adding to our cost pressures locally.
- 3.25 In the face of all these pressures it is a remarkable fact that the actual cost of the service has been reduced by the comprehensive programme of redesign. The impact is significant. The total cost of the Adults Service for 2009/10 was £78.5m whereas the projected position being reported for 2010/11 shows costs reducing to £78.1m. Maintaining the cost to this level, given the growth pressures being experienced, demonstrates the effectiveness of the Social Care Redesign (SCR) Transformation Programme. However, the budget available to the Adults Service has reduced faster than the reduction in costs. A large part of this reduction

has been the very limited amount of growth factored into the budget calculations (£400k p.a.). The Adults part of the budget has been reduced by 10% over 2009/10 and 2010/11 from a starting point of over £77m to the current position of £70m.

- 3.26 The financial pressure within the Adults Service has been fully acknowledged by the Council as part of the budget setting process for 2011/12. Growth totalling £8.0m covering both the 2009/10 and 2010/11 financial years has been built into the base budget. In addition, further growth of £3.8m for 2011/12 has been allocated to Adults. This final amount of money is being held separately at Director pending allocation once the actual growth in 2011/12 being experienced can be fully evidenced. Budgets continue to be realigned within the directorate to fully reflect the ongoing impact of transformation / personalisation undertaken to date. Primarily this involves moving budget from strategically commissioned services (such as internal provision) to individually commissioned services (mainly direct payments).
- 3.27 Further action continues to be pursued in 2011/12 in a number of areas such as targeted reviews of care packages. These reviews will ensure that the Council delivers its statutory duty to meet assessed care need but does so in the most cost effective manner. It is important to fully recognise the time required to deliver this action given the statutory duty of care that the Council holds and the number and complexity of individual cases involved.
- 3.28 In broad terms Adult Services have been able to meet its challenging financial savings in the last two financial years but has not yet been able to alleviate the growth caused by the demographics of the borough and other pressures like returning self funders. These are of course national issues that prompted the Dilnot report that proposes a way of funding social care for the future. Meanwhile, as one pressure is alleviated another potential further pressure emerges. Major improvements in both financial and performance information and importantly closer realignment between the two, will assist the service to better manage and alleviate these pressures going forward. This greater level of information / understanding will aid budget management and financial planning in future and will assist in the delivery of a further round of radical transformation that will embed the key themes of prevention, personalisation, local delivery and integration with key partners aimed at sharing and reducing costs while meeting statutory duties. This further round of transformation is in part reliant on timely decisions being made to enable changes to be made, any decisions that are put on hold will add more financial pressure.
- 3.29 In Health & Wellbeing the overspend primarily result from two sources. Firstly, whilst the majority of staffing reductions required across 2009/10 and 2010/11 of £1.1m have been delivered there remains a shortfall of £373k. Secondly, reductions in services assumed in the budget setting

process for 2010/11 (such as the Theatre, Civic Halls) have, as reported previously, not happened in practice which adds £370k to the overspend position. Finally, individual pressures across a number of areas including staffing in Libraries and utility costs across the service broadly add a further £200k. The final outturn mirrors that reported at TQR.

- 3.30 However, the bottom line masks a number of compensating variances within the service since TQR. The planned remedial action in certain service areas (Health Improvement, Arts and Museums, Play and Green Spaces) has brought costs downwards. Unfortunately this action has been offset by a worsening of the position in a couple of areas. The projected position in Leisure facilities as a result of a number of adverse variances across the full range of subjective headings and Libraries (in respect of Shared Services, covering both expenditure and income).
- 3.31 Work is currently underway to understand the full year implications in 2011/12 of these final positions and to improve procedures around costs traditionally recharged towards the end of the financial year. This includes central billing for utility costs and recharges in respect of repairs and maintenance. In both cases improvements to systems should result in improved cost control and better financial forecasting.

#### Conclusion

- 3.32 The investment made in the directorate for 2011/12 which recognises the extent of the budget deficiency in prior years, added to the developments already in hand (roll out of ABC budget control within Individual Commissioning, the Corporate Benefits Realisation work, Balance Sheet approach to risk factors and growth pressures etc) all combine to give a realistic chance of a balanced outturn in the new financial year.
- 3.33 The First Quarter Review for 2011/12 will provide a first in depth analysis of all of the factors including the current year growth, any inherent problems carried forward from 2010/11 and any new emerging pressures. It will therefore tie together the ongoing Benefits Realisation work with all other financial issues.

#### Places - £0.2m overspend

- 3.34 The Places net budget for 2010-11 was £51.7m. The final outturn variance from budget was £241k. At TQR the projected variance from budget totalled £264k, which reflected various cost pressures but also incorporated estimated pay cost savings, planned remedial actions on control of non-pay spending and some use of earmarked reserves.
- 3.35 In overall terms the final outturn is in line with estimates made at TQR but there have been some movements within the Services in relation to:



- Highways Operations: following the period of severe weather the service incurred increased expenditure on both core winter salting and gritting plus additional remedial works expenditure on repairs, offset in part by application of new Winter Impact Grant funding; overall net impact £260k. In year pay pressures and lower recharges to capital also contributed £295k to the outturn position.
- Waste & Recycling expenditure on transport, waste minimisation and recycling contract costs was more favourable than original anticipated by £390k, plus capitalisation of Joint Waste Team salaries improved the position further by £85k.
- Planning fees: income levels were lower than anticipated by £286k, due to several major applications not being submitted as expected at TQR; this was partially offset by further non pay remedial actions of £76k;
- Strategic Highways income/ recharges to capital improved by £160k and other savings were identified across Regeneration in the order of £160k
- Safer and Stronger: The Car Parking adverse income variance of £570k was due to economic recessionary pressures and the implementation of the increased rate of VAT paid over to HMRCE. This was offset by favourable pay variances mainly due to vacancy management within the service.

3.36 Looking ahead to 2011/12, in addition to new budget savings required, continuing pressures from 2010/11 include:

- Environmental Services - pay costs and cross-cutting savings targets
- Safer & Stronger Communities - car parking income levels
- Planning & Housing – planning income levels
- Regeneration – realisation of transportation savings

#### **Performance & Capacity - £1.5m underspend**

3.37 The outturn position for Performance and Capacity has improved by approximately £1.2m since TQR. This includes a £200k SRE request from earmarked transitional funds for ICT to offset historical photocopier lease costs agreed by the former authorities as well as a carry forward request of £160k for Democratic Services.

3.38 BT&HOA – improvement of £0.6m since TQR due to building maintenance revenue budget not being transferred to fund future capital works following agreement to use the capital reserve to fund capital works in 2011/12.

3.39 The building maintenance underspend has offset significant pressures from ICT Shared services. The final consolidated position for ICT is an overspend of just over £1.1m (after use of remaining transitional funding above).

3.40 HR&OD - an £87,000 improvement since TQR is primarily due to increased first aid training income and OHU shared services final outturn being favourable to TQR by £24,000. Final ICT recharges, specific to HR

& OD, being lower than anticipated at TQR and a contribution from the SureStart budget towards staffing costs in HR Delivery further improved the outturn.

- 3.41 Borough Solicitor – £180,000 adverse variance from TQR due to extension of agency contracts in Legal services to the end of the financial year as well as inclusion of carry forward request of £160,000 for elections expenditure in 2011/12.
- 3.42 Policy & Performance - improvement of £0.6m from TQR, primarily due to prudential borrowing costs associated with capital expenditure being met centrally and a continued reduction in staffing levels and non staffing expenditure across all services. In addition, actual recharges from ICT, that were specific to Policy and Performance, were much lower than forecast.
- 3.43 Corporate Improvement - £41,000 improvement since TQR through restructuring and re-focussing Corporate Improvement as a stand alone service.

#### **4.0 APPROPRIATIONS FROM EARMARKED RESERVES**

- 4.1 In arriving at the revenue outturn positions contained in this report it should be noted that the following net appropriations from (to) earmarked reserves have been taken into account

	£000
Children & Families	(430)
Health & Wellbeing	59
Environmental Services	48
Safer & Stronger Communities	39
Policy & Planning	359
Regeneration	53
Treasurer & Head of Assets	225
HR&OD	142
Insurance	(1,322)
Invest to Save	907
Voluntary Redundancy	<u>3,936</u>
Total	<u>4,016</u>

#### **5.0 CENTRALLY HELD ITEMS**

##### Capital Financing

- 5.1 Interest rates remained at their record low during 2010-11 as a result of the fragile state of the economy. Despite budgeting for a small increase

in rates during 2010-11 investment income still managed to exceed the target with average interest rates received on investments of 1.14%.

- 5.2 The capital financing budget overall has underspent by £2.6m. The underspend largely arises on the net interest budget. £0.6m saving in interest payable resulted following the rescheduling of the Council's external debt. No new borrowing was taken out during 2010-11 due to slippage in the capital programme and higher than anticipated cash balances. This enabled the Council to internally borrow to fund the capital programme and reduce external interest costs by £1.5m less than the original estimate.
- 5.3 Investment income received in 2010-11 was £1.157m which slightly exceeded the original budget of £1.12m. This was made up as follows:

<b>Source of Interest</b>	<b>£m</b>
In House Managed Investments	0.957
Fund Manager - Interest	0.108
Fund Manager - Capital Loss	-0.024
Heritable Bank in Administration	0.109
Other	0.007
<b>Total</b>	<b>1.157</b>

- The average lend position (the 'cash balance') including fund manager for 2010-11 was £93.7m.
- The rate of interest to be earned on the Council's cash balances was budgeted to be 1.25%.
- The average interest rate received on in-house investments was 1.15%
- The average interest rate received on the externally managed Investec fund was 1.05%

- 5.4 The Council's total average interest rate in 2010-11 was 1.14%. This is favourable when compared to the London Inter-bank Bid Rate for 7 days at 0.43%. The base rate remained at 0.50% for the final quarter.

<b>Comparator</b>	<b>Average Rate 2010-11</b>
Cheshire East	1.14%
LIBID 7 Day Rate	0.43%
LIBID 3 Month Rate	0.67%
Base Rate	0.50%

- 5.5 A full update on the Treasury Management position for 2010-11 is contained elsewhere on the agenda as part of the Treasury Management Annual Report.

Unallocated Central Contingencies

Inflation

- 5.6 The 2010-11 budget contained a central inflation contingency provision of £1.6m to cover in-year increases in pay costs, pension contributions and prices during the year. During the year, only £0.2m was allocated to Places for exceptional inflation on fuel costs, and therefore, £1.4m has been returned to general balances.

Phasing Provision

- 5.7 The budget contained a provision of £0.2m to reflect the anticipated phasing of planned efficiency savings in 2010-11. As reported above, this is required to meet costs in Performance and Capacity.

Transitional costs

- 5.8 The budget contained a provision of £6.6m to meet actuarial costs relating to voluntary redundancy, and relocation costs arising from LGR, in 2010-11. A total of £5.0m has been met in respect of actuarial costs in 2010-11. Relocation costs of £0.5m have been incurred in 2010-11, which will be met from the contingency. In total the call on this contingency is therefore £5.5m, leaving a balance of £1.1m to be returned to balances.

Surplus Reserves / Provisions

- 5.9 At TQR, £1.3m was identified as being surplus to requirements from earmarked reserves, and other balance sheet provisions. Following further in year review of these balances, it was possible to return a further £1m to general balances.
- 5.10 The total impact of these central items is £7.2m, bringing the service outturn overspend down from £9.7m to £2.5m.

Other Impacts on General Balances

- 5.11 In addition to the service outturn items described above, other items have impacted on balances.
- 5.12 The Council has again benefited in 2010-11 from unbudgeted income of £1.8m derived from "Fleming case" VAT claims, and £0.4m was received from repayments under the Business Financing scheme.

- 5.13 At the end of 2009-10 Cabinet approved the appropriation of a further £1.5m from balances to the earmarked reserve to meet Voluntary Redundancy costs.
- 5.14 A supplementary revenue estimate of £0.1m to be met from balances has been approved in year to meet Planning costs.
- 5.15 Other corporate items result in a net reduction in balances of £0.3m. These mainly comprised £0.8m for VR costs over and above those met from the balance on the earmarked reserve, partly offset by an underspend of £0.3m on other corporate budgets and a net £0.2m of miscellaneous income.

#### Planned Repayment to General Reserves

- 5.16 In accordance with the policy of replenishing general reserves which had been needed to meet LGR transitional costs, it was planned to repay £4.3m to reserves in 2010-11. The impact of all the above outturn items has been to reduce balances by £2.0m, which has meant that the net surplus which can be returned to balances is £2.3m.

### **6.0 REVENUE BUDGET - CONCLUSION**

- 6.1 Services have faced significant challenges in containing costs within agreed budgets. The aim of the Council continues to be to manage its resources within budget, and during the year Senior Managers were committed to seeking remedial measures, and undertaking detailed reviews of service and corporate budgets, with a view to improving the projected outturn position.
- 6.2 At TQR services had identified significant remedial actions of £10.5m, and a further reduction in overspend of £3.8m arose in the final quarter. A further £7.3m has been identified from underspendings against centrally held budgets, surplus earmarked reserves, and other central provisions. These measures collectively reduced underlying budget pressures by around £22m, resulting in a net overspend of £2.3m. After taking into account other corporate items, and planned contributions to reserves it has been possible to make a contribution of £2.3m to general reserves.
- 6.3 The resultant level of general reserves of £12.5m (5% of budget) is significantly lower than was originally assumed when setting the 2010-11 budget, although it is broadly in line with the level assumed after the 2009-10 outturn and the opening disaggregation of balances to the Council are taken into account. It is also £5.8m more than was assumed when setting the 2011-12 budget. This projected level of reserves will be a major consideration in the formulation of the Reserves Strategy for 2012-13 onwards.

## 7.0 COLLECTION RATES

- 7.1 The Council Tax collection rate for 2010-11 was 97.3%, which shows a slight decrease on last year's figure of 97.9%. The National Non-Domestic Rates collection rate at the end of November is 97.8%, which again is a slight decrease on last year's figure of 98.2%. Collection rates have been affected by the economic climate, and also by the Revenues system conversion during the year which temporarily reduced capacity for debt recovery and impacted on collection rates generally.

## 8.0 DEBT MANAGEMENT

- 8.1 Total overdue invoiced debt at the end of March 2011 was £5.0m, which is £0.8m lower than at TQR. The total amount of service debt outstanding over 6 months old is £1.6m, which is £0.7m lower than the underlying level of older debt reported at TQR. Services currently have debt provisions to broadly cover this debt in the event that it needs to be written off.
- 8.2 An analysis of the invoiced debt provision by directorate is provided in Table 4 below.

**Table 4 - Invoiced Debt**

Directorate/Service	Total Outstanding Debt as at 31 <sup>st</sup> March £000	Total Debt Over 6 months old £000	Bad Debt Provision £000
Children & Families	268	243	268
Schools & Catering	49	18	14
<b>Total Children &amp; Families</b>	<b>317</b>	<b>261</b>	<b>282</b>
Care	890	672	672
Non Care	1,561	96	96
<b>Total Adults, Health &amp; Wellbeing</b>	<b>2,451</b>	<b>768</b>	<b>768</b>
<b>Total Places</b>	<b>978</b>	<b>387</b>	<b>209</b>
Treasurer & Head of Assets	1,295	224	198
Other	2	0	0
<b>Total P&amp;C</b>	<b>1,297</b>	<b>224</b>	<b>198</b>
<b>Total Debt &amp; Provisions</b>	<b>5,043</b>	<b>1,640</b>	<b>1,457</b>

## 9.0 CAPITAL PROGRAMME

- 9.1 At Final Outturn for 2010-11 Cheshire East had achieved expenditure of £72.643m compared to an in year budget of £103.32m. A fundamental

review of the capital programme was undertaken during 2010-11 to ensure that only schemes which fulfil the Council's priorities for service delivery are included in the programme. Table 5 provides a summary by service. Scheme by scheme details are contained in Appendix 3.

**Table 5 – Capital Final Outturn**

	<b>Total Approved Budget</b>	<b>Prior Year Spend</b>	<b>In year Budget 2010/11</b>	<b>Actual Spend 2010/11</b>	<b>Forecast Spend 2011/12</b>
<b>Department</b>	£000	£000	£000	£000	£000
<b>Adults, Community and H&amp;W</b>					
New Starts	1,721	0	725	979	1,017
Committed schemes	19,085	7,865	8,215	4,558	5,642
	20,806	7,865	8,940	5,537	6,659
<b>Children &amp; Families</b>					
New Starts	21,056	0	6,257	2,287	12,427
Committed schemes	83,082	56,934	22,987	17,664	4,871
	104,134	56,934	29,245	19,951	17,298
<b>Places</b>					
New Starts	20,356	0	14,028	12,776	8,985
Committed schemes	118,330	81,306	27,676	19,655	8,446
	138,685	81,306	41,708	32,431	17,431
<b>Performance &amp; Capacity</b>					
New Starts	15,436	0	11,815	8,784	2,873
Committed schemes	25,222	8,830	11,627	5,940	9,557
	40,658	8,830	23,442	14,725	12,430
<b>Total New Starts</b>	58,569	0	32,826	24,826	25,302
<b>Total Committed schemes</b>	245,718	154,937	70,506	47,817	28,516
<b>Total Capital Expenditure</b>	<b>304,287</b>	<b>154,937</b>	<b>103,332</b>	<b>72,643</b>	<b>53,818</b>

9. 2 The Total Approved budget and the in year budget shows the revised position after approval. The 2010-11 programme consisted of on-going schemes of £47.819m and new starts of £24.826m.
9. 3 The programme is funded from both direct income (grants, external contributions, linked capital receipts), and indirect income (borrowing approvals, revenue contributions, capital reserve, non-applied receipts). A funding summary is given below in Table 6

**Table 6 – Funding Sources**

Funding Source	Actual Spend 2010-11 £000	Forecast Spend 2011-12 £000
Grants	34,222	19,630
External Contributions	3,389	2,427
Linked/Earmarked Capital Receipts	0	3,082
Supported Borrowing	11,088	7,991
Non-supported Borrowing	7,471	6,600
Revenue Contributions	105	1,333
Capital Reserve	16,368	12,755
<b>Total</b>	<b>72,643</b>	<b>53,818</b>

- 9.4 Outturn spend in 2010-11 at £72.643m was lower than the in year budget of £103.32m by £30.679m. This relates to planned spend that is no longer taking place or will be re-profiled to 2011-12 and later years.
- 9.5 Appendix 3a and 3b list proposals for Supplementary Capital Estimates (SCEs) and Virements up to and including £500,000 that Cabinet is requested to note.
- 9.6 Appendix 3b also lists proposals for SCEs and virements up to and including £1m that Cabinet is requested to approve, and for over £1m that Cabinet is asked to recommend to full Council for approval.
- 9.8 Appendix 3c lists proposed budget reductions which require Cabinet approval. Note that Appendix 1 already reflects the effect of the proposed reductions in forecast expenditure. With respect to the Children's and Families budget reductions these mainly relate to budget virements that have taken place during 2010-11 but have not previously been reported.

**Key Issues and Variances**

- 9.9 Details of major variances (over £250,000) between the in year budget and final outturn for 2010-11 along with any issues for Departments are shown in Appendix 2.



Department/Scheme	Department	Total Approved Budget	Prior Year Spend	In Year Budget	Actuals To 31st March 2011	Forecast Expenditure
		£000's	£000's	2010-11 £000's	£000's	2011-12 £000's
<b>Adults, Community and Health &amp; Wellbeing</b>						
<b>Ongoing Schemes</b>						
2008-09 Building Review Block	Adults	192	108	84	3	81
Building Review	Adults	180	0	180	180	0
Common Assessment Framework	Adults	50	6	44	25	19
CAF Phs 2 Demonstrator	Adults	2,235	0	1,235	1,158	1,458
Social Care IT Infrastructure	Adults	96	19	77	0	179
Mental Health Capital	Adults	99	27	72	60	17
Refurb Day Cent Mountview	Adults	42	41	0	0	0
Mental Health Provider	Adults	226	149	77	46	0
Mayfield Centre	Adults	10	4	6	0	6
Cypress House CSC Mistars 08-09	Adults	70	70	5	0	0
Community Support Centre (CSC) Mistars	Adults	283	0	280	350	0
Modernising ICT Delivery	Adults	638	486	2	59	94
Enabling Model of Social Care	Adults	58	0	58	61	0
Extra Care Housing	Adults	2,907	2,058	300	37	20
National Dementia Strategy - Lincoln House	Adults	1,160	498	845	662	0
Community Services Flexible and Mobile working	Adults	650	143	507	375	275
LTP - Public Right of Way Improvements	Health & Wellbeing	17	17	0	0	0
Shavington Community Health & Fitness Centre	Health & Wellbeing	413	384	29	48	0
Bridges and other structures on Middlewood Way	Health & Wellbeing	828	711	117	109	8
Cumberland Infield Floodlighting	Health & Wellbeing	90	90	0	16	0
Barony Park Astro-turf	Health & Wellbeing	51	50	0	9	0
Alderley Park Tennis Courts	Health & Wellbeing	28	26	2	0	0
Springfield Road Allotments	Health & Wellbeing	36	10	26	17	9
Macclesfield Canal Footbridge	Health & Wellbeing	168	168	0	0	0
Macclesfield Canal Project	Health & Wellbeing	56	0	56	56	0
Bollington Rec Ground - Green Flag Status	Health & Wellbeing	138	138	0	4	0
The Moor, Knutsford - Green Flag Status	Health & Wellbeing	109	109	0	5	0
Countryparks Footpaths	Health & Wellbeing	0	3	0	-3	0
Middlewood Way Fpath Repairs	Health & Wellbeing		122	0	-123	0
Middlewood Way Footpath Repairs/Countryparks Footpaths	Health & Wellbeing	125	0	0	126	0
Wilmslow LC Plant and Equip	Health & Wellbeing	18	18	0	0	0
Crewe Pool Health & Safety Works	Health & Wellbeing	270	270	0	6	0
Middlewood Way Fencing	Health & Wellbeing	94	94	0	0	0
Legionella Works (Joint Use)	Health & Wellbeing	14	14	0	0	0
Improvements to Congleton Park	Health & Wellbeing	29	2	28	11	16
Bromley Farm "Kick About" Area	Health & Wellbeing	47	46	1	1	0
Alsager Skate Park/Milton Park	Health & Wellbeing	22	3	0	25	0
Allotment Improvements	Health & Wellbeing	15	12	0	0	3
Play Area Improvements	Health & Wellbeing	100	93	6	7	0
Congleton Park Community Store	Health & Wellbeing	71	71	0	0	0

**CHESHIRE EAST - CAPITAL PROGRAMME 2010-11**  
**2010-11 Outturn**

**Appendix 1**

Department/Scheme	Department	Total Approved Budget	Prior Year Spend	In Year Budget	Actuals To 31st March 2011	Forecast Expenditure
		£000's	£000's	2010-11 £000's	£000's	2011-12 £000's
Sandbach Park Building Refurbish	Health & Wellbeing	29	10	20	0	19
Middlewood Way Viaduct Repairs	Health & Wellbeing	546	449	86	0	97
Improving Leisure Facilities	Health & Wellbeing	55	-15	0	0	70
Sandbach United Football complex	Health & Wellbeing	2,220	12	2,208	692	1,516
Piggenshaw Brook	Health & Wellbeing	105	40	65	89	0
Play Capital	Health & Wellbeing	806	468	338	291	48
Demolition of Carrs Pavilion - Ticket Office	Health & Wellbeing	0	0	0	0	0
Lawton Green Landscaping	Health & Wellbeing	8	0	8	0	8
Swim for Free Capital	Health & Wellbeing	128	41	87	1	87
Sandbach Park	Health & Wellbeing	128	0	128	0	101
Badger Relocation	Health & Wellbeing	115	16	99	35	64
Lower Heath Play Space Renewal	Health & Wellbeing	120	0	120	120	0
Congleton Park Improvements - Town Wood	Health & Wellbeing	82	0	82	0	72
Crange Bowling Green & Pavilion refurbishment	Health & Wellbeing	20	1	19	0	19
Nantwich Pool Enhancements (part-funding)	Health & Wellbeing	1,385	0	0	0	1,035
Playgrounds	Health & Wellbeing	64	43	21	0	21
BMX Track (Drainage & Improvements)	Health & Wellbeing	54	44	10	10	0
Keepers Close / Mill Close	Health & Wellbeing	18	0	18	18	0
Shell House, Station Road, Wilmslow	Health & Wellbeing	128	0	128	25	103
Twinnies Court, Lacey Green, Wilmslow	Health & Wellbeing	31	0	31	31	0
Mallery Court, Bernisdale Road, Mobberley	Health & Wellbeing	30	0	30	30	0
Ilford Imaging Site, Mobberley, Knutsford	Health & Wellbeing	47	0	47	0	47
Land South West of Moss Lane	Health & Wellbeing	487	89	398	98	41
The Larches, Kennedy Avenue, Macclesfield	Health & Wellbeing	65	63	0	2	0
Land off Robin Lane, Lyme Green, Sutton	Health & Wellbeing	43	0	43	43	0
Earl's Court, Earlsway, Macclesfield	Health & Wellbeing	145	99	47	-40	86
Ground work Cheshire - Beech Rd Play Area	Health & Wellbeing	13	13	0	-13	0
Ground Work Cheshire - Weston Toddler play area	Health & Wellbeing	20	0	20	2	18
Libraries RFID - Self service	Health & Wellbeing	0	0	0	0	0
Libraries Facilities	Health & Wellbeing	500	426	74	74	0
Leisure Centre General Equipment	Health & Wellbeing	59	8	51	46	5
<b>Total On-going schemes</b>		<b>19,085</b>	<b>7,865</b>	<b>8,215</b>	<b>4,884</b>	<b>5,642</b>
<b>New Starts 2010-11</b>						
Common Assessment Framework - Demonstrator Bid	Adults	0	0	0	0	0
Adults Protect into Paris	Adults	50	0	0	0	50
Mental Health Cap 10-11	Adults	99	0	99	104	0
Adults Social Care 2010-11	Adults	180	0	180	5	175
Public Rights of Way 10-11	Health & Wellbeing	25	0	25	24	1
Meriton Rd Fitness Zone	Health & Wellbeing	19	0	19	16	0
Radio Frequency ID (RFID)	Health & Wellbeing	1,200	0	400	502	699
Pub Open Spaces-King St	Health & Wellbeing	84	0	0		30
The Blue Lamp	Health & Wellbeing	35		2	2	33

**CHESHIRE EAST - CAPITAL PROGRAMME 2010-11**  
2010-11 Outturn

Appendix 1

Department/Scheme	Department	Total Approved Budget	Prior Year Spend	In Year Budget	Actuals To 31st March 2011	Forecast Expenditure
		£000's	£000's	2010-11 £000's	£000's	2011-12 £000's
Alderley Park	Health & Wellbeing	29				29
<b>Total 2010-11 New bids approved</b>		<b>1,721</b>	<b>0</b>	<b>725</b>	<b>653</b>	<b>1,017</b>
<b>Total Adults, Community and H&amp;W Programme including SCEs</b>		<b>20,806</b>	<b>7,865</b>	<b>8,940</b>	<b>5,537</b>	<b>6,659</b>
<b>Children &amp; Families</b>						
<b>Ongoing Schemes</b>						
SureStart Aiming High for Disabled Children	Children & Families	95	75	20	20	0
Oakenclough PS	Children & Families	975	975	0	0	0
East Cheshire Minor Works Ph3	Children & Families	400	43	357	464	5
Holmes Chapel Library Childrens Centres Ph3	Children & Families	20	0	20	0	0
Sandbach Childrens Centres Ph3	Children & Families	715	71	644	664	48
Shavington Childrens Centres Ph3	Children & Families	487	479	8	0	0
Mablins Lane Childrens Centres Ph3	Children & Families	667	540	127	95	0
SCP Childrens Services	Children & Families	47	11	36	0	36
Extended Schools	Children & Families	363	0	363	0	0
ICT Childrens Centres Ph3 East	Children & Families	125	2	123	1	49
Childrens Homes Rationalisation	Children & Families	1,013	1,009	3	-3	3
Access Initiative 08-09 East	Children & Families	146	90	56	0	0
Schools - Access Initiative	Children & Families	65	65	0	0	0
Playground Mark Phase1 NOF East	Children & Families	103	102	0	0	0
Devolved Formula Capital 06-07 East	Children & Families	4,673	4,650	23	23	0
Devolved Formula Capital 07-08 East	Children & Families	5,170	4,495	608	300	250
Devolved Formula Cap 08-09 East	Children & Families	5,131	3,795	846	647	529
Devolved Formula Capital	Children & Families	5,693	2,360	2,248	1,121	1,026
Devolved Formula Capital - In Advance	Children & Families	2,277	432	931	1,514	9
14-19 diploma	Children & Families	1,000	0	450	0	0
Integrated Children's Systems (ICS) 08-09 East	Children & Families	922	405	517	55	462
Children's Workforce Dev Sys East	Children & Families	70	0	70	0	70
Adults workforce Census East	Children & Families	15	0	15	0	15
Harnessing Technology East <sup>1</sup>	Children & Families	0	0	0		0
Harnessing Technology	Children & Families	801	241	560	560	0
Contact Point / Further Dev of Children's Hub/ e-CAF	Children & Families	382	53	278	43	286
Capital for Kitchen & Dining Facilities	Children & Families	595	20	575	198	376
Schools - Modernisation Programme	Children & Families	862	0	862	0	0
Repairs to Mobile Classroom Ext Schs East	Children & Families	30	29	1	0	1
Schools - Minor Works (Basic Need)	Children & Families	306	306	0	22	0
VA Contributions 09-10	Children & Families	37	37	0	0	0
Primary School & YOT Extension repairs	Children & Families	93	0	93	83	10
Springfield Spec School	Children & Families	120	10	110	106	4
Alsager Highfields Toilet adaption	Children & Families	212	210	2	2	0
TLC Dean Oak's PS	Children & Families	3,187	3,149	37	15	22
Stapely Broad Lane PS - Replacement of temp accomodation.	Children & Families	922	18	904	500	424

