

# Cabinet

## Agenda

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**Date:** Monday, 9th January, 2012  
**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 - 6)

To approve as a correct record the minutes of the meeting held on 28 November 2011.

5. **Key Decision CE11/12-20 Improvements to the Delivery of Adult Social Care Building Based Services - Interim Report** (Pages 7 - 14)

To consider a report of the Director of Children, Families and Adults giving an update on the progress of the consultation and timescales for the preparation of the required business cases.

6. **Key Decision CE11/12-22 Farms Estate Policy Review** (Pages 15 - 28)

To consider the findings of a review of the rationale for the provision of the service, and the scale and nature of future provision.

7. **Business Generation Centres** (Pages 29 - 34)

To agree a response to the recommendations of the Corporate Overview and Scrutiny Committee Review of Business Generation Centres.

8. **Key Decision CE11/12-26 Knutsford Health and Social Care Development** (Pages 35 - 44)

To consider a report of the Director of Children, Adults and Families.

9. **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 Paragraph 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**

10. **Key Decision CE11/12-18 Temporary Agency Staff Contract** (Pages 45 - 52)

To consider the Joint report of the Director of Finance and Business Services and the Head of Human Resources and Organisational Development.

**CHESHIRE EAST COUNCIL**

Minutes of a meeting of the **Cabinet**  
held on Monday, 28th November, 2011 in Committee Suite 1,2 & 3,  
Westfields, Middlewich Road, Sandbach CW11 1HZ

**PRESENT**

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

Councillors D Brown, H Gaddum, J Macrae, P Mason, R Menlove and  
M Jones.

Councillors in attendance:

Rhoda Bailey, G Baxendale, D Brickhill, P Butterill, R Cartlidge, J Clowes,  
P Findlow, D Flude, P Groves, S Hogben, O Hunter, J Jackson, D Mahon,  
B Murphy, P Raynes, B Silvester, L Smetham, A Thwaite and S Wilkinson.

Officers in attendance:

Chief Executive; Borough Solicitor; Director of Finance and Business  
Services; Head of Human Resources and Organisational Development;  
Strategic Director (Children, Families and Adults; and Strategic Director  
Places.

**80 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Rachel Bailey.

**81 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**82 PUBLIC SPEAKING TIME/OPEN SESSION**

Mike Ratcliffe spoke in respect of agenda item 10 (Crewe Heritage Centre) with particular reference to the current lease, held by the Trustees of Crewe Heritage, which still had 30 years remaining. He also informed the Cabinet that he intended to complain to the Ombudsman regarding this matter.

Charlotte Peters Rock asked the following questions to which it was agreed that a written response would be sent: -

1. What plans does Cheshire East Council have to sell off its surplus land and unused buildings to raise the variously stated £16m (Knutsford) or £10m (Crewe) shortfall in finances?
2. What was the overall cost to council tax payers of the recently held special meeting for Aldermen making which was held at Crewe Lyceum; this to include (a) building hire, (b) Councillors and other

expenses including travel and car parking, (c) comestibles, (d) staff wages and (e) all other costs.

In addition she handed in a copy of the recently produced (8 Nov 2011) Cheshire East LINK Enter and View report on Stanley House Community Support Centre, Knutsford, to draw Councillors attention to the conclusions about the suitability of that facility.

### **83 MINUTES OF PREVIOUS MEETING**

#### **RESOLVED**

That the minutes of the meeting held on 31 October be approved as a correct record.

### **84 KEY DEC 89 CHESHIRE EAST HOUSING STRATEGY 2011 - 2016**

Consideration was given to the Housing Strategy for 2011-2016 which set out the vision for the authority and the priority areas on which it would focus during that time; provided strategic direction for stakeholders, both internally and externally, and would assist in the creation of sustainable communities and economic growth.

#### **RESOLVED**

That the Cheshire East Housing Strategy 2011-2016 be adopted.

### **85 2011/12 MID YEAR REVIEW OF PERFORMANCE**

Consideration was given to the mid year review of financial and non-financial performance. The report detailed the Council's overall financial stability, the financial performance of each individual service, highlighting the key financial pressures being faced, and the key performance headlines at the end of the first half of 2011/12.

Each Portfolio Holder spoke on the performance of their respective service and provided a brief resume of the reasons leading to the various areas of pressure identified.

#### **RESOLVED**

1. That the following financial issues be noted:

- the overall financial stability of the Council, including Grants, in-year collection rates for Council Tax and Business Rates, Treasury Management, and centrally held budgets shown in Annex 1 of the report;
- the impact on the Council's general reserves position as detailed in Annex 1 of the report;
- the forecast service revenue and capital outturn positions shown in Annex 2 of the report;

- the Council's invoiced debt position as shown in Annex 2 of the report;
  - progress on delivering the 2011-12 capital programme, detailed in Annex 2 and Appendix 1 of the report;
  - delegated decisions approved by Directors for Supplementary Capital Estimates (SCE) and virement requests up to £100,000, as shown in Annex 2, Appendix 2a of the report;
  - reductions to approved capital budgets, as shown in Annex 2, Appendix 3 of the report.
2. That the performance issues contained in Annex 3, in particular the successes achieved during the first half of 2011/12, and the issues raised in relation to underperformance against targets and how they will be addressed, be noted.
3. That approval be given to the Supplementary Capital Estimates and virement requests over £100,000 and up to and including £500,000 as shown in Annex 2, Appendix 2b of the report.
4. That Council be asked to approve:
- a Supplementary Revenue Estimate of up to £860,000 to be met from general reserves to meet one-off costs of the Pay Harmonisation package in 2011-12, as detailed in Annex 1 of the report;
  - a Supplementary Capital Estimate/Virement of over £1,000,000 as detailed in Annex 2, Appendix 2c of the report.

## **86 SPECIAL SCHOOL FOR CHILDREN WITH AUTISM SPECTRUM CONDITION**

Consideration was given to the need to develop local specialist provision for children and young people between 4 and 19 years of age with Autistic Spectrum Condition (ASC). The proposal was one of the outcomes of a review commenced in 2010 into arrangements for children and young people with special educational needs and disability.

The aspiration of the reviews working group was to develop an outstanding/excellent ASC specific special school, and service, for children as close to their local community as possible, and to enable them to achieve the best possible outcomes. A suitable location had been identified on the site of the former Church Lawton Primary School in Alsager.

### **RESOLVED**

1. That approval in principle be given to the further development of the feasibility study to establish a specialist provision for children and

young people with Autism Spectrum Condition between the ages of 4 to 19 on the Church Lawton Primary School site.

2. That the Portfolio Holder for Children and Families be given delegated authority to make the decision, subject to the outcome of the feasibility study, to undertake the statutory consultation process.

#### **87 LAND OFF EARL ROAD (LONG MARL LANE), HANDFORTH DEAN**

Consideration was given to options for the development of this site which had been held as a strategic employment site for a number of years, and also used for some of the time by Airparks UK Ltd under a temporary planning permission. Unfortunately no single end user had come forward during that time although recent enquiries indicated there was potential for the site to be serviced and plots marketed for a range of employment uses.

The local ward Councillors for the area had forwarded a request to the Cabinet, which the Chairman read out at the meeting, that consideration be given to the land being re-designated as housing land. The Cabinet was, however, of the view that issues of land supply would be resolved through the Local Development Framework process and also that any change of designation might adversely affect a recent informal planning appeal hearing for an area of land in the vicinity.

#### **RESOLVED**

1. That the Council investigates further the options for development of the site, including those options outlined in 10.3 - 10.5 of the report, to maximise employment opportunities and financial returns.
2. That a feasibility exercise be undertaken and expressions of interest sought from the market in order to better understand the current demand and occupier requirements.
3. That the conclusions of the above investigations be considered by the Cabinet in Spring 2012.

#### **88 SHADOW HEALTH AND WELLBEING BOARD - TERMS OF REFERENCE**

Consideration was given to the progress to date in establishing the Cheshire East Shadow Health and Wellbeing Board, and to the Terms of Reference for the Board which would then be submitted to Council for approval.

The Terms of Reference had been created for the Shadow Board, which would operate between April 2012 and March 2013; it was anticipated that they might require amendment upon review of the final detail of the

enacted Health and Social Care Bill and in advance of the Board moving from Shadow form to that of a statutory committee.

**RESOLVED**

1. That progress to date in establishing the Cheshire East Shadow Health and Wellbeing Board be noted.
2. That Council be recommended to approve the Shadow Health and Wellbeing Board Terms of Reference.
3. That it be noted that the Terms of Reference of the Shadow Health and Wellbeing Board will be reviewed in 2012-13 as outlined in para 1.4 of the report.

**89 NOTICE OF MOTION FROM COUNCIL - CREWE HERITAGE CENTRE**

A notice of motion had been submitted to Council on 13 October 2011 concerning decisions taken by the Portfolio Holder for Prosperity on Crewe Heritage Centre, and this stood referred to Cabinet. Consideration was now given to a report detailing the background to those decisions, the reasons they were made, and to the advice received at the time including that from the Environment and Prosperity Scrutiny Committee.

The response given by the Portfolio Holder at the Portfolio Holder (Prosperity) meeting on 22 August 2011 was included in the report and he confirmed that he remained satisfied that the decisions taken were in the long term interests of the site.

**RESOLVED**

That the report be received and it be confirmed that the decisions previously taken by the Cabinet Member for Prosperity regarding the Crewe Heritage Centre were done so in an informed manner with reference to all reasonable relevant information and advice necessary to make the said decisions.

**90 NOTICE OF MOTION FROM COUNCIL - CREWE MARKET**

A notice of motion had been submitted to Council on 13 October 2011 concerning the relocation of Crewe Market to the Town Square, and requesting that the charges be reviewed to encourage its regeneration. The motion stood referred to Cabinet and the report detailed the alternative options available following consultation with the Crewe Market Traders Committee.

**RESOLVED**

1. Subject to any consents or orders which may be determined by Legal Officers, a trial 'Street Market' be hosted in Crewe, linking the existing Indoor Market to the busier retail streets and ultimately to Market Square, the trial to be reviewed in March 2012 to determine its success.
2. That short term incentives be trialled for new market traders in Crewe to help them become established and that the trial approach be reviewed in March 2012 to determine its success.
3. That if successful this approach be considered for other suitable Markets.

**91 EXCLUSION OF THE PRESS AND PUBLIC**

**RESOLVED**

That the press and public be excluded from the meeting during consideration of the following item pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1 and 2 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

**92 MANAGING WORKFORCE CHANGE**

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

**RESOLVED**

That Cabinet supports the decision of the Chief Executive to release the employees whose roles are listed as 1 to 4 of Appendix A under the arrangements agreed in relation to voluntary severance provisions for employees in the Council.

The meeting commenced at 2.00 pm and concluded at 4.10 pm

W Fitzgerald (Chairman)



## CHESHIRE EAST COUNCIL

### REPORT TO: CABINET

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**Date of Meeting:** 9 January 2012  
**Report of:** Lorraine Butcher, Strategic Director Children, Families and Adults  
**Subject/Title:** Improvements in the delivery of Adult Social Care Services – Building Based Services – Interim Report  
**Portfolio Holder:** Cllr Roland Domleo

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#### 1.0 Report Summary

- 1.1 Cabinet approved (5 Sept 2011) an earlier report regarding proposals to enhance facilities and potentially transfer some day and short breaks services from Bexton Court (Knutsford), Peatfields (Macclesfield), Dean Row (Wilmslow), the Stanley Centre (Knutsford) and Queens Drive (Nantwich). That report also proposed a period of consultation regarding the proposed changes and requested that further work be undertaken to prepare detailed business cases for any investment in buildings and/or transfer of services with a subsequent report to Cabinet to follow
- 1.2 Cabinet was informed that the matter would return to it for a decision in December 2011. Due to the range of alternative suggestions received as part of the consultation it is clear that it will not be possible to develop a final report within the original timescales. It is now envisaged that this will be available by March 2012.
- 1.3 This report is being provided to Cabinet as a matter of courtesy as information was expected to be received in December 2011 and it provides a progress report on the consultation and the timescales for preparation of the required business cases(s).

#### 2.0 Decisions Requested

- 2.1 Acknowledging that the Consultation Period has not yet concluded (at the time of writing) Cabinet is asked to note the importance of taking relevant inputs into account when preparing business case proposals. It notes that the full findings of the consultation will be reported at a future date.
- 2.2 Cabinet endorses the continuing work to develop robust proposals for each locality and also endorses the work with Local Engagement Groups in Knutsford, Crewe & Nantwich and Macclesfield which include carer and service user representatives. Negotiations with alternative service partners and stakeholders are also endorsed

### **3.0 Reasons for Recommendation**

#### **3.1** These recommendations are designed to achieve the following:

- 3.1.1 The delay proposed is purposeful in that it will ensure that views of users of services, their carers and other interested parties are fully considered in the development of policy and service design.
- 3.1.2 To ensure that day and short breaks services are provided in a 'personalised' but cost-effective way and within buildings that are fit for purpose.
- 3.1.3 To enable any proposed changes agreed by Cabinet in respect of the delivery of day care/respite services to be implemented as soon as possible in the new financial year, which should enable impacts on budgets to be clear at the earliest opportunity.
- 3.1.4 To improve the variety and quality of services which are available to customers.
- 3.1.5 To underline the Council's commitment to enhancing services and to ensure that its statutory duty will continue to be met.

### **4.0 Wards Affected**

- 4.1 All affected as the requirement on Officers is to consider all services within social care and other relevant Council services, particularly those in Health and Wellbeing.

### **5.0 Local Ward Members**

- 5.1 All

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

- 6.1 Net Carbon Reduction – proposals that make more intensive use of buildings have the potential to reduce overall energy consumption, especially energy delivered by carbon producing energy sources.
- 6.2 Health – these proposals are consistent with developing the role of the Council in supporting and improving the health of its population.

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

- 7.1 The proposals, and the business cases to follow, are consistent with the pressing need to meet challenging financial targets contained within the 2011/12 budget.
- 7.2 Financial efficiency targets are already incorporated within the Budget for 2011/12, and the delay in delivery against these targets has already had significant financial implications. The Council invests around £8.5 million a year in building-based social care services, and at present these are operating at only 65% of capacity vs. a target of 85%, which represents a significant efficiency improvement opportunity of around £1.7 million a year. It is therefore imperative that the Council completes all necessary

processes as soon as possible, and takes the decisions that deliver against the relevant lines in the budget to prevent / minimise any further slippage.

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

- 8.1 The consultation undertaken is due to conclude on 13 December 2011. It is imperative that the outcome of that consultation is fully considered and taken into account in any proposals for future service delivery. Therefore before making a final decision on this matter, Cabinet will need to be confident that officers have had sufficient time to consider the outcome of the consultation, clarify issues and work up appropriate proposals.
- 8.2 Under the Equalities Act 2010, an Equality Impact Assessment must be completed before reaching any final decision to substantially vary any service provision. This will be provided with the final report due March 2012.

## **9.0 Risk Management**

- 9.1 The processes suggested in this report are important to assist the achievement of the budget for adult social care. This is the highest risk budget within the Council so timely implementation of action would assist greatly in achieving budget savings.
- 9.2 There is an equal risk to the Council from the failure to deliver statutory levels of care to those with critical or substantial care needs. All changes will therefore have to be considered against the possible impact on this statutory duty.

## **10.0 Background**

- 10.1 Customer demand has changed over time for day and respite services. One of the key factors in this has been personalisation. This has allowed service users to opt to purchase services from the independent sector via a direct payment rather than receiving them from the Council. As such, it gives them the opportunity for greater choice and control.
- 10.2 The Council has recognised that it must respond to rising expectations of service quality. Following the Cabinet Paper in January 2011 on Lifestyle Centres, pilots have taken place for interested service users with lower levels of need at Wilmslow and Macclesfield Leisure Centres. These pilots have offered service users greater choice and variety in services, offering the potential for real enhancement in quality of life. They therefore offer a genuinely empowering alternative to existing day services for some service users.
- 10.3 A consequence of these two factors has been that a number of Council day services are experiencing significant under capacity. This means these services are disproportionately expensive in relation to the number of customers they assist.
- 10.4 A first stage to addressing these concerns was the consideration of transferring services from Bexton Court, Peatfields, Dean Row, the Stanley Centre and Queens Drive. This would generate financial efficiency savings and the potential for capital receipts subject to the future use of buildings. There is also a need to invest in the

remaining building stock since some facilities are below standard. This will also allow the lifestyle approach to be developed.

## 11.0 Progress to date

- 11.1 The consultation covering the initial proposals has provoked a strong response from customers, carers and the general public. This is particularly true of Knutsford but also applies in Crewe & Nantwich. A total of 111 people attended the public meetings, a further 278 attended customer meetings and a total of 183 questionnaire responses have been received. We have also experienced a large number of FoI requests focussing on the detail behind those initial proposals and there has been significant media coverage
- 11.2 Without prejudging the outcome of the consultation some key factors have emerged:
- There is a strong desire for some local day service provision in Knutsford
  - There is a strong desire for some local respite provision in Crewe
  - Several organisations have expressed an interest in working with us to explore alternative service offerings
  - A number of other alternatives have been suggested, all of which require further investigation in order to establish their viability
- 11.3 A summary of the main options that have been/are being explored is attached as Appendix A. Some have already been discounted for a variety of reasons.
- 11.4 It should be noted that **none of the above assumes these will be the final solutions proposed.**
- 11.5 Local Engagement Groups have been/are being established in Knutsford, Crewe & Nantwich and Macclesfield to explore the options available and make final recommendations to be included in a subsequent cabinet paper and supporting business case

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

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Designation: Strategic Director Children, Families & Adults  
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bbr summary v5.xls

**Appendix A attached:**

# ADULTS - BUILDINGS REVIEW OPTIONS SUMMARY

@05/12/11

WHERE	WHAT	WHY	CAPITAL COST	*CAPITAL RECEIPT	REVENUE SAVING
KNUTSFORD/WILMSLOW					
Stanley Centre - option1 (Day Care)	Retain the Stanley Centre as is, however would necessitate some building modernisation work to the older building (heating, bathroom etc)	Suggested by consultation	TO BE DEVELOPED AS PART OF BUSINESS CASE	TO BE DEVELOPED AS PART OF BUSINESS CASE	TO BE DEVELOPED AS PART OF BUSINESS CASE
Stanley Centre - option2 (Day Care)	Retain the new part of the Stanley Centre, with some modifications to separate from the old building and improve security. Consider potential for offering dementia care.	Retains local service and allows for potential capital receipt from sale of the old building			
Stanley Centre - option3 (Day Care)	Retain the new part of the Stanley Centre, with some modifications to separate from the old building and improve security. Convert Stanley House into replacement for East Terrace?	Retains and improves local services			
Stanley Centre - option4 (Day Care)	Complete closure and sale of entire site, service transferred to other venues inc. Wilmslow Lifestyle (non-complex needs) and Redesmere (for complex needs)	Maximises capital receipt and revenue savings			
Knutsford Leisure Centre (Day Care)	Conversion of some rooms to provide day centre functions and lifestyle base	NOT FEASIBLE DUE TO SHARED USE WITH HIGH SCHOOL - NOW AN ACADEMY			
Plumley Civic Hall (Day Care)	Use of some rooms to provide day centre functions and lifestyle base	NOT FEASIBLE DUE TO EXISTING BOOKINGS PREVENTING REGULAR USE			
Knutsford Civic Centre (Day Care)	Use of some rooms to provide day centre functions and lifestyle base	NOT FEASIBLE DUE TO EXISTING BOOKINGS PREVENTING REGULAR USE			
St Johns Community Centre (Day Care)	Use of some rooms to provide day centre functions and lifestyle base	TO BE OUTSOURCED VIA TENDER			
Winstanley House (Day Care)	Use of some rooms to provide day centre functions and lifestyle base	NO SUITABLE ROOMS AVAILABLE			
East Terrace (Day Care)	Use of some rooms to provide day centre functions and lifestyle base - several current Service Users live their	NOT FEASIBLE DUE TO LACK OF SPACE			
Wilmslow Leisure Centre (Day Care)	Room extension(s) and installation of Changing Places toilet to allow use as an attractive Lifestyle base				
Wilmslow Leisure Centre	Extension of existing Dayroom facility				