**CHESHIRE EAST - CAPITAL PROGRAMME 2010-11**  
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Appendix 1

Department/Scheme	Department	Total Approved Budget	Prior Year Spend	In Year Budget	Actuals To 31st March 2011	Forecast Expenditure
		£000's	£000's	2010-11 £000's	£000's	2011-12 £000's
Christ the King Catholic & C of E PS	Children & Families	3,250	138	3,112	2,875	327
Christ the king Catholic & C of E PS - Phase 1	Children & Families	0	0	0		0
TLC Vernons PS Amalgamation	Children & Families	3,753	3,094	659	634	25
TLC Oakefield Prim&Nursery Sch	Children & Families	2,030	2,029	0	0	0
Offley Primary School	Children & Families	888	15	873	939	71
Cledford TLC Scheme	Children & Families	3,360	859	2,501	2,485	16
Gorsey Bank Floor Repair	Children & Families	1,768	1,521	247	112	135
Brine Leas Sixth Form	Children & Families	7,311	4,656	2,655	2,558	8
Kings Grove Mobile Replacement	Children & Families	790	2	788	426	362
TLC Sir William Stanier Comm S	Children & Families	21,598	20,950	649	347	302
Wilmslow Specialist Sports College	Children & Families	616	0	616	858	0
<b>Total On-going schemes</b>		<b>83,082</b>	<b>56,934</b>	<b>22,987</b>	<b>17,664</b>	<b>4,871</b>
<b>New Starts 2010-11</b>						
Signage (£5k*20 centres, estimate)	Children & Families	46	0	46	0	10
Nantwich Rural Children's Centre (Wrenbury) Ph3	Children & Families	20	0	20	0	0
Nantwich Rural Children's Centre (Audlem) Ph3	Children & Families	20	0	20	0	0
Underwood West PH3 Expansion	Children & Families	469	0	469	272	38
Oakenclough nursery area refurbishment	Children & Families	20	0	20	0	0
Cheshire East Surestart Aim High for Disabled Children	Children & Families	391	0	391	380	11
Childrens Social Care	Children & Families	35	0	35	0	35
Extended Schools	Children & Families	132	0	132	0	0
ESCR	Children & Families	350	0	250	0	350
P.A.R.I.S - PCT access	Children & Families	25	0	25	0	25
Schools - Access Initiative	Children & Families	1,251	0	150	38	568
Schools - Access Hearing Impaired	Children & Families	20	0	20	0	0
Mallbank Redesignation of Specialist School	Children & Families	50	0	50	0	50
Tytherington High School Redesignation of Specialist School	Children & Families	25	0	25	24	1
Targetted Capital Funding (TCF) 14 - 19 Diploma	Children & Families	2,671	0	0	0	1,114
Devolved Formula Capital 10-11	Children & Families	3,493	0	674	0	1,894
Harnessing Technology	Children & Families	244	0	143	129	115
Schools Modernisation Programme	Children & Families	3,546	0	912	0	1,150
Schools - Basic Need	Children & Families	1,202	0	408	223	185
Land Block 10-11	Children & Families	67	0	3	0	67
Land Drainage 10-11	Children & Families	63	0	28	17	46
Feasibility 10-11	Children & Families	82	0	20	14	68
VA Contributions 10-11	Children & Families	13	0	0	2	11
Primary Capital Programme (PCP)	Children & Families	134	0	134	0	22
Specialist Schools	Children & Families	300	0	198	0	300
Alsager H S Perf Arts Cent	Children & Families	1,134	0	1,134	373	761
Poynton HS	Children & Families	135	0	135	0	2,280
Tytherington HS	Children & Families	3,130	0	0	0	2,153
Reaseheath College 2010-11	Children & Families	200	0	200	200	0
St Johns Wood CS - Sports Barn	Children & Families	268	0	264	264	4

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Appendix 1

Department/Scheme	Department	Total Approved Budget	Prior Year Spend	In Year Budget	Actuals To 31st March 2011	Forecast Expenditure
		£000's	£000's	2010-11 £000's	£000's	2011-12 £000's
Adelaide School - New Workshop	Children & Families	200	0	35	35	165
Malbank School & Sixth Form College	Children & Families	1,185	0	304	304	881
Styal PS Early Years Classroom	Children & Families	135	0	12	12	123
<b>Total 2010-11 New bids approved</b>		<b>21,056</b>	<b>0</b>	<b>6,257</b>	<b>2,287</b>	<b>12,427</b>
<b>Total Children &amp; Families programme including SCE's</b>		<b>104,134</b>	<b>56,934</b>	<b>29,245</b>	<b>19,951</b>	<b>17,298</b>
<b>Places</b>						
<b>Ongoing Schemes</b>						
LTP - Local Area Programmes - North	Environmental Services	193	183	10	55	0
LTP - Local Area Programmes - South	Environmental Services	360	94	266	152	116
Flowerpot Junction Improvements	Environmental Services	1,032	970	0	12	0
Development of land at Alderley Edge Cemetery	Environmental Services	100	7	13	1	0
LTP - SEMMMS - Environment Services allocation	Environmental Services	1,140	984	156	108	54
Queens Park Restoration	Environmental Services	6,622	3,434	3,026	2,183	1,005
LTP - Local Area Programmes - South - Nantwich Directional Signing	Environmental Services	184	184	0	-4	0
New Cemetery Land/ Infrastructure - Pym's Lane	Environmental Services	87	87	0	0	0
Adaptations to Pym's Lane Garage	Environmental Services	6	0	6	1	5
Merelake Way Bridge Repairs	Environmental Services	54	53	1	0	0
Highway Adoption - Talke Road	Environmental Services	7	0	0	0	7
Highway Adoption - Springvale	Environmental Services	18	14	7	0	4
De-Trunked Roads Maintenance - A523 London Rd, Bosley	Environmental Services	488	488	0	-6	0
LTP - Detrunked Roads Maintenance - A51 Millstone Ln	Environmental Services	831	831	0	2	0
Principal Roads Maintenance - Major - A534 Wrexham Road, Burland	Environmental Services	473	472	0	2	0
Waste Infrastructure Capital Grant	Environmental Services	677	505	172	56	116
Crewe and Macc HWRCs	Environmental Services	151	120	0	37	-7
Pym's Lane Closed Landfill Site	Environmental Services	5	5	0		0
Waste Transfer Station (Crewe & Nantwich)	Environmental Services	0	0	0		0
Alsager Closed Landfill Site	Environmental Services	60	0	60	0	60
Alderley Edge By-Pass Scheme Implementation	Environmental Services	51,600	30,674	15,774	12,300	3,549
West Street Environmental Improvements	Environmental Services	597	596	0	41	-34
Principal Roads Maintenance - Minor Works (2008-09)	Environmental Services	1,000	1,000	0	0	0
Integrated Area Programme - Macclesfield UTC	Environmental Services	2,371	2,356	0	25	0
Non Principal Roads Maintenance - Minor Works (2008-09)	Environmental Services	1,623	1,623	0	0	0
Integrated Area - Minor Works (2007-08)	Environmental Services	769	769	0	24	0
LTP - Bridge Maintenance	Environmental Services	1,194	803	391	419	0
Non Principal Roads Maintenance - Minor Works (2008-09)	Environmental Services	1,623	1,623	0	0	0
Disabled Facilities Grants	Planning & Policy	1,081	632	449	451	0
Private Sector Assistance Initiative	Planning & Policy	1,496	497	999	510	490
Affordable Housing - Assisted Purchase Scheme	Planning & Policy	600	0	600	418	182
Regional Housing Pot 2009-10	Planning & Policy	29	0	29	29	0
Housing Grants - S106 Funded (Ex MBC)	Planning & Policy	1,045	332	712	447	265
Social Housing Grants/ Enabling Affordable Housing	Planning & Policy	1,093	144	948	257	691
Choice Based Lettings	Planning & Policy	232	166	26	16	40

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**Appendix 1**

Department/Scheme	Department	Total Approved Budget	Prior Year Spend	In Year Budget	Actuals To 31st March 2011	Forecast Expenditure
		£000's	£000's	2010-11 £000's	£000's	2011-12 £000's
Affordable Housing Initiatives	Planning & Policy	869	446	423	113	311
Crewe & Nantwich Grant -YMCA	Planning & Policy	522	500	22	22	0
Market Square, Crewe - Interim Improvements	Planning & Policy	234	210	24	24	0
Road Safety Schemes - Minor Works	Regeneration	183	25	125	0	0
LTP - Road Safety Schemes	Regeneration	661	340	320	89	311
LTP - Crewe Green Link Road	Regeneration	8,489	8,236	252	117	136
Connect2 - Crewe & Nantwich Greenway	Regeneration	530	33	497	440	0
Crewe Town Squares - Lyceum Square	Regeneration	1,773	1,068	705	721	23
LTP - Safer Routes to Schools	Regeneration	208	106	101	56	0
LTP - East Cheshire Transport Study	Regeneration	145	145	0	0	0
LTP - Demand Management	Regeneration	0	0	0	0	0
LTP - Project Development Schemes - Minor Schemes	Regeneration	16	16	0	0	0
Capital Programme Management Support	Regeneration	51	2	49	41	8
Transport Asset Management Grant	Regeneration	187	187	0	0	0
Cheshire Safer Roads Partnership	Regeneration	554	552	2	1	0
TJSF - A538 Wilmslow Major Improvements	Regeneration	1,388	1,388	0	-1	0
TJSF - Waggon & Horses Jct CongM	Regeneration	2,263	2,328	0	-65	0
Project Development - Alderley Edge By Pass	Regeneration	3,498	3,498	0	0	0
Parkgate	Regeneration	1,382	229	52	7	245
LTP - SEMMMS - Regeneration allocation - Major Projects	Regeneration	2,998	2,888	110	8	0
LTP - Crewe Infrastructure Project	Regeneration	961	352	10	3	0
Project Development - C&N Cycleway	Regeneration	69	69	0	0	0
Leighton Brook Park	Regeneration	379	367	12	10	2
Quakers Coppice	Regeneration	47	40	7	4	0
Crewe Town Squares/ Shopping Facilities Refurbishment & Toilets	Regeneration	3,012	1,874	0	0	100
LTP - A533 Middlewich Eastern By Pass	Regeneration	401	384	17	18	0
Tatton Park - Boundary Fence	Regeneration	203	201	2	2	0
Tatton Park - Farm Entrance	Regeneration	33	20	13	13	0
Tatton Park - Conservatory/Orangery	Regeneration	298	0	298	35	263
Tatton Park - Office Accommodation	Regeneration	45	21	24	27	0
LTP - Bus Quality Partnerships/Public Transport Inf	Regeneration	158	141	17	18	0
LTP - Non Principal Roads Maintenance - Asset Management	Regeneration	65	68	0	0	0
LTP - Principal Roads Maintenance - Asset Management	Regeneration	77	81	0	8	0
LTP - SEMMMS - Transport element - BQP/PTI	Regeneration	2,610	2,610	0	0	0
Section 278 Agreements (pre 2002-03)	Regeneration	1,909	1,411	0	0	0
Section 278 Agreements (2002-03)	Regeneration	34	33	1	0	0
Section 278 Agreements (2003-04)	Regeneration	275	238	9	5	0
Section 278 Agreements (2004-05)	Regeneration	244	168	18	1	0
Section 278 Agreements (2005-06)	Regeneration	134	109	2	1	1
Section 278 Agreements (2006-07)	Regeneration	563	198	340	46	286
Section 278 Agreements (2007-08)	Regeneration	153	31	2	17	8
Section 278 Agreements - (2008-09)	Regeneration	356	51	83	10	83
Section 278's - 09-10 New Starts	Regeneration	67	19	48	10	7
CDRP - Alley Gating	Safer & Stronger Communities	25	14	11	11	0
Car Park Charges Congleton	Safer & Stronger Communities	147	109	38	22	16

**CHESHIRE EAST - CAPITAL PROGRAMME 2010-11**  
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**Appendix 1**

Department/Scheme	Department	Total Approved Budget	Prior Year Spend	In Year Budget	Actuals To 31st March 2011	Forecast Expenditure
		£000's	£000's	2010-11 £000's	£000's	2011-12 £000's
Thomas Street Car Park - West	Safer & Stronger Communities	77	35	43	42	0
Victoria Street Car Park Lighting Renovation	Safer & Stronger Communities	30	26	4	0	4
Car Park Works and Pay & Display Thomas St Car Park (East)	Safer & Stronger Communities	120	119	0	0	0
Improvements to Chapel Street Car Park	Safer & Stronger Communities	234	3	231	216	15
CDRP - Building Safer Communities Fund	Safer & Stronger Communities	94	66	14	14	0
Alley Gating	Safer & Stronger Communities	525	509	18	7	9
CCTV Cameras	Safer & Stronger Communities	65	58	0	6	0
Parking Projects in Poynton	Safer & Stronger Communities	75	0	75	0	75
Air Quality Monitoring Equipment	Safer & Stronger Communities	55	42	13	0	0
<b>Total On-going schemes</b>		<b>118,330</b>	<b>81,308</b>	<b>27,676</b>	<b>19,655</b>	<b>8,446</b>
<b>New Starts 2010-11</b>						
LTP - Maintenance & Bridges	Environmental Services	0	0	0	0	0
LTP - Principal Roads Maintenance - Minor Works	Environmental Services	1,596	0	1,596	1,588	0
LTP -Non Principal Roads Maintenance - Minor Works	Environmental Services	3,342	0	3,342	3,280	53
LTP - Bridge Maintenance - Minor Works	Environmental Services	557	0	457	524	0
Gurnett Bridge, Hall Lane, Sutton	Environmental Services	713	0	713	630	390
LTP - Integrated Transport	Environmental Services	0	0	0	0	0
Alderley Edge Village enhancements	Environmental Services	50	0	50	6	44
Local Measures - Ward Minor schemes	Environmental Services	483	0	483	486	0
Local Measures - Ward Local schemes	Environmental Services	160	0	160	274	0
LTP - Detrunked Road - A523 Bosley	Environmental Services	829	0	829	69	760
Flood Alleviation - Vicarage Lane, Sandbach	Environmental Services	100	0	100	91	0
De-Trunked Rds - A51 Landslip, Wardle	Environmental Services	200	0	200	88	20
Part 1 Claims	Environmental Services	116	0	116	106	4
Crematoria - Replacement cremators	Environmental Services	450	0	0	0	450
New Cremators - Macclesfield	Environmental Services	590	0	0	48	752
Waste Infrastructure Capital Grant (WICG)	Environmental Services	242	0	242	0	242
Replacement Bin Stock	Environmental Services	36	0	36	26	10
Cemetery road and path improvements	Environmental Services	100	0	22	32	68
Waste PFI Procurement	Environmental Services	500	0	500	500	0
Connect 2 - Phase 2	Environmental Services	0	0	0	289	576
Poynton By-Pass - Land Purchase	Environmental Services	0	0	0	722	0
10-11 CDRP - Building Safer Communities	Safer & Stronger	52	0	52	32	20
Residents Parking Schemes	Safer & Stronger	480	0	160	90	230
Car Park Improvements	Safer & Stronger	156	0	81	3	153
CCTV /UTC Rationalisation	Safer & Stronger	899	0	503	133	766
Private Sector Housing Assistance Initiative	Planning & Policy	800	0	300	81	768
Disabled Facilities Grant	Planning & Policy	1,123	0	1,123	836	308
Affordable Housing - Assisted Purchase Scheme	Planning & Policy	300	0	0	0	330
Monks Heath, Alderley Edge	Regeneration	350	0	350	299	51
LTP - Principal Roads Maintenance - Asset Management	Regeneration	86	0	86	85	0
LTP - Non Principal Roads Maintenance - Asset Management	Regeneration	124	0	124	141	0

Department/Scheme	Department	Total Approved Budget	Prior Year Spend	In Year Budget	Actuals To 31st March 2011	Forecast Expenditure
		£000's	£000's	2010-11 £000's	£000's	2011-12 £000's
LTP - Project Development Schemes - Minor Schemes	Regeneration	32	0	32	6	26
LTP - East Cheshire Transport Study	Regeneration	100	0	100	125	0
LTP - Road Safety Schemes - Minor works	Regeneration	888	0	430	186	245
Non LTP s278s	Regeneration	121	0	92	29	77
Safer Roads Iphone Application	Regeneration	106	0	106	106	0
Town Centres Spatial Regeneration	Regeneration	845	0	50	0	300
Tatton - Visioning feasibility	Regeneration	50	0	50	4	46
Tatton - Development	Regeneration	240	0	55	32	208
Poynton Revitalisation Scheme	Regeneration	3,500	0	1,449	1,642	1,958
Crewe Railway Academy Apprenticeship Scheme	Regeneration	40	0	40	40	0
Poynton High - Links to School	Regeneration	0	0	0	0	130
Safe Links to Sch Middlewich	Regeneration	0	0	0	147	0
<b>Total 2010-11 New bids approved</b>		<b>20,356</b>	<b>0</b>	<b>14,028</b>	<b>12,776</b>	<b>8,985</b>
<b>Total Places programme including SCE's</b>		<b>138,685</b>	<b>81,308</b>	<b>41,705</b>	<b>32,431</b>	<b>17,431</b>
<b>Borough Solicitor (Monitoring Officer)</b>						
<b>Ongoing Schemes</b>						
Integrated Legal ICT System	Legal Services	60	1	59	0	59
<b>Total On-going schemes</b>		<b>60</b>	<b>1</b>	<b>59</b>	<b>0</b>	<b>59</b>
<b>Total Borough Solicitor's programme including SCE's</b>		<b>60</b>	<b>1</b>	<b>59</b>	<b>0</b>	<b>59</b>
<b>Borough Treasurer &amp; Assets</b>						
<b>ASSETS</b>						
<b>Ongoing Schemes</b>						
Building Maintenance Programme	Assets	2,271	1,943	328	0	0
Fixed Electrical Installation	Assets	76	72	3	3	1
Urgent Safety Works	Assets	18	18	0	0	0
Disability Discrimination Act Improvements/ Adaptations	Assets	246	125	116	-1	122
Public Building Repairs	Assets	945	940	5	8	0
Church Walls	Assets	60	14	6	2	44
County Farms 2008-09	Assets	238	114	124	14	110
Farms Estates Reorganisation & Reinvestment	Assets	1,410	25	1,385	46	1,339
Municipal buildings - Reg accommodation (name Change)	Assets	200	0	0	0	200
Office Accommodation Strategy	Assets	9,700	2,291	5,409	2,743	4,666
Westfields Entrance Improvement Works	Assets	0	0	0	0	0
Minor Works 2006-07	Assets	71	71	0	0	0
Septic Tanks (moved from Places)	Assets	194	194	0	0	0
Energy Efficiency Savings	Assets	58	58	0	0	0
<b>Total On-going schemes</b>		<b>15,487</b>	<b>5,865</b>	<b>7,376</b>	<b>2,815</b>	<b>6,482</b>



**CHESHIRE EAST - CAPITAL PROGRAMME 2010-11**  
2010-11 Outturn

Appendix 1

Department/Scheme	Department	Total Approved Budget	Prior Year Spend	In Year Budget	Actuals To 31st March 2011	Forecast Expenditure
		£000's	£000's	2010-11 £000's	£000's	2011-12 £000's
<b>New Starts 2010-11</b>						
Building Maintenance	Assets	5,075	0	5,075	2,565	380
MINOR WORKS 10/11	Assets	42	0	42	37	5
Farms Estate	Assets	0	0	0	0	0
Wildboarclough Flood Protection	Assets	29	0	6	6	23
Crewe Royal Mail Site	Assets	2,894	0	2,894	2,894	0
<b>Total 2010-11 New bids approved</b>		<b>8,040</b>	<b>0</b>	<b>8,017</b>	<b>5,502</b>	<b>408</b>
<b>TOTAL ASSETS</b>		<b>23,527</b>	<b>5,865</b>	<b>15,393</b>	<b>8,317</b>	<b>6,890</b>
<b>ICT</b>						
<b>Ongoing schemes</b>						
Development Management System	ICT	437	55	382	368	14
Click into Cheshire	ICT	39	21	18	11	7
Government Connect	ICT	290	25	265	33	232
ICT Security & Research	ICT	209	77	132	61	71
Enterprise Content Management proposal	ICT	350	61	289	294	0
Flexible & Mobile Working	ICT	1,175	107	258	254	270
Oracle Migration/Cutover Activities	ICT	51	1	50	50	0
CSBS (Rename HR Shared Services)	ICT	175	138	37	37	0
NHS LINK / Connected Cheshire	ICT	80	68	11	10	2
Data Centre Macclesfield	ICT	495	28	467	0	467
ICT Small Projects Block New scheme	ICT	153	0	153	112	41
Transforming Cheshire - Information Management	ICT	1,410	515	191	190	704
Transforming Cheshire - Improving Oracle (Shared Services)	ICT	1,770	1,270	500	500	0
<b>TOTAL Ongoing schemes</b>		<b>6,633</b>	<b>2,366</b>	<b>2,753</b>	<b>1,920</b>	<b>1,808</b>
<b>2010-11 Starts</b>						
Essential Replacement 10-11	ICT	2,384	0	1,410	1,286	1,098
ICT Security	ICT	185	0	185	104	81
Internet Service Provision	ICT	142	0	142	0	142
IPT Harmonisation	ICT	725	0	575	313	412
Oracle Optimisation	ICT	3,960	0	1,486	1,579	732
<b>Total 2010-11 Starts</b>		<b>7,396</b>	<b>0</b>	<b>3,798</b>	<b>3,282</b>	<b>2,465</b>
<b>TOTAL ICT</b>		<b>14,029</b>	<b>2,366</b>	<b>6,551</b>	<b>5,202</b>	<b>4,273</b>
<b>FINANCE</b>						
<b>Ongoing schemes</b>						
Single Revenue & Benefits Systems	Finance	524	35	489	411	77
<b>TOTAL Ongoing schemes</b>		<b>524</b>	<b>35</b>	<b>489</b>	<b>411</b>	<b>77</b>

Department/Scheme	Department	Total Approved Budget	Prior Year Spend	In Year Budget 2010-11	Actuals To 31st March 2011	Forecast Expenditure 2011-12
		£000's	£000's	£000's	£000's	£000's
<b>Total Borough Treasurer &amp; Assets programme including SCE's</b>		<b>38,080</b>	<b>8,266</b>	<b>22,433</b>	<b>13,930</b>	<b>11,240</b>
<b>Policy &amp; Performance</b>						
<b>Ongoing Schemes</b>						
Customer Access	Customer Services	75	13	62	32	0
Customer Relationship Management & Telephone System	Customer Services	1,455	99	536	445	911
CRM Development	Customer Services	64	0	64	64	0
Transforming Cheshire - Customer Access	Customer Services	419	201	33	33	185
Excelcis	Planning & Performance	10	0	10	10	0
Performance Management System New scheme	Planning & Performance	100	0	100	100	0
Capital Investment Scheme Grants	Partnerships & CE's	377	250	127	100	27
<b>Total On-going schemes</b>		<b>2,500</b>	<b>563</b>	<b>932</b>	<b>784</b>	<b>1,123</b>
<b>New Starts 2010-11</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Policy &amp; Performance programme including SCE's</b>		<b>2,500</b>	<b>563</b>	<b>932</b>	<b>784</b>	<b>1,123</b>
<b>HR &amp; Organisational Development</b>						
<b>Ongoing Schemes</b>						
Accident Reporting system New scheme	HR	18	0	18	10	8
<b>Total On-going schemes</b>		<b>18</b>	<b>0</b>	<b>18</b>	<b>10</b>	<b>8</b>
<b>Total HR &amp; Organisational Development programme including SCE's</b>		<b>18</b>	<b>0</b>	<b>18</b>	<b>10</b>	<b>8</b>
<i>Total Committed schemes approved by Council</i>		245,718	154,937	70,506	48,143	28,516
<i>Total New bids 10-11 - Approved by Council</i>		58,569	0	32,826	24,500	25,302
<b>Total 2010-11 Programme for On-going &amp; approved new starts</b>		<b>304,287</b>	<b>154,937</b>	<b>103,332</b>	<b>72,643</b>	<b>53,818</b>
<b>Total Cheshire East 2010-11 Capital Programme</b>		<b>304,286</b>	<b>154,937</b>	<b>103,332</b>	<b>72,643</b>	<b>53,818</b>

## APPENDIX 2

**CAPITAL - KEY ISSUES & VARIANCES****Children & Families**

<b><u>Extended Schools 2009/10</u></b>			
In year Budget	0.363	m	
Outturn	0.000	m	
Variance	0.363	m	Underspend
Realignment of Extended Schools 09/10 Allocation - £145k to Alsager High School & £218k to Malbank High School			

<b><u>Devolved Formula Capital 2007/08</u></b>			
In year Budget	0.608	m	
Outturn	0.300	m	
Variance	0.308	m	Underspend
<p>This project is funded by a grant allocation from the Department for Communities and Local Government, each of our schools has a set share of this funding which they can use on a variety of capital projects or save multiple allocations to undertake a large project.</p> <p>As each school has a set allocation of this project there are a variety of reasons why schools have underspent. The most consistent reason is due to schools being more cautious and not committing to large levels of capital spend whilst a central government review is being conducted into the future of capital funding for schools.</p> <p>The terms and conditions of this grant funding ring fence these funds to schools.</p>			

<b><u>Devolved Formula Capital 2009/10</u></b>			
In year Budget	2.248	m	
Outturn	1.121	m	
Variance	1.127	m	Underspend
<p>This project is funded by a grant allocation from the Department for Communities and Local Government, each of our schools has a set share of this funding which they can use on a variety of capital projects or save multiple allocations to undertake a large project.</p> <p>As each school has a set allocation of this project there are a variety of reasons why schools have underspent. The most consistent reason is due to schools being more cautious and not committing to large levels of capital spend whilst a central government review is being conducted into the future of capital funding for schools.</p> <p>The terms and conditions of this grant funding ring fence these funds to schools.</p>			

<b><u>Devolved Formula Capital in Advance</u></b>			
In year Budget	0.931	m	
Outturn	1.514	m	
Variance	0.583	m	Overspend
<p>This project is funded by a grant allocation from the Department for Communities and Local Government, each of our schools has a set share of this funding which they can used on a variety of capital projects or save multiple allocations to undertake a large project.</p> <p>During 2010-11 the Department for Communities and Local Government awarded £2.2M funding to Cheshire East schools. All of this grant income was received during the 2009-10 and 1.8M remained at the 31st March 2010, during 2010-11 schools spent more of this grant that originally anticipated but did not exceed the total of funding available.</p>			

<b><u>14-19 Diploma 2009/10</u></b>			
In year Budget	0.450	m	
Outturn	0.000	m	
Variance	0.450	m	Underspend
Realignment of 14-19 Diploma 09/10 Allocation			

<b><u>Integrated Childrens System (ICS) 2008/09</u></b>			
In year Budget	0.517	m	
Outturn	0.055	m	
Variance	0.462	m	Underspend
CARRIED FORWARD: Initially, replacement of the system were investigated into and it was decided to halt this and investigate issues with the existing system and what needed doing to determine whether this was fit for purpose. Agreement was to upgrade to the latest version of the software in conjunction with Adults services which is ongoing but has been delayed by issues with the financial module which are currently being resolved and tested. The service are nearing the end of recruitment for additional staff to complete process redesign in light of the substantial changes to the service in line with the use of the ICS system. The system is likely to require substantial changes following the Munro recommendations (report imminent), which may result in a new system. The money is required to support this ongoing work.			

<b><u>Capital For Kitchen &amp; Dining Facilities</u></b>			
In year Budget	0.575	m	
Outturn	0.198	m	
Variance	0.377	m	Underspend
CARRY FORWARD REQUEST: Carried forward as grant funded.			

<b><u>School Modernisation Programme 2009/10</u></b>			
In year Budget	0.862	m	
Outturn	0.000	m	
Variance	0.862	m	Underspend
Realignment of Schools Modernisation Grant 09/10 Allocation - £505k to Alsager High School, £157k to Wilmslow High School & ££200k to Malbank High School			

<b><u>Stapely Broad Lane PS</u></b>			
In year Budget	0.904	m	
Outturn	0.500	m	
Variance	0.404	m	Underspend
CARRIED FORWARD: This scheme has been delayed due to weather delays and the project was due for completion in June 2011.			

<b><u>Kings Grove Mobile Replacement</u></b>			
In year Budget	0.788	m	
Outturn	0.426	m	
Variance	0.362	m	Underspend
CARRIED FORWARD: Delay in completion, committed scheme, onsite and underway.			

<b><u>TLC Sir William Stanier Comm 5</u></b>			
In year Budget	0.649	m	
Outturn	0.347	m	
Variance	0.302	m	Underspend
CARRIED FORWARD: Delay in completion, committed scheme, onsite and underway.			

<b><u>Electronic Social Care Records</u></b>			
In year Budget	0.250	m	
Outturn	0.000	m	
Variance	0.250	m	Underspend
CARRIED FORWARD: There have been preliminary investigations into the development/implementation of an Electronic Document and Records Management solution for Children's social care with outline reports of how this may work, however at the moment all effort is being concentrated on stabilising the processes around, and upgrading ICS – Integrated Children's System, which will feed into any ESCR system developed.			

<b><u>Devolved Formula Capital</u></b>			
In year Budget	0.674	m	
Outturn	0.000	m	
Variance	0.674	m	Underspend
<p>"This project is funded by a grant allocation from the Department for Communities and Local Government, each of our schools has a set share of this funding which they can use on a variety of capital projects or save multiple allocations to undertake a large project.</p> <p>As each school has a set allocation of this project there are a variety of reasons why schools have underspent. The most consistent reason is due to schools being more cautious and not committing to large levels of capital spend whilst a central government review is being conducted into the future of capital funding for schools.</p> <p>The terms and conditions of this grant funding ring fence these funds to schools."</p>			

<b><u>Schools Modernisation Programme 10/11</u></b>			
In year Budget	0.912	m	
Outturn	0.000	m	
Variance	0.912	m	Underspend
Realignment of Schools Modernisation Grant 10/11 Allocation			

<b><u>Alsager High School Performing Arts Centre</u></b>			
In year Budget	1.134	m	
Outturn	0.373	m	
Variance	0.761	m	Underspend
CARRIED FORWARD: Delay in completion, committed scheme, onsite and underway.			

<b><u>Poynton High School</u></b>			
In year Budget	0.250	m	
Outturn	0.000	m	
Variance	0.250	m	Underspend
CARRY FORWARD: Committed scheme with school, design underway			

<b><u>Malbank School and Sixth Form</u></b>			
In year Budget	1.185	m	
Outturn	0.304	m	
Variance	0.881	m	Underspend
CARRIED FORWARD: Delay in completion, committed scheme, onsite and underway.			

**Adults, Community and Health & Wellbeing**

<b><u>Extra Care Housing</u></b>			
In year Budget	0.300	m	
Outturn	0.040	m	
Variance	0.260	m	Underspend
The DCLG withdrew funding for all Housing PFI projects under contract and in procurement due to Central Government spending review settlement. The remaining balance of £20k of Government funding carried forward, is to develop a specific Extra Care Housing strategy, ring fenced for this purpose.			

<b><u>Sandbach United Football Complex</u></b>			
In year Budget	2.200	m	
Outturn	0.700	m	
Variance	1.500	m	Underspend
This self financing scheme was approved by Council in October 2009; the initial projections indicated that the scheme would progress quickly in 2009/10. However, delays due to securing the external funding prior to contractor appointment indicate that the balance being spent by August 2011, thus removing the declared current year under spend.			

<b><u>Land South west of Moss Lane</u></b>			
In year Budget	0.400	m	
Outturn	0.100	m	
Variance	0.300	m	Underspend
Due to the South Macclesfield development not taking place, the works to be funded by Seddon Homes Ltd contribution of £260,138.64 were not required and therefore returned to the developer.			



**Places**

<b><u>2010/11 DeTtrunked Road - A523 Bosley</u></b>			
In year Budget	0.829	m	
Outturn	0.069	m	
Variance	0.760	m	Underspend
These works were designed in quarter 3 and issued for tender in the last quarter of the year with a programmed start on site in the Spring of 2011. The works had to be reduced in extent and re-tendered as the original tender was over the budget available for the scheme.			

<b><u>2005/06 Alderley Edge By Pass</u></b>			
In year Budget	15.774	m	
Outturn	12.300	m	
Variance	3.474	m	Underspend
The underspend comes from a slower rate of spend as a result of lower payment requests and slower rate of Birse subcontract final account resolution and impact on programme of wet weather delaying completion of outstanding works beyond road opening			

<b><u>2004/05 Queens Park Restoration</u></b>			
In year Budget	3.026	m	
Outturn	2,183	m	
Variance	0.843	m	Underspend
Bad weather during the winter period has delayed the completion of the major building works and this has affected the commissioning of follow on works. A delay in planning consent for the structures has also delayed the completion of this package of work.			

<b><u>2010/11 CCTV Rationalisation</u></b>			
In year Budget	0.503	m	
Outturn	0.133	m	
Variance	0.370	m	Underspend
<p>Delivery of the CCTV Rationalisation project has been delayed by several factors.</p> <p>The initial scope was changed in January 2010 to include moving Urban Traffic Control (UTC) services from Backford Hall into the new CCTV control room within the Cheshire East area. The project had to be re-designed to incorporate the additional requirements. (This was later removed as responsibility for the future of UTC was passed to the re-tender of the Highways Contract).</p> <p>After the departure of the CCTV technical manager through voluntary redundancy in April 2010, the project lost its in-house expertise to build the new CCTV room, the procurement route was re-assessed and proceeded along a Design and Build (D&amp;B) route utilising skills externally rather than attempt an in-house build. To save procurement costs it was also decided at this stage to combine procurement with the ICT Data centre project.</p> <p>In July 2010, the Council was given notice of eviction from Crewe Market premises and the Crewe CCTV room had to be moved earlier than expected, this diverted project resource away from project delivery.</p> <p>The new procurement route chosen was an established framework which was shortly after frozen by the Borough Solicitor who sought legal advice from a barrister on its future use by the council use. The outcome was that the project could continue to use the framework, meanwhile little progress could be made.</p> <p>In November, a capital freeze was instigated by the Chief Executive and the project was on hold while the business case was re-submitted. The project is linked to the Data Centre project which will house the back-end hardware for the new CCTV system benefiting from its security. The Data Centre project has required an extra options appraisal at design stage and as a natural consequence of this dependency, the CCTV project has had to wait until both projects are ready to proceed to construction.</p> <p>In January, the use of the framework for the Design and Build was successfully challenged by the market and we had to reduce the offer to Design and Manage, consequently requiring the council to find a new route to secure a contractor to build the CCTV room. A link with an ongoing framework in Assets was established.</p> <p>The issues above total a delay to the project of 27 weeks. The project is about reaching the end of the design stage and successfully procured a contractor, ISG, who will be starting on site in August 2011.</p>			

<b><u>2010/11 Disabled Facilities Grant</u></b>			
In year Budget	1.123	m	
Outturn	0.836	m	
Variance	0.287	m	Underspend
<p>The Disabled Facilities Grant programme entails individual grants to households to carry out major adaptations, in response to assessments by Occupational Therapists within Adult Services. Slippage of this programme has occurred as a result of grant applications late in the financial year and delays on site. The full budget has been committed and contracts entered, and will be fully spent in 2011-12.</p>			

<b><u>2009/10 Private Sector Assistance</u></b>			
In year Budget	0.999	m	
Outturn	0.510	m	
Variance	0.489	m	Underspend
<p>The budget was deferred to 2011-12 as a result of the freeze on Capital expenditure.</p>			

<b><u>2008/09 Housing Grants (\$106)</u></b>			
In year Budget	0.712	m	
Outturn	0.447	m	
Variance	0.265	m	Underspend
<p>Moorlands Housing Association have a contract with the Council to spend this money on bringing empty homes in the rural areas back into use on a shared ownership basis. Because of the dip in the housing market in 2009/10 they did not buy any properties because they were concerned about their ability to sell them. This changed in 2010/11 when they proceeded to buy a further 6 properties. Housing associations make claims in 2 parts so 50% of the Council's obligation towards these properties (£172,000) was paid in 2010/11 and a further 50% will be paid in 2011/12.</p>			

<b><u>2008/09 Social Housing Grants</u></b>			
In year Budget	0.948	m	
Outturn	0.257	m	
Variance	0.691	m	Underspend
<p>The majority of this variance (£500,000) is committed to bringing empty homes back into use in 2011-12 and 2012-13. Delivery of the project slipped as the Council negotiated leasing schemes with Registered Providers, to take over the management of the property once they are improved to a decent standard. The first leasing scheme is now in place, and further schemes are expected to be in place in 2012-13. The remainder of the funding is available to be spent on supported housing and was awaiting the outcome of a review of all temporary accommodation for homeless people in the borough. This review has only recently been completed and the funds will be spent in 2011/12 partly on refurbishment of the homeless hostel on Roe St in Macclesfield (this work is nearly complete) and partly on funding new supported housing in the borough</p>			

<b><u>2007/08 Affordable Housing Initiatives</u></b>			
In year Budget	0.423	m	
Outturn	0.113	m	
Variance	0.310	m	Underspend
<p>All of this money consists of commuted sums from the former Congleton BC. During 2010/11 It was intended that this money would help bring forward a Plus Dane affordable housing scheme on Dunkirk Lane in Holmes Chapel however it only went to Planning Committee on 1st June 2011 and planning permission for this scheme was refused. We will be looking at alternative ways to use this commuted sum in 2011/12</p>			

<b><u>2009/10 Tatton Conservatory/Orangery</u></b>			
In year Budget	0.298	m	
Outturn	0.035	m	
Variance	0.263	m	Underspend
<p>The main reason for the delay was the appointment of the Contractor after the detailed specification of the project had been agreed, which included looking at the complex issues of glass design and drawing up an appropriate roof opening mechanism. The appointed contractors are now on site, work commenced last week of March 2011, and after some further delays due to additional remedial works being identified, the project is expected to be completed in late September/early October 2011. The budget cost for the project as a result of these problems has increased to £376,000, excluding the Fees element. Asset Management will be applying for a Supplementary capital estimate.</p>			

**Performance and Capacity**

<b><u>Data Centre Macclesfield</u></b>			
In year Budget	0.460	m	
Outturn	0.000	m	
Variance	0.460	m	Underspend
<p>The project was delayed in Q1 of 10/11 due to a procurement issue with the use of framework agreements by the council as a whole. The ITQ was eventually released towards the end of Q2 with the design consultant being appointed in Q4. The initial ITQ scope had to be changed as a result of wrong information received as part of the PQQ stage, this in turn has had a knock on effect with regards to what we could commission in FY11/12. It is now anticipated that the full £467k will be committed in Q2/3 covering the Design Consultancy and the M&amp;E fit out. Since appointing the design consultant, the project has made good progress.</p>			

<b><u>Building Maintenance Programme</u></b>			
In year Budget	0.328	m	
Outturn	0.000	m	
Variance	0.328	m	Underspend
Prudential borrowing not required			

<b><u>Office Accommodation Strategy</u></b>			
In year Budget	5.409	m	
Outturn	2.742	m	
Variance	2.666	m	Underspend
Planned slippages ongoing programme			

<b><u>Building Maintenance</u></b>			
In year Budget	4.500	m	
Outturn	2.565	m	
Variance	1.935	m	Underspend
Revenue funded element			

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Delegated Decisions - Requests for Supplementary Capital Estimates (SCEs) & Virements					Virement FROM ...	
Capital Scheme	Starts Year	Amount Requested £	SCE/ Virement	Funding of SCE/Virement	Starts Year	Amount Requested £
Chief Officers are asked to approve SCE and Virements up to and including £100,000						
Children & Families						
Christ the King Catholic and C of E PS	2009/10	90,000	Virement	Devolved Formula Capital 10/11	2010/11	30,000
Christ the King Catholic and C of E PS	2009/10	-	Virement	Primary Capital Programme 10/11	2010/11	60,000
Sandbach Childrens Centre Ph3	2008/09	68,459	Virement	Contribution from Assets	2010/11	68,459
Schools Minor Works (Basic Need) 09/10	2009/10	21,668	Virement	Funded Schools Minor Wks 10/11 (Supp Borrowing)	2010/11	21,668
Stapely Broad Lane PS - replacement of temporary accommodation	2009/10	20,000	Virement	Contribution from Assets - boiler replacement	2010/11	20,000
St Johns Wood CS - Sports Barn	2010/11	48,000	SCE	Additional Devolved Formula Capital Contribution	2008/09	13,000
St Johns Wood CS - Sports Barn	2010/11	-	SCE	Additional External Contribution - from School		35,000
Adults, Community and Health & Wellbeing						
Adults						
Mental Health Capital	2009/10	5,000	SCE	Additional Grant Funding Received	2010/11	5,000
Enabling Model of Social Care	2007/08	3,246	SCE	Prudential Borrowing	2010/11	3,246
Mental Health Cap 10-11	2010-11	5,000	SCE	Additional Grant Funding Received	2010/11	5,000
Health & Wellbeing						
Shavington Community Health & Fitness Centre	2008/09	3,692	SCE	Capital Reserve	2010/11	3,692
Bollington Rec Ground - Green Flag Status	2008/09	4,469	SCE	Capital Reserve	2010/11	4,469
The Moor, Knutsford - Green Flag Status	2008/09	4,776	SCE	Capital Reserve	2010/11	4,776
Crewe Pool Health & Safety Works	2008/09	6,756	Virement	Ground work Cheshire - Beech Rd Play Area	2009/10	6,756
Alsager Skate Park/Milton Park	2008/09	6,364	Virement	Ground work Cheshire - Beech Rd Play Area	2009/10	6,006
			Virement	Play Area Improvements	2008/09	358
Play Capital	2009/10	736	SCE	Additional Grant Funding Received	2010/11	736
					2010/11	
Places						
Environmental Services						
2009-10 Bridge Maintenance - Minor Works	2010-11	28,390	Virement	2010-11 Bridge Maintenance - Minor Works	2010-11	28,390
2010-11 Local Measures - Ward Minor	2010-11	3,312	Virement	2009-10 Local Area Programme - Nantwich Signing	2009-10	3,312
Non Principal Roads - Minor Works	2010-11	37,939	SCE	Funded by external contribution	2010-11	37,939
Non Principal Roads - Minor Works	2010-11	902	SCE	Funded by external contribution	2010-11	902
Non Principal Roads - Minor Works	2010-11	5,000	SCE	Funded by external contribution	2010-11	5,000
De-Trunked Rds - A51 Millstone Lane, Nantwich	2009-10	1,906	Virement	Principal Roads - Minor Works	2010-11	1,906
West Street Environmental Improvements	2008-09	7,158	Virement	2009-10 Safer Routes to Schools - Minor Works	2009-10	7,158
A534 Wrexham Road, Burland	2007-08	1,757	Virement	Principal Roads - Minor Works	2010-11	1,757
SEMMMS - Other Measures	2002-03	5,792	Virement	SEMMMS - Major Projects	2002-03	5,792
Local Area Programme - North	2009-10	45,485	Virement	SEMMMS Projects - Major Projects	2002-03	23,812
				09-10 Road Safety Schemes - Minor Works	2009-10	16,423
				Part 1 Claims	2010-11	5,250
Integrated Area Programme - Macclesfield UTC	2004-05	10,395	Virement	De-Trunked Rds - A523 London Rd, Bosley	2008-09	5,647
				Principal Roads - Minor Works - Asset Management	2010-11	1,474
				Principal Roads - Minor Works	2010-11	3,274

**OUTTURN 2010-11**  
**Delegated Decisions - Requests for Supplementary Capital Estimates (SCEs) & Virements**

**Appendix 3a**

Capital Scheme	Starts Year	Amount Requested £	SCE/ Virement	Funding of SCE/Virement	Virement FROM ...	
					Starts Year	Amount Requested £
Integrated Area Programme - Minor Works	2007-08	24,052	Virement	2009-10 Safer Routes to Schools - Minor Works	2009-10	15,607
				Non Principal Roads - Minor Works	2010-11	8,445
<b>Planning &amp; Policy</b>						
10-11 Private Sector Housing Assistance	2010-11	49,000	SCE	Additional grant received over original allocation	2010-11	49,000
10-11 Disabled Facilities Grants	2010-11	21,541	SCE	Additional external contributions	2010-11	21,541
10-11 Affordable Housing - Assisted Purchase Scheme	2010-11	29,500	SCE	Additional external contributions	2010-11	29,500
09-10 Disabled Facilities Grant	2009-10	2,047	SCE	Additional external contributions	2009-10	2,047
09-10 Private Sector Assistance	2009-10	1,636	SCE	Additional external contributions	2009-10	1,636
<b>Regeneration</b>						
Poynton Revitalisation	2010-11	100,000	SCE	Funded from Sustrans grant	2010-11	100,000
Tatton Park - Office Accommodation Phase 1	2009-10	2,554	SCE	Funded from Tatton Revenue Budget	2009-10	2,554
Crewe Town Squares - Lyceum Square	2002-03	38,000	Virement	Crewe Town Squares Refurbishment	2002-03	38,000
Non Principal Roads - Asset Management	2010-11	16,953	Virement	Non Principal Roads - Minor Works	2010-11	16,953
Project Development - Minor Schemes	2009-10	4,201	Virement	2010-11 Bridge Maintenance - Minor Works	2010-11	4,201
Project Development - Middlewich Eastern By Pass	2003-04	895	Virement	Non Principal Roads - Minor Works	2010-11	895
SEMMMS - Bus Quality Partnership / PTI	2002-03	7,649	Virement	SEMMMS - Major Projects	2002-03	7,649
Road Safety Schemes - Minor Works	2010-11	1,357	Virement	Local Area Programme - South	2009-10	1,357
2010-11 CEC Transport Study	2010-11	25,010	Virement	Non Principal Roads - Minor Works	2010-11	18,099
				Crewe Infrastructure Project	2005-06	6,911
Road Safety Schemes - Minor Works	2009-10	95,500	SCE	Contribution from Network Rail	2009-10	19,000
				Contribution from Network Rail	2009-10	31,500
				Additional contribution from Keymed	2009-10	45,000
<b>Performance &amp; Capacity</b>						
<b>Assets</b>						
Public Building Repairs	2009-10	3,347	Virement	Building Maintenance	2010-11	3,347
Transfers to Children & Families						
Sandbach Childrens Centre Ph3	2008/09	68,459	Virement	Contribution from Assets	2010/11	68,459
Stapely Broad Lane PS - replacement of temporary accommodation	2009/10	20,000	Virement	Contribution from Assets - boiler replacement	2010/11	20,000
<b>ICT</b>						
Enterprise Content Management proposal	2009-10	4,634	Virement	Flexible & Mobile Working	2009-10	4,216
			Virement	Transforming Cheshire - Information Management	2009-10	418
<b>Policy &amp; Performance</b>						
Transfer to Places - refurbishment of the tourist information centres	2011-12	30,000	Virement	Customer Access	2008-09	30,000
<b>Total Delegated Decisions</b>		<b>982,537</b>				<b>982,537</b>



**OUTTURN 2010-11**
**Matters for Decision - Requests for Supplementary Capital Estimates (SCEs) & Virements**
**Appendix 3b**

Matters for Decision - Requests for Supplementary Capital Estimates (SCEs) & Virements					Virement FROM ...	
Capital Scheme	Starts Year	Amount Requested £	SCE/ Virement	Funding of SCE/Virement	Starts Year	Amount Requested £
1. Cabinet are asked to note SCE and Virements over £100,000 and up to and including £500,000 approved by Chief Officers in consultation with relevant Cabinet Members.						
Adults						
Common Assessment Framework (CAF) Phase 2 Demonstrator	2009/10	381,225	SCE	Additional Grant Funding Received	2010/11	381,225
Social Care IT Infrastructure	2009/10	102,119	SCE	Additional Grant Funding Received	2010/11	102,119
Performance & Capacity						
Transfers to Children & Families	2009/10	137,000	Virement	Building Maintenance	2010/11	137,000
Offley Primary School				Contribution from Assets - roofing works		
2. Chief Officers in consultation with relevant Cabinet Member and Resources Member are asked to approve SCE and Virements over £100,000 and up to and including £500,000						
Children & Families						
Wilmslow Specialist Sports College	2009/10	242,436	Virement	Devolved Formula Capital 10/11	2010/11	85,436
Wilmslow Specialist Sports College	2009/10	-	Virement	Modernisation Grant 09/10	2009/10	157,000
East Cheshire Minor Works	2008/09	112,093	Virement	Realignment of Surestart Grant - Holmes Chapel Library CC	2008/09	20,000
East Cheshire Minor Works	2008/09	-	Virement	Realignment of Surestart Grant - Nantwich Rural CC (Wrenbury)	2010/11	20,000
East Cheshire Minor Works	2008/09	-	Virement	Realignment of Surestart Grant - Nantwich Rural CC (Audlem)	2010/11	20,000
East Cheshire Minor Works	2008/09	-	Virement	Realignment of Surestart Grant - Oakencrough Nursery Refurb	2010/11	20,000
East Cheshire Minor Works	2008/09	-	Virement	Realignment of Surestart Grant - Mabllins Lane CC	2008/09	32,093
Offley Primary School	2009/10	137,000	Virement	Contribution from Assets - roofing works	2010/11	137,000
Places						
Environmental Services						
Macclesfield New Cremators	2010-11	210,000	SCE	Funded from Capital Reserve - Top up to legacy approval	2010-11	210,000
2010-11 Gurnett Bridge Reconstruction	2010-11	307,000	Virement	2011-12 Bridge Maintenance - Minor Works	2011-12	307,000
2010-11 Local Measures - Ward Local	2010-11	114,067	Virement	De-Trunked Rds - A51 Landslip, Wardle	2010-11	91,857
				2009-10 Safer Routes to Schools - Minor Works	2009-10	22,210
Queens Park Restoration	2004-05	135,000	SCE	S106 Funding		120,000
				Mayoral Fund contribution		15,000
Planning & Policy						
Poynton High, Links to Schools	2010-11	129,950	SCE	Funded from Sustrans grant	2010-11	129,950
Safe Links to School - Middlewich	2010-11	147,000	SCE	Funded from Sustrans grant	2010-11	147,000
Total SCE / Virements over £100,000 and up to and including £500,000		1,534,546				1,534,546
3. Cabinet are asked to approve SCE and Virements over £500,000 and up to £1m						
Environmental Services						
Connect 2 - Phase 2	2010-11	865,000	SCE	Funded by £170k Links to School, £450k Sustrans, £95k LTP & £150k S106	2010-11	865,000
Poynton By Pass - Land Purchase	2010-11	722,236	SCE	Funded by Prudential Borrowing	2010-11	722,236
Total SCE / Virements over £500,000		1,587,236				1,587,236
4. Cabinet are asked to recommend that Council approve SCE and Virements over £1m						
Environmental Services						
Alderley Edge By Pass - Scheme Implementation	2005-06	3,062,498	SCE	Funded by surplus Land Disposals	2005-06	3,062,498
Total SCE / Virements over £500,000		3,062,498				3,062,498

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## Matters for Decision - Requests for reductions in Approved Budgets

Scheme	Approved Budget £	Revised Approval £	Reduction £	Reason
<b><u>CHILDREN &amp; FAMILIES</u></b>				
Shavington Childrens Centre Ph3	487,282	479,872	7,410	Realignment of Surestart Grant
Extended Schools 09/10	363,400	0	363,400	Realignment of Extended Schools 09/10 Allocation
ICT Childrens Centres Ph3 East	125,040	51,513	73,527	Realignment of Surestart Grant
Access Initiative 08/09 East	145,926	89,824	56,102	Realignment of Access 08/09 Allocation
14-19 Diploma 09/10	1,000,000	0	1,000,000	Realignment of 14-19 Diploma 09/10 Allocation
Schools Modernisation Programme 09/10	862,000	0	862,000	Realignment of Modernisation Grant 09/10 Allocation
Signage (£5k*20 centres, estimate)	46,000	10,000	36,000	Realignment of Surestart Grant
Underwood West Ph3 Extension	469,000	310,000	159,000	Realignment of Surestart Grant
Extended Schools 10/11	132,000	0	132,000	Realignment of Extended Schools 10/11 Allocation
Schools Access Initiative 10/11	1,251,000	606,000	645,000	Realignment of Access 10/11 Allocation
Schools Access Hearing Impaired	20,000	0	20,000	Saving
14-19 Diploma 10/11	2,671,000	1,114,000	1,557,000	Realignment of 14-19 Diploma 10/11 Allocation
Schools Modernisation Programme 10/11	3,546,000	1,150,000	2,396,000	Realignment of Modernisation Grant 10/11 Allocation
Schools Minor Works (Basic Need) 10/11	1,202,000	408,000	794,000	Realignment of Schools Minor Works (Basic Need) 10/11 Allocation
Primary Capital Programme (PCP) 10/11	134,000	22,000	112,000	Realignment of PCP 10/11 Allocation
Devolved Formula Capital 07/08	5,169,695	5,046,026	123,669	DFC Allocation to other Capital Projects 10/11
Devolved Formula Capital 08/09	5,131,048	4,970,786	160,262	DFC Allocation to other Capital Projects 10/11
Devolved Formula Capital 09/10	5,692,987	5,400,414	292,573	DFC Allocation to other Capital Projects 10/11
Devolved Formula Capital 10/11	2,277,196	1,955,284	321,912	DFC Allocation to other Capital Projects 10/11
	<b>30,725,574</b>	<b>21,613,719</b>	<b>9,111,855</b>	
<b><u>ADULTS</u></b>				
Refurb Day Cent Mountview	42,000	40,676	1,324	Project completed below budget
Mental Health Provider	226,000	194,343	31,657	To Match budget with actual Grant received
Community Support Centre (CSC) Misters	283,000	280,000	3,000	To Match budget with actual Revenue Contribution received
Extra Care Housing	2,907,000	2,114,057	792,943	The DCLG withdrew funding for Housing PFI projects
	<b>3,458,000</b>	<b>2,629,076</b>	<b>828,924</b>	
<b><u>HEALTH &amp; WELLBEING</u></b>				
Ground work Cheshire - Beech Rd Play Area	12,762	0	12,762	Expenditure transferred to other S106 projects, budget not required.
Meriton Rd Fitness Zone	18,622	15,289	3,333	Project completed below budget
Pub Open Spaces-King St	84,000	30,321	53,679	Original S106 budget included part Revenue which is no longer available
Congleton Park Improvements - Town Wood	82,000	72,000	10,000	S106 scheme - Budget transfer to new project 40A4CAPS106000019
Piggenshaw Brook	105,000	59,218	50,709	Migrated project with no additional funding provided
	<b>302,384</b>	<b>176,828</b>	<b>130,483</b>	

## Matters for Decision - Requests for reductions in Approved Budgets

Scheme	Approved Budget £	Revised Approval £	Reduction £	Reason
<b>PLACES</b>				
<b>Highway Operations</b>				
Flowerpot Junction Improvements	1,032,000	970,669	61,331	Realign approval to match funding sources
Flood Alleviation - Vicarage Lane	100,000	82,791	17,209	Reduced outturn on specific grant funded project
<b>Regeneration</b>				
Road Safety Schemes - Minor Works 08-09	150,302	25,302	125,000	Removal of externally funded approval for Plough Bridge
Connect 2 - Phase 1	530,000	472,602	57,398	Re-align budgets between Phase 1 & Phase 2 - unused Phase 1 funding part of Phase 2 approvals
	<b>1,812,302</b>	<b>1,551,364</b>	<b>260,938</b>	
<b>PERFORMANCE &amp; CAPACITY</b>				
Building Maintenance Programme 2009-10	2,271,000	1,943,187	327,813	£328k funded from prudential borrowing which was not required by the service
Building Maintenance 2010-11	5,075,000	2,944,652	2,130,348	Part revenue funded which remained in revenue to fund other service areas and contribute to departmental underspend.
	<b>7,346,000</b>	<b>4,887,839</b>	<b>2,458,161</b>	
<b>Totals</b>	<b>43,644,260</b>	<b>30,858,826</b>	<b>12,790,361</b>	

**2010/11 Performance Report – 1st August 2011**  
**Head of Policy & Performance**

**1.0 YEAR END PERFORMANCE UPDATE**

- 1.0.1 This section provides a high level summary of the key performance headlines at the end of 2010/11.
- 1.0.2 By the end of 2010/11, the Performance & Partnerships Team were centrally monitoring 161 measures which underpinned 2010/13 service plans, comprising the former National Indicator Set, supporting part-indicators, and key retained local (former Best Value) performance measures.

**PERFORMANCE AGAINST TARGET**

Performance assessments (red; amber; green) have been made wherever possible based on performance against target. Performance assessment rankings against target for 2010/11 are:

Performance Assessment	Number
Green	51
Amber	22
Red	50
Not Updated/Data lagged	37
<b>Total</b>	<b>160</b>

**YEAR-ON-YEAR DIRECTION OF TRAVEL**

Performance assessments (red; amber; green) have been made wherever possible based on year-on-year direction of travel from 2009/10. Performance assessment rankings for direction of travel for 2010/11 are:

Performance Assessment	Number
Green	59
Amber	20
Red	44
Not Known	37
<b>Total</b>	<b>160</b>

Detailed data can be found in Appendix One, and key headlines are reported for each service area in Section 2.0 of this report.

**1.1 Performance Measure Tolerances (Red/Amber/Green ratings)**

During 2010/11, the Performance & Partnerships Team integrated a new electronic Monitoring and Performance System (CorVu) across services.

The system was pre-populated with a five percent tolerance against the targets set by service areas, meaning that the system assigns a 'red' assessment to performance data 5% (or more) short of the target, an 'amber' assessment to data within 5% of the target, and a 'green' assessment to data performing on or above target.

Where strong cases are made for the revision of tolerances in 2011/12 (e.g. where a 5% tolerance is not appropriate due to a measure's data return format), the Team will revise tolerances to support individual targets. In all other circumstances, the 5% tolerance will remain in place for performance measure reporting in 2011/12.

### **1.3 Performance Measures**

Following on from the October announcement regarding the end of the statutory obligation to report on the National Indicator Set, Communities and Local Government made available a first draft of the Single Data List in December. The Single Data List outlines all statutory data which central government proposes to receive from local government with effect from April 2011, and will replace National Indicators as central government's means of measuring local authority performance.

Since 2010/13 Service Plans were underpinned by performance indicators from the former National Indicator Set, Cheshire East retained these measures as a means to monitor in-year performance for 2010/11. It should be noted that a number of National Indicators are the responsibility of other agencies and these agencies are under no obligation to continue to report on this information.

However, Cheshire East has welcomed the opportunity to review its approach to performance monitoring, and the flexibility afforded by the change to local authority performance arrangements. From 2011/12, progress against Service Plans will continue to be supported by retained National Indicators and Best Value performance indicators, alongside newly developed local performance measures and/or measures from the Single Data List. This improved balance of measures strengthens the Council's ability to monitor progress against its key service objectives for 2011/12 identified as part of the service planning process.

### **1.5 Quality of Life Survey**

In quarter three, Cheshire East undertook a Quality of Life (QOL) Survey, providing an opportunity to engage with our communities following the removal of the statutory need to conduct a Place Survey. Results which have a direct correlation to former Place Survey measures are incorporated into the data table in Appendix One, though it should be noted that the sample size of respondents is not comparable directly with the former Place Survey, and caution should therefore be exercised when making data comparisons.

## **2.0 PERFORMANCE SUMMARY BY SERVICE AREA**

### **2.1 Children & Families**

#### **2.1.1 Actions in place to enable improved performance and efficiency**

- The Children's Trust has taken a partnership approach to agreeing three priorities for the next three years based on an analysis of local needs and consultation with children and young people.
- In line with the views of young people, the Children and Young People's Plan has been designed in leaflet format and will be published in July.
- A partnership approach has been taken to commissioning across children's services, adult services and health and a draft Joint Commissioning Strategy has been produced.