Wilmslow Leisure Centre	Changing Places (Option A) First Floor	Allows current lifestyle user base to grow and encourages use of facilities by general population. Extra revenue generated for Leisure services			
Wilmslow Leisure Centre	Changing Places (Option B) First Floor				
Wilmslow Leisure Centre	Changing Places (Option C) Ground Floor Corridor				
Wilmslow Leisure Centre	Changing Places (Option D) Ground Floor Reception				
Wilmslow Leisure Centre	Changing Places (Option E) Ground Floor Reception				
Redesmere(Day Care)	Alterations to allow user transfer from Dean Row. Also develop office onsite to allow staff moves from Chapel Lane	Makes it more attractive and possible for users to transfer from Dean Row - linked alternative under investigation			
Dean Row (Day Care)	Alterations to allow user transfer from Redesmere	Makes it more attractive and possible for users to transfer from Redesmere - linked alternative under investigation			
David Lewis Centre (Day Care)	New provision by DLC of Day Care as independent sector solution	Under investigation			
Bexton Court (Day + Respite Care)	TEMPORARILY CLOSED				

MACCLESFIELD					
Hollins View - option1 (Day + Respite Care)	Improvements to existing building to provide specialist Dementia care	Allows use for both Dementia Respite and day care facilitating moves from Mayfields to more local provision	DEVELOPED AS PART OF BUSINESS CASE	DEVELOPED AS PART OF BUSINESS CASE	DEVELOPED AS PART OF BUSINESS CASE
Hollins View - option2 (Day + Respite Care)	Conversion of existing YOT building on same site to increase capacity	Increased capacity permitting moves from Mayfields			
Macclesfield Leisure Centre Day Care)	Room extension(s) and installation of Changing Places toilet to allow use as an attractive Lifestyle base	Allows current lifestyle user base to grow and encourages use of facilities by general population. Extra revenue generated for Leisure services			
Macclesfield Leisure Centre Day Care)	Extension of existing room - Does not address any access issues, or incorporate Changing Places facility. (Option A)				
Macclesfield Leisure Centre Day Care)	Larger extension of existing room - Does not address any access issues, or incorporate Changing Places facility. (Option B)				
Macclesfield Leisure Centre Day Care)	Largest extension of existing room - Does not address any access issues, or incorporate Changing Places facility. (Option C)				
Macclesfield Leisure Centre Day Care)	Platform lift in addition to Options A-C to improve accessibility				
Macclesfield Leisure Centre Day Care)	Move Lounge/Daycare room to improve accessibility				

Macclesfield Leisure Centre (Day Care)	Provide Changing Places facility at the main entrance		TO BE	TO BE	TO BE
Mayfields (Day Care)	Move dementia services to Hollins View to free capacity for users to move in from Peatfields	Allows consolidation of Peatfields			
Peatfields (Day Care)	Declare surplus	Surplus once services consolidated - to retain would require significant investment and modification for use for complex needs			
Warwick Mews	Move respite care to redeveloped Mountview in order to allow re-use for returning out-of-area LD placements	Revenue savings from expensive out-of-area placements			
East Cheshire Hospice	Shared daycare facilities	Under investigation			

CONGLETON					
Mountview (Day + Respite Care)	Investment to create additional Learning Disability respite bedrooms & multi-purpose facilities	Allows users to move from Queens Drive	TO BE DEVELOPED AS PART OF BUSINESS CASE	TO BE DEVELOPED AS PART OF BUSINESS CASE	TO BE DEVELOPED AS PART OF BUSINESS CASE
Carter House (Day Care)	Retain but with minor improvements to toilets etc	Investment to make fit for purpose			
48/54 Lawton St	Closure following staff relocation to other premises	Consolidation following staff moves			
Salinae (Day Care)	NO CHANGE				

CREWE					
Queens Drive	Closure following moves to Mountview or Lincoln House	5 bedrooms are upstairs with no lift. One bedroom is a converted garage not fit for purpose. Insufficient space to install ceiling track hoists or en-suite facilities. Too few beds to make waking nights service viable			
Queens Drive	Retain	5 bedrooms are upstairs with no lift. One bedroom is a converted garage not fit for purpose. Insufficient space to install ceiling track hoists or en-suite facilities. Too few beds to make waking nights service viable			
Queens Drive	Adapt	Install lift, ensuite facilities. But problem of lack of space to do this. Reduction in rooms means greater cost of places. Would not be able to offer a waking nights service.			

Lincoln House	Create 4 LD respite beds here in Kensington wing. There would need to be a partition, some alterations to bathrooms and toilets, secure doors fitted, along with some fencing to create an outside garden/patio area.	Would allow local delivery of respite in Crewe/Nantwich area. However, consultation has raised issue that families do not like idea of the mix of client groups.	TO BE DEVELOPED AS PART OF BUSINESS CASE
Private Provision	Block book beds with the private sector	Allows option of more local provision, means no capital outlay by the Council.  However, would not allow separation of respite from normal residential care as no specialist independent sector respite places within Borough. Risk that costs may rise over time. Problem of whether provision available for Complex LD/PD.	
Mountview (Day + Respite Care)	Investment to create additional Learning Disability respite bedrooms & multi-purpose facilities	Allows users to move from Queens Drive	
Out of County Placements	Service users with more complex needs currently given respite out of county due to lack of facilities	Means no capital outlay but service users have to travel, relatively expensive for the Council	
Shared Lives	Short breaks for older people in a carers home	Requires no capital investment by the Council, although finding the right placement not always straightforward. Unlikely to provide a solution for all customers (particularly for those with more complex needs).	
Redsands	Former Childrens Home, located on outskirts of Nantwich. Develop to provide respite facilities	Provides a more local alternative	
Cheyne Hall (Day Care)	NO CHANGE AT PRESENT		
Macon House (Day Care)	NO CHANGE AT PRESENT		
			TO BE DEVELOPED AS PART OF BUSINESS CASE
			TO BE DEVELOPED AS PART OF BUSINESS CASE
			TO BE DEVELOPED AS PART OF BUSINESS CASE



## **CHESHIRE EAST COUNCIL**

**REPORT TO: CABINET**

**Date of Meeting: 9 January 2012**

**Report of: John Nicholson – Strategic Director Places and Organisational Capacity**

**Subject/Title: Farms Estate - Policy Review**

**Portfolio Holder: Cllr Jamie Macrae - Prosperity Portfolio Holder**

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### **1.0 Report Summary**

- 1.1 The Farms Estate has a century long history of fulfilling a variety of roles within a rural context for the people of Cheshire. It was created to meet a social environmental need addressing concerns about rural depopulation; it subsequently contributed in times when food security was of more overt and critical importance to the nation and throughout has provided the only entry level opportunities into an industry that is key to the character and values of a rural authority.
- 1.2 The current management strategy was inherited from the former County Council, designed to mature in 2013 and at its core retained the primary role of providing opportunities to farm whilst providing radical targets for the reorganisation of the estate.
- 1.3 Whilst Local Government Reorganisation and speculation about policy change by stakeholders has had an impact upon the implementation of that strategy, delaying completion, it is clearly appropriate for Cheshire East Council to undertake a review to set its own policy.
- 1.4 At a fundamental level, this review sets out to challenge the rationale for the provision of the service, consider the scale of provision if any and review / set objectives for service to achieve, underlining the validity of continuing to improve service delivery.
- 1.5 A Cabinet Review Group (CRG) was commissioned by the Portfolio Holder For Prosperity to consider the issues; inform Cabinet about the nature and function/s of the service; how it can and does relate to the Councils vision and contribute to corporate objectives; provide a cost benefit analysis and assist the Council in reaching a conclusion upon the formulation of policy for the service.
- 1.6 Attachment 1 provides a summary of the information provided to the Cabinet Review Group including references to:
  - 1.6.1 An analysis of the current management strategy,
  - 1.6.2 The generation of capital receipts and projected levels of associated costs
  - 1.6.3 The costs of reorganisation
  - 1.6.4 Commissioned reports addressing values and providing an independent view of the challenges and opportunities.

- 1.7 Paragraph 2.1 – 2.9 set out the conclusion and advice of the Cabinet Review Group to Cabinet.
- 1.8 The report, its conclusions and the recommendations of the Cabinet Review Group set out within paragraphs 2.1 to 2.11 below were considered and unanimously endorsed by the Environment & Prosperity Scrutiny Committee at its meeting on 23 November 2011.