#### **2.1.2 Redesigning services to ensure needs are identified early**

- A partnership approach has been employed towards implementing structural changes, with a focus on early intervention and prevention.
- The number of CAFs (Common Assessments) completed increased from 277 in 2009-10 to 529 in 2010-11 with real improvements in quality. Most importantly, parents and young people are reporting improvements in outcomes as a result of CAF.
- The Family Information service has been improved by the introduction of a Children and Families resource directory, pulling all key services and childcare information together in one place, improving accessibility.
- Over 300 people attended the 'Pathways to Support for Families: Moving Forward Together' multi-agency workshops arranged by the Children's Trust between March and May 2011, enabling improved awareness of levels of need guidance and available pathways to support our children, young people and their families.

#### **2.1.3 Ensuring children and young people are effectively safeguarded**

- The Children's Assessment Team (CAT) was formed, improving access to children's social care, and increasing organisational capacity to provide additional support.
- The shared services Emergency Duty Team has been replaced with the Cheshire East Out of Hours Service. This has led to an increased number of out of hours home visits and initial assessments, improved management supervision and 24 hour legal cover, to ensure the same level of support is available for decision-making out of hours as during the day.
- Dedicated teams have been created for Child Protection and Children in Need, with increased capacity – 30 Practice Consultant posts and a number of additional social work posts.
- New posts have been invested in, reducing caseloads (5% increase in investment in posts in safeguarding and children's social care teams).
- There has been a steady increase since December 2010 in the proportion of child protection reviews held on time (100% in March).
- Investment in the Safeguarding Unit has increased 3.5 Independent Reviewing Officers (IROs) to 8, with a further 2 on the way during 2011/12.

#### **2.1.4 Raise standards and narrow gaps in learning outcomes, enabling young people to develop the appropriate skills to enter adulthood and the world of work**

- A Head of Virtual school has been appointed for Cared For Children (C4C) – the establishment of a system of collecting tracking data from school has enabled the production of predicted outcomes. As an example, C4C are currently predicted to achieve 38% 5+A\*-C including English & Maths which is a significant improvement on 2009-10 outcomes (10%).
- Attendance at school for our cared for children has improved from 84.3% in 2008-09 to 94.3% in 2010-11.
- Work with schools and other partners mean that there has not been a permanent exclusion of a Cheshire East Cared for Child since 2009.
- 98% of cared for children and young people are receiving health checks; an increase of 7% from last year's figure of 91%
- There has been an improvement in placement stability, meaning that our cared for children have less placement moves and stay in their appropriate placements for longer.
- Two inadequate, traditional children's homes have been closed and two smaller ones opened, and commissioning of further provision is underway.
- Fewer of our cared for children are entering the criminal justice system.
- There has been a reduction in first time entrants into the criminal justice system and significant reduction in the use of custody for young people.
- Improvements have been recorded in the uptake of 16 to 18 yrs apprenticeships.
- In 2010/11 a reduction was recorded in the number of under 18 conceptions.

## **2.2 Adult, Community Health & Wellbeing Services**

### **2.2.1 Key activities and achievements reported by the services comprising the Adult, Community Health & Wellbeing Directorate during 2010/11 include:**

- The Adult Social Care 'Empower Card' team won the Personalisation and Choice Achievement of the Year award at The MJ Local Government Achievement Awards for the 'Empower Card', a pre-loaded VISA debit card launched in 2010 to transform the way that personal budgets are delivered to customers. The card was the first of its kind in the UK, and has streamlined back-office support processes as well as generating significant efficiency savings of up to £236,000 for the authority.
- Assistive Technology provision has increased and this is forming part of a Pilot within the Wilmslow Local Independent Living team in conjunction with the Social Care Redesign 2 (SCR2) rollout. Levels of Telecare have increased; Telecare interventions detailed on care plans have increased from 448 in 2009/10 to 732 in 2010/11 (+63%).
- A successful bid to the NHS North West resulted in a £60,000 grant being awarded to the Supported Employment Service. The tender was specifically focused on innovative developments around employment support for service users with learning disabilities. The grant will fund a two-year project that will develop a personalised approach to employment support in Cheshire East.
- A hugely successful stroke conference was held at Congleton Leisure Centre organised by the Adult Services staff. The conference was held as part of an extensive training and awareness programme in conjunction with the Stroke



Association in order to increase information regarding the current services available throughout Cheshire East for people who have had a stroke, their family and health and social care service providers. The training sessions have been delivered over the past few months to carers, employees from across the local authority, PCT and NHS acute trust. Feedback from the 85 delegates who attended the session has been excellent, and the 12 exhibitors who were in attendance (Stroke Association, Age UK, Demenshare etc) congratulated Cheshire East for providing the opportunity to network.

- In order to continue to facilitate the growth of a diverse range of services to meet people's expressed needs, Cheshire East now have over 50 providers of domiciliary care who are providing personalised support to customers who need personal care. We also have a brokerage service that provides people with the support they require to employ their own personal assistant. These services have increased the choice for individuals and put people at the centre of choosing their support provider at the time that they require. We have provider forums within Cheshire East that all providers are encouraged to attend. Over the past year the forums have focused on personalisation, safeguarding, workforce development, training, charges, the use of Empower card, and transport. These forums are used to highlight good practice, encourage local working and to keep providers informed of new ways of working and policy changes. The forums are well attended and recently the care provider forum was amalgamated successfully with the supporting people forum.

## **2.3 Places**

### **2.3.1 Key activities and achievements reported by the services comprising the Places Directorate during 2010/11 include:**

- On 14 March, Cabinet approved a five-year Carbon Management Plan. Supported by the Carbon Trust, the Council has identified a programme of work that will help to reduce CO<sub>2</sub> emissions and reduce energy costs. The Council has an ambitious target of achieving a 25% reduction in energy consumption from the 2008-2009 baseline of 51,037 tonnes of emissions representing costs of £9.9 million.
- Tatton Park was awarded with the Sandford Award for excellence in heritage education for the seventh consecutive time. Winners were recognised at a special ceremony at The Houses of Parliament in February.
- A new policy has been introduced to protect and enhance the appearance of our towns. This covers the use of A-boards, banners and signs on street furniture and goods outside shop fronts. Leaflets covering the key points of the new policy have been produced and will be handed out to businesses and retailers by community street wardens and highways inspectors. The full guidelines can be found at Clear Way Forward Policy and have the support from Age Concern, the Disability Information Bureau and the Multiple Births Association.
- Cheshire East Council and Birse Civils were awarded Silver at the annual Considerate Constructors Awards in Manchester for construction of the A34 Alderley Edge and Nether Alderley Bypass. The bypass was completed in November last year, ahead of schedule and within budget. It took 22 months to complete.

- The Audit Commission declared that “Cheshire East is steering strategic housing in the right direction”. Following a five-day inspection the Audit Commission scored the strategic housing service as “fair” with promising prospects”, which was not bettered by any other local authority nationally. They stated that “Cheshire East has come a long way in the past year. It is building a better understanding of housing needs and influencing what happens to improve the overall housing situation”.

## 2.4 Performance & Capacity











### 2.4.1 Key activities and achievements reported by the services comprising Performance & Capacity during 2010/11 include:














- **Working days lost due to sickness absence** (former BV 012) – outturn performance of 8.19 days was achieved during 2010/11 against a target of 9 days.
- Progress was made in increasing the **top 5% of earners (female)** (former BV 011a) – this has risen from 53.42% 2009/10 outturn to 55.96% in 2010/11.
- **Time taken to process Housing Benefit/Council Tax Benefit new claims and change events** (NI 181) – 20.93 days against a target of 14 during the year; a further decrease since our third quarter result. Following the implementation of a new Benefits & Revenues system, there was a five-week closedown during which no claims could be processed. Overtime and agency staff have been used to tackle the backlog, and the new system ensure that next year's Council Tax bills will be mailed effectively to over 160,000 households across Cheshire East as well as efficiently processing all benefits claims.
- **Percentage of Council Tax and Non-domestic Rates collected** (former BV 009 and BV 010) were below target, showing a downward year-on-year trend. Council Tax collection stood at 97.25% (against a target of 98%). Non-domestic Rates was 97.77% (target of 98.5%).
- The Council's website - [www.cheshireeast.gov.uk](http://www.cheshireeast.gov.uk) - maintained a three-star rating in the annual Society of Information and Technology Management (SOCITM) 'Better Connected' report. The maximum rating possible was four stars which was awarded to just 9 of the 433 councils tested.













## 2.0 PERFORMANCE ARRANGEMENTS FOR 2011/12

- 3.1 The lifting of central government requirements gives us an opportunity to establish reporting mechanisms which are appropriate for Cheshire East. The Finance, Performance and Improvement teams have been working together to develop a revised approach which incorporates each of these aspects.
- 3.2 The content and process for future performance reporting arrangements will consist of a **monthly trend report** for discussion at CMT and Informal Cabinet, and a **quarterly performance report** which is a public document for Cabinet, and includes finance, performance indicators, and key projects.






# Cheshire East Outturn Performance Summary 2010/11

















Measure Ref	Description	Result 2009/10	Year End Target 2010/11	Year End Result	Year on Year Trend	Service	Operational Comments
NI 125	NI 125 Achieving independence for older people through rehabilitation/intermediate care	81.60%	82.20%	76.8% Figure relates to whole of 2010/11		Adult Services	Please note that the published National Indicator will be 75.5%. This is because the published figure uses only one quarterly period as the basis for the calculation. The figure presented here (76.8%) is the figure for the whole of 2010/11. - Below target. Performance fluctuated throughout the year. - Examining data collection methodology to try to improve response rates (non respondents do not contribute to the numerator but are included in the denominator)
NI 127	NI 127 Self reported experience of social care users	67.9 number	Not Set	18.8 number	Methodology amended in 2010/11 year on year comparison not possible	Adult Services	Please note that a new methodology has been used for this indicator for 2010/11, therefore comparison with previous years is not possible. The new methodology is a score out of 24 based on responses to eight questions in the Adult Social Care Survey. Previously this was percentage that had given specific responses to a question within the Equipment and Minor Adaptations Survey.
NI 130	NI 130 Social care clients receiving Self Directed Support (Direct Payment and Individual Budgets)	31.00%	60.00%	40.70%		Adult Services	- Very stretching target - It has been calculated that we could only have achieved 64.5% even if every customer in receipt of services appropriate for personal budgets had one - Performance did improve by 10 percentage points on 2009/10 - Exceeded the nationally set target of 30% - Empower card to be default position for all new customers
NI 131	NI 131 Delayed transfers of care from hospitals	11.60 number	Not Set	10.00 number		Adult Services	Please note that this indicator is a rate per 100,000 population (18+ age group) and is a joint indicator between the NHS and Social Care. This is an improvement on 2009/10 (11.6). Also, when disaggregating the data to only those cases that are attributable to social care, the rate for these cases is only 0.29 per 100,000 population.
NI 135	NI 135 Carers receiving needs assessment or review and a specific carers service, or advice and information	14.90%	22.00%	10.20%		Adult Services	- Well below target - However, a significant upturn in performance in the last quarter of the year - Coaching sessions on carers assessments ongoing - One team was performing significantly above target by the end of the year and best practice from this team will be disseminated. - Pilot project in the Crewe area will also help to encourage the uptake of assessments and services by carers - Benchmarking with other authorities to be undertaken to ascertain best practice
NI 141	NI 141 Percentage of vulnerable people achieving independent living	79.71%	57.70%	72.51%		Adult Services	Strong performance from providers contributed to target being exceeded. In Crewe and the South we have increased the levels to 45 units of floating support and provided 10 units in a refurbished refuge. In Macclesfield we have provided 32 units of floating support. The Supporting People Team have now retendered Domestic Abuse services - support for women and children in their homes will be increased, while services will be extended to male victims for the first time. This indicator does not feature as a measure within the new Adult Social Care Outcomes Framework but is being retained as a local measure.
NI 142	NI 142 Percentage of vulnerable people who are supported to maintain independent living	98.89%	98.68%	99.13%		Adult Services	Providers have continued the strong performance on this indicator. These services provide support, for example, to help older people continue to live independently in their own homes. In Cheshire East there are around 100 housing related support services funded by Supporting People. Evidence of outcomes achieved for individuals were collected, some of which were featured in issues of the new Supporting People Newsletter - 'Support is Here For You'. The Supporting People Editorial Group was formed to work on creating this newsletter. Service Users are members of the Editorial Group. This indicator does not feature as a measure within the new Adult Social Care Outcomes Framework but is being retained as a local measure.
NI 145	NI 145 Adults with learning disabilities in settled accommodation	34.00%	45.00%	35.33%		Adult Services	- Was below target but did slightly improve on 2009/10 - This measure is linked to client reviews. Learning Disability reviews were suspended due to judicial review/challenge
NI 146	NI 146 Adults with learning disabilities in employment	4.70%	6.90%	6.28%		Adult Services	- only slightly under target - significant improvement on 2009/10
BV009	Percentage of Council Tax collected	97.90%	98.00%	97.25%		Borough Treasurer & Assets	Collection rates for Council Tax have been impacted by the conversion to a new Revenues and Benefits system, which has disrupted normal recovery activity during the second half of the year. Plans are in place to engage additional agency staff to help clear the backlog
BV010	Percentage of non-domestic rates collected	98.20%	98.50%	97.77%		Borough Treasurer & Assets	Collection rates for business rates have been impacted by the conversion to a new Revenues and Benefits system, which has disrupted normal recovery activity during the second half of the year. Plans are in place to recruit additional agency staff to clear the backlog

Measure Ref	Description	Result 2009/10	Year End Target 2010/11	Year End Result	Year on Year Trend	Service	Operational Comments
NI 181	NI 181 Time taken to process Housing Benefit/Council Tax Benefit new claims and change events	10.60 days	14.00 days	20.93 days (Quarter 4 result of 24.97 days contributing to cumulative outturn performance at 20.93 days)		Borough Treasurer & Assets	(Quarter 4 result of 24.97 days contributing to cumulative outturn performance at 20.93 days.) Following the implementation of the new Benefits and Revenues systems there was a five week closedown, during which no claims could be processed. Overtime and agency staff have been used to help with the backlog which accrued, and also to deal with increased workload due to the economic climate. Procedures are in place to escalate urgent claims and a 'Golden Promise' scheme allows for 3 day processing of claims which are submitted with complete information. Plans are in place for the backlog to be cleared by contracting it to an off-site processing firm during June and July.
NI 019	NI 19 Rate of proven re-offending by young offenders	1.03 number	0.95 number	Data lagged, available late Aug 2011		Children & Families	Data lagged, available late Aug 2011
NI 043	NI 43 Young people within the Youth Justice System receiving a conviction in court who are sentenced to custody	8.60%	8.30%	5.00%		Children & Families	
NI 044	NI 44 Ethnic composition of offenders on Youth Justice System disposals	0.00%	0.00%	Not Updated		Children & Families	
NI 045	NI 45 Young offenders engagement in suitable education, employment or training	57.50%	90.00%	60.30%		Children & Families	
NI 046	NI 46 Young offenders access to suitable accommodation	98.90%	100.00%	96.60%		Children & Families	National average is 96.4%
NI 051	NI 51 Effectiveness of child and adolescent mental health (CAMHs) services	14.0 number	16.0 number	Not Updated		Children & Families	
NI 052a	NI 52a Take up of school lunches for Primary Schools	43.00%	50.00%	47.16%		Children & Families	
NI 052b	NI 52b Take up of school lunches for Secondary Schools	38.00%	42.00%	39.64%		Children & Families	
NI 054	NI 54 Services for disabled children	60.00%	63.00%	61.00%		Children & Families	
NI 058	NI 58 Emotional and behavioural health of children in care	15.10%	15.00%	14.90%		Children & Families	
NI 059	NI 59 Initial assessments for childrens social care carried out within 7 working days of referral	63.30%	80.00%	49% (indicative year end - may change following CIN census validation)		Children & Families	indicative year end - may change following CIN census validation
NI 060	NI 60 Core assessments for childrens social care that were carried out within 35 working days of their commencement	68.20%	80.00%	63% (indicative year end - may change following CIN census validation)		Children & Families	indicative year end - may change following CIN census validation
NI 061	NI 61 Stability of looked after children adopted following an agency decision that the child should be placed for adoption	68.80%	90.00%	53.00%		Children & Families	Data from SSDA 903 return
NI 062	NI 62 Stability of placements of looked after children: number of moves	14.40%	13.00%	14.40%		Children & Families	Data from SSDA 903 return
NI 063	NI 63 Stability of placements of looked after children: length of placement	73.00%	73.00%	70.50%		Children & Families	Data from SSDA 903 return














Measure Ref	Description	Result 2009/10	Year End Target 2010/11	Year End Result	Year on Year Trend	Service	Operational Comments
NI 064	NI 64 Child protection plans lasting 2 years or more	9.80%	10.00%	2.00%		Children & Families	indicative year end - may change following CIN census validation
NI 065	NI 65 Children becoming the subject of a Child Protection Plan for a second or subsequent time	6.00%	13.00%	13.10%		Children & Families	indicative year end - may change following CIN census validation
NI 066	NI 66 Looked after children cases which were reviewed within required timescales	76.00%	98.00%	90.40%		Children & Families	Data from SSDA 903 return
NI 067	NI 67 Child protection cases which were reviewed within required timescales	89.90%	100.00%	96.50%		Children & Families	indicative year end - may change following CIN census validation
NI 068	NI 68 Referrals to childrens social care going on to initial assessment	39.60%	85.00%	77.20%		Children & Families	indicative year end - may change following CIN census validation
NI 070	NI 70 Hospital admissions caused by unintentional and deliberate injuries children and young people	129.20 rate per 10,000 population	123.57 rate per 10,000 population	137.9 rate per 10,000 population		Children & Families	
NI 072	NI 72 Achievement of at least 78 points across the Early Years Foundation Stage with at least 6 in each of the scales in Personal Social and Emotional Development and Communication, Language and Literacy	60.70%	63.20%	Not Updated		Children & Families	
NI 073	NI 73 Achievement at level 4 or above in both English and Maths at Key Stage 2 (Threshold)	79.00%	85.00%	82.8% (projected based on SIP info - awaiting updated information)		Children & Families	Projected based on SIP info - awaiting updated information
NI 075	NI 75 Achievement of 5 or more A*-C grades at GCSE or equivalent including English and Maths (Threshold)	57.30%	69.00%	59.7% (projected based on SIP info - awaiting updated information)		Children & Families	Projected based on SIP info - awaiting updated information
NI 076	NI 76 Achievement at level 4 or above in both English and Maths at KS2	8.00%	1.00%	3% (projected based on SIP info - awaiting updated information)		Children & Families	Projected based on SIP info - awaiting updated information
NI 078	NI 78 Reduction in number of schools where fewer than 30% of pupils achieve 5 or more A*-C grades at GCSE and equivalent including GCSEs in English & Maths	0.00%	0.00%	0.00%		Children & Families	
NI 079	NI 79 Achievement of a Level 2 qualification by the age of 19	80.30%	80.30%	80.30%		Children & Families	National rate 78.7%
NI 080	NI 80 Achievement of a Level 3 qualification by the age of 19	58.00%	58.00%	57.60%		Children & Families	National rate is 51.4%
NI 081	NI 81 Inequality gap in the achievement of a Level 3 qualification by the age of 19	32.00%	29.00%	Not Updated		Children & Families	
NI 082	NI 82 Inequality gap in the achievement of a Level 2 qualification by the age of 19	34.00%	29.00%	Not Updated		Children & Families	
NI 084	NI 84 Achievement of 2 or more A*-C grades in Science GCSEs or equivalent	60.40%	61.50%	Not Updated		Children & Families	
NI 085a	NI 85a Post-16 participation in physical sciences (A Level Physics)	144	144	Not Updated		Children & Families	
NI 085b	NI 85b Post-16 participation in physical sciences (A Level Chemistry)	208	208	Not Updated		Children & Families	













Measure Ref	Description	Result 2009/10	Year End Target 2010/11	Year End Result	Year on Year Trend	Service	Operational Comments
NI 085c	NI 85c Post-16 participation in physical sciences (A Level Maths)	394	394	Not Updated		Children & Families	
NI 086	NI 86 Secondary schools judged as having good or outstanding standards of behaviour	96.00%	96.00%	96.00%	↔	Children & Families	
NI 087	NI 87 Secondary school persistent absence rate	4.30%	4.90%	4.20%	↑	Children & Families	Q3 figure is revised year end fig for 2009-10 as per AAT tables
NI 088	NI 88 Percentage of schools providing access to extended services	99.00%	100.00%	99.00%	↔	Children & Families	
NI 089a	NI 89a Reduction of number of schools judged as requiring special measures and improvement in time taken to come out of the category - Primary	1.00%	0.00%	1.00%	↔	Children & Families	
NI 089b	NI 89b Reduction in number of schools judged as requiring special measures and improvement in time taken to come out of the category - Secondary	0.00%	0.00%	0.00%	↔	Children & Families	
NI 090	NI 90 Take up of 14-19 learning diplomas	331 number	331 number	630 number	↑	Children & Families	
NI 091	NI 91 Participation of 17 year-olds in education or training	96.00%	96.00%	88.75% (As at the end of Nov)	↓	Children & Families	As at the end of Nov 2010
NI 092	NI 92 Narrowing the gap between the lowest achieving 20% in the Early Years Foundation Stage Profile and the rest	31.60%	28.20%	28.20%	↑	Children & Families	
NI 093	NI 93 Progression by 2 levels in English between Key Stage 1 and Key Stage 2	89.00%	92.00%	Not Updated		Children & Families	Estimated figure 88.1%
NI 094	NI 94 Progression by 2 levels in Maths between Key Stage 1 and Key Stage 2	87.00%	91.00%	Not Updated		Children & Families	Estimated figure 86.7%
NI 099	NI 99 Children in care reaching level 4 in English at Key Stage 2	71.00%	71.00%	Not Updated		Children & Families	Estimated figure 54%
NI 100	NI 100 Children in care reaching level 4 in Maths at Key Stage 2	86.00%	86.00%	Not Updated		Children & Families	Estimated figure 61%
NI 101	NI 101 Children in care achieving 5 A*-C GCSEs (or equivalent) at Key Stage 4 (including English and Maths)	10.00%	10.00%	Not Updated		Children & Families	Estimated figure 25%
NI 102a	NI 102a Achievement gap between pupils eligible for free school meals and their peers achieving the expected level at Key Stages 2 and 4 (Key Stage 2)	23.60%	20.00%	21.90%	↑	Children & Families	
NI 102b	NI 102b Achievement gap between pupils eligible for free school meals and their peers achieving the expected level at Key Stages 2 and 4 (Key Stage 4)	37.10%	37.00%	35.7% EPAS to confirm figure	↑	Children & Families	Currently awaiting confirmed EPAS analysis for confirmed figure
NI 103a	NI 103a Special Educational Needs - statements issued within 26 weeks (excluding exemption cases)	93.00%	93.00%	93.90%	↑	Children & Families	
NI 103b	NI 103b Special Educational Needs - statements issued within 26 weeks (all statements)	87.00%	87.00%	91.50%	↑	Children & Families	

Measure Ref	Description	Result 2009/10	Year End Target 2010/11	Year End Result	Year on Year Trend	Service	Operational Comments
NI 104	NI 104 The Special Educational Needs (SEN)/non-SEN gap - achieving Key Stage 2 English and Maths threshold	55.50%	55.30%	49.00%		Children & Families	
NI 105	NI 105 The Special Educational Needs (SEN)/non-SEN gap - achieving 5 A*-C GCSE inc. English and Maths	52.10%	51.50%	48.50%		Children & Families	
NI 107a	NI 107a Key Stage 2 attainment for Black and minority ethnic groups (Gypsy, Roma and Travellers of Irish heritage)	33.00%	33.00%	33.00%		Children & Families	
NI 107b	NI 107b Key Stage 2 attainment for Black and minority ethnic groups (Any other white background)	64.00%	64.00%	64.00%		Children & Families	
NI 108a	NI 108a Key Stage 4 attainment for Black and minority ethnic groups (Gypsy, Roma and Traveller of Irish heritage)	33.00%	33.00%	33.00%		Children & Families	
NI 108b	NI 108b Key Stage 4 attainment for Black and minority ethnic groups (Any other White background)	52.00%	52.00%	52.00%		Children & Families	
NI 109	NI 109 Number of Sure Start Children Centres	100.00%	100.00%	100.00%		Children & Families	
NI 111	NI 111 First time entrants to the Youth Justice System aged 10 to 17	518 number	487 number	204 number (Provisional reduction of 42% against a reduction target of 6%)		Children & Families	Provisional reduction of 42% against a reduction target of 6%
NI 112	NI 112 Under 18 conception rate	-9.1% (Data relates to 2008)	-50.00%	29.40%		Children & Families	This is an improvement as the figure indicates that less individuals under 18 are conceiving
NI 113a	NI 113a Percentage of 15-24 year olds accepting a test for Chlamydia	24.60%	35.00%	Not Updated		Children & Families	
NI 113b	NI 113b Chlamydia in under 25 year olds (positive diagnosis)	5.90%	5.90%	Not Updated		Children & Families	
NI 114	NI 114 Rate of permanent exclusions from school	0.04%	0.03%	Not Updated		Children & Families	
NI 115	NI 115 Substance misuse by young people	9.00%	9.00%	Not Updated		Children & Families	
NI 117	NI 117 16 to 18 year olds who are not in education, training or employment (NEET)	5.60%	4.10%	5.8% As at the end of Feb 2011		Children & Families	As at the end of Feb 2011
NI 147	NI 147 Care leavers in suitable accommodation	95.00%	95.00%	100.00%		Children & Families	Final SSDA903 figure
NI 148	NI 148 Care leavers in employment, education or training	62.00%	62.00%	48.00%		Children & Families	Final SSDA 903 figure - relates to 23 individuals
NI 163	NI 163 Working age population qualified to at least Level 2 or higher PSA 2	73.90%	83.20%	Not Updated		Children & Families	DWP/JCP considering how any, all contracted and non contracted training provision can support the LAA target. Including supporting the objectives of the BIS Skills for Sustainable Growth Strategy
NI 164	NI 164 Working age population qualified to at least Level 3 or higher PSA 2	73.00%	61.00%	Not Updated		Children & Families	DWP/JCP considering how any, all contracted and non contracted training provision can support the LAA target. Including supporting the objectives of the BIS Skills for Sustainable Growth Strategy

Measure Ref	Description	Result 2009/10	Year End Target 2010/11	Year End Result	Year on Year Trend	Service	Operational Comments
NI 165	NI 165 Working age population qualified to at least Level 4 or higher PSA 2	36.60%	36.60%	Not Updated		Children & Families	
NI 191	NI 191 Residual household waste per head	586 kgs	591 kgs	566 kgs Final official figure published by DEFRA Nov 2011		Environmental Services	Figure based on submitted Q4 data. Defra have still to update No. of households so this figure will change slightly. Final official figure published by DEFRA Nov 2011.
NI 192	NI 192 Household waste recycled and composted	49.41%	45.00%	49% Final official figure published by DEFRA Nov 2011		Environmental Services	Figure based on submitted Q4 data. Final official figure published by DEFRA Nov 2011.
NI 193	NI 193 Municipal waste land filled	47.62%	47.62%	47.8% Final official figure published by DEFRA Nov 2011		Environmental Services	Figure based on submitted Q4 data. Final official figure published by DEFRA Nov 2011.
NI 195a	NI 195a The percentage of relevant land and highways that is assessed as having deposits of litter that fall below an acceptable level	6.00%	6.00%	4.00%		Environmental Services	Cleansing performance continues to remain strong
NI 195b	NI 195b The percentage of relevant land and highways that is assessed as having deposits of detritus that fall below an acceptable level	12.00%	11.00%	10%		Environmental Services	Detritus remains a challenge on rural roads and where there are no kerbs to sweep against Performance is on target for the time of year
NI 195c	NI 195c The percentage of relevant land and highways from which unacceptable levels of graffiti are visible	2.00%	1.00%	3.00%		Environmental Services	There has been an increase in graffiti on public utility sites. Through the defacement charter we are working with these companies and with assistance from Community Payback to encourage a timelier clean up
NI 195d	NI 195d The percentage of relevant land and highways from which unacceptable levels of fly posting are visible	1.00%	1.00%	1%		Environmental Services	The removal of fly posting remains on target
NI 196	NI 196 Improved street and environmental cleanliness - fly tipping	3 (Grade)	2 (Grade)	3 (Grade)		Environmental Services	Performance remains as 'Effective - Grade 2' due to a continued reduction of the number of reports of fly tipping but a reduced number of enforcement actions. Streetscape follows the process of dealing with fly tips by writing to individuals when evidence is found amongst waste and to problem areas with continual complaints mostly relating to waste collection
NI 006	NI 6 Participation in regular volunteering	23.90%	23.90%	25.00%		Health & Wellbeing	
NI 008	NI 8 Adult participation in sport	25.50%	27.97%	26.5% (APS4 results published in December 2010)		Health & Wellbeing	No change from Q3 - APS4 results published in December 2010.
NI 009	NI 9 Use of public libraries	53.10%	54.10%	48% (APS4 results published in December 2010)		Health & Wellbeing	As Q3 - APS4 result published December 2010.
NI 010	NI 10 Visits to museums or galleries	52.80%	53.80%	52.6% APS4 result published December 2010		Health & Wellbeing	As Q3 - APS4 result published December 2010.
NI 011	NI 11 Engagement in the arts	47.80%	48.80%	47.7% APS4 result published December 2010		Health & Wellbeing	As Q3 - APS4 result published December 2010.
NI 119	NI 119 Self-reported measure of peoples overall health and wellbeing	79.20%	80.00%	79.00%		Health & Wellbeing	
NI 123	NI 123 16+ current smoking rate prevalence	Not Recorded	Not Set	Not Updated		Health & Wellbeing	
NI 132	NI 132 Timeliness of social care assessment	73.30%	88.00%	80.00%		Health & Wellbeing	- Historic recording issues affected the performance this has now been resolved for 2011/12 - Ongoing backlog of referrals on some teams also affected performance
NI 133	NI 133 Timeliness of social care packages	94.60%	93.00%	90.40%		Health & Wellbeing	



Measure Ref	Description	Result 2009/10	Year End Target 2010/11	Year End Result	Year on Year Trend	Service	Operational Comments
NI 136	NI 136 People supported to live independently through social services (all ages)	3,333.64 rate per 100,000 population	3,333.64 rate per 100,000 population	Not Updated		Health & Wellbeing	
BV011a	Top 5% earners: women	53.42%	50.00%	55.96%		HR & OD	Top 5% = 6095/100*5 = 305 staff. Grade 12 and above = 277, representing 4.5% of workforce. Top 4.5% Female: 155 Top 4.5% Male: 122
BV011b	Top 5% earner: minority ethnic communities	0.88%	1.60%	1.17%		HR & OD	BV 11b is based on the number of staff within the top 5% (305 staff) who have declared the ethnic origin. 3 ethnic minorities declared out of 257 staff who have declared their ethnic origin.
BV011c	Top 5% earners: with a disability	0.57%	1.60%	1.08%		HR & OD	BV 11c is based on the number of staff within the top 5% (305 staff) who have declared a disability. 3 declared out of 277 staff.
BV012	Working days lost due to sickness absence	7.05 days	9.00 days	8.19 days		HR & OD	
NI 154	NI 154 Net additional homes provided	634 number	650 number	466 number		Planning & Housing	The year 2010/11 saw 605 dwellings completed, with 139 dwellings lost through demolition, change of use or conversion, providing 466 net additional homes. There have also been additional 60 extra care apartments built.
NI 155	NI 155 Number of affordable homes delivered (gross)	444 number	379 number	290 number		Planning & Housing	We saw a reduction in the level of completions within 2010/11 due to slippage in the programme. These units will be completed in 2011/12.
NI 156	NI 156 Number of households living in Temporary Accommodation	9 number	12 number	14 number		Planning & Housing	The focus for the homelessness team still remains on homelessness prevention and in the last quarter of the year 201 cases were prevented from becoming homeless. The reason for the increase in the length of stay in temporary accommodation is due to the following: • As an authority we have a duty to accommodate rough sleepers when temperatures drop below zero for three consecutive nights, irrespective of whether they are in priority need or not. Due to the cold winter months we saw an increase in the levels accommodated in temporary accommodation and the length of stay. • We have had to carry out some particularly complicated complex homeless assessments which have resulted in households remaining in temporary accommodation for longer than normal. We are continuing to see an increase in the number of homelessness presentations and we don't envisage the situation changing for the foreseeable future.
NI 157a	NI 157a Processing of planning applications as measured against targets for major application types	57.58%	62.00%	60.71%		Planning & Housing	Performance for NI157a has improved over the last year (09/10)
NI 157b	NI 157b Processing of planning applications as measured against targets for minor application types	78.71%	81.00%	68.80%		Planning & Housing	There has been a decrease in performance for NI 157b-d compared to 2009/10 outturn. This is partly due to computer system upgrades, restructuring following LGR and physical staff moves which created backlogs in work and resulting difficulties in meeting timescales for applications.
NI 157c	NI 157c Processing of planning applications as measured against targets for other application types	85.91%	87.00%	80.88%		Planning & Housing	There has been a decrease in performance for NI 157b-d compared to 2009/10 outturn. This is partly due to computer system upgrades, restructuring following LGR and physical staff moves which created backlogs in work and resulting difficulties in meeting timescales for applications.
NI 157d	NI 157d Processing of planning applications as measured against targets for County Matters application types	42.86%	70.00%	18.18%		Planning & Housing	There has been a decrease in performance for NI 157b-d compared to 2009/10 outturn. This is partly due to computer system upgrades, restructuring following LGR and physical staff moves which created backlogs in work and resulting difficulties in meeting timescales for applications.
NI 159	NI 159 Supply of ready to develop housing sites	103.00%	105.00%	89.50%		Planning & Housing	The Strategic Housing Land Availability Assessment identified 5,147 deliverable dwellings that were expected to come forward within the 1-5 year period, this equates to 4.48 years supply (as reported in the AMR Dec 2010). For the purposes of NI 159 that will be (5,147/5,750)*100= 89.5% The Interim Release of Housing Land Policy has been brought in to address this shortfall in deliverable sites for dwellings. (Data based on previous year as they are reported a year behind)
NI 170	NI 170 Previously developed land that has been vacant or derelict for more than 5 years	0.40%	0.38%	0.50%		Planning & Housing	This has slightly increased from the previous year, however, this is likely to be due to the decrease in development activity nationally and the need to reconsider the viability of any previously proposed schemes due to the changes in the housing market. (Data based on previous year as they are reported a year behind)
NI 197	NI 197 Improved local biodiversity - active management of local sites	29.00%	30.00%	Not Updated		Planning & Housing	

Measure Ref	Description	Result 2009/10	Year End Target 2010/11	Year End Result	Year on Year Trend	Service	Operational Comments
NI 004	NI 4 % of people who feel they can influence decisions in their locality	24.40%	30.00%	34% (QOL survey)		Policy & Performance	2010 QOL Survey
NI 005	NI 5 Overall/general satisfaction with local area	84.60%	84.60%	83% (QOL survey)		Policy & Performance	2011 QOL Survey
NI 047	NI 47 People killed or seriously injured in road traffic accidents	-2.10%	1.20%	-0.8% Data still subject to further validation		Regeneration	Data still subject to further validation. Data calculated as per definition as a three year rolling average. Result calculated by Cheshire East, still awaiting confirmation from Cheshire Police and Fire Service that they are happy with the way results have been calculated.
NI 048	NI 48 Children killed or seriously injured in road traffic accidents	-11.30%	-15.20%	-12.70 Data still subject to further validation		Regeneration	Data still subject to further validation. Data calculated as per definition as a three year rolling average. Result calculated by Cheshire East, still awaiting confirmation from Cheshire Police and Fire Service that they are happy with the way results have been calculated.
NI 151	NI 151 Overall employment rate	73.10%	78.10%	73.20%		Regeneration	
NI 152	NI 152 Working age people on out of work benefits	9.40%	9.10%	9.50%		Regeneration	
NI 153	NI 153 Working age people claiming out of work benefits in the worst performing neighbourhoods	27.10%	25.30%	27.20%		Regeneration	
NI 166	NI 166 Average earnings of employees in the area	£456 week	£483 week	Data not available until December 2011		Regeneration	Data not available until December 2011
NI 167	NI 167 Congestion - average journey time per mile during the morning peak (on major inbound routes in large urban centres)	2.01	2.04	Not Updated		Regeneration	Data to be provided w/c 11/07/11
NI 168	NI 168 Principal roads where maintenance should be considered	5.00%	3.00%	5% Provisional figure		Regeneration	
NI 169	NI 169 Non-principal roads where maintenance should be considered	9.00%	6.00%	11% Provisional figure		Regeneration	
NI 171	NI 171 VAT registration rate	134.5 rate per 10,000	135.20 rate per 10,000	132.20 rate per 10,000		Regeneration	Ongoing communications between relevant colleagues with Cheshire East Local Authority and DWP/JCP to ensure as the new enterprise allowance (part of the Get Britain Working welfare reform programme) is introduced from January 2011. This enables a joined up offer of support for residents of Cheshire East planning to start businesses.
NI 173	NI 173 People falling out of work and on to incapacity benefits	1.40%	0.70%	1.90%		Regeneration	Data relates to Employment & Support Allowance period Sept-09 to Aug-10
NI 176	NI 176 Working age people with access to employment by public transport (and other specified modes)	79.90%	79.90%	Not Updated		Regeneration	Data to be provided w/c 11/07/11
NI 177	NI 177 Local bus passenger journeys originating in the authority area	7,963,000	9,000,000	Not Updated		Regeneration	Data to be provided w/c 11/07/11
NI 178a	NI 178 Bus services running on time	86.00%	86.00%	Not Updated		Regeneration	Data to be provided w/c 11/07/11
NI 185	NI 185 CO2 reduction from Local Authority operations	-1.00%	-1.00%	Lagged data		Regeneration	Data not available until late August 2011
NI 188	NI 188 Adapting to climate change	0 (Grade)	1 (Grade)	0 (Grade)		Regeneration	

Measure Ref	Description	Result 2009/10	Year End Target 2010/11	Year End Result	Year on Year Trend	Service	Operational Comments
NI 198a	NI 198a Children travelling to school (cars aged 5-10)	44.60%	44.50%	44.60%	↔	Regeneration	
NI 198b	NI 198b Children travelling to school (cars aged 11-16)	21.00%	20.90%	20.40%	↑	Regeneration	
LAA 036	LAA 036 - Reported incidents of Anti Social Behaviour "rowdy, loutish or drunken behaviour"	10,589 number	10,520 number	6,519 number	↑	Safer & Stronger Communities	Data provided by Cheshire Police
LAA 039	LAA 039 - Anti-social behaviour: criminal damage	4,216 number	5,025 number	3,723 number	↑	Safer & Stronger Communities	Data provided by Cheshire Police
NI 015	NI 15 Serious violent crime rate	0.34 per 1,000 population	0.30 per 1,000 population	0.26 per 1,000 population	↑	Safer & Stronger Communities	Data provided by Cheshire Police
NI 016	NI 16 Serious acquisitive crime rate	8.90 per 1,000 population	10.00 per 1,000 population	8.03 per 1,000 population	↑	Safer & Stronger Communities	Data provided by Cheshire Police
NI 017	NI 17 Perceptions of anti-social behaviour	16.30%	16.30%	10% QOL Survey	↑	Safer & Stronger Communities	
NI 018	NI 18 Adult re-offending rates for those under probation supervision	-6.58%	7.70%	Lagged data		Safer & Stronger Communities	Data lagged, available late Aug 2011
NI 020	NI 20 Assault with injury crime rate	5.08 per 1,000 population	4.90 per 1,000 population	4.87 per 1,000 population	↑	Safer & Stronger Communities	Data provided by Cheshire Police
NI 028	NI 28 Serious knife crime rate	0.21 per 1,000 population	0.20 per 1,000 population	0.15 per 1,000 population	↑	Safer & Stronger Communities	(53 incidents of serious knife crime) Data provided by Cheshire Police
NI 029	NI 29 Gun crime rate	0.06 per 1,000 population	0.06 per 1,000 population	0.05 per 1,000 population	↑	Safer & Stronger Communities	(18 incidents of gun crime) Data provided by Cheshire Police
NI 030	NI 30 Re-offending rate of prolific and priority offenders	2.66 re-offences	2.65 re-offences	Lagged data		Safer & Stronger Communities	Lagged data
NI 032	NI 32 Repeat incidents of domestic violence	26.00%	24.00%	26% (Data relates to MARAC, Multi Agency Risk Assessment)	↔	Safer & Stronger Communities	(Data relates to MARAC, Multi-Agency Risk Assessment) Target was missed by 2% which was expected. This reflects better reporting of repeat incidents rather than actual increased repeats. Next step is to analyse the factors pertaining to repeats to identify where efforts should be concentrated.
NI 033a	NI 33a Arson incidents; Number Of Primary Fires Per 10K Population	4.63 per 10,000 population	4.23 per 10,000 population	3.68 per 10,000 population	↑	Safer & Stronger Communities	Fire & Rescue Service - Data subject to further validation
NI 033b	NI 33b Arson incidents; Number Of Secondary Fires Per 10K Population	11.14 per 10,000 population	9.09 per 10,000 population	9.07 per 10,000 population	↑	Safer & Stronger Communities	Fire & Rescue Service - Data subject to further validation
NI 034	NI 34 Domestic violence - murder	0 number	0 number	1 number	↓	Safer & Stronger Communities	Data provided by Cheshire Police
NI 035	NI 35 Building resilience to violent extremism	3 (Grade)	3 (Grade)	Not Updated		Safer & Stronger Communities	

Measure Ref	Description	Result 2009/10	Year End Target 2010/11	Year End Result	Year on Year Trend	Service	Operational Comments
NI 037	NI 37 Awareness of civil protection arrangements in the local area CO DS0	11.00%	17.00%	11.00%	↔	Safer & Stronger Communities	
NI 041	NI 41 Perceptions of drunk or rowdy behaviour as a problem	29.50%	29.50%	26% QOL Survey	↑	Safer & Stronger Communities	2010 QOL Survey
NI 042	NI 42 Perceptions of drug use or drug dealing as a problem	26.00%	26.00%	21% QOL Survey	↑	Safer & Stronger Communities	2011 QOL Survey
NI 049a	NI 49 Number of primary fires per 100K Population	146.8 per 100,000 population	139.8 per 100,000 population	125.5 per 100,000 population Data still subject to further validation	↑	Safer & Stronger Communities	Data subject to further validation
NI 049b	NI 49b Number of fatalities due to primary fires, per 100K Population	0.0 per 100,000 population	0.0 per 100,000 population	0.1 per 100,000 population Data still subject to further validation	↓	Safer & Stronger Communities	Data subject to further validation
NI 049c	NI 49c Number of non-fatal casualties per 100K Population	4.4 per 100,000 population	3.2 per 100,000 population	4.4 per 100,000 population Data still subject to further validation	↔	Safer & Stronger Communities	Data subject to further validation
NI 143	NI 143 Offenders under probation supervision living in settled and suitable accommodation at the end of their order or licence	88%	80%	90.00%	↑	Safer & Stronger Communities	346 out of 384 offenders in settled and suitable accommodation. Cheshire East Probation staff in conjunction with partner agencies have achieved very positive results well above target in getting offenders into accommodation and employment by the end of their supervision period. Meeting the needs of those under Probation supervision for settled housing and employment is critically important in reducing re-offending.
NI 144	NI 144 Offenders under probation supervision in employment at the end of their order or licence	44%	35%	56.00%	↑	Safer & Stronger Communities	191 out of 340 offenders in employment at end of order/licence. Cheshire East Probation staff in conjunction with partner agencies have achieved very positive results well above target in getting offenders into accommodation and employment by the end of their supervision period. Meeting the needs of those under Probation supervision for settled housing and employment is critically important in reducing re-offending.
NI 182	NI 182 Satisfaction of businesses with local authority regulation services	87.00%	88.00%	85.00%	↓	Safer & Stronger Communities	It is important to note that this indicator is not calculated in a straightforward manner, the data reported is a weighted result. During 2010-2011 Cheshire East achieved 177 returns against a target of 195. However in comparison during 2009-2010 we had over 300 returns thus giving us more data which coupled with the weighting gave us a better final outcome. What is important to note is that our customers are very satisfied with the service provided and it is estimated that around 99% of our customer would automatically approach us if they needed help and advice.
NI 183	NI 183 Impact of local authority regulatory services on the fair trading environment	0.86%	0.80%	Not Updated		Safer & Stronger Communities	
NI 190	NI 190 Achievement in meeting standards for the control system for animal health	0.33%	1.70%	Not Updated		Safer & Stronger Communities	

The following indicators are still to be updated by partner organisations with 2010/11 outturn data		
NI 055	NI 55 Obesity among primary school age children in Reception Year	Responsibility of PCT
NI 056	NI 56 Obesity among primary school age children in Year 6	Responsibility of PCT
NI 039	NI 39 Alcohol-harm related hospital admission rates	Responsibility of DAAT
NI 040	NI 40 Drug users in effective treatment	Responsibility of DAAT
NI 053	NI 53 Prevalence of breastfeeding at 6 - 8 weeks from birth. Breast feeding prevalence & coverage	Responsibility of PCT
NI 120a	NI 120a All-age all cause mortality rate (females)	Responsibility of PCT
NI 120b	NI 120b All-age all cause mortality rate (males)	Responsibility of PCT
NI 121	NI 121 Mortality rate from all circulatory diseases at ages under 75	Responsibility of PCT

Measure Ref	Description	Result 2009/10	Year End Target 2010/11	Year End Result	Year on Year Trend	Service	Operational Comments
NI 122	NI 122 Mortality from all cancers at ages under 75		Responsibility of PCT				
NI 126	NI 126 Early access for women to maternity services		Responsibility of PCT				
NI 134	NI 134 The number of emergency bed days per head of weighted population		Responsibility of PCT				

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## CHESHIRE EAST COUNCIL

### CABINET

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**Date of Meeting:** 1 August 2011  
**Report of:** Borough Treasurer and Head of Assets  
**Subject/Title:** Treasury Management Annual Report 2010-11  
**Portfolio Holder:** Cllr Wesley Fitzgerald

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#### **1.0 Report Summary**

- 1.1 The Treasury Management Policy requires an annual report on the performance of the Council's treasury management operation. This report contains details of the activities in 2010-11 for Cheshire East Borough Council.

#### **2.0 Decision Requested**

- 2.1 To receive the Treasury Management Annual Report for 2010-11 as detailed in Appendix A.

#### **3.0 Reasons for Recommendations**

- 3.1 To meet the requirements of the CIPFA Code of Practice for Treasury Management in the Public Services and the Prudential Code for Capital Finance in Local Authorities.

#### **4.0 Wards Affected**

- 4.1 Not applicable

#### **5.0 Local Ward Members**

- 5.1 Not applicable

#### **6.0 Policy Implications including – Carbon Reduction - Health**

- 6.1 None

#### **7.0 Financial Implications (Authorised by the Borough Treasurer)**

- 7.1 Contained within the report.

## **8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 There are no specific legal implications related to the issues raised in this report.

## **9.0 Risk Management**

- 9.1 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management function will be measured.

## **10.0 Background and Options**

- 10.1 This annual treasury report, detailed in Appendix A covers:

- the Councils treasury year end position;
- forecast prospects for interest rates for 2010/2011;
- interest rate outturn for 2010/2011;
- compliance with treasury limits;
- investment strategy for 2010/2011;
- borrowing strategy for 2010/2011;
- economic events of 2010/2011;
- Prudential indicators 2010/2011.

## **11.0 Access to Information**

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

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## Appendix A

**Treasury Management Annual Report 2010/11****Introduction and Background**

The CIPFA definition of Treasury Management is *“the management of the Council’s investments and cash flows, its banking and its capital market transactions; the effective control of the risks associated with those activities and the pursuit of optimum performance consistent with those risks”*.

The Treasury Management Code requires public sector authorities to determine an annual Treasury Management Strategy and now, as a minimum, formally report on their treasury activities and arrangements to full Council mid-year and after the year-end. These reports enable those tasked with implementing policies and undertaking transactions to demonstrate they have properly fulfilled their responsibilities, and enable those with ultimate responsibility/governance of the treasury management function to scrutinise and assess its effectiveness and compliance with policies and objectives.

This report:

- a) is prepared in accordance with the revised CIPFA Treasury Management Code and the revised Prudential Code;
- b) presents details of capital financing, borrowing, debt rescheduling and investment transactions;
- c) reports on the risk implications of treasury decisions and transactions;
- d) gives details of the outturn position on treasury management transactions in 2010/11;
- e) confirms compliance with treasury limits and Prudential Indicators.

In November 2009 CIPFA released the revised Code of Practice for Treasury Management in the Public Services and accompanying Guidance Notes and the revised Prudential Code for Capital Finance in Local Authorities. The CLG also issued revised Guidance on Local Authority Investments for English authorities. The revised Codes/Guidance re-emphasise an appropriate approach to risk management, particularly in relation to the security and liquidity of invested funds. Authorities were also henceforth required to demonstrate value for money when borrowing in advance of need and ensure the security of such funds. Authorities are now also required to have a separate body or committee responsible for the scrutiny of the treasury function.

The Council has revised its treasury policy and practices documentation to take account of the requirements and changes in the revised Codes and Guidance.

## 1. Treasury Year End Position

The amount of investments outstanding at 31<sup>st</sup> March 2011 was £66.3m as follows:

	£m
<b>BANKS</b>	
Barclays Bank	15.0
Lloyds TSB	8.0
Santander (UK)	5.0
<b>BUILDING SOCIETIES</b>	
Nationwide	10.0
<b>MONEY MARKET FUNDS</b>	
Standard Life	4.8
Scottish Widows	6.3
Prime Rate	8.0
<b>INSTANT ACCESS ACCOUNTS</b>	
Co-op Reserve	1.8
Santander (UK)	7.4
<b>TOTAL</b>	<b>66.3</b>

The amount of investments outstanding at 31<sup>st</sup> March 2010 was £96.0m as follows:

	Cheshire East	Cheshire County Council	Total
	£m	£m	£m
<b>BANKS</b>			
Bank of Scotland		7.5	7.5
Barclays Bank	10.9		10.9
Co-operative Bank	4.2	0.7	4.9
Lloyds TSB	15.0		15.0
Royal Bank of Scotland	10.0		10.0
Santander (UK)	16.3	2.7	19.0
Yorkshire Bank (Clydesdale)	10.0		10.0
<b>BUILDING SOCIETIES</b>			
Nationwide Building Society	5.0		5.0
<b>MONEY MARKET FUNDS</b>			
Blackrock		0.2	0.2
Invesco AIM	2.2	5.1	7.3
RBS	1.5	2.0	3.5
Scottish Widows	1.2		1.2
Standard Life	1.5		1.5
<b>TOTAL</b>	<b>77.8</b>	<b>18.2</b>	<b>96.0</b>

The balance of cash held by Cheshire County Council on behalf of Cheshire East was transferred on 23<sup>rd</sup> July 2010 following the final settlement of the disaggregation of the Cheshire County Council balance sheet. During 2009-10 Cheshire County Council cash was retained on behalf of Cheshire East and Cheshire West & Chester Councils in instant access accounts and money market funds.

Despite interest rates remaining at a record low of 0.5% during 2010/11, the total investment income was £1.16m which exceeded the budgeted target of £1.12m. This was achieved as the overall average rate of interest on all investments in 2010/11 was 1.14% compared to the benchmark 7 day LIBID return of 0.43%. Additional investment income of £109,000 relating to deposits made by the former Cheshire County Council with the Icelandic Heritable Bank was also received in 2010/11.

We will continue to monitor performance during 2011/12 through the benchmarking service provided by the Council's Treasury Management Advisors, Arlingclose. The current position for Cheshire East indicates that performance is average compared to other local authorities taking into account return against credit risk.

At the end of the year 2010/11 the Council had £134m long term loans outstanding. Of this £17m represented loans raised from commercial banks whilst £117m represented loans from the PWLB. In July 2010 the opportunity was taken to restructure £50m of the PWLB debt by replacing a number of maturity loans which had an average rate of 4.22% and 32 years left to run with a new loan repayable in equal instalments over 10 years at a rate of 2.35%. Net savings over the next ten years are forecast at £4.47m of which around £600,000 was achieved in 2010/2011. The final total level of savings will depend on how the maturing amounts of the new loan are refinanced and will depend on the type and maturity period of any replacement loans.

The interest payable in 2010/11 was £5.7m compared to a budget of £7.8m. In addition to the savings achieved through the debt restructuring, no new loans were taken out during the year as the Council was able to internally borrow to fund the capital programme.

## **2. Icelandic Bank Deposits**

On the date Heritable Bank (Heritable) was placed into administration Cheshire County Council had £8.5 million deposited with the bank of which £4.6m is the Cheshire East share. These deposits were immediately frozen. This meant that such monies would not be returned to the Council until such time as the work of the administrator (i.e., to ascertain the assets and liabilities of Heritable and to make dividend payments to the bank's creditors (of which the Council is one) has been completed.

Repayment of monies due from Heritable Bank has been continuing and in April 2010 the administrators announced that we are likely to receive around 85% of the original claim.

From the total claim of £4.62m we have now received £2.32m (just over 50%).

Further repayments are forecast as follows:

2011/2012	-	£1.15m (25% of the original claim)
2012/2013	-	£0.46m (10% of the original claim)

### 3. Interest Rates and Prospects for 2010/11

The Councils' treasury advisors, as part of their service assisted in formulating a view on interest rates. However, there has been no change to the bank base rate since March 2010.

	Q1 2010	Q2 2010	Q3 2010	Q4 2010	Q1 2011
<b>Base Rate</b>	<b>0.50%</b>	<b>0.50%</b>	<b>0.50%</b>	<b>0.50%</b>	<b>0.50%</b>

### 4. Compliance with Treasury Limits

During the financial year the Councils' operated within the treasury limits and Prudential Indicators set out in the Councils' Treasury Policy Statement and annual Treasury Strategy Statement (see section 8).

### 5. Investment Strategy for 2010/11

The Council had regard to the DCLG Guidance on Local Government Investments ("the Guidance") issued in March 2004 (revised in 2010) and the revised CIPFA Treasury Management Code and the revised Prudential Code ("the CIPFA TM Code").

Investment instruments identified for use in the financial year are listed under the 'Specified' and 'Non-Specified' Investments categories. Counterparty limits were set through the Councils' Treasury Management Strategy Statement and Investment Strategy.

#### Investment Objectives

All investments were in sterling. The general policy objective the Councils' was the prudent investment of its treasury balances. The Councils' investment priorities are the security of capital and liquidity of its investments.

The Councils' aimed to achieve the optimum return on its investments commensurate with the proper levels of security and liquidity. The DCLG maintains that the borrowing of monies purely to invest or on-lend and make a return is unlawful and this Council will not engage in such activity.

## **Security of Capital - The Use of Credit Ratings**

There are three principal credit rating agencies and in accordance with the CIPFA Code the Council makes use of all these to establish the credit quality of counterparties and investment schemes. The Council had also determined the minimum long-term, short-term and other credit ratings it deems to be “high” for each category of investment and has regard to institutions which have access to the 2008 Credit Guarantee Scheme.

Monitoring of credit ratings:

- All credit ratings were monitored continuously. The Council is alerted to changes through advice from Treasury Advisors.
- If a counterparty's or investment scheme's rating is downgraded with the result that it no longer meets the Councils' minimum criteria, the further use of that counterparty/investment scheme as a new investment was withdrawn immediately.
- If a counterparty is upgraded, so that it fulfils the Councils' criteria, it was not added immediately to the approved list as the list is approved by named institution.

## **Use of External Fund Managers**

At the start of the year the external cash fund managers Investec managed around £13.4 million on behalf of Cheshire East Borough Council. These funds were recalled as they matured during September, January and March. as these particular investments were no longer generating high returns. The average interest rate gained on the externally managed cash fund during 2010/11 was 1.05%. In May 2011 we have placed £20m with Investec in pooled funds, which are geared to generate higher returns in a low interest rate environment.

## **6. Borrowing strategy**

There have been no new external loans taken out in 2010/2011. This has been due to delays in capital expenditure, the current availability of cash resources and the interest rate environment. This strategy has resulted in a saving of interest charges in 2010/11, but the longer term approach will be to take advantage of short and long term borrowing opportunities with advice from Arlingclose.

## **7. Economic events of 2010/2011**

At the time of determining the strategy for 2010/11, interest rates were expected to remain low in response to the fragile state of the UK economy. Spending cuts and tax increases seemed inevitable post the General Election if the government had a clear majority. The markets had, at the time, viewed a hung parliament as potentially disruptive particularly if combined with a failure to articulate a credible plan to bring down government borrowing. The outlook

for growth was uncertain due to consumers and corporates trimming their spending and financial institutions exercising restraint in new lending.

The economy's two headline indicators moved in opposite directions – growth was lacklustre whilst inflation spiked sharply higher. The economy grew by just 1.3% in calendar year 2010; the forecast for 2011 was revised down to 1.7% by the Office of Budget Responsibility in March. Higher commodity, energy and food prices and the increase in VAT to 20% pushed the February 2011 annual inflation figure to 4.4%. The Bank Rate was held at 0.5% as the economy grappled with uneven growth and the austerity measures set out in the coalition government's Comprehensive Spending Review. Significant cuts were made to public expenditure, in particular local government funding.

The US Federal Reserve (the Fed) kept rates on hold at 0.25% following a slowdown in American growth. The European Central Bank maintained rates at 1%, with the markets expecting a rate rise in early Spring.

The credit crisis migrated from banks to European sovereigns. The ratings of Ireland and Portugal were downgraded to the 'triple-B' category whilst the rating of Greece was downgraded to sub-investment (or 'junk') grade. The sovereign rating of Spain was also downgraded but remained in the 'double-A' category. The results from the EU Bank Stress Tests, co-ordinated by the Committee of European Banking Supervisors, highlighted that only 7 out of the 91 institutions failed the 'adverse scenario' tests. The tests were a helpful step forward, but there were doubts if they were far-reaching or demanding enough. The main UK banks' (Barclays, HSBC, Lloyds and RBS) Tier 1 ratios all remained above 9% under both the 'benchmark scenario' and the 'adverse scenario' stress tests. The tests will be repeated in the Spring of 2011.

Gilts benefitted from the decisive Comprehensive Spending Review (CSR) plans as well as from their relative 'safe haven' status in the face of European sovereign weakness. 5-year and 10-year gilt yields fell to lows of 1.44% and 2.83% respectively. However yields rose in the final quarter across all gilt maturities on concern that higher inflation would become embedded and greatly diminish the real rate of return for fixed income investors.