## **2.0 Decision Requested**

- 2.1 That Cabinet be asked to note the report (Attachment 1) consider the findings of that report and appendices and;
- 2.2 Endorse the continuing provision of opportunities to farm as a core objective for the service and;
- 2.3 The target structure be amended to accommodate targets to deliver two levels of opportunity identified as Entry Level 1 (EL1) and Entry Level 2 (EL2) farms.
- 2.4 The target structure be modelled to continue the drive to deliver a larger number of the Entry Level 2 units in the proportional split of 3 Entry Level 1 farms to 8 Entry Level 2 farms.
- 2.5 The size of the estate be maintained at a similar area as existing, subject to reductions occurring by the disposal of property identified as surplus in the reorganisation, for corporate projects or for development purposes and strategic acquisitions, where appropriate.
- 2.6 Implementation of the reorganisation be amended to acknowledge deferred activity and a more proactive approach to deliver the mature plan within 5 years.
- 2.7 The capital programmes acknowledge and recognise the receipts achievable from the disposal of those properties identified as surplus in the reorganisation.
- 2.8 The capital programmes acknowledge and recognise the predicted costs of the reorganisation programme.
- 2.9 Opportunities for the Farms Estate asset base to contribute to and achieve the wider vision of the Council be explored.
- 2.10 A series of service targets be developed to recognise objectives regarding the target structure and the wider vision of the Council's Sustainable Communities Strategy.
- 2.11 A further report be brought forward to the Cabinet Review Group to explore both the options for a revised structure of tenancies and the implications for the Farms Estate Management Shared Service arising from the conflicting ambitions of Cheshire West and Chester and Cheshire East for their respective estates.

## **3.0 Reasons for Recommendations**

- 3.1 The proposals establish a challenging range of management policy objectives for Cheshire East Council consistent with a corporate approach to the management of assets encouraging inward investment and innovation.

**4.0 Wards Affected**

4.1 All

**5.0 Local Ward Members**

5.1 All

**6.0 Policy Implications including**

6.1 Carbon Reduction

It is widely acknowledged that the pattern and nature of land use by agriculture has an impact upon the factors associated with climate change. The adoption of policy relating to the future use of agricultural property will therefore impact both directly and indirectly.

6.2 Health

Not directly applicable.

**7.0 Financial Implications (Authorised by the Director of Finance and Business Services)**

7.1 The current strategy envisages the generation of a net revenue budget (net income to CEBC) of £195,000 and capital receipts from the sale of properties deemed surplus as a result of reorganisation. The current level of planned receipts within the deferred capital programme is £1.21 million per year for 2010 – 2013 albeit a target of £2 million has been set for the current year.

Revenue budget (net income to CEBC) savings of £100,000 and further revenue savings of £22,000 achievable in 2011 and subsequent years from the implementation the current strategy were identified in setting the budget detailed above.

The adoption of the recommendations impact positively upon both revenue and capital receipts over a period of five years.

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

8.1 The Farms Estate is held for the purposes of the Agriculture Act 1970. Section 39 of the Act states that the general aim is, having regard to the general interests of agriculture and of good estate management, to provide opportunities for persons to be farmers on their own account by letting small holdings to them.

8.2 Adjustments by acquisitions and disposals can take place as part of the management of the estate. Disposals which result in a net reduction are also lawful but while the estate is held for the purposes of the 1970 Act, the primary objective must be to provide opportunities for farming. If the estate as a whole were to be viewed primarily as an investment to generate income and capital, there would need to be a formal appropriation away from Agriculture Act 1970

purposes with the consequent impact upon issues relating to security of tenure and value.

## **9.0 Risk Management**

- 9.1 Delay to the settlement of a CEBC policy, a lack of clear and compatible objectives in the policy or changed corporate priorities could lead to inappropriate, conflicting or ineffective management actions.
- 9.2 Market conditions impact upon the Service's ability to achieve occupation rates and resulting revenue or disposal income targets.
- 9.3 External policies (e.g. Localism agenda, National Planning Framework) will impact / contribute to the ability of the Service to implement identified actions to meet policy objectives.
- 9.4 The management structure provides limited resilience and contingency arrangements for the loss of staff knowledge/capacity, administrative data systems or support.

## **10.0 Background and Options**

- 10.1 This is the first service review for the farms estate since the creation of Cheshire East Council and the conclusions of the review will define management policy.
- 10.2 A review was initiated in 2010 by Corporate Scrutiny Committee, taken up by Cabinet post elections by the commissioning of a Cabinet Review Group in June 2011.
- 10.3 The review process challenged the fundamental rationale for service provision and considered cessation and partial cessation disposal options and consulted internal and external stakeholders.

## **11.0 Access to Information**

The full report of CIPFA referred to within the report and Appendix 3 is a confidential document due to the nature of the information about tenants and the commercial sensitivities. A full copy is however available on a confidential basis upon request.

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**ATTACHMENT 1**  
**CHESHIRE EAST BC – FARMS ESTATE**  
**POLICY REVIEW**

**1.0 INTRODUCTION**

- 1.1 The current management strategy, described in further detail below, was inherited from the former County Council and it is clearly appropriate for Cheshire East Council to undertake a review and set its own management policy.

**2.0 REVIEW OBJECTIVES**

- 2.1 This review seeks to address two core issues:

2.1.1 To challenge the fundamental questions of whether the continuation of service delivery offer the potential to contribute positively to the corporate vision of the authority and

2.1.2 Consider the current strategy and set objectives for the future management of the service.

**3.0 DESCRIPTION**

- 3.1 The property asset comprises approx 5,119 acres of agricultural land on 19 estates including 72 let farms with farmhouse and buildings, 1 let cottages and vacant property and 53 acres of woodland. The estate generated a total income of approx £632k in 2010/11 and a net surplus of £299k<sup>1</sup>. £1.61 million was realised from disposals in 2010/11 and a target of £2m has been set for 2011/12.
- 3.2 A more detailed analysis of the structure of the estate by use is attached as [Appendix 1](#).

**4.0 NATIONAL CONTEXT AND POLICY OBJECTIVES**

- 4.1 Cheshire East Councils Farms Estate is one of a 60 Council Farms estates provided across the country by Local Authorities encompassing over 2300 equipped and 1000 bare land farms covering 281,000 acres of land<sup>2</sup>. Service delivery is set within a framework of legislation developed specifically to address the core purpose of the service in providing opportunities to farm. [Appendix 2](#) provides a summary of the objectives and rationale adopted in the delivery of services across the country.

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<sup>1</sup> Net of management costs for non farms estate property (Est £20,000 pa)

<sup>2</sup> CIPFA (Chartered Institute Of Public Finance & Accountancy) Annual Report – Council Farms 2009-10

## 5.0 LOCAL CHESHIRE EAST COUNCIL CONTEXT

- 5.1 The ownership of agricultural land and property provides a range of opportunities to contribute to the corporate vision of the authority to sit alongside the core purpose of providing opportunities to farm.
- 5.2 Two reports have been commissioned to assist in this review, addressing values and fundamentally challenging and analysing the existence of the service within the framework of CEBC's vision and policies, the latter by CIPFA<sup>2</sup>. The approach and methodology adopted in completing the review is attached as [Appendix 3](#) but notably incorporated both internal and external stakeholder consultations and a financial appraisal. Central to their findings was the evident support and demand for the service and the opportunities that access to the asset base presents for the authority and its tenants to contribute to the wider social, environmental and economic benefit of the people of Cheshire East. A copy of the full report is available upon request.

## 6.0 CURRENT MANAGEMENT STRATEGY - SUMMARY

- 6.1 The inherited strategy is predicated upon a policy of continuing and developing /improving service provision within the framework and definitions of the Agriculture Act given the intention to provide opportunities to farm for eligible applicants.
- 6.2 The strategy recognises the need to modernise, to continuously improve the service and to evolve in tandem with developments in the specific sector that it serves i.e. the farming industry. A strategy implementing a radical reorganisation, retaining a range of farm types and sizes, but increasing the number of larger but still entry size farms that provide a springboard from which tenants can realistically seek promotion onto the typical scale of farms available in the private sector, was introduced with the backing of stakeholders from both private and public sector in 2001. In essence, whilst the physical area of the estate remains relatively similar, the total number of holdings reduces. Financially revenue remains relatively level and whilst incurring investment costs for amalgamation schemes, the scheme releases surplus properties for disposal and produces a net capital receipt of approx 75% of the amount realised.
- 6.3 At its core, the strategy sets a target for the mature structure incorporating approx 40 units with a average size of approx 125 acres. As a consequence, releasing a significant volume of property for disposal. The current and inherited target structure is shown below:

Size Category	40 – 60 acres	60 – 95 acres	95 plus acres	Total Number Properties	Total Area (Acres)
Current Structure	32	25	16	73	5119

Target Structure	3	10	27	40	4996
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- 6.4 The mature plan would result in a marginally reduced sized estate but with three of the smallest size farms, 10 intermediate size and 27 promotion size units, releasing a further 33 properties for disposal with an approximate value of £13.53 million. It is estimated that the cost of amalgamations, disposals and meeting regulatory requirements (NVZ) is £3.38 million. This would suggest that, subject to the available access to that capital budget, a net receipt of £10.15 million would be delivered by the current strategy albeit within a longer time scale (see para 6.6 below for commentary on time scale).
- 6.5 The realisation of receipts at full value assumes sales with vacant possession which it should be noted are only available on death, retirement or termination, supplemented by those tenants that are successful in moving off onto private estates.
- 6.6 Property interests are relatively inflexible and strategic policies therefore underpin the efficient use of property. The target for completion was 2013 but the impact of LGR and the current policy review has delayed implementation by approx 3 years thus far, An independent review completed in 2007 concluded that a more proactive approach would need to be implemented to deliver the strategy within the design life i.e. disposals or tenancy acquisitions from tenants where the wider strategic objectives can be delivered should be considered.
- 6.7 The scale of service offer has its roots in history and Cheshire East's Estate is marginally smaller than the average size at a national level. Demand for opportunities still outweighs supply substantially, but the number of opportunities to move on to private sector larger farms is also insufficient to meet demand from tenants wishing to move on.