During the year money market rates increased marginally at the shorter end (overnight to 3 months). 6 - 12 month rates increased between 0.25% to 0.30% over the 12 month period reflecting the expectation that the Bank Rate would be raised later in 2011

## 8. Prudential Indicators 2010/11

### Authorised Limit for External Debt

The estimates and actuals for the authorised limits for 2010/11 are

	PI Limit	Actual
	£000	£000
Borrowing	218,000	142,143
Other long term liabilities	0	0

Operational Boundary for External Debt

The estimates and actuals for the operational boundary (lower than authorised limit due to cash flow variations) for 2010/11 are

	PI Limit	Actual
	£000	£000
Borrowing	210,000	134,403
Other long term liabilities	0	0

Upper Limits for Fixed and Variable Rate Interest Exposure

	PI Limit	Actual (peak)
	%	%
Upper limit for Fixed Interest Rate Exposure:	100	
Debt		100
Investments		89
Upper Limit for Variable Interest Rate Exposure	100	
Debt		0
Investments		61

Maturity Structure of Fixed Rate Debt

	PI Limit	Actual
	%	%
Upper limit on borrowing maturing in:		
Under 12 months	25	9
Over 12 months but less than 24 months	25	4
Over 24 months but less than 5 years	35	17
Over 5 years but less than 10 years	50	17
Over 10 years but less than 20 years	100	9
Over 20 years but less than 30 years	100	31
Over 30 years but less than 40 years	100	29
Over 40 years but less than 50 years	100	28
Over 50 years	100	0

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## CHESHIRE EAST COUNCIL

### CABINET

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<b>Date of Meeting:</b>	1 August 2011
<b>Report of:</b>	Borough Treasurer & Head of Assets Head of Policy and Performance
<b>Subject/Title:</b>	Business Planning Process 2012/2015
<b>Portfolio Holders:</b>	Councillor Wesley Fitzgerald, Cabinet Member for Resources Councillor David Brown, Cabinet Member for Performance and Capacity

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#### 1.0 Report Summary

- 1.1 This report seeks approval of the Council's Business Planning Process for 2012/2013 onwards.
- 1.2 The Council has reviewed and revised the current process to integrate financial and corporate planning. This will enable a clear link to be made between what the Council wants to achieve and the allocation of limited resources.
- 1.3 The outcome of the process will be the production of a Business Plan in February 2012 to set the Council's ambitions, Budget and Council Tax.
- 1.4 A comprehensive process is required to achieve that outcome and this report sets the framework for Members and officers to follow.

#### 2.0 Decision Requested

- 2.1 To agree the Business Planning Process to develop a Business Plan for 2012/2015.

#### 3.0 Reasons for Recommendations

- 3.1 The Council requires an agreed process to set a budget for 2012/2013. However, the Council needs to consider the approach to delivering the Sustainable Community Strategy and link that with resource allocation in a managed way.

#### 4.0 Wards Affected

- 4.1 Not applicable.

#### 5.0 Local Ward Members

- 5.1 Not applicable.

**6.0 Policy Implications including - Climate change  
- Health**

- 6.1 The report outlines the need to generate policy proposals which will impact on service delivery. During 2012/2013 the responsibilities and funding for Public Health will be transferred to the Council and impact on the Council's structure and policies.

**7.0 Financial Implications (Authorised by the Borough Treasurer)**

- 7.1 The report includes details of policy proposals which will affect service budgets from 2012/2013 onwards.

**8.0 Legal Implications (Authorised by the Borough Solicitor)**

- 8.1 The Council should have robust processes so that it can meet statutory requirements and fulfill its fiduciary duty.

**9.0 Risk Management**

- 9.1 The steps outlined in this report will significantly mitigate the four main legal and financial risks to the Council's financial management:
- The Council must set a balanced Budget.
  - The Council must set a legal Council Tax for 2012/2013.
  - The Council should provide high quality evidence to support submissions for external assessment.
  - Council borrowing will comply with the Treasury Management Strategy which is underpinned by the Prudential Code.
- 9.2 A risk assessment will be carried out by the proposing directorate for all key proposals. This will be in line with the approach to Corporate Risk Management.

**10.0 Background and Options**

- 10.1 The 2011/2012 Budget was set in February 2011 and included a range of policy proposals to change the shape of the budget in light of reduced resources and needs of service users.
- 10.2 The same Council meeting also considered and agreed the Council's Corporate Plan which set out the overall aims for the Council.
- 10.3 The Business Plan merges these two processes into one to allow a clear link to be made between the Council's ambitions and resource allocation. Therefore, the Council will integrate the processes for 2012/2013 and mean the Council moves to the production of a single Business Plan rather than a Budget Report and Corporate Plan as separate documents.
- 10.4 This report includes details of the Business Planning Process as an Appendix. This will launch the process to set the Business Plan in February 2012. The Appendix includes details of what the Council wants to achieve, key service issues, the financial context and the timetable.

10.5 In addition to these changes, a review of the process has identified issues such as:

- Improved Member Scrutiny arrangements
- An improved consultation programme
- Improved timetabling

and these will be considered as part of the forthcoming process.

10.6 The intention is to produce a Draft Business Plan later in the year followed by a final Business Plan for Cabinet and Council in February 2012.

## **11.0 Access to Information**

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

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Designation: Borough Treasurer and Head of Assets  
Tel No: 01270 686628  
Email: [lisa.quinn@cheshireeast.gov.uk](mailto:lisa.quinn@cheshireeast.gov.uk)

Name: Vivienne Quayle  
Designation: Head of Policy and Performance  
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# **Business Planning Process 2012 / 2015**

**Ambition  
Action  
Achievement**

**August 2011**



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## Foreword by Cllr Wesley Fitzgerald



Cheshire East Council is committed to focusing on the seven priorities within our Sustainable Community Strategy “Ambition for All.” We worked with partners and local communities to develop this strategy and it is all about our

ambition and action as an area.

We are a low spending, lean authority and we are in no doubt that these are challenging times. We continue to strive for improvement in the quality and value of the services we provide, but within a context of reduced funding and growing demand. In Cheshire East the population is ageing, requiring more care, and the demand for the protection of our young people has also increased.

We continue to strive for improvements in our ability to help create wealth for our area and to ensure that we maintain the locality to a high standard. We must not miss the opportunity to improve health outcomes in our area and to progress our localism agenda. We are determined to be known for our strong partnerships and focus on local solutions for local people.

This document provides the backdrop to planning for 2012/2013 and beyond. The business planning process is all about enhancing value for our local citizens and being clear about what we can achieve within our financial constraints.

This business planning cycle is the first to be launched since the extent of the coalition government's significant policy intentions are becoming clearer. There are a number of themes coming from central government encapsulated in the bills and white papers currently before Parliament.

In particular we must consider the Localism, Welfare Reform and Health & Social Care Bills. The recent white paper on “Open Public Services” gives clear messages about decentralisation, accountability and choice. A summary of the national policy drivers and their implications is contained in Chapter 2.

During the summer of 2011 the Cabinet and Corporate Management Team will gather evidence and consider ideas to plan ahead and to adopt proposals following assessment in three key areas: **Value** for Money comparisons; **Impact** on service users and **Performance** against Corporate priorities.

Meeting these criteria will be achieved through clear communication, consultation and challenge during the Autumn. The culmination of this effort will be a single Business Plan for Cheshire East Council which will go before Council in February 2012. All this leads to our approach to making a difference in Cheshire East. We want to deliver first class services at the right time and in the right places so that Cheshire East is a great place to live, work and visit.

*Cllr Wesley Fitzgerald*

Leader of the Council  
& Portfolio Holder – Resources



## Comment from the Borough Treasurer



The production of a single Business Plan, that sets out what the Council intends to achieve and how this will be delivered, has been an ambition of Cheshire East Council since it

was formed in 2009.

We have built up the Business Planning process over the past three years, learning from the experience each year. We have applied this learning and experience to the process for 2012/2015.

This first three-year Business Plan will focus on the major delivery themes that will be identified in order to achieve the Council's ambitions against the seven priorities in the Sustainable Community Strategy.

This will not be an easy task and will involve innovation and collaboration by Portfolio Holders and Directorates, with support from Finance, Legal, Human Resources and Policy and Performance.

The process to create the Business Plan will be based on a request to generate ambitious ideas that will enable the delivery of transformed and improved services in line with the policy and financial context, desired performance and value for money.

The Business Plan will require a strong commitment to investment if the Council is to achieve its ambitious plans. The investment must be sustainable and generate a significant long term benefit to the residents, communities and businesses of Cheshire East.

I and my Team will continue to work closely with the Policy and Performance Team to lead the process to develop the Business Plan and ensure that the Council has robust procedures in place to challenge the proposed plans and actions to ensure that they are achievable.

*Lisa Quinn*

Borough Treasurer & Head of Assets  
Section 151 Officer

## Comment from the Head of Policy & Performance

The Corporate Planning processes are all about balancing need, policy context, financial constraints and opportunities.

The move to a single process combining the Corporate Plan and the Budget processes is part of our commitment to expressing our priorities within our financial context over the next three to five years.

The Policy and Performance Service plays a key role in developing the Council's objective setting; analysing local needs, managing and improving performance, using customer feedback and interpreting national policy locally.

The financial challenges are immense as is the desire to truly make a difference in Cheshire East. We are committed to working locally and to distinguishing between the needs of our large geographic area and diverse demographic profile.

There will be difficult choices ahead and we must maximise the contribution of the community, other tiers of government, public sector partners, private sector stakeholders, the voluntary, community and faith sectors and our staff. We are well placed to work with others to achieve our aims.

All of this is within the context of a rapidly changing policy agenda focusing on public service reform, decentralisation, more choice and control by individuals combined with clear accountability and a focus on providing value for money.

*Vivienne Quayle*

Head of Policy and Performance

# Overview

**The Council will produce a Business Plan for 2012 to 2015. This replaces the previously separate 'Budget' and 'Corporate Plan'.**

**The Business Planning Process 2012/2015 document provides context and guidance on how the Business Plan will be produced.**

**Directors and Portfolio Holders will use the information in this document to develop major proposals to deliver services within limited resources.**

**The context for the Business Planning Process is complicated and challenging:**

- Government policy is being developed and there may be significant impacts from Bills on Localism, Welfare Reform, Health & Social Care and Public Service Reform.
- Assumptions in relation to the Council's financial stability highlight a requirement to meet savings of **£14.6m** in 2012/2013.
- Government estimates on Council funding beyond 2012 have not been confirmed.

**The final Business Plan will be presented to Full Council in February 2012 and will consist of the following elements:**

- What the Council wants to achieve.
- How services will be changed in light of: priorities, performance information, and constrained resources, strategic workforce planning needs and consideration of risk.
- The investment required to deliver these changes.
- How much services will cost, in overall terms and specifically to service users if applicable.
- How much Council Tax will be levied.

**The Business Planning Process will follow these key stages:**

- |                                    |   |
|------------------------------------|---|
| ▪ <b>Early August</b>              | Cabinet Launch Process – All Member Briefing.   |
| ▪ <b>19<sup>th</sup> September</b> | Deadline for returning proposals.   |
| ▪ <b>October</b>                   | Challenge proposals.  |
| ▪ <b>November</b>                  | Consultation on key proposals.  |
| ▪ <b>December</b>                  | Funding announcements expected from Government.<br>Production of Draft Business Plan. |
| ▪ <b>January</b>                   | Consult Cheshire East Members on Draft Business Plan.                                 |
| ▪ <b>February</b>                  | Cabinet and Council approve Business Plan.  |

## Introduction – Getting the most from this report

To get the most out of this report it is important to understand how it is structured. The report contains significant amounts of information for any reader, but this section helps you to make effective use of this report by outlining the information contained within each Chapter.

### Main Report

Chapter	What's in this Chapter
<b>1. The Planning Process</b>	This Chapter describes the timescales and identifies the supporting information that will make up the Business Planning Process
<b>2. Policy Context</b>	This Chapter sets out the changing policy landscape, and highlights how the challenges may impact on the Council
<b>3. What does the Council Want to Achieve?</b>	The Chapter sets out the Council's aims for the next three years.
<b>4. Financial Stability</b>	This section describes some of the funding issues related to Cheshire East Council and the current funding position.
<b>5. Directorate Profiles</b>	This sets out key background information on the Directorates that make up the Council.
<b>6. Communicating the Process</b>	This will set out the plan for communicating the process to Members, Staff and outside the Council.

## Annexes

Annex	What's in this Annex
<b>1.</b> Business Planning Process Timetable 2012/2015	A timetable showing key dates in the Business Planning Process calendar.
<b>2.</b> Reviewing Financial Stability	Further details on the financial assumptions contained within the Report and how they will be reviewed.
<b>3.</b> Summary of Estimated Specific Grant Funding 2012/2015	Details of the estimated specific grant funding levels available to the Council.
<b>4.</b> List of Abbreviations	Details of abbreviations used in the report.

# 1. The Planning Process

## Introduction

1. The Council operated separate processes to set a budget and a Corporate Plan for 2009/2010 through to 2011/2012. For 2012/2013 onwards there will be a single Business Planning Process which will result in a Business Plan being published in February 2012 and submitted to Council. This is much more appropriate and will provide greater transparency on how the Council will deliver the Sustainable Community Strategy.
2. The Business Plan will clearly set out what the Council wants to achieve with the available resources. Additional information will be brought together to provide further context for the Council's decisions.
3. This is a challenging task but represents a major opportunity to merge processes and develop the Business Planning Process to cover other areas, such as risk and workforce planning.
4. These changes further enhance the "Golden Thread" providing a clear and transparent link between the goals of the Community, Council, Service and individual members of staff.
5. The Council is setting out an ambitious approach to Business Planning for 2012/2013 and beyond. The process aims to be inclusive and informed, and aims to encapsulate many relevant factors in how the Council will manages resources in future.

## Timetable

6. The Business Planning Process will follow the key stages set out overleaf. A full timetable is set out at **Annex 1**.

## Key Stages of the Business Planning Process

### *Launching the Process*

<b>August</b>	<p>Cabinet Launch Process</p> <p>All Member Briefing</p> <p>Provide material to support the planning process</p> <p>Portfolio Holders, working with the relevant Directors, are requested to submit proposals to:</p> <ul style="list-style-type: none"> <li>▪ Invest in or maintain key service areas.</li> <li>▪ Invest in areas where performance and / or Value for Money need to improve.</li> <li>▪ Respond to invest to save opportunities.</li> <li>▪ Radically review service delivery.</li> <li>▪ Identify proposals that will generate savings through innovation, transformation or efficiency.</li> <li>▪ Make proposals to reduce spend on activities that do not contribute to the Council's ambitions.</li> <li>▪ React to in year developments identified through the regular monitoring and benefits realisation processes.</li> </ul> <p>Proposals must incorporate a clear link to risk management procedures. The process will inform the Council's record of significant risks and ultimately update the Corporate Risk Register. They will also identify the key corporate workforce development requirements resulting from the proposals.</p> <p>A communications plan to set out how the process will be available for input and the key outputs.</p>
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### *Respond and Review*

<b>19<sup>th</sup> September</b>	<p>Deadline for returning proposals.</p> <p>Detailed Business Case information will be requested to support certain key proposals.</p>
<b>October</b>	<p>Challenge proposals through a combination of Cabinet, CMT and Corporate Scrutiny meetings. The focus of the challenges will be:</p> <ul style="list-style-type: none"> <li>▪ Value</li> <li>▪ Impact</li> <li>▪ Performance</li> </ul>

### *Consult*

<b>November</b>	Consult on key proposals.
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### *Finalise and Publish*

<b>December</b>	<p>Funding announcements expected from Government.</p> <p>Produce Draft Business Plan.</p>
<b>January</b>	Consult Cheshire East Members on Draft Business Plan.
<b>February</b>	Cabinet and Council approve Business Plan.

## Supporting the Planning Process

7. To ensure that the Business Planning Process is inclusive and effective this document provides reference and updates to a number of key supporting elements:
  - Learning from last time
  - Managing Risk
  - Workforce Planning
  - Value for Money
  - Charging and Trading
  - National Policy Context
  - Financial Stability
  - Directorate Profiles
8. Some of the supporting elements are expanded upon in Chapters 2, 3, 4 & 5 of this document.

### Learning from Last Time

9. The process to set the 2011/2012 Budget was successful, however, there were areas identified where improvements are required:

#### Issue

Member input through Overview and Scrutiny Committees

#### Improvement

This will be undertaken by a sub group of Corporate Scrutiny Committee called the Budget Task Group. This group will meet at key stages of the process, provide comments to Cabinet and report back to Corporate Scrutiny Committee where appropriate.

Wider Member input to the process.

Regular Business Plan Briefings to be held and promoted. Contact relevant Portfolio Holder / Director to input ideas into the process.

Communications / Consultation

This will be developed through more detailed planning and adherence to the timetable. Further details are set out at **Chapter 6** including a Communication Plan to co-ordinate key output stages.

### Financial Stability (see Chapter 4)

10. The Business Planning Process will identify the relevant financial resources required to meet the Council's priorities. This document incorporates data to highlight the current financial scenario facing the Council over the next three years.

### Directorate Profiles (see Chapter 5)

11. This document incorporates information for each Directorate of the Council. Chapter 5 highlights the services provided and current spending as well as current performance.



## **Managing Risk**

12. Cheshire East Council is committed to adopting best practice in the identification, evaluation and cost effective control of risks to ensure that they are reduced to an acceptable level or eliminated, and also maximise opportunities to achieve the Council's objectives and deliver core services. It is acknowledged that some risks will always exist and will never be eliminated.
13. The Council has an agreed risk management policy, and is closely integrating risk management into its planning and objective-setting process, enabling it to manage its risks in a more consistent, uniform way. The Council has well established processes for identifying and reporting on key risks to inform the Corporate Risk Register. These are being enhanced to include a significant risk register and a risk appetite schedule. The Council's draft Risk Management Policy and Corporate Risk Register are available on the Council's intranet at <http://centranet.ourcheshire.cccusers.com/compliance/Pages/CheshireEastRiskRegister.aspx>
14. By integrating risk management with the Council's business planning process we are able to:
  - monitor risks to achieving the Council's objectives, and
  - determine which risks have the most significant impact and prioritise resources accordingly. The development of the Business Planning Process is an opportunity to use the thinking taking place regarding major proposals to change services and the issues they bring to inform the significant risk register. In turn, those items can be used to inform and update the Corporate Risk Register.

## **Workforce Planning**

15. Our organisation is complex and has increasingly diverse and challenging expectations from our communities and partners. In order to achieve our ambitious corporate and community agenda it is essential that we develop a workforce ready, willing and able to rise to the challenges ahead.
16. Workforce planning is an integral part of business planning. The information obtained through the process will help Cheshire East to identify the critical workforce issues which will need to be addressed in order to realise the Council's aspirations. Broadly this will include:
  - What sort of workforce we will need to achieve the Council's objectives and priorities?
  - How does the current workforce compare to what we will need in the future?
  - What other factors will impact on the required shape, size and skills of the workforce e.g. legal changes, national policy, labour market pressures?
  - What are we going to do to develop, attract and retain the workforce we need to be successful?
17. Currently a separate workforce development plan is produced which, at an organisation wide level, identifies the future strategic workforce needs and actions

arising from the corporate plan. The key themes from the Councils workforce plan are developed further within individual service plans. The Council's workforce development plan is available on the Council's intranet at <http://centranet.ourcheshire.cccusers.com/performance/Pages/default.aspx>

18. To improve this process further the proposal forms will seek to identify key workforce issues at the earliest stage, so that these can be considered during challenge and consultation. This information will then form the basis of the workforce development section of a fully integrated Business Plan for Cheshire East.

### **Value for Money**

19. The Council has undertaken significant work to identify and manage Value for Money (VfM) at an organisational level. The Corporate Management Team adopt a strategic approach to VfM, using recognised sources of data to inform decision making.
20. VfM data, analysis and interpretation will be made available to managers and members to support the Business Planning Process. The intention is that the information available will provide insight in to service delivery and may prompt further investigation of the key issues faced within services.

### **Charging and Trading**

21. The Council's net budget includes over £70m raised from fees and charges. This is a significant funding source. The Corporate Management Team will provide guidance on the corporate approach to charging and trading for profit and will consider changes in existing areas as well as accepting new ideas.
22. Trading is a potentially complex area where outline approval will be required before the commissioning and production of a full business case.
23. Other than areas where charges are prescribed by Government, the Council can recover costs against services which are provided on a discretionary basis. For example leisure facilities. Services should aim to recover the full cost of providing the service, after regard for other local factors, and apply a standard set of concessions where appropriate.
24. The Council's financial plans assume that income from fees and charges will increase with inflation. Each service should review pricing annually, and where changes exceed inflation, through changes in price or volume, policy proposals should be put forward to recognise the changes in budgetary terms.
25. Portfolio Holders, and in some cases service managers, can determine the level of fees and charges. The Fees and Charges schedule is maintained as part of the business planning process and made available to Members.

## 2. Policy Context

### Introduction

26. This is a time of significant change across the public sector, including within local government. The coalition government has set out a number of clear policy directions in the various Bills and White Papers currently before Parliament, and this provides an important context for developing our business plan.

### Key Issues

27. The government wishes to promote independent provision in key public services and give new rights for communities and employees to buy and run services. It wants to attract external investment and expertise into the public sector, and to extend innovative payment and funding methods, for example personal budgets and payment-by-results commissioning.
28. Councils will have a General Power of Competence under the Localism Bill. Councils will need to hold a referendum if they seek to set a council tax above the set threshold and councils will be able to 'buy out' of the housing revenue account subsidy system.
29. Proposals for Big Society include a community right to buy (to bid to purchase assets) and a community right to challenge (to bid to take over the running of a service). It is the intention that there will be new neighbourhood plans and development orders. Councils will be empowered to set policies on social housing allocations and tenancies and to place homeless people in private sector housing. We are still awaiting further details.
30. The Council operates within a complex political and legal framework which is under review. Continual change is a constant factor and the Council must assess all available information and make sensible choices to respond. This business planning cycle is the first to be launched since the extent of the Coalition Government's significant policy themes have become clear. There are a number of white papers and bills before Parliament which will have a considerable effect on how local government operates and, most importantly, on the people that live and work in our area.
31. The most critical of these are the Localism, Welfare Reform and Health and Social Care Bills currently going through the Parliamentary process and the implications for businesses and individuals of the full suite of changes to welfare benefits. The expected bill on Public Service Reform is another significant policy direction relating to opening up government and bringing in new providers and competition.
32. Further details are provided on each of the areas:

## **The Localism Bill**

33. Overall this Bill aims to devolve greater powers to councils and neighbourhoods and give local communities more control over housing and planning decisions. There are many provisions within this Bill, but those with significant policy implications include:

For Councils:

- Giving councils a general power of competence.
- Giving residents the power to instigate local referendums on any local issue and the power to veto excessive council tax increases.
- Allowing councils more discretion over business rate relief.
- Introducing a community right to buy (to bid to purchase assets) and a community right to challenge (to bid to take over the running of a service).

For housing:

- Reform the Housing Revenue Account system.
- Provide for a new form of flexible tenure for social housing tenants.
- Allow local authorities to discharge their duties to homeless people by using private rented accommodation.
- Give local authorities the power to limit who can apply for social housing within their areas.
- Improve the ability of social tenants to move to different areas.

For Planning and Regeneration:

- Amend the Community Infrastructure Levy, which allows councils to charge developers to pay for infrastructure.
- This income, together with the New Homes Bonus, should help provide the Council with some resources to keep up with demand.
- Provide for neighbourhood plans, which would be approved if they received 50% of the votes cast in a referendum.
- Provide for neighbourhood development orders to allow communities to approve development without requiring normal planning consent.

Cheshire East Council services have already begun to consider how to respond to different aspects of the Localism Bill, such as our approach to community asset transfer, our housing strategy, and particularly how we incorporate the development of neighbourhood plans into the work we are doing to develop our Local Development Framework.

## **Welfare Reform Bill**

34. This Bill introduces a number of changes to the welfare and benefits system. These changes are particularly important to consider as we undertake our business planning to ensure that the needs of our more vulnerable residents are met. It is important that we work closely with partner organisations such as Registered Social Landlords, to consider and manage the impact of these proposals.

35. The Bill provides for the introduction of a 'Universal Credit' to replace a range of existing means-tested benefits and tax credits for people of working age, starting from 2013. Besides introducing Universal Credit and related measures, the Bill makes other significant changes to the benefits system such as restricting Housing Benefit entitlement for social housing tenants whose accommodation is larger than they need, capping the total amount of benefit which can be claimed, and introducing Personal Independence Payments to replace the current Disability Living Allowance.
36. It is likely that the welfare reforms will lead to an increased demand on services, so through our business planning process we must seek to understand and plan for this increased demand. The passage of the Welfare Reform Bill through Parliament has been delayed until September, but further review of its implications will be needed at this time.

### **Health and Social Care Bills**

37. The Health and Social Care Bill was published in January 2011 and set out major changes to the health and social care system across 5 themes:
- strengthening commissioning of NHS services,
  - increasing democratic accountability and public voice,
  - liberating provision of NHS services,
  - strengthening public health services,
  - reforming health and care arm's-length bodies.
38. These proposals have been strongly debated across all sectors, resulting in the NHS Future Forum's proposed changes to the Bill, and the Government's response to these proposals. Although the amended Bill will not progress until after the summer recess, our Business Planning Process must respond to the significant changes which will take place over coming months and years. In particular we must ensure our governance arrangements and joint working arrangements with the Primary Care Trust, GPs and local health care providers are well established and able to move this new agenda forward for the good of the residents of Cheshire East.

### **Public Health Transfer**

39. The Government have signalled their intention to transfer responsibility and funding for the provision of public health from Primary Care Trusts to local authorities.
40. At this stage the expectations are not clear but the Council will need a Director of Public Health and the proposals will form part of the Business Planning Process.

### **Open Public Services White Paper**

41. This delayed White Paper was published on 11<sup>th</sup> July 2011 and sets out the government's approach to changing the way public services are delivered, ensuring they are high quality, efficient and modern. This is based on five key principles:
- Choice – Wherever possible we will increase choice.
  - Decentralisation – Power should be decentralised to the lowest appropriate level.
  - Diversity – Public services should be open to a range of providers.
  - Fairness – We will ensure fair access to public services.
  - Accountability – Public services should be accountable to users and taxpayers.

42. The government's intention is that, over the summer, there will be a wide-ranging discussion on the proposals in the White Paper with individuals, communities, public sector staff, providers and others with an interest in how public services are delivered.
43. There are connections between the White Paper proposals and aspects of the Localism Bill, particularly around the role of the community and voluntary sector in delivering services. Some of the ideas put forward are already being pursued in Cheshire East such as transferring or devolving services and assets to community groups, voluntary organisations or town and parish councils. As we develop our Business Plan we will need to consider the opportunities which we have in Cheshire East for taking these reforms further.

### **Local Government Resource Review**

44. As part of the Government's commitment to shifting power from the state to communities, they are undertaking a review of local government finance, called the "Local Government Resource Review". This review has 2 phases, the first focussing on the re-localisation of business rates, and the second on community-based budgeting. A consultation on the first phase was published on 18<sup>th</sup> July 2011 setting out proposals for Business Rate retention. Eight technical papers will be published in August which provide further detail on some of the topics in this consultation.
45. The consultation proposes 7 components to business rate retention which seek to achieve the following:
- ensure a fair starting point for all local authorities;
  - deliver a strong growth incentive where all authorities can benefit from increases in their business growth and from hosting renewable energy projects;
  - include a check on disproportionate benefits;
  - ensure sufficient stability in the system; and
  - include an ability to reset in the future to ensure levels of need are met.
46. Chapter 3 of this document sets out what we as a Council want to achieve, and fundamental to this is generating wealth to secure the long-term wellbeing of Cheshire East. Local government finance is an important part of this, and as we develop our business plan we will need to consider and respond to the proposals for reforms, ensuring that we make the most of the opportunities they provide.
47. A key issue for local government finance is the expectations placed on councils by Government and how these are funded. Additional responsibility without appropriate funding means reductions elsewhere or increases in Council Tax. The Government issued the New Burdens Doctrine in June 2011 setting out the concept that the net additional cost of all new burdens placed on local authorities by Central Government should be assessed and fully and properly funded to reduce the pressure on Council Tax.

# 3. What Does the Council Want to Achieve?

## Introduction

48. As we develop our business plan for the next 3 years we must be clear about what we are seeking to achieve.
- Our **AMBITION** is to support the wellbeing of our residents and to secure a strong economy for Cheshire East.
  - We are a Council which is focused on **ACTION** – we put our resources into delivering what our customers need not just running the organisation. We provide customer-focused, value for money services.
  - We are a Council defined by **ACHIEVEMENT**, having a positive impact on individuals, communities and businesses.
49. As an organisation we play a major role in delivering the **7 priorities** set out in *Ambition for All*, the Sustainable Community Strategy for Cheshire East. These priorities were developed in consultation with local communities and partner organisations, and provide the framework against which we plan our service delivery and monitor our performance.
50. The **7 priorities** are shown over the page accompanied by some of the current projects and programmes we have in place. Delivering against these priorities is at the very heart of our business planning process – they provide the framework and focus for prioritising what we do and what we do not do. Each portfolio and each service area must consider what they can contribute to achieving these priorities, and how we can communicate these achievements to our communities.

**Ambition for All Priority****Current Projects and Programmes**

**Nurture strong communities**

Local Area Partnerships  
Neighbourhood programmes in Moss Estate, Bromley Farm and Crewe  
Town and Parish Council service and asset transfer  
Joint working with CVS and Faith Sector  
Using libraries as key community assets & customer points

**Create conditions for business growth**

Broadband project  
Improved Tourism strategy  
Encourage foreign investment  
Convince government and investors of potential  
Support work of LEP  
Ensure land available and suitable

**Unlock the potential of our towns**

Sustainable Towns Framework  
Regeneration of Congleton  
Make it Macclesfield  
“All Change for Crewe”

**Support our children and young people**

Children and Family Services redesign/ multi-agency locality teams (led by Children’s Trust)  
Focus on early intervention  
Youth Parliament, Mayor & young people’s champions  
Children & Families Hub for Community, voluntary & Faith sector

**Ensure a sustainable future**

Carbon Management Programme  
Local Development Framework  
Total Transport programme  
Housing Strategy

**Prepare for an increasingly older population**

Focus on re-ablement  
Focus on personalisation  
Continue transformation of adult social care

**Drive out the causes of poor health**

Focus on reducing health Inequalities  
Lifestyle Centres  
Alcohol Harm reduction work

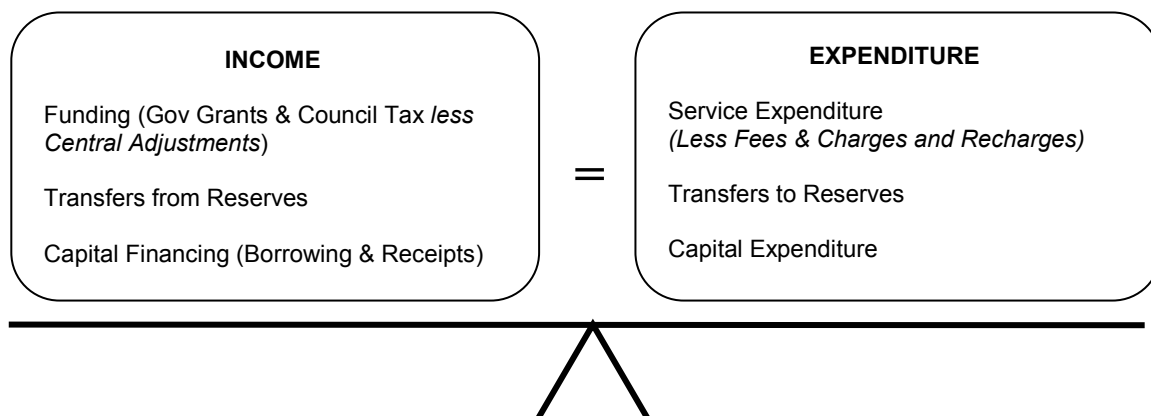


51. In addition to these 7 priorities there are some particular **imperatives** which we must bear in mind as we develop our business plan for 2012/2015:
- Strengthening the economy of Cheshire East through wealth creation is the foundation for long-term, sustainable wellbeing.....
  - ....complemented by support to community groups and volunteers to deliver in their communities.
  - As a Council we have excellent assets which we must exploit to their full potential for the benefit of our residents and businesses.
  - In order to engage with the public and improve customer satisfaction we must be clear about what we are trying to achieve and then communicate how we are doing.
  - Healthcare reform provides an excellent opportunity to provide a more joined-up and effective service across a number of our priorities.
52. As well as being clear on **what** we want to achieve, we must also set out **how** we want to achieve it, that is what type of organisation do we need to be? In order to be an ambitious, achieving council we want our organisational culture to be characterised by:
- Reliable delivery of our priorities – we will have a strong reputation for delivering what we say we will deliver.
  - Demonstrating a common understanding of our customers and a focus on responding to customer needs.
  - A positive attitude where we work together across services and hierarchies to deliver what is needed.
  - Staff who are motivated and feel they are empowered to get on with the job.
  - A commonality of purpose across all staff and politicians.
53. As individual services develop their business planning proposals they must all consider 3 key drivers:
- **Customer Satisfaction** – how does each service demonstrate an understanding of their customers and their level of satisfaction with the service? How can each service tailor its delivery in light of customer insight?
  - **Impact and Performance** – how must each service ensure it achieves good outcomes for the residents and businesses in Cheshire East? What must each service do to adapt its delivery to improve performance?
  - **Value for Money** – how does each service ensure it provides Value for Money, and communicate this to its customers?

# 4. Financial Stability

## Introduction

54. The Budget Report 2011/2012 set out the elements which together determine the current financial stability of the Council.
55. The Council's financial standing is constantly changing, due to prior year outturn results and in-year performance, as well as government funding announcements. But to provide consistency and transparency the 2012/2013 position (as shown in Annex 6 to the February 2011 Budget Report) determines the base budget for the Business Planning Process 2012/2015.
56. Portfolio Holders will be appraised of up to date financial issues to support their business planning proposals. Quarterly finance reports will also be published in September, November and December.
57. This Chapter will focus on the following areas:
  - **Funding Revenue Expenditure** in the Medium Term.
  - The annual **Shortfall in the Revenue Budget**.
  - **General Reserve** balances in the Medium Term.
  - The **Capital** funding position.
  - **Reviewing** Financial stability.
58. The Council uses financial modelling to show the effect of changes in funding and expenditure. The model rolls forward the effects of in-year financial changes and inflationary predictions, moving the Council's Base Budget up or down accordingly, and compares expenditure and funding levels to arrive at a surplus or deficit.
59. The model can be viewed as a balance between funding and expenditure. This principle is shown in the diagram below any change on one side must be reflected on the other to ensure the budget remains in a balanced position.



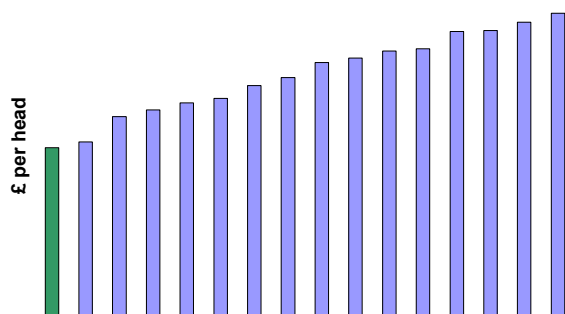
## Funding Revenue Expenditure

60. The sources of funding for local services are influenced by many factors. For example, schools funding is affected by pupil numbers whereas other grants from Government may relate to meeting performance targets or the needs of local people relative to other local authority areas. Funding received directly from local citizens and businesses, however, will be affected by the ability to pay, the levels of service delivery, and even market forces where there is competition or choice in services.
61. The current method of calculating central Government financial support to the Council means very limited financial assistance is given due to the relative affluence of local people as determined by the number of properties. The Council must therefore rely heavily on Council Tax payments to support service delivery. It is therefore highly accountable to local service users. This is positive in many ways as it can help to engage local residents in establishing how local services should be delivered.

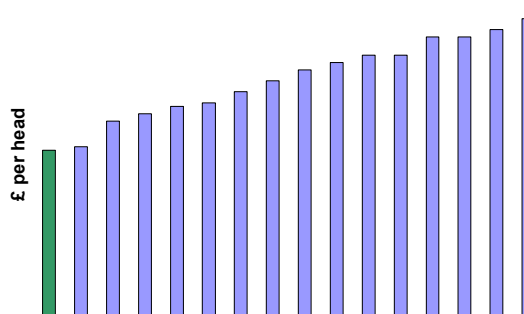
### Government Grant Funding of Local Expenditure

62. Cheshire East receives two main types of grants, Formula Grant (including National Non Domestic Rates (NNDR) and Revenue Support Grant (RSG)) and Specific Grants.
63. Grant funding to Cheshire East is relatively low when compared with other Councils. Even within our family group of councils, or “Nearest Neighbours” (a group which is determined by statistical similarities), Cheshire East receives significantly less support from grants than others.
64. **Charts 1 and 2** demonstrate the Authority’s position in relation to NNDR and RSG provided by Central Government, when compared with our Nearest Neighbours in 2011/2012. The graphs show that we receive much lower levels of funding per head of population. The result is that total funding per head is below our Nearest Neighbours.

**Chart 1 - NNDR**



**Chart 2 - RSG**



Source: CIPFA Council Tax Demands and Precepts Statistics 2011/2012

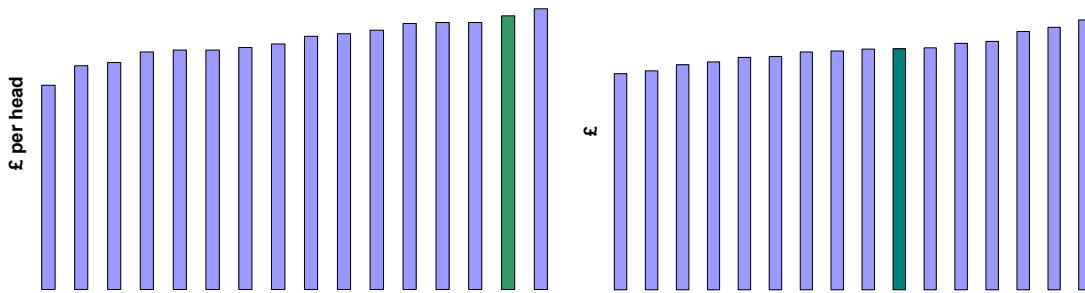
65. In 2011/2012 Cheshire East Council expects to receive **£70.3m** from Formula Grant and Business Rates, this will reduce to **£63.2m** in 2012/2013.
66. Specific Grant, most of which relates to education funding, is also expected to reduce slightly from **£373.8m** in 2011/2012 to **£372.5m** in 2012/2013.

## Council Tax

67. Council Tax is raised locally; **Chart 3** (below) shows that the Council Tax requirement per head is second highest when compared to our Nearest Neighbours for 2011/2012. **Chart 4** (below) shows that Cheshire East Council's Band D Council Tax (Excluding Parish Councils) is 7th highest when compared with our Nearest Neighbours for 2011/2012.

**Chart 3 – Council Tax Requirement**

**Chart 4 – Absolute Band D**



Source: CIPFA Council Tax Demands and Precepts Statistics 2011/2012

68. The current Band D Council Tax is £1,216.34. As part of the Comprehensive Spending Review announced by the Coalition Government in October 2010, a Council Tax freeze grant was introduced. All eligible authorities took up the grant and froze their Council Tax at 2010/2011 levels. This means that there was no change from Council Tax in 2010/2011 to 2011/2012.
69. In 2011/2012 Cheshire East Council expects to raise **£178.7m** from Council Tax. It is expected that the Tax Base will slightly increase for 2012/2013 and that **£179.2m** will be raised in 2012/2013.
70. For 2012/2013 onwards referendums may be introduced by the Localism Bill to allow the local electorate to determine if any proposed increase in the level of tax is deemed to be excessive. An increase will be deemed to be excessive if it contravenes a number of principles to be set out by the Secretary of State. Further details will be set out when they are released by the Coalition Government.

## Shortfall in the Revenue Budget

71. **Table 1** overleaf shows the summary of income and expenditure from the 2011/2012 Budget Report. The overall deficit position for each year reflects the need to commit to savings proposals. The financial model assumes that the deficit position in each year is closed and that the savings achieved form part of the base in the following year.

**Table 1 – Summary of Estimated Income and Expenditure**

	2012/13 £m	2013/14 £m	2014/15 £m
<b>INCOME</b>			
Council Tax	(179.2)	(179.7)	(180.3)
Grants	(435.7)	(432.9)	(425.6)
Central Adjustments	30.0	32.0	25.9
Including inflation and capital financing costs			
<b>TOTAL INCOME</b>	<b>(584.9)</b>	<b>(580.6)</b>	<b>(580.0)</b>
<b>TOTAL EXPENDITURE</b>	<b>599.5</b>	<b>590.1</b>	<b>585.3</b>
<b>TOTAL FUNDING GAP / (SURPLUS)</b>	<b>14.6</b>	<b>9.5</b>	<b>5.3</b>

Source: Cheshire East Finance

72. Based on certain key assumptions, the funding gap (as shown in the table above) in 2012/2013 would be **£14.6m**, in 2013/2014 **£9.5m**, and in 2014/2015 **£5.3m**.
73. Further details of the assumptions behind these figures are set out at **Annex 2**.
74. The resulting shortfall, based on the assumptions in the financial model, must be addressed by policy proposals from Portfolio Holders and Directorates. Guidance on submitting proposals will be issued by the Strategy and Funding Team with the support of the Policy and Performance Service.
75. At this stage the funding gap is not allocated to directorates or cross cutting themes. That step will form part of the Business Planning Process and will be informed by CMT and Cabinet debate.

## General Reserves

76. The use of contributions to reserves is an important factor in scenario planning. The Budget Report for 2011/2012 anticipated an opening balance for 2012/2013 of £15m. Due to an improved outturn position this has increased to £20.9m.
77. A summary of the updated forecast reserves position for the life of the Business Planning Process is shown in **Table 2** below.

**Table 2 – Summary of Reserve Levels**

	2011/12 £m	2012/13 £m	2013/14 £m	2014/15 £m
Opening Balance	12.5	20.9	26.5	34.4
Change	8.4	5.6	7.9	4.5
<b>Closing Balance</b>	<b>20.9</b>	<b>26.5</b>	<b>34.4</b>	<b>38.9</b>

Source: Cheshire East Finance

## Capital Funding Position

78. The capital programme is funded from a number of sources, including government grants, capital receipts, external contributions, revenue contributions and borrowing.
79. Government support for capital investment continues to reduce with the recent planning cycle seeing a withdrawal from the Buildings Schools for the Future (BSF) programme, a withdrawal from the Waste Management Private Finance Initiative Contract and a reduction in grant allocations for both transport and schools. Available funding will continue to be prioritised against corporate and service objectives and the current ring-fencing arrangements may need to be reviewed in light of these reductions.
80. The balance on the Capital Reserve as at 31<sup>st</sup> March 2011 is £22.5m. The reserve contains capital receipts brought forward from legacy authorities, plus capital receipts generated in the first two years of Cheshire East of £13.2m. The reserve is fully committed to finance schemes in the current capital programme.
81. The Asset Challenge process will continue to explore opportunities to generate capital receipts by rationalising the estate and disposing of surplus property assets. The annual target for the generation of capital receipts is £11m. The Council's Capital Receipts Policy will ensure that receipts are used in the most beneficial way to support corporate priorities and strategic opportunities. This will mean that all receipts will be pooled centrally and allocation to capital projects will be via the Capital Asset Group, who will recommend the assigning of available resources to finance the capital programme recognising the requirement to balance front-line service and core programme requests.
82. As funding sources for capital are expected to be limited during this planning period, the requirement to finance schemes from Prudential borrowing will remain. As Prudential Borrowing is funded wholly from Council Tax, it should only be used where it can be demonstrated that it is affordable and sustainable in the long term. However, the Council will need to be ambitious if it is to achieve its plans.
83. Capital investment remains a key element of the transformation process, enabling services to be modernised to meet the Council's ambitions, new and increased demands and produce ongoing savings in operating costs. These are essential to enable the Council to manage within the available funding sources and afford the borrowing costs.
84. Services may bid for Prudential borrowing to pay for capital projects that meet key corporate or service priorities and cannot be funded from any other source. The business case will need to consider the revenue implications which can include:
  - Initial costs which can not be capitalised, e.g. feasibility studies.
  - The cost of borrowing or loss of investment income if useable receipts are to be used.
  - The running costs associated with the asset, such as salaries, security, heat & light, repairs and maintenance and administrative support costs.
  - Efficiency or other savings arising from the scheme.
  - Income generation (new / increased fees & charges, rents etc).

85. Priority will be given to those schemes that generate savings through innovation, transformation or efficiency and this must be demonstrated through the policy proposal form and the detailed business case.
86. A summary of the capital programme is shown in **Table 3**. Ongoing schemes have been updated and re-profiled in line with the reported capital outturn position.

**Table 3 – Capital Programme 2011/12 – 2013/14**

	2011-12 £000	2012-13 £000	2013-14 £000	Total £000
<b>Children &amp; Families</b>				
Ongoing schemes	17,298	2,415	0	19,713
New Starts	11,459	950	950	13,359
<b>Total - Children &amp; Families</b>	<b>28,757</b>	<b>3,365</b>	<b>950</b>	<b>33,072</b>
<b>Adults, Health &amp; Wellbeing</b>				
Ongoing schemes	6,659	750	0	7,409
New Starts	935	0	0	935
<b>Total - Adults, Health &amp; Wellbeing</b>	<b>7,594</b>	<b>750</b>	<b>0</b>	<b>8,344</b>
<b>Places</b>				
Ongoing schemes	17,431	5,213	4,496	27,140
New Starts	21,150	12,270	11,478	44,898
<b>Total - Places</b>	<b>38,581</b>	<b>17,483</b>	<b>15,974</b>	<b>72,038</b>
<b>Supporting Service Delivery</b>				
Ongoing schemes	12,430	1,095	1,094	14,619
New Starts	8,064	4,693	4,100	16,857
<b>Total - Supporting Service Delivery</b>	<b>20,494</b>	<b>5,788</b>	<b>5,194</b>	<b>31,476</b>
<b>Total Ongoing schemes</b>	<b>53,818</b>	<b>9,473</b>	<b>5,590</b>	<b>68,881</b>
<b>Total New Starts</b>	<b>41,608</b>	<b>17,913</b>	<b>16,528</b>	<b>76,049</b>
<b>Total Capital Expenditure</b>	<b>95,426</b>	<b>27,386</b>	<b>22,118</b>	<b>144,930</b>
<b>Financed By</b>				
Grants	39,750	14,900	14,285	68,935
External Contributions	2,427	310	150	2,887
Linked/Earmarked Capital Receipts	8,082			8,082
Supported Borrowing	7,991	1,050	424	9,465
Non-Supported Borrowing	22,888	7,583	6,040	36,511
Revenue Contributions	1,533	350	395	2,278
Capital Reserve	12,755	3,193	824	16,772
<b>Total</b>	<b>95,426</b>	<b>27,386</b>	<b>22,118</b>	<b>144,930</b>

## Reviewing Financial Stability

87. Five measures are considered when reviewing the financial stability of the Council. These are explained in detail, along with the current planning assumptions, in **Annex 2**. During the planning process the financial assumptions may be altered in response to Portfolio Holder proposals, economic influences and Government announcements. Changes in the planning assumptions will be notified as part of the Communication Plan (**Chapter 6**).

# 5. Directorate Profiles

## Introduction

88. The following pages provide a high level summary of the directorates that make up the Council.
89. These profiles illustrate the 2011/2012 position and provide useful information as well as important facts and recent trends that will support the Business Planning Process.
90. The profiles provide:
  - Key statistics, such as demographic and service related issues.
  - The financial position in accordance with the latest budget estimates.
  - A list of the services provided within the directorates.



# Children and Families

## Key Statistics

91. **Pupil numbers** ~ the number of children (aged 0-15) in 2008 has fallen slightly (by 900) compared to 1991 to 61,900; however, whilst numbers have increased by 7% in Crewe & Nantwich they have decreased by 4% in Congleton and 6% in Macclesfield. It is forecast that by 2027 there will be around 5% fewer children living in Cheshire East than there were in 2007 whilst the number of people aged 85 or above will have doubled within the same period.
92. **Attainment** ~ educational attainment among school pupils in terms of achieving 5 or more GCSE (General Certificate of Secondary Education) grades at A\*-C grade is above the national average. Cheshire East schools generally perform well; children get off to a good start with a large percentage of childcare establishments, nursery education and primary schools judged to be better than similar areas and better than standards found nationally.
93. There is very little inadequate provision, but the proportion of secondary schools and school sixth forms that are judged to be good or better is below that found in similar areas and the national figure. Attainment levels at Key Stage 2 in primary schools places the Borough in the top 5 local authorities in the country for educational performance at this level. Children's Services in Cheshire East continue to 'perform well' as rated by OFSTED in its annual performance rating.
94. **Survey results** ~ in the 2010 Cheshire East Quality of Life Survey, 23% of respondents said that children's services were important. 44% of respondents were satisfied with school transport provision (although only 5% of respondents had used school transport in the previous 12 months). 91% were satisfied with children's centres (10% of respondents had used these), 28% were satisfied with youth services / services for teenagers (2% used in previous 12 months) and 27% were happy with care for vulnerable or at risk young people and children (3% used in previous 12 months) . People with children were more likely to contact the Council (62%).<sup>1</sup>
95. **Deprivation** ~ most of Cheshire East is not deprived. However, there are pockets of overall deprivation - including education attainment, skills and training deprivation. 29 of Cheshire East's 231 Lower Layer Super Output Areas (LSOAs) are in the top 20% most deprived nationally in terms of this deprivation domain (which includes children's educational attainment) affecting 45,000 people or 12.4% of the population of the Borough.
96. 17 of these LSOAs are clustered in the Crewe Local Area Partnership (LAP) area and seven are in the Macclesfield LAP. One LSOA in Crewe's St Barnabas area is in the top 1% most deprived in England with three other Crewe LSOAs in the top 5% most deprived. At the other end of the spectrum, seven LSOAs are in the 1% least deprived - four of these are in Wilmslow, two in Knutsford and one in Poynton.

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<sup>1</sup> NB results are based on very small response numbers in some instances and should be used with caution.

97. **Children living in poverty** ~ most children in Cheshire East do not live in poverty and most areas in Cheshire East are relatively affluent when compared regionally and nationally. However, official figures show that 10.6% of children in Cheshire East live in poverty. Unofficial figures have suggested that this figure has grown to more than 12% during the recession. 30% of all the children in poverty in Cheshire East live within 16 LSOAs out of a total of 231 in the Borough. The highest levels of child poverty are found in the Crewe LAP area. Two LSOAs in the Crewe LAP have child poverty rates of over 50% and a further two have rates of more than 40%. Children who live in poverty tend to have more needs than those in more affluent households. They have poorer educational attainment, they receive free school meals and there are statistical links with teenage pregnancy.

### Financial Position

**Table 4 – Children & Families Revenue Budget 2011/2012**

	<b>Gross Budget £m</b>	<b>Income Budget £m</b>	<b>Net Budget £m</b>
Directorate	2.0	-	2.0
Schools (ISB)	200.4	(200.4)	-
Other Schools Provision	15.2	(15.2)	-
Safeguarding and Specialist Support	27.8	(0.1)	27.6
Early Intervention and Prevention	12.1	(0.8)	11.2
Strategy, Planning and Performance	37.5	(20.0)	17.4
<b>Total</b>	<b>294.7</b>	<b>(236.4)</b>	<b>58.3</b>

*Source: Cheshire East Finance*

**Table 5 – Children & Families Capital Programme New Starts 2011/2012**

	<b>Total Budget £m</b>	<b>Payments in 2011/2012 £m</b>
New Starts	13.4	11.5

*Source: Cheshire East Finance*

New starts includes £5.7m for modernising school buildings, £2.0m to increase provision for specialist special needs resources and £1.5m for the creation of a pupil referral unit.

### Key Services Provided

- Children's Centres
- Foster Care
- Schools
- Children's Social Care
- Early Intervention
- School Meals

# Adults, Community, Health and Wellbeing

## Key Statistics

98. **Demographics** ~ the age structure of Cheshire East is slightly older than that of England & Wales. In 2008, 6% of Cheshire East's residents were aged under 5, 12% were aged 5 to 14 and 18% were aged 65 or more. The age structure of the population in Cheshire East has changed since 1991. The number of older people (aged 65+) has increased by 20% from around 54,200 in 1991 to 66,500 in 2008. The increase is greater in Congleton (34%) than Crewe & Nantwich (22%) or Macclesfield (17%).
99. There are increasing numbers of adults requiring care. There is a large variance between the lowest and highest life expectancy rates across Cheshire East. For males it varies from 72.9 years in Crewe's Central & Valley Middle Layer Super Output Area to 83.8 years in Wilmslow Town South East. For females the difference is even more pronounced, with rates from 77.0 years in Central & Valley to 93.8 years in Macclesfield Town Tytherington.
100. Living longer brings its own challenges. It has been estimated that the number of people in Cheshire East aged 65 years and over who have dementia is predicted increase from 4,900 people in 2010 to 9,500 by 2030. The number of people with mobility problems is set to almost double from 13,000 in 2010 to 22,400 in 2030.
101. The number of elderly people living alone who have a limiting long-term illness is also set to rise between 2010 and 2030 from 12,200 to 21,000 respectively. It is in people aged 75 years and over where the most significant rise is found; here numbers are predicted to almost double from 8,700 in 2010 to 16,500 in 2030.
102. **Deprivation** ~ residents enjoy better health than elsewhere in the region and nationally. However, the Index of Multiple Deprivation 2010 shows that 20 Cheshire East LSOAs are in the top 20% most deprived nationally in terms of health and wellbeing (which looks at premature death and the impairment of quality of life by poor health). This affects 31,700 residents, or 8.7% of the population; a significant proportion of these people live in the Crewe LAP area (ten LSOAs) and in the Macclesfield LAP (five LSOAs). But the same data show that 55 LSOAs are in the 20% least deprived, with nearly half of these in the Congleton LAP.
103. **Survey results** ~ in the 2010 Quality of Life Survey 23% of all respondents said that adult social services were important, whilst 37% of those aged over 65 prioritised adult social services. However, only 9% of respondents had used these services in the previous 12 months. 66% of users were satisfied with the services they received from the Council in terms of care for the elderly. 53% of respondents though that helping older people to remain living in their own homes was an important priority and this increased to 76% of people aged 65+. 29% though that providing additional housing options for older people (for example extra care or adaptable homes for life) was important.<sup>2</sup>

<sup>2</sup> NB results are based on very small response numbers in some instances and should be used with caution.

**Financial Position****Table 6 – Adults, Community, Health & Wellbeing Revenue Budget 2011/2012**

	<b>Gross Budget £m</b>	<b>Income Budget £m</b>	<b>Net Budget £m</b>
Adults	149.7	(54.1)	95.6
Health and Wellbeing	19.6	(9.0)	10.6
<b>Total</b>	<b>169.4</b>	<b>(63.2)</b>	<b>106.2</b>

*Source: Cheshire East Finance*

**Table 7 – Adults, Community, Health & Wellbeing Capital Programme New Starts 2011/2012**

	<b>Total Budget £m</b>	<b>Payments in 2011/2012 £m</b>
New Starts	0.9	0.9

*Source: Cheshire East Finance*

This includes £0.3m for relocation of the Shared Services Libraries Team, £0.25m for refurbishment of the Oakley Centre and £0.2m for ICT infrastructure for the social care re-design.

**Key Services Provided**

- Day Services
- Intermediate Care
- Prevention
- Leisure Services
- Green Spaces
- Libraries

# Places

## Key Statistics

104. **Demographics** ~ Cheshire East has a strong local economy which contributes 5% of the North West region's total population and 7% to regional output. Average household income is above the national average. However, Cheshire East is not immune from the national economic recession and the number of people claiming unemployment benefit is still about twice as high it was three years ago. The population aged 16 to 64 is expected to fall by 7% between 2009 and 2029, which constrains the local supply of labour.
105. Index of Multiple Deprivation data suggest that 21 Cheshire East LSOAs are in the top 20% most deprived nationally in terms of employment deprivation (defined as involuntary exclusion of the working age population from the world of work). This affects 33,100 residents, or 9.1% of our population. Almost half – ten LSOAs - are in the Crewe LAP. There is clearly a wide variance across the Borough, with 77 LSOAs in the 20% least deprived. 15 of our LSOAs are in the top 20% most deprived in terms of income deprivation (which includes both families that are out-of-work and families that are in work but who have low earnings). This covers 24,200 residents in Cheshire East, or 6.7% of the overall population; two thirds of these LSOAs are in the Crewe LAP area.
106. **Survey results** ~ the crime rate in Cheshire East is one of the lowest in the country and residents are less concerned about anti-social behaviour than elsewhere. However, there is significant anxiety about victimisation. According to the 2010 Quality of Life Survey the top three anti social behaviour issues in the Borough are rubbish or litter lying around, the presence of teenagers on the street and people being drunk or rowdy in public places. The anti social behaviour (ASB) score for the Borough is 10% ranging from just 2% in Nantwich to 18% in Crewe (where 1% = low levels of ASB and 21% = high levels of ASB).
107. 83% of respondents to the 2010 Quality of Life Survey were satisfied with their local area as a place to live. Highly visible and universal environmental services such as street cleaning, parks, waste collection and the upkeep of roads / pavement were the top priority for people. 72% of respondents to the survey chose these services as a priority; next important was community safety at 40%. Satisfaction rates with environmental services was high with 76% of all respondents satisfied with local tips and household waste recycling centres, 72% satisfied with refuse collection and 65% with doorstep recycling. 64% of respondents were happy with street lighting provision but only 21% were satisfied with road and pavement repairs.<sup>3</sup>
108. **Deprivation** ~ the South Cheshire housing market contains the two towns of Crewe and Nantwich and a number of rural villages. Crewe is identified as being a key regional town and a gateway to the North West. For “the access to housing and services deprivation domain” in the IMD (poor physical and financial accessibility of housing and key local services), 22 LSOAs are in the top 20% most deprived nationally: one Nantwich LAP LSOA is in the top 1% most deprived, with three others in the same LAP in the top 5%.

<sup>3</sup> NB results are based on very small response numbers in some instances and should be used with caution.

109. **Living environment deprivation** ~ that is the quality of individuals' immediate surroundings both within and outside the home, affects 20 LSOAs in the top 20% most deprived. 29,600 residents lived in these 20 LSOAs, equating to around 8.2% of Cheshire East's population. One LSOA in Crewe's St Johns is in the top 1% most deprived, with a further seven (six in Crewe and one in Wilmslow) in the top 5%.

### Financial Position

**Table 8 – Places Revenue Budget 2011/2012**

	<b>Gross Budget £m</b>	<b>Income Budget £m</b>	<b>Net Budget £m</b>
Environmental Services	50.4	(12.8)	37.6
Safer and Stronger Communities	7.8	(7.6)	0.2
Planning and Housing	7.1	(4.1)	2.9
Regeneration	28.2	(16.8)	11.4
<b>Total</b>	<b>93.5</b>	<b>(41.3)</b>	<b>52.1</b>

*Source: Cheshire East Finance*

**Table 9 – Places Capital Programme New Starts 2011/2012**

	<b>Total Budget £m</b>	<b>Payments in 2011/2012 £m</b>
New Starts	44.9	21.2

*Source: Cheshire East Finance*

This includes £16.7m for Highways Maintenance, £8.1m for work on bridges, £6.0m to develop Tatton Park and £1.3m to provide commingled waste recycling bins to residents.

### Key Services Provided

- Waste and Recycling
- Highways
- Community Safety
- Environmental Health
- Planning
- Car Parking
- Regeneration

# Supporting Service Delivery

## Key Statistics

110. The Council's support functions impact widely on the Council's stakeholders as well as the front line services in other Directorates.. They have been subject to a considerable level of ongoing transformation and streamlining following the creation of Cheshire East Council. The net budget of £132.5m includes expenditure on Council Tax and housing benefits of £100m which is funded by specific grants.
111. A key issue for 2011/2012 will be the supporting the delivery of a balanced budget incorporating policy proposals of £26.5m growth and £31.3m of savings at the same time as helping to manage emerging pressures.
112. 42% of respondents to the 2010 Quality of Life Survey said they were satisfied with the way the Council runs things. This is up 2 percentage points from the 2008 Place Survey and is a significant achievement during a period of structural change and reducing budgets.
113. Key projects for the Directorate include the delivery of £2m of savings through the asset challenge process and managing cross directorate savings of £6.5m including the Business Management Review and procurement savings.
114. The available performance statistics are limited with comparative data available in 2010/2011 for :
  - The Percentage of Council Tax collected - which, at 97.25% is just below the target of 98%.
  - The percentage of non-domestic rates collected - which is also just below target but high at 97.77%.
  - Customer Services - which show that calls received and face to face visits have remained broadly unchanged while the number of calls answered within 20 seconds has increased and much fewer calls are being abandoned. 78% of respondents to the 2010 survey said their preferred method of contacting the Council was by telephone. 51% had contacted the Council in the previous 12 months and 71% of these reported finding it easy to find the right person to talk to, 70% thought that staff were helpful and 66% were satisfied with the final outcome of their query.
  - There has been a significant increase in online transactions from 2,800 to over 10,000. The 2010 survey found that 23% of respondents contacted the Council by email and 14% used the Council's website to get information.
115. In terms of overall cost comparisons to other Councils the cost per head of "central services" which includes elements of the support functions for the Council was £20.96. This is significantly lower than our near neighbours. This includes the cost of benefits administration and Council Tax collection.