## 7.0 FINANCIAL

- 7.1 The estate is considered to have a current market value of approximately £32 million<sup>3</sup>.
- 7.2 The vacant possession value i.e. the value achievable as properties fall vacant following deaths etc is estimated to be approx £60 million.
- 7.3 The service generated a gross income of approx £632,000 and net income of £299,000 in 2010/11 from a rent roll of £554,000. The revenue budget for 2011 requires the delivery of a surplus of £195,000.
- 7.4 The latent liability for known statutory capital improvements<sup>4</sup> is estimated to be £0.7 million and is likely to be incurred in the next 3 years.

<sup>3</sup> Based upon an assumption of no restrictions on title and disposal in the short term as at Sept 2009 (Ref Strutt & Parker Valuation Report Sept 2009).

<sup>4</sup> Landlord liabilities for capital improvements in relation to the Nitrates Directives.

- 7.5 The estimated capital cost of delivering the current reorganisation strategy including statutory work detailed above would require reinvestment of up to 25% of the gross receipts.
- 7.6 It is considered that the income profile from the current strategy would be likely to remain relatively stable allowing for rental growth and losses associated with disposals.

## **8.0 POLICY DEVELOPMENT**

### **8.1 Structure**

Since the last major policy review, the conclusions of which were endorsed by the agricultural industry, tenants and local stakeholders, Nitrate Vulnerable Zones have been extended and the regulations enhanced to impose greater storage requirements for slurries, longer closed periods for field applications and limits on stocking densities. The impact has a direct bearing on the amount of land required to support a herd of cattle and hence the impact of increasing the average size of farms. It is therefore concluded that the offer of size category 40 – 60 acres is unsustainable and recommended that it be deleted. Such a proposal would release a further 150 acres to strengthen the retained offer and release two properties for potential sale or reuse for other purposes adding an additional £820,000 to the potential level of capital receipts and increasing the average size of farm within the mature structure to 131 acres.

A review of progress towards the mature structure in 2007/8 indicated that more proactive measures including the active acquisition of reorganisation opportunities (e.g. buying out tenancies or moving tenants to alternative accommodation by agreement) would be necessary to affect the volume of change required within the plan period. With the impact of LGR, those conclusions have been reinforced in the intervening period and the mature plan will take a further 3 – 5 years to deliver.

### **8.2 Definition**

There has been considerable discussion about the meaning of the terms ‘entry, intermediate and promotion size farm,’ understandably leading to misunderstandings. Accordingly, it is recommended that the definition of the two sizes of farm be redefined as Entry level 1 and Entry level 2 farms.

### **8.3 Wider Benefits**

The Council has a wide range of goals relating to sustainability and as an example potential is evident between the Farms Estate and e.g. waste management strategies, composting and the generation of renewable energy. Clearly therefore the farms estate has the potential to contribute to the delivery of the Councils wider vision in those areas directly and/or in partnership with the tenant farmers in occupation e.g. through the sustainable use of water and the generation of energy from renewables.

### **8.4 Tenancies**

Within legislative constraints and practicality, freedom of contract provides scope to offer a range of differing tenancy types and lengths of tenancy. The



standard length of tenancy for new entrants in Cheshire has been 15 years, and a maximum of 20 years or age 65 for moves by existing tenants. Each opportunity is considered on its merits and two tenancies of 10 years have been used for new lettings. The use of fixed term tenancies introduced by the 1995 Act marked a sea change in the potential for estate planning from the previous lifetime and retirement length tenancies and the potential for greater turnover and therefore the presentation of an increased number of opportunities.

Integral to any debate around the length of term to be offered as standard is the fundamental principle that either the service is considered to be successful by the use of a farm or number of farms, over the lifetime career of the tenant or it is not. In which latter case, it has to be acknowledged that the use of holdings by good quality capable farmers will be brought to an end at a juncture that may not suit the then current tenant, to make way for a new letting to another existing moving up the ladder or potentially a new entrant.

Length of term increases between the smaller Entry Level 1 farms and the larger Entry Level 2 farms in letting terms to reflect the scale of investment required and encourage movement within the estate. However, the current Cheshire terms are quite generous by comparison with other authorities and it is considered to be important to draw a balance between the desire to create an environment that encourages investment and one that does not undermine the overriding aim of providing entry level farms from which users will move on within limited time scales.

#### 8.5 Tenancies and Investment

The length and terms of a tenancy impact upon the market and potential to borrow and the cost and consequently the amount and rate of investment by tenants in infrastructure and improvements either planned at inception or during a tenancy.

The terms of Landlords consent can also have a significant impact upon the decision by a tenant to invest or not. Banks are currently looking for 50/50 ratios for new entrants but most significantly, good business plans that justify the proposed borrowings.

It is clear that there has been and is a reduction in investment during the last several years across the range of tenancy types reflecting the age profile of tenants, the length of remaining terms and the 'pending conclusion' status of the policy review since LGR.

As the availability of capital to the Council and tenants reduces and investment is still required to deliver the coterminous objectives of delivering receipts, reorganisation and improvement of facilities, some authorities have adopted an approach of reviewing the terms of letting. By revising existing practices and offering fixed term tenancies to accommodate a right to renew for a further identified fixed term with an inbuilt performance review mechanism i.e. thereby in the short term extending the more secure length of term, access to capital borrowing is improved whilst retaining the ability to terminate tenancies where the objectives are not being met or to facilitate further reorganisation.

## **9.0 CONCLUSIONS**

A broad cross section of stakeholders, including those from within the agricultural industry, rural communities and service users and providers' value and support the availability of the service and the opportunities to farm.

The ownership of the Farms Estate portfolio provides a range of opportunities to work with tenants and partners to contribute to a wide range of the Councils objectives.

The target structure for the estate needs to be refined to eliminate a class of opportunity that is not considered to be sustainable.

The financial return is positive and consistent with this class of asset and structure of estate.

The delivery of a revenue surplus and capital receipts from restructuring the estate provides a financially sustainable model for the improvement of the estate/service but service delivery and financial performance could be enhanced by further refinement of the structural objectives and the adoption of management objectives that address the wider vision of the authority.

Options relating to tenancy type and structure should be explored further to encourage inward investment, clarify measures of success for the performance of the service and contribute to the improvement of the estate and service.

**Analysis of estate by use as @ 31<sup>ST</sup> March 2011:**

<b>Use</b>	<b>Area (Acres)</b>	<b>% of Total Area</b>	<b>Rent £ pa</b>	<b>% of Total rent</b>
Dairy (d)	2735.39	53.43%	£327,877.00	59.20%
Livestock (s)	1829.81	35.74%	£176,407.00	31.85%
Secondary land lettings (sl)	304.44	5.95%	£18,752.32	3.39%
Horticulture (h)	8.98	0.18%	£6,493.00	1.17%
Arable (m)	92.74	1.81%	£8,665.00	1.56%
Commercial ©	0.26	0.01%	£5,000.00	0.90%
Let Cottage (lc)	0.37	0.01%	£2,340.00	0.42%
Telecomms(t)	0.00	0.00%	£6,081.87	1.10%
Estate Road etc (g)	14.86	0.29%	£0.00	0.00%
Woodland (w)	53.12	1.04%	£0.00	0.00%
Vacant farm premises ®	79.98	1.56%	£0.00	0.00%
Sporting Rights (sp)	0.00	0.00%	£2,220.00	0.40%
	<b>5119.944</b>	<b>100.00%</b>	<b>£553,836.19</b>	<b>100%</b>

## ACES RURAL PRACTICE BRANCH

### The Council Farms Service – Rationale 2009

Local Authorities have over a century of involvement in the agricultural industry through their management of Statutory Smallholdings, now known as Council Farms. The Service has a unique role and is a vital niche player in the tenanted sector. The agricultural industry and the countryside are constantly changing, and the Service continues to adapt to ensure it sustains the many benefits it provides to the wider community.

Against this background, the Rural Practice Branch of ACES has again updated its Rationale. This sets out examples of the many benefits Council Farms Estates can provide through the implementation of Good Estate Management Practice.

It provides: -

- A means of entry into farming and / or diversified rural businesses for those who may not otherwise have the opportunity to farm on their own account;
- The potential for tenants to establish and develop viable business enterprises, enabling internal progression to larger Council Farms and / or advancement from the Estate to bigger holdings on privately or institutionally owned let estates;
- A means of supporting the tenanted sector, boosted by the flexibility of opportunities offered by agricultural tenure legislation;
- A valuable source of rural employment opportunities on small family farms, often in remote locations;
- A tangible means of meeting the aspirations of the young farming community and the agricultural industry;
- An opportunity to contribute to the wider economic well being and development of the countryside, including products for local markets;
- A “bank” of potentially surplus development land arising from positive property reviews and estate rationalisations, providing a valuable source of capital for essential estate reinvestment, which assists rural economic regeneration and also contributes funding for the provision of other Council services;
- A potential land bank source of exception sites for affordable housing projects in rural areas;
- A valued Council Service managed on a dynamic, sound, commercial, business-like basis having regard to the principles of asset management planning and effective performance management;
- A direct stake in the countryside for Councils enhancing the links between the local farming industry, the rural economy and the wider community through school visits in relation to lifelong learning, open days and guided walks;
- An opportunity to implement best practice in rural estate and sustainable countryside management and stewardship: e.g. Environmental Stewardship Schemes, Health & Safety, and community participation;
- A wealth of traditional landscape features such as stonewalls, ditches, hedgerows and farm buildings which are more likely to be retained on small family farms;
- The opportunity, in partnership with tenants, for the implementation of positive strategies that address the challenges of climate change (e.g. wind farms and other renewable energy sources), together with sustainable farm management and good husbandry practices.



## **2 Our Approach and Methodology**

2.1 We followed a three stage approach to this project.

### **Stage One**

2.2 In stage one we undertook a desktop review of the Council's main plans, policies and strategies including; Corporate Plan; Sustainable Community Strategy; Local Area Agreement; Local Strategic Partnerships; Medium Term Financial Plan; Capital Strategy; Asset Management Plan; Environmental Strategy; Rural Strategies and Policies; Farms Policies and Strategies etc. We also reviewed the current levels of income, expenditure, tenant turnover and market demand for the estate.

2.3 We also reviewed some external and independent reports relating to the national picture of local authority farm estates across England & Wales.

2.4 From this document review we were able to:

- Identify potential for the Farms Estate to make a positive contribution to the Council's corporate or service objectives and to performance improvement, and
- Undertake a high level financial appraisal of the estate to identify any significant financial risks and opportunities within the current delivery model.

### **Stage Two**

2.5 In stage two we undertook a remote, primarily telephone based, research of a small number of other UK local authorities that own and manage a farms estate similar to that of Cheshire East Council.

2.6 From this research we were able to identify some objectives and performance management arrangements that other local authorities have adopted, and assess the relevance and benefit of these to any future farms estate strategy adopted by Cheshire East Council.

2.7 We also enquired into the financial health and profitability of the farms estate of the selected sample of local authorities as a means of providing a benchmark comparison on the current delivery model.

### **Stage Three**

2.8 In the final stage we interviewed a wide selection of stakeholders, either face to face or by telephone. The people interviewed included from Cheshire East Council; the Chief Finance Officer and other finance staff, Head of Property, Chief Land Agent, the portfolio holder for Procurement, Assets and Shared Services and a range of senior managers and officers from other services.

2.9 External stakeholders interviewed included two existing tenants, as well as local and national representatives from DEFRA, National Farmers' Union, Tenant Farmers' Association, Country Landowners Association, Cheshire Federation of Young Farmers and Reaseheath College.

2.10 From these interviews with stakeholders we were able to:

- (a) Assess the current perceived financial and non-financial worth of the farms estate,
- (b) Collate their opinions as to what they see as the future benefits the portfolio could deliver if retained by the Council, and
- (c) Test the potential non-financial benefits identified in Stage One.

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## **CHESHIRE EAST COUNCIL**

**REPORT TO: CABINET**

**Date of Meeting: 9 January 2012**

**Report of: John Nicholson – Strategic Director Places and Organisational Capacity**

**Subject/Title: Business Generation Centres**

**Portfolio Holder: Cllr Jamie Macrae - Prosperity Portfolio Holder**

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### **1.0 Report Summary**

- 1.1 At its meeting of 5<sup>th</sup> September 2011, Cabinet received the final report of the Task and Finish Group set up by the Corporate Overview and Scrutiny Committee to review Business Generation Centres with a view to helping to shape the Council's future policy.
- 1.2 In accordance with the overview and scrutiny procedure, Cabinet was asked to receive the recommendations and to come back to a later meeting with a formal response to the recommendations contained in the report.
- 1.3 This report sets out the response to the recommendations contained in the final report of the Corporate Overview and Scrutiny Committee's Task and Finish Group.
- 1.4 The Cabinet response to the recommendations contained in the report is set in the context of the ongoing sub-regional joint review of Business Generation Centres being undertaken in partnership with Warrington and Cheshire West and Chester Councils.
- 1.5 A full list of the recommendations contained in the Task and Finish Group's report is provided in Appendix 1.

### **2.0 Decision Requested**

- 2.1 That Cabinet agree the following in response to the recommendations contained in the final report of the Corporate Overview and Scrutiny Committee's Task and Finish Group:
  - 2.1.1 That in line with the Council's Economic Development Strategy, the principle of business generation, for start up incubation businesses in Cheshire East be fully supported.
  - 2.1.2 That the existing facilities located at Sandbach and Crewe be retained as Business Generation Centres pending the outcome of the wider sub-regional review and the agreement of a future delivery model.

- 2.1.3 That the future delivery model will ensure the provision of an environment to encourage growth, accelerate progress and remove obstacles to include consistent standards in the provision of facilities and tenancy management services.
  - 2.1.4 That the Business Generation Centre at Thomas Street, Congleton be closed down and the building declared surplus to requirements.
  - 2.1.5 That, the Council assists in the identification of options to secure, where possible, the continuity of businesses displaced by the closure of the Thomas Street facility.
  - 2.1.6 That any expenditure on the remaining facilities identified as a consequence of the wider sub-regional review will be considered as part of the Council's normal business planning processes.
  - 2.1.7 The current shortage of available incubation facilities in the north of the Borough will be a consideration of the wider review.
  - 2.1.8 That the current practice of providing facilities rent free to tenants in lieu of providing reception services will be brought to an end as soon as alternative arrangements can be put in place.
- 2.2 That Cabinet give an in-principle agreement to an arrangement of commissioning to an external provider either on a partnering basis with another authority or just as Cheshire East Council following further dialogue at a sub-regional level and with neighbouring authorities.

### **3.0 Reasons for Recommendations**

- 3.1 The Council's Economic Development Strategy requires the development of stronger sub-regional collaborative approaches in order to address the emerging economic challenges faced by the borough.
- 3.2 There will be increasing competition for investment in jobs from the rest of the region and our neighbours, making it essential that Cheshire East Council makes the most of a highly skilled workforce and growth in knowledge-based industries.
- 3.3 Manufacturing employment has declined sharply over the last decade. The dependency on large employers is a weakness and illustrates the need to diversify and encourage entrepreneurialism in order to promote a dynamic community of small businesses and start-ups, including many in new technologies and services, building on the skills and wealth of the local population.
- 3.4 The availability of a range of workspace for start-up and micro businesses that meets their needs in terms of location, cost, quality and flexibility.



**4.0 Wards Affected**

4.1 All

**5.0 Local Ward Members**

5.1 All

**6.0 Policy Implications including**

6.1 Carbon Reduction

As occupiers are responsible for their own utility costs, transfer or disposal of the Thomas Street facility will be carbon neutral in terms of the Carbon Management Plan.

6.2 Health

Not directly applicable.

**7.0 Financial Implications (Authorised by the Director of Finance and Business Services)**

7.1 The disposal of Congleton Business Centre will reduce overall backlog maintenance liability within our property portfolio.

7.2 Any future potential capital receipt will be pooled centrally in accordance with current practice.

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

8.1 Section 2 of the Local Government Act 2000 empowers the Council to do anything which it considers is likely to achieve the aim of promoting or improving the economic well-being of its area. In exercising this power it must have regard to the limitations on the power contained in Section 3 and to its Sustainable Community Strategy which it has a duty to prepare under Section 4.

8.2 Section 123 of the Local Government Act 1972 empowers the Council to dispose of land held in any manner it wishes, subject to a duty not to dispose of land other than by way of a short tenancy, or with the consent of the Secretary of State, for a consideration less than the best that can reasonably be obtained.

8.3 S123 also specifies steps to advertise land disposals, which must be fully complied with.

- 8.4 It should be noted that any procurement requirements in relation to disposals will also need to be fully complied with.

## **9.0 Risk Management**

- 9.1 Business incubation supports the delivery of the Council's Economic Development Strategy. The provision of affordable accommodation combined with intensive dedicated on site business support for businesses from the earliest stage of their development is essential for the creation of jobs and the encouragement of continuous economic growth.

## **10.0 Background and Options**

- 10.1 At the suggestion of the then Procurement, Assets and Shared Services Portfolio Holder the Corporate Overview and Scrutiny Committee set up a Task and Finish group to review the Council's Business Generation Centres as part of the Council's wider asset management programme. The Task and Finish group, which comprised 4 Members, recognised that there are inextricable links between the future of the BGC buildings and the Economic Development aims of the Council. As a result, the group invited the Environmental and Prosperity Scrutiny Committee to nominate a Member to join the group to ensure that the Economic Development interests of the Council were fully represented. The first meeting of the group took place in December 2010.
- 10.2 Cheshire East's Business Generation Centres at Scope House Crewe, Brierley Avenue Crewe and Thomas Street Congleton, were set up in the 1980's by the former Cheshire County Council. They were created to encourage business growth at a time when Cheshire was suffering from high unemployment rates and low business start-up rates. They were intended to fill the 'void' in the market where private sector business had failed to materialise. Cheshire East inherited these three BGCs in April 2009. The fourth, Sandbach Enterprise Centre, was inherited in April 2010 from the former South East Cheshire Enterprise (SECE). The building had formerly been the headquarters of SECE. SECE was created from a partnership between Congleton Borough Council and the Congleton Chamber of Commerce to promote and facilitate economic activity in the wider Congleton area.
- 10.3 The Task and Finish Group sought firstly to identify if, as a Local Authority, we should be directly involved in providing BGCs, and secondly, to make recommendations on the future management of the buildings in which the BGCs are currently located. In order to address these issues, the Task and Finish Group gathered evidence from a variety of sources, including examples of best practice in the field, interviewing internal and external stakeholders, and visiting a variety of Business Generation facilities in both the public and private sectors.
- 10.4 In summary, the purpose of the review was to assess the viability of each Business Generation Centre from an asset management perspective, to establish whether the Centres are operating in accordance with their original purpose i.e. to provide short term space for small and 'embryonic' businesses,

to be cognisant of the prevailing economic conditions in Cheshire East and to gain an appreciation of the provision of similar facilities elsewhere.