**Financial Position****Table 10– Supporting Services Budget 2011/2012**

	<b>Gross Budget £m</b>	<b>Income Budget £m</b>	<b>Net Budget £m</b>
Borough Treasurer & Head of Assets	129.9	(10.2)	119.7
Human Resources & Organisational Development	1.0	(1.4)	(0.4)
Borough Solicitor	7.0	(1.2)	5.8
Policy & Performance	7.1	(0.2)	7.0
Corporate Improvement	0.4	-	0.4
<b>Total</b>	<b>145.4</b>	<b>(13.0)</b>	<b>132.5</b>

*Source: Cheshire East Finance*

**Table 11 – Supporting Services Capital Programme New Starts 2011/2012**

	<b>Total Budget £m</b>	<b>Payments in 2011/2012 £m</b>
New Starts	16.9	8.1

*Source: Cheshire East Finance*

This includes £15.3m on planned maintenance to corporate office buildings.

**Key Services Provided**

- Asset Management
- Financial Services
- Accountancy
- ICT
- Legal and Committee Services
- Human Resources and Organisational Development
- Policy and Performance
- Communications
- Customer Services

**Directors' Comments**

116. The four services that provide support to front line service delivery form a vital part of the Council's structure by providing expertise, support and advice in addition to monitoring performance. The services have performed well through re-organisation and are now helping services take forward proposals agreed for 2011/2012.
117. The next challenge will be responding to the financial pressures and changes for the next three years through supporting investment in major programmes that meet the aspirations of the Council, improve services and reduce costs. This step change in thinking will require new skills and learning from other leading councils.
118. This will not be easy but it is essential for Cheshire East Council to move forward in the current climate.



# **6. Communicating the Process**

## **Introduction**

119. This Chapter sets out how the process and its outputs will be communicated to internal and external stakeholders. This takes the form of a Communications Plan.

## **Communications Plan**

120. The Communications Plan ensures that relevant Members and officers within the Council are aware of the business planning process and the aim to produce an integrated Business Plan for 2012/2015. Information from in year monitoring sources will also inform the process at key stages. The project must ensure communications with those outside the Council meets our objectives.
121. There is a wide range of audiences that we need to engage with at various levels and this will be a combination of information, awareness and call to action. This Communications Plan sets out the details of the “When, Who, What / Why (in terms of expected outcomes) and How”.
122. The Council has a statutory duty to consult with the schools forum and businesses over its budget proposals and that requirement will be incorporated in the plan.

## **Objectives**

- To publish a comprehensive and integrated Cheshire East Council Business Plan that has been widely consulted on, that is fit for purpose and that positions Cheshire East Council as an organisation that works with others in delivering the Sustainable Community Strategy.

## **Risks**

- Lack of buy in for new process.
- Lack of effective engagement with key stakeholders.
- Adverse criticism internally and externally.

## **Opportunities**

- Opportunity to fully engage with Members on budget and planning process.
- Opportunity to properly consult tax payers on how we spend their money.
- Use greater engagement as an opportunity to explain difficult decisions in line with a heightened level of awareness and understanding.

**Evaluation**

- Feedback shows that all stakeholders have felt fully engaged and consulted.

**Action Plan**

<b>When</b>	<b>For Whom</b>	<b>What / Why</b>	<b>How</b>
August	Cabinet, CMT and Budget Task Group	Buy in to Process to ensure ownership	Briefings and consultation on draft process
	Cabinet	Approve Process	Formal report on process & priorities
(2/8/11)	All Members	Launch Briefing re process, context and assumptions	Presentation
	Heads of Service (HoS)	Launch Briefing re process and key stages	Presentation
	Cabinet, CMT, & HoS.	More detailed instructions and forms issued	Guidance note and forms
September (7/9/11)	HoS	Review of progress and sharing main themes in advance of first deadline	Briefing session
	CMT	Receive update on initial responses to assess what should go forward	Report and meeting
October	CMT	Challenge Process to review proposals to ensure a robust and considered set of proposals are published	Briefing and meetings
	Budget Task Group	Review Challenge outcomes and Consultation material	Briefing and meeting
November	Stakeholders (see notes below)	Consult on key budget and policy proposals to seek their views on the impacts.	Briefing notes, meetings, website and citizen's panel.
(19/11/11)	Members	Update on process	Formal briefing session
December (7/12/11)	HoS	Review of progress and sharing main themes	Briefing session
	Budget Task Group	Review Draft Business Plan	Briefing and meeting
	All	Publish Draft Business Plan (see notes below re media))	Hard copy and electronic versions
January	Members	Consultation on Draft Business Plan	Meetings / briefing sessions

When	For Whom	What / Why	How
	Budget Task Group	Review Business Plan	Briefing and meeting
	All	Publish Business Plan (see notes below regarding the media)	Part of Cabinet papers
February	All	Business Plan approved	Cabinet and Council meetings
March	All	CEC Business Plan published (Executive Summary)	Hard copy and electronic versions

## Notes to the Action Plan

### i) Stakeholders

- The Council's stakeholders are :
  - Elected Members
  - Members of the public / Service Users / Council Tax payers
  - Staff
  - Primary Care Trusts
  - Trade Unions
  - Police
  - Fire
  - Voluntary / third sector organisations
  - Care providers
  - Connexions
  - Town and Parish Councils / Local Area Partnerships
  - Neighbouring local authorities, particularly those in the same sub region
  - Joint Officer Board for Shared Services

### ii) Member Briefing Sessions

- These have scheduled for: 2<sup>nd</sup> August, 19<sup>th</sup> November and 11<sup>th</sup> January.

### iii) Trades Unions / Staff

- Regular meetings will be held with the Trade Unions at a Corporate or a Service level.
- The proposals will be shared with the Staffing Committee at key stages.
- Heads of Service will be briefed at regular intervals and cascade this through their service briefings.
- The Business Planning Process internet/intranet site will be regularly updated.

### iv) Media

- The press will receive embargoed copies of the key documents together with any additional briefing they require to enable any issues to be clarified.

### v) Public

- Information will be placed on the website.
- The Cheshire East Citizen's Panel will be included in the Consultation events in November.



# **Annexes to Business Planning Process 2012 / 2015**

***Ambition  
Action  
Achievement***

# Annex 1 – Business Planning Process

## Timetable 2012/2015

<b>2011</b>	
<b>July</b>	
18	Local Government Resource Review – launch consultation process on outcome of Phase 1
<b>August</b>	
1	Cabinet consider Business Planning report and 2010/2011 outturn.
2	Member Launch event
w/b 1 <sup>st</sup>	Issue launch guidance
<b>September</b>	
	Publication of National Audit Office's Report on Government Funding Formula
	Launch of School Funding Reform Consultation (Phase 2)
5	Cabinet consider Quarter 1 report
<b>19</b>	<b>Proposals response deadline</b>
26	Agree Lead Portfolio Holder for thematic / cross directorate issues.
27	CMT review responses Agree lead officers for thematic / cross directorate issues
	CIPFA VfM toolkit data released
<b>October</b>	
<b>4</b>	<b>Proposal forms required</b>
TBA	Challenge process via CMT Away days (x4)
24	LGRR Phase 1 consultation closes
Late	Budget Task Group – review post challenge outcomes
<b>November</b>	
Early	<b>CMT / Cabinet Away Day</b> - review challenge outcomes and agree consultation package
Early	Budget Task Group - review consultation material
w/b 7 <sup>th</sup> and 14 <sup>th</sup>	Consultation process: partners and citizen's panel (Align with key partners if possible)
28	Cabinet consider Quarter 2 report.
<b>December</b>	
Early	Tax base agreed
Early	Provisional settlement
	<b>CMT / Cabinet Away Day</b> - agree Draft Business Plan
	Budget Task Group – review Draft Business Plan
w/b 12 <sup>th</sup>	Issue Draft Business Plan

<b>2012</b>	
<b>January</b>	
9	Cabinet consider Quarter 3 report
w/b 9 <sup>th</sup>	Member Consultation
	Budget Task Group – review final Business Plan
Mid	<b>CMT / Cabinet Away Day</b> - agree Business Plan
Mid	Staffing Committee
Mid	Schools Forum
Late	Final Settlement
<b>February</b>	
6	Approve Business Plan at Cabinet
23	Approve Business Plan at Council
<b>March</b>	
	Publish executive summary of Business Plan
<b>April</b>	
	Local Government Resource Review – potential consultation process on Phase 2 results

## Annex 2 – Reviewing Financial Stability

1. This annex provides information on the key financial planning assumptions used to assess the financial stability of the Council. These assumptions are supported from numerous sources and will inevitably require updating throughout the planning process. This annex therefore provides background to relevant assumptions and highlights the impact of potential changes.
2. It follows the format of the established five measures used to review financial stability of :
  - Measure 1 ~ Challenge Funding Assumptions
  - Measure 2 ~ Review Local Taxation
  - Measure 3 ~ Use General Reserves
  - Measure 4 ~ Review Expenditure
  - Measure 5 ~ Review Income

### Measure 1 ~ Challenge Funding Assumptions

3. Income comes from a variety of sources and can be viewed as controllable and non controllable. The income sources of Formula Grant and Specific Grants, are all determined by Central Government and are therefore non controllable when setting the budget. These are informed by a series of key planning assumptions where information is not yet available.
4. Overall corporate income sources are manually reduced by a series of central adjustments, and these are calculated from a series of key planning assumptions.
5. The Borough Treasurer and Resources Portfolio Holder will review these assumptions at key stages and report changes to CMT / Cabinet.
6. The table below summarises the key financial planning assumptions which relate to the modelling of Council funding (including central adjustments), their impact and associated risks.

Non Controllable Items	2012/2013 Assumption	Source	Impact	Comment Risk / Issue
<b>Council Tax Freeze Grant</b>	Maintained at 2011/2012 levels.	CLG	Changes are reflected £ for £ in the Net Budget	£4.5m Freeze Grant fully used in 2012/2013. Paid to Reserves in later years. Risk this grant could be reduced.
<b>Formula Grant</b>	Reduction of £7.1m on 2011/2012 grant, as per central government settlement (reduced from £70.3m to £63.2m)	Borough Treasurer	1% = £0.7m	Provisional 2012/2013 grant is a reduction of 10.2% on 2011/2012 grant. Later years based on estimates. Risk that later years are further reduced.

Non Controllable Items	2012/2013 Assumption	Source	Impact	Comment Risk / Issue
<b>Specific Grants (excluding DSG)</b>	Although many Specific Grants are projected to fall in 2012/2013, the provisional Early Intervention Grant settlement is projected to increase by £0.7m, leading to an overall net increase in specific grant funding (excluding DSG) of £0.4m.	Borough Treasurer / CLG.	1% = £1.4m	Risk that the final government settlement for these 2012/2013 specific grants will be lower than currently projected. Further details are provided at <b>Annex 3</b> .
<b>Contingency</b>	0% per annum	Cabinet	1% = £2.3m	The Reserves Strategy holds balances related to risk.
<b>Capital Financing (net of interest received on balances)</b>	Costs of £15.2m in 2012/2013 and £15.6m in later years.	Cabinet / Borough Treasurer	Changes are reflected £ for £ in the Net Budget	To be reviewed as Capital Programme is developed. 2014/2015 set at 2013/2014 levels.
<b>Early Retirement – ongoing costs</b>	£4.0m in 2012/2013 to provide for the actuarial costs of early retirements and relocation costs from relocation.	Borough Treasurer & Head of Assets	Changes are reflected £ for £ in the Net Budget	Further redundancy will increase this item.
<b>Pension</b>	Actuarial Costs of £0.7m per annum.	Cheshire Pension Fund.	£0.7m	A commitment to meet the employer contributions fixed by the 2010 Pension Fund Valuation.

Source: Cheshire East Financial Scenario

## Central Adjustments

7. The Council predicts the level of funding it will receive, from Council Tax and Government grants, to arrive at a total income figure. Several “central adjustments” are made to this total to withhold funding for items such as inflation and transfers to reserves. The total funding less central adjustments gives the amount available for service expenditure.

8. For 2012/2015 the following central adjustments have been included in the scenario:

Adjustment	Description / Basis	2012/13 £m	2013/14 £m	2014/15 £m
Pension: Employers Contributions	See above	0.7	0.7	0.7
Provision for service inflation	See Expenditure section.	4.0	4.0	3.9
Capital Financing	See above	15.2	15.6	15.6
Contributions to reserves	See above	6.1	7.9	4.5
Early retirement (Corporately funded only)	See above	4.0	3.8	1.2
<b>Total</b>		<b>30.0</b>	<b>32.0</b>	<b>25.9</b>



## Summary of Available Funding

9. **Table 12** below shows the summary of funding available to services after the deduction of central adjustments. The later two years are based almost entirely on local assumptions as government funding announcements are not anticipated until autumn of this year.

**Table 12 – Funding Available to Services**

	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Council Tax	(179.2)	(179.7)	(180.3)
Formula Grant	(63.2)	(62.7)	(57.7)
Ring fenced Specific Grants	(246.4)	(245.3)	(245.3)
Un ring fenced Specific Grants	(126.1)	(124.9)	(122.6)
Central Adjustments	30.0	32.0	25.9
<b>TOTAL INCOME</b>	<b>(584.9)</b>	<b>(580.6)</b>	<b>(580.0)</b>

*Source: Cheshire East Finance*

## Post February Updates

10. There have been published updates and clarifications to data supplied in the Cheshire East Budget of February 2011. For example the New Homes Bonus Grant was announced at £0.87m for each year from 2011/2012 for the next 6 years. There have also been small changes to specific grants after the budget was set. To assist with proposals, for 2012/2013 and beyond, portfolio holders and other members will be kept abreast of any relevant changes either through formal or informal briefings.

## Measure 2 ~ Review Local Taxation

11. Council Tax and Supplementary Business Rates (with agreement from businesses) are set locally and therefore can be classified as a controllable income sources. The Resources Portfolio Holder will advise Cabinet on proposals in this area to determine the Council's approach.
12. The following table sets out the key planning assumptions in relation to local taxation:

<b>Controllable Items</b>	<b>2012/2013 Assumption</b>	<b>Source</b>	<b>Impact</b>	<b>Comment Risk / Issue</b>
<b>Council Tax</b>	0% per annum	Cabinet	1% = £1.8m	Potential for Council Tax referendum and / or Council Tax freeze.
<b>Council Tax Base (See Note i)</b>	Increase of 0.3% per annum	Borough Treasurer	0.3% = £0.54m	Growth is estimated based on recent trends.
<b>Council Tax Collection Fund Balance</b>	Nil surplus / deficit per annum.	Borough Treasurer	Changes are reflected £ for £ in the Net Budget	Collection rate percentage will cause variances.

Controllable Items	2012/2013 Assumption	Source	Impact	Comment Risk / Issue
<b>Supplementary Business Rates</b>	No additional rates set.	Cabinet	£0.01 increase on the multiplier = £2m	Additional revenue raised has to be agreed with businesses and be used for a specific purpose.

## Notes

### i) Council Taxbase

This represents the estimated number of band D equivalent properties used for setting the Council Tax. The 2011/2012 taxbase was 146,899 with each 0.1% change equating to £0.179m.

## Measure 3 ~ Use General Reserves

13. The following table sets out the key planning assumption in relation to the use of reserves. The Borough Treasurer, as Section 151 Officer, will review the level of reserves and inform CMT / Cabinet of issues.

Controllable Items	2012/2013 Assumption	Source	Impact	Comment Risk / Issue
<b>Contribution to/from Reserves (See Note i)</b>	£6.1m contribution to reserves to ensure a minimum strategic level is retained	Cabinet	Changes are reflected £ for £ in the Net Budget	Insufficient levels of Reserves will not provide working balances nor meet emergencies or unforeseen service demand.

### i) Contribution to / from Reserves

This is an allocation to or from the Council's General Reserves to ensure that a minimum strategic level is maintained, in accordance with the Reserves Strategy approved as part of the Business Planning Process for 2011/2014. Any indication that reserves will be above or below this position will be carefully considered by Members and the Chief Financial Officer. Actions may then be necessary to return the reserves to an appropriate level.

## Measure 4 ~ Review Expenditure

14. The Scenario expresses expenditure in net terms, that is after fees and charges and recharges have been netted off the gross expenditure. The expenditure forecasts are also based on a series of key planning assumptions. Cabinet can revise the assumptions in relation to expenditure and also request changes to the level of spend to be addressed through policy proposals.

15. The table overleaf summarises the planning assumptions used in the Scenario in relation to expenditure, their impact and associated risks. Further details in relation to certain items are also provided in the notes.

Controllable Items	2012/2013 Assumption	Source	Impact	Comment Risk / Issue
<b>Pay Inflation</b> (See Note i)	0% per annum	Cabinet	1% = £1.4m	No pay award expected from local government employers in 2012/2013.
<b>Non Pay Inflation</b> (See Note ii)	3% per annum based on 38% of the Council's net budget.	Cabinet	1% = £0.9m	Provision for inflation to acknowledge high levels of inflation and Government target to reduce CPI to 2%.
<b>Contractual Inflation</b>	1.75% per annum	Cabinet	1% = £0.9m	As per non pay – an allowance for contractual pressures.

## Notes

### i) Pay Inflation

Pay inflation is applied to 62% of the budget. On a base of £140m each 1% equals £1.4m. The local government employers have said that they are unable to offer a pay award in 2011/2012. The Unions' 2011/2012 claim of £250 on all salary points would cost Cheshire East Council an estimated £1.4m. Inflation (CPI) is currently running at 4.2% per annum for June, but given the current economic situation, it is assumed that no pay award will be made in either 2011/2012 or from 2012/2013 through to 2014/2015.

(Sources

- Office for National Statistics Consumer Price Index annual rate of inflation
- Local government employers letter of 17 February on the 2011/2012 pay award on their website).

### ii) Non Pay Inflation

The basis for the provision of non pay inflation has been selected to acknowledge higher inflationary pressures with CPI at 4.2% in June 2011 and note the Government's target CPI rate of 2%.

16. Further issues relating to expenditure are set out below:

### Dedicated Schools Grant (DSG)

17. The Council receives approximately £218m as DSG. This represents the principal source for funding schools.

18. The amount of DSG received by the Authority is reduced to reflect school conversions to Academy status. Funding for Academies is passported to them through the Young Peoples Learning Agency, and not the Authority. For 2011/2012, this reduction is approximately £14m. The DSG award of £218m quoted above has been adjusted to reflect this.

19. As part of the restructure of local government funding, relevant grants (which were previously Standards Funds), have become part of DSG. The DSG has therefore increased significantly from previous years.

20. The funding levels for schools are not increasing in real terms and therefore work will be taken forward to determine pressures on the total schools budget and the further changes that are required to work within the total allocation.

21. These steps will form part of the Business Planning Process and operate to the same timescales.
22. Working with the Schools Forum and Working Groups of the Forum the business planning approach detailed above for Council services will be utilised as far as is possible to develop a Schools Business Plan. This is a development that will help to focus on the delivery of Council's objectives for schools alongside individual and the Schools Forum's objectives for schools within the restricted resource envelope in the Cheshire East area.
23. Because of the different relationship between individual schools and the Council it will not always be possible to follow the approach identically, but the same concept and principles will be discussed and applied where appropriate and possible. Specific consultation meetings with the Schools Forum and other groups such as the Cheshire East Association Secondary Heads (CEASH), the East Cheshire Association of Primary Heads (ECAPH) and the Special School Head Teachers will be arranged accordingly.

### Estimated Service Expenditure

24. **Table 13** below shows the summary of budgeted expenditure split over the service directorates for each year.

**Table 13 - Estimated Service Expenditure**

	2012/13	2013/14	2014/15
	£m	£m	£m
Children & Families	305.6	301.9	299.4
Adults, Community, Health & Wellbeing	105.2	103.3	103.9
Places	51.9	49.0	47.6
Supporting Service Delivery	136.8	135.9	134.4
<b>TOTAL EXPENDITURE</b>	<b>599.5</b>	<b>590.1</b>	<b>585.3</b>

*Source: Cheshire East Finance*

### Capital Programme Planning

25. As indicated above the development of the Capital Programme for 2012/2013 to 2014/2015 will follow the same timescales as the revenue process and use the same paperwork. Cabinet will review the draft programme at key stages and determine the final position.
26. The Capital programme is determined by reference to the Council's aims, the Capital Strategy and the available funding, which has been significantly reduced in recent years leading to a smaller Capital programme.
27. The Capital Strategy is intended to:
- Ensure that the investment of capital resources contributes to the achievement of the authority's key objectives and priorities that are detailed in their community plans strategies.
  - Influence and encourage partnership working, both locally and nationally.

- Reflect the visions and aspirations of local people for service delivery and recognise the potential for others to contribute ideas and resources.
- Determine priorities between the various services and look for opportunities for cross-cutting and joined-up investment.
- Encourage improvement and innovation in asset use, procurement and disposal.
- Ensure revenue, capital and whole life costs are fully considered.
- Describe how the deployment of capital resources contributes to the achievement of the described goals.
- Encourage the consideration and use of a wide range of funding sources.
- Promote, in conjunction with the AMP, corporate ownership and prudent consideration of property issues.

28. The Capital Strategy forms an integral part of the Council's Business Planning Process which provides the financial interpretation of the Council's Corporate Plan. Once a project has been approved and included in the Capital Programme the revenue implications of the capital expenditure need to be built into the revenue budgets included in the Business Plan.

29. The Capital Strategy for 2011/2014 was approved by Cabinet in September 2010. At this stage it is being updated for September 2011. In the meantime the key messages are laid out below:

30. The development of the capital programme will involve a thematic approach based on the following key policy drivers:

- Development of the Corporate Landlord function

The Corporate Landlord role involves a corporate overview of the acquisition, management, maintenance, improvement, review and rationalisation of property assets. All property management functions will be undertaken by the Corporate Landlord who will work with service directorates to ensure the buildings they occupy are fit for purpose. This role will cover the management of property related capital budgets to enable efficiencies of scale in procurement and a more effective management and timetabling of works.

- Implementation of the lifestyle concept

The development of new facilities in Wilmslow and Crewe, bringing together a range of service functions including leisure facilities, libraries, education and social care.

- Economic development and regeneration

Strategic capital investment to facilitate economic growth and improve transport links.

- Highways and Transportation

The allocation of resources to support the objectives set out in the Local Transport Plan.

- Schools

The refurbishment and upgrading of schools in response to local priorities.

- Housing

Financial assistance to support affordable and appropriate housing and to fulfil statutory obligations.

- Infrastructure

Securing adequate provision for rolling programmes, for example ICT infrastructure and maintenance of the property asset base.

31. Capital resources are limited and therefore schemes will be prioritised against the following factors:

- Whether the Council would fail to meet its statutory obligations if the proposed scheme did not proceed;
- Level of external funding attached to the proposed scheme;
- How the proposed scheme helps meet stated Council objectives;
- Whether a failure to implement the scheme would result in a reduction in the Council's stated level of service;
- Whether a high level of public support can be demonstrated;
- Whether the scheme involves a partnership with other bodies thereby bringing resources into the Council;
- Whether it meets national government priorities;
- Whether the proposed scheme will result in future revenue savings.

## **Measure 5 ~ Review Income**

32. The Council raises over £70m from fees and charges. These are netted off expenditure budgets for scenario planning purposes. Therefore, the fees and charges budgets are subject to the standard non pay inflationary factor of 3%.

33. Currently there is no assumption related to further income from trading activities in the financial model.

34. The Council is developing the approach to both charging and trading to assist Members and officers in determining the basis for fees and charges. The Corporate Management Team will provide guidance on the approach.

## Annex 3 – Summary of Estimated Specific Grant Funding 2012/2015

	2012/13 £m	2013/14 £m	2014/15 £m
<b>Ringfenced Grants</b>			
Dedicated Schools Grant	228.0	226.9	226.9
Sixth Form funding not yet announced	18.4	18.4	18.4
<b>Total Ringfenced Grants</b>	<b>246.4</b>	<b>245.3</b>	<b>245.3</b>
<b>Unringfenced Grants</b>			
Council Tax Benefit	20.4	20.4	20.4
Housing Benefit	75.1	75.1	75.1
Early Intervention Grant	12.5	11.9	11.1
Learning Disabilities & Health Reform	4.1	3.9	3.6
Council Tax Freeze Grant	4.4	4.4	4.5
Housing & Council Tax Benefit			
Administration Grant	2.2	2.1	2.1
NNDR Admin Grant	0.5	0.5	0.5
Preventing Homelessness Grant	0.3	0.2	0.2
NHS Funding	3.8	3.6	3.3
Lead Local Flood Authorities	0.2	0.2	0.2
Extended Rights to Free Transport	0.2	0.1	0.3
Community Safety Fund	-	-	0.1
Cheshire & Warrington Improvement and Efficiency Commission	-	-	-
Grants claimed retrospectively	0.4	0.4	0.3
- YOT Pooled (Youth Offending Team)	0.2	0.2	-
- YOT Prevention	0.1	0.1	-
- Young People's Substance Misuse Grant	-	-	-
- Keeping Young People Engaged	-	-	-
Adult and Community Learning	0.7	0.7	0.6
Train to Gain Grant	0.2	0.2	0.2
Awaiting further information	0.6	0.6	-
Affordable Homes	-	-	0.1
Community Transport Grant	-	-	-
Grants claimed retrospectively	-	-	-
Places non mainstream grants finishing	- 0.4	- 0.3	-
Music Grant (being reviewed)	0.4	0.3	-
Community Call for Action/Overview			
Scrutiny Committee	-	-	-
Stronger Safer Communities	0.2	0.3	-
	-	-	-
<b>Total Unringfenced Grants</b>	<b>126.1</b>	<b>124.9</b>	<b>122.6</b>
<b>TOTAL SPECIFIC GRANTS</b>	<b>372.5</b>	<b>370.2</b>	<b>367.9</b>

Source: Cheshire East Finance and the 2011/2012 Budget Report

**Notes:**

1. The Dedicated Schools Grant figures for the three years 2011/2014 are based on estimated pupil numbers and estimates of changes to funding at February 2011.
2. Where grant funding has not been announced for 2013/2014, a reduction of 5% has been assumed on the 2012/2013 figures, and 7.25% for the 2014/2015 figures.
3. Sixth Form funding has not yet been announced for 2011/2012, and it has been assumed that there will be no reduction in funding, based on the Government's pledge to protect school funding.
4. No reduction in Council Tax benefit or Housing Benefit has been assumed, as this is based on benefits claimed.
5. No estimate yet for Public Health Grant.



## Annex 4 – List of Abbreviations

This annex provides details of the abbreviations used in the Report in alphabetical order.

<b>Term</b>	<b>Meaning</b>	<b>Term</b>	<b>Meaning</b>
ABG	Area Based Grant – type of grant previously given to local authorities by Government.	GUF	Guaranteed Unit of Funding – amount used to calculate DSG when combined with pupil numbers.
CIPFA	Chartered Institute of Public Finance and Accountancy – the body that sets standards for public finance.	HR	Human Resources – department responsible for staffing matters.
CFR	Capital Financing Requirement – used in calculating Minimum Revenue Position.	H&W	Health and Wellbeing – service responsible for leisure, library and cultural services.
CPI	Consumer Price Index – a measure of inflation.	ICT	Information and Communication Technologies – service responsible for technology at Cheshire East Council.
CSR	Comprehensive Spending Review – the Government's announcements on future funding levels.	ISB	Individual School Budget – budget devolved to individual schools rather than used centrally.
DCLG	Department for Communities and Local Government – Government department responsible for supporting local government and communities.	LILTS	Local Independent Living Teams – teams working within the Adults, Community, Health and Wellbeing service to assist with each individual client's needs.
DfE	Department for Education – Government department responsible for education and Children's services.	LTP	Local Transport Plan – the basis for bidding and receiving funding for highways and transport schemes.
DSG	Dedicated Schools Grant – grant received from Government to fund schools.	NHS	National Health Service – organisation responsible for health care.
EIG	Early Intervention Grant – grant to be used locally to support families with difficulties to prevent escalation of problems.	NNDR	National Non Domestic Rates – contribution to local authority costs by businesses. Rate is set by central government.

<b>Term</b>	<b>Meaning</b>	<b>Term</b>	<b>Meaning</b>
OFSTED	Office for Standards in Education, Children's Services and Skills – Agency responsible for ensuring that standards are maintained and improved.	RPI	Retail Price Index – main domestic measure of inflation in the UK.
PARIS	Electronic system used to record payments and receipts.	RSG	Revenue Support Grant – an element of Formula Grant given to local authorities by central government.
PCT	Primary Care Trust – a local trust of the NHS which provides initial healthcare.	SEN	Special Educational Needs – children with SEN may require extra assistance to overcome learning disabilities or disabilities.
PFI	Private Finance Initiative – scheme where public bodies pay for use of an asset constructed by the private sector.	VAT	Value Added Tax – tax paid to HM Revenue and Customs on goods and services bought and sold.
PWLB	Public Work Loan Board – a government agency providing loans to public bodies for capital works.	VPN	Valuing People Now – initiative to improve health and wellbeing and ensure the NHS and local authorities work together.
P&C	Performance and Capacity – name of Cheshire East Council's 'back office' directorate including services such as legal and finance.		

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