- 10.5 There is currently a sub-regional joint review of Business Generation Centres being undertaken in partnership with Warrington and Cheshire West and Chester Councils. This review aims to help local enterprise partners in their consideration of the provision of 'Business Generation Centres' (BGCs) looking at existing provision across the sub-region. The review seeks to examine the benefits of a sub-regional offer, endorsed by the Local Enterprise Partnership, supported by the three local authorities and driven by a business community model.
- 10.6 The outcome of the sub-regional review will potentially determine the Council's future policy in respect of its Business Generation Centres and, consequently, its practical response to the recommendations contained in the report of the Corporate Overview and Scrutiny's Task and Finish Group.

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

- 11.1 A copy of the Task and Finish Group's recommendations is provided in Appendix 1. The background papers, including the full report of the Task and Finish Group, can be inspected by contacting the report writer:

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**Appendix 1: Recommendations Overview and Scrutiny Committee:  
Business Generation Centres (December 2010 – March 2011)**

1. That in line with the Council's Economic Development Strategy, the principle of Business generation, for start up incubation businesses in Cheshire East be fully supported by the Council, in properly managed, dedicated premises, on 'easy in easy out' terms by way of licence agreements.
2. That the existing buildings owned by the Council and located at Wesley Avenue Sandbach, Scope House Crewe, and Brierley Street Crewe be retained as BGCs and the Council undertake a soft market testing exercise to seek a partner to manage, promote and market the 3 centres on behalf of the Council. The market testing to be undertaken in tandem with an approach to MMU and Keele University to seek partnership opportunities to provide business advice, and mentoring schemes for incubation businesses.
3. That in future, subject to financial availability, all BGCs have as a minimum the following support services,
  - a fully staffed reception,
  - telephone facilities in all units,
  - broadband,
  - communal business equipment;
4. That in view of the poor location, condition of the building, and significantly lower occupancy rates than the other 3 BGCs in the Borough, the BGC at Thomas Street, Congleton be closed down and the building be declared surplus to requirements and offered for sale on the open market. Alternatively, the site could be considered as a potential site for an affordable housing scheme.
5. That in conjunction with the Chamber of Commerce, the Council explores options to secure the continuity of businesses displaced by the closure of the Thomas street facility, by assisting them to locate alternative accommodation within Congleton.
6. That Capital receipts received from the sale of Thomas Street be earmarked towards a scheme to refurbish Scope House Crewe under the 'Asset backed vehicle' scheme.
7. That in the event that economic conditions improve sufficiently in the future to lead to an increase in demand for BGCs, consideration be given to facilitating a suitable building in Macclesfield for use as a BGC to address the current shortage of available incubation facilities in the north of the Borough;
8. That the current practice of providing facilities rent free to tenants in lieu of providing reception services, as occurs at Thomas Street Congleton and Scope House Crewe, be ceased with immediate effect.

## **CHESHIRE EAST COUNCIL**

### **REPORT TO: CABINET**

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<b>Date of Meeting:</b>	<b>9 January 2012</b>
<b>Report of:</b>	<b>Lorraine Butcher, Strategic Director Children, Families &amp; Adults</b>
<b>Subject/Title:</b>	<b>Knutsford Health and Social Care Development</b>
<b>Portfolio Holder:</b>	<b>Councillor Roland Domleo</b>

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#### **1.0 Report Summary**

- 1.1 The aim of the paper is to seek the support of Cheshire East Council to agree to:
- a) Endorse the drafting of a (non-binding) Memorandum of Understanding (MoU) between Cheshire East Council (CEC), East Cheshire Trust (ECT) and Central and Eastern Cheshire Primary Care Trust (CECPCT) to facilitate the continued development of the project exploring the integration of health and social care services in Knutsford;
  - b) That the preferred site for the development if it proceeds will be on the site of the existing Community Hospital, excluding the neighbouring Stanley Centre site.

#### **2.0 Decision Requested**

- 2.1 Cabinet to agree that a Memorandum of Understanding can be entered into by the Chief Executive to enable initial options appraisal work for this project to be undertaken, and to report back to Cabinet at any key points of decision making.

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

- 3.1 There are a number of overlapping decisions concerning the future of health and social care services in Knutsford. These are:
- a) The temporary closure of Tatton Ward (used for intermediate care) by East Cheshire NHS Trust (ECT).
  - b) The temporary closure of Bexton Court (used for respite care for dementia patients) by Cheshire East Council (CEC).

- c) The consultation on the future services provided from the Stanley centre (mainly used for day activities for vulnerable adults including those with learning difficulties by CEC.
- d) Past consultations on the co-location of the three GP (primary care) services in a single site and the intention to increase the number of integrated and co-located services available in Knutsford.

#### **4.0 Wards Affected**

- 4.1 All Knutsford Wards

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

- 5.1 All Local Ward Members.

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

- 6.1. Knutsford has generally had very good primary care GP services and has been well served by a broad range of community and bed based services (both health and social care) and hospital outreach services provided by East Cheshire Trust. Knutsford is also served by 8 Acute Hospitals within 15 miles (in physical distance). However the current range of services struggle to meet current legal requirements (e.g. disabled access), service needs (e.g. integrated care) and infrastructure requirements (e.g. parking). Patients are also exercising choice and using their personalised budgets to buy more services from non public providers. There is also a need for efficiencies to be addressed in Council run social care services where personalisation is impacting negatively upon the delivery of traditional services resulting in under-occupancy/utilisation of the existing care offer. Each service (Primary, Community and Hospital Healthcare and Social Services) is currently separate and there is limited integration of services between different providers. In addition buildings are not suitable for integrated care. Although many are less than 30 years old the buildings are of mixed quality and do not allow for co-location as precondition to integration part of the agreed shared vision. The current buildings are also inefficient in terms of the waste of energy and efficiency of use of space.
- 6.2 The Health and Social Care Bill actively seeks to promote new delivery models of integrated care, which this model seeks to promote.

#### **7.0 Financial Implications (Director of Finance and Business Services)**

- 7.1 The investment rationale would be based upon an improved offer to local health commissioners' better local services at a lower cost per year than the current arrangements. To substantiate this offer, reciprocating plans in local acute providers would be necessary and a number of stakeholders would have to get behind the proposals.

- 7.2 In the initial stages whilst the project governance is being established, each partner will bear their own costs, towards the estimated £50k from each partner. Officer time will be utilised where necessary, from within the existing compliment of officer time. Where a contribution to external costs is required, those will be met from within existing budgets, be it Adult Social Care or Assets depending on the activity/consultancy required. When and if the project moves to the next stages of approval and a formal partnership is established a formal project budget between the partners will be agreed, with required formal contributions required. A further report will be brought to Members to approve such an arrangement.
- 7.3 The rationalisation of Knutsford site has important implications on the Council's Revenue Budget, with the current closure of Bexton Court contributing over three quarters of a million pounds to the delivery of savings against the Adults Budget for 2011/12. Consultation on the permanent arrangements for Bexton Court and the arrangements for the Day Centre currently located within the Stanley Centre are still in hand. It will be important that proposals for Adult Social Care facilities in Knutsford accommodate/factor in the financial and budgetary implications.
- 7.4 The full financial implications, including the potential use of the capital receipts/value, revenue implications and budgetary impact will be detailed in full ahead of any formal contractual liability being agreed.

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

- 8.1 Advice on this project appears to have been sought from external solicitors, Addleshaw Goddard, who have prepared a draft Memorandum of Understanding. This document now needs to be checked by Cheshire East Council's Legal Department to ensure that it appropriately protects the interests of this Authority.

## **9.0 Risk Management**

- 9.1 An initial assessment of risks and issues is included in Annex A.

## **10.0 Background and Options**

- 10.1 There are a number of overlapping decisions concerning the future of health and social care services in Knutsford. These are:
- i) The temporary closure of Tatton Ward (used for intermediate care) by East Cheshire NHS Trust (ECT);
  - ii) The temporary closure of Bexton Court (used for respite care for dementia patients) by Cheshire East Council (CEC);
  - iii) The consultation on the future services provided from the Stanley centre (mainly used for day activities for vulnerable adults, including those with learning difficulties, by CEC);

- iv) Past consultations on the co-location of the three GP (primary care) services in a single site and the intention to increase the number of integrated and co-located services available in Knutsford.

This paper primarily deals with 4 (above) but it is important to recognise the interrelationship between these discussions. Any new facility will need to consider the re-provision of the temporarily closed bed based services of Tatton and Bexton Court and the future needs of the services provided on the neighbouring site of Stanley House.

10.2 History - There has been a great deal of background to this proposal (further details are at Annex B) and past attempts have failed as commissioners and providers and other parts of the health and wellbeing community have not been united. In particular there was no agreed view on the preferred site and no acceptable funding route for the proposals. Since the previous attempt was suspended some of the services provided in Knutsford have been suspended or are out to consultation for their future provision. These are not part of this paper but any future provision in Knutsford will be expected to be delivered from a joint site. Parties are now agreed on the Bexton Road (formerly Cranford) Community Hospital site as being the preferred site.

10.3 A New Shared Service Vision - There is an opportunity for keeping at the core the good parts of the existing services and to develop and become a leader in delivering something new. All (Health) parties have signed up to a new vision at Annex C. This has a number of elements:

- Primary Care - In terms of health it would be the intention for GPs to retain their own GMS businesses with patients registering with a practice that is owned by GP partners. They would continue to deliver their core primary care services but from more integrated and efficiently used space on a single site to remain within the current estates spend for these services (£215k). However this may create a difficulty for less well off and less mobile individuals who currently access services in Mobberley and Longridge and options are being considered around this and will require particular attention.
- Integrated Care - Acute hospital services will continue to be delivered from Macclesfield and other sites. However it is planned that more services will be delivered jointly by GPs, Hospital Consultants and community based health and social care workers in multi-disciplinary teams. It is believed that these new integrated services can be best provided in people's homes and in co-located centres, such as that proposed for Knutsford. This should improve cooperation, integration and decrease usage, as well as giving improvements in efficiency.
- Bed Based Services -The provision of bed based services, particularly respite care and intermediate care, are highly valued by the local population. However smaller units that are remote from big centres can be difficult to manage safely and recruit to (as well as being more expensive). Initial



analysis shows that there will only be demand for 8 intermediate care beds for the population within the overall Knutsford area (Tatton ward had a majority of patients from other areas) and this level can be undermined by patients making use of their increased levels of choice, and their personalised budgets to use non-public sector provision. However there would be demand for social care and privately funded beds that could become a viable unit; but this would require new delivery models that would allow a greater degree of flexibility of bed use (between uses and between private/public and health/social care provision).

- Therapeutic and Care Services - If well planned these services can take the opportunity to share space but use it at different times; for example Occupational Therapy for clients with learning difficulties can also be used for Occupational Therapy for older people's day care. Physiotherapy can share space at different times with Psychology etc.

10.5 Commercial Opportunities - The town sits within a health economy that has experienced 7-8 years of financial difficulties before current public sector funding cuts occurred. In the absence of Public Capital and PFI's high cost and the failure to transfer (demand) risk to developers (i.e. public sector continuing to bear the risk of underutilisation), new models of funding are being sought. Most of Knutsford has high levels of income and it is assessed that it is a town that will expect to develop new commercial opportunities. Such activity will be attracted to high quality town centre sites and would be a source of possible tenants. It is anticipated that these may come from a variety of sectors mainly linked with health and wellbeing. Specific conditions would be put in place to prevent incompatible use such as tobacco sales, fast food or off-licenses or sun beds.

## 11.0 Access to Information

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

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	Risk register Knutsford Project					ANNEX A – Risk and Issues	Central and Eastern Cheshire Primary Care Trust	
Risk No.	Description of Risk	Controls	Risk-Assessment		Risk Level	Brief description of action and planned mitigation	Ownership	Review Date
		red = no plan, amber = initial plan, green = detailed plan	Impact (1-5)	Likelihood (1-5)	red=15+ amber=8 to 14			
1	No Agreement to sell	RED	5	3	15	Steering Group and Board to develop joint proposals	ECT/CEC	
2	No Suitable buyers	RED	5	3	15	Market testing, planning issues flushed out, alignment and support of all parties to change	Durrow	
3	No buyers at right price	RED	4	4	16	Minimise onerous covenants and conditions and maximise realistic guarantees	ECT/CEC	
4	Insufficient GP commitment to be tenants	AMBER	5	2	10	Clarity of risks and benefits to practices	GPs	
5		GREEN					ECT, CCG, CEC, GPs	
6	Public oppose change	RED	4	4	16	Comms Plan, & Resources, Public engagement, new ways of engaging	A Bacon	
7	Politicians oppose change	AMBER	4	3	12	Regular engagement and explanation with convincing narrative	A Bacon	
8	Insufficient Data to make clear decisions	RED	4	4	16	Share activity data and JSNA	CEC/CCG	
9	Inadequate resources to run programme: £ for project, individuals to fill posts	RED	5	3	15	Shared agreement to funding of involvement	All	
10	Procurement Process overly complex	AMBER	2	4	8	Form JV/ pre-sale to single party	MO'C	

Issue No.	Description of Issue	Controls	Issue Importance	Options for Resolution	Ownership	Review Date
		red = no plan, amber = initial plan, green = detailed plan	red=15+ amber=8 to 14			
1	Dispensing Income for Annandale Surgery				ECT/CEC	
2	Access for Longridge Population					
3	Access for Moberly Population					
4	Costs of Transactions/transition (esp. for GPs)					
5	Sale of GP Properties					
6	Public lack of concern over GP premises					
7	Public prioritisation of location over quality					
8	Ability to deliver savings through sharing of space and functions					
9	Ability to specify likely affordable need					
10	Understanding of local need for services					
11	Ability to cross subsidise public sector use					
12	Demand for retail and other commercial space in Knutsford					
13	Private sector interest in Knutsford					
14	Fear of private sector taking over					

## **HISTORY & BACKGROUND**

The people of Knutsford have been subjected to a full public consultation and at least three surveys in recent times and so their wishes for their health services are reasonably well understood.

However they are also frustrated by a perception that they have been consulted on many occasions and that there has been limited progress. There is also a perception that they have invested in local facilities only to have them removed with minimal consultation.

There have also been/are on going consultations by CEC on Bexton Court and the Stanley Centre. The Town Council and Planning Group have also recently held 2 new listening exercises to get people's views and a local petition is being prepared about the Stanley centre and more are planned. The variety of views of local residents have been heard and are understood but as some of them are contradictory and as funding is short, it may not be possible to accommodate all their wishes. The current concern is how these aspirations can be delivered and existing services can be maintained (and their quality improved) within static/falling budgets. A good summary of this listening exercise is attached as a separate document.

The local MP has recently expressed enthusiasm for the new centre.

The GPs have also recently developed a shared vision (See Annex C).

**ANNEX C. Shared Vision****Knutsford Health Services - Future Vision Revisited** May 2011

This short paper arises from discussions among Knutsford GPs in the spring of 2011. An earlier project to consolidate primary care and recreate the local hospital in a new location in Shaw Heath failed to reach implementation after considerable investment of time and effort by GPs. Two underlying issues remain and need to be addressed.

- The three GP practices in Knutsford are each constrained for space in their separate premises: they must resolve these problems and wish to explore the advantages of coming together in a single location which would allow them to develop and expand their services. The direction of travel for the NHS is for more to be done in primary care and population changes will increase the demand for healthcare.
- The existing Community Hospital premises are quite simply time-expired and need modernisation. The range and dynamism of locally available services has been in decline.

If a significant investment is to be made in a new facility for Knutsford, it will shape the local health service for several decades. It is not easy to look ahead 30yrs and understand how health services will have changed. Neither is it sensible to assume that things will carry on much as they are now. Is the investment to be a catalyst for changing the way services are provided? - Or should the existing services be re-packaged in modern building(s)? There are no proofs.

A completely new centre in Knutsford is proposed. This would have at its core the consolidated and expanded primary care services, allowing the majority of local GPs to practice from the same centre with on-site diagnostic and clinical support. This 'expanded' primary care would allow the inclusion in the partnerships of clinicians who would currently be called 'hospital specialists' i.e. doctors with higher specialist training. It would also encompass physical therapies, homecare services, and other clinical services. The co-location of other high street (private) health and convenience services such as pharmacy, opticians, dentists, alternative therapies, cafe/restaurants etc would be encouraged. Complete flexibility to change the menu of services in response to the times and citizens' demands is the objective.

The centre would include a local emergency assessment centre which would allow medical emergencies to be rapidly assessed - some would then be escalated to an acute hospital for specialist acute care but others could be managed locally with a combination of inpatient and homecare.

A small inpatient unit would be included in the new centre, probably between 30-60 beds all in single en-suite rooms allowing a very flexible use across sexes and the dependency spectrum.

The investment rationale would be based upon an improved offer to local health commissioners: better local services at a lower cost per year than the current arrangements. To substantiate this offer, reciprocating plans in local acute providers would be necessary and a number of stakeholders would have to get behind the proposals:

- Macclesfield hospital is the acute provider with the closest interest and for whom a 'compete or collaborate' response would be important. Knutsford GPs would like to explore the collaborative possibilities.

- The Local Authority would need to understand and integrate the new centre into the town plan with parking and highway issues resolved - they would also wish to consider the degree of integration with social services.
- There would be advantages in local community health services being closely involved and integrating them in the centre.
- The NHS authorities would need to understand that the new proposal is congruent with NHS strategy.

Someone will need to put up the money. Experience teaches that neither PFI or LIFT offer the prospect of rapid implementation on attractive terms? Public sector direct investment might be attractive but is probably unavailable in the short term and its internal processes are not quick. The short term is important: in the absence of an agreed joint plan, the three practices will have to take action to resolve their respective accommodation problems.

A third-party private investment may be possible with the NHS taking a normal commercial lease or there may be joint-venture opportunities. There is growing interest in these alternatives as the concerns around PFI/LIFT become more widely understood.

Detailed planning would need to verify the requirements but a well designed modern facility of 15,000m<sup>2</sup> would probably be in the ball-park and such a facility could probably be built in the site of the existing building of Bexton Court and Stanley House (which it would completely replace.)

### **What now?**

A working consensus of the existing acute and GP providers is required on the ambition and scope of the plan - this is very different from unanimous buy-in and complete agreement on the details. If this working consensus can be established, it might be sensible to conduct exploratory conversations with the Local Authority, community health services, and the PCT. Discreet soundings on the likely requirements of a private investor(s) might be helpful to test the practicality of using non-NHS capital?

The first step is for Knutsford GPs to signal agreement/disagreement with the direction of travel and scope of the proposals.

AB  
10/5/11

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