

Public Document Pack

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Cabinet**
held on Monday, 6th February, 2012 at Council Chamber, Municipal
Buildings, Earle Street, Crewe CW1 2BJ

PRESENT

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

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

Councillors in attendance:

Rhoda Bailey, G Baxendale, D Brickhill, L Brown, S Corcoran, K Edwards,
P Findlow, D Flude, S Gardiner, S Hogben, P Groves, P Hoyland, O Hunter,
F Keegan, A Kolker, B Murphy, P Nurse, P Raynes, A Thwaite, J Weatherill
and S Wilkinson.

Officers in attendance:

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

104 **ADJOURNMENT OF MEETING**

The Chairman announced that a number of Councillors were attending the funeral of Margaret Moran, wife of Councillor Arthur Moran, which was taking place at 1.30 pm. It was, therefore, proposed to open the meeting and to carry out the first four items of business after which there would be a short adjournment until 3.00pm in order to allow them time to get to the meeting.

105 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Rachel Bailey, who was attending the funeral of the wife of Councillor Arthur Moran, and would be arriving in time for the resumed session of the meeting at 3.00 pm.

106 **DECLARATIONS OF INTEREST**

Business Planning Process 2012-15 Business Plan

During discussion of this item Councillor D Flude declared a personal interest by virtue of being Chairman of the Board of Governors of Pebble Brook, a Governor at Westminster Nursery, and a member of the Schools Forum.

107 **PUBLIC SPEAKING TIME/OPEN SESSION**

John Hibbert, Chairman of the Board of Governors of Warmingham CE Primary School, spoke in respect of Home to School Transport and the

impact of abolishing the existing subsidy on the future of small rural schools, on the wider rural community, on parents and on the limitation of choice in their children's education.

Keiran Kelly, Headteacher of St Nicholas Catholic High School, spoke in support of the minority report and in particular the need to consider the geographic location of many of the faith schools which necessitated the provision of transport.

Edward McHugh, Headteacher of St Thomas More Catholic School, spoke in support of the minority report and on the savings that could be made in alternative ways to those proposed in the main Task and Finish Group report.

John McCann, Assistant Director of Schools for the Diocese of Shrewsbury, spoke in support of the minority report, and in particular the savings and integrated transport system that could be delivered whilst supporting learners, parental choice and access to denominational education with minimal disruption to admissions and educational planning.

In addition Councillor Sam Corcoran spoke at this stage of the meeting as he was unable to stay until the item was considered due to the adjournment; his comments had also been circulated to the Cabinet prior to the meeting along with submissions on behalf of St Mary's Crewe, and the Chester Diocesan Board of Education.

The Chairman thanked everybody for their representations which would be taken into account when officers considered the recommendations contained in the report of the scrutiny committee task and finish group, and in the minority report.

Charlotte Peters Rock, on behalf of Knutsford Area for Knutsford Action, raised a number of questions concerning Adult Health and Social Care mentioning in particular the Durrow Report and the premises at Bexton Road, Knutsford; in accordance with her request these questions are appended in full to the minutes of this meeting.

108 **MINUTES OF PREVIOUS MEETING**

RESOLVED

That the minutes of the meeting held on 6 February 2012 be approved as a correct record.

At this stage the meeting adjourned from 2.25 pm – 3.00pm.

KEY DEC 31 CREWE RAIL EXCHANGE PROJECT FUNDING

Consideration was given to the project plan for the first phase of the Council's ambitions for Crewe Station. The report highlighted the success in securing Station Commercial Project Facility Tranche 2 funding, detailed the progress to date and sought a number of approvals necessary for the successful delivery of the initiative which was a key driver in the "All Change for Crewe" programme.

RESOLVED

1. That approval be given to the Crewe Rail Exchange Project shown on Plan 1 as a first phase of the Council's ambitions for Crewe Station.
2. That approval be given to the project shown on Plan 1 based on the milestones in section 10.4 of the report, and funding profile in section 7.4 of the report, including the financial implications of accepting the grant funding and procuring a contractor to deliver the works.
3. That approval be given to enter into a 99 year lease at a peppercorn rent and nil premium with Network Rail for the Council land shown on Plans 2 and 3 and described in section 10.5 of the report, which will entitle Network Rail to under let this Council land so as to include it in the West Coast Main Line franchising process upon completion of the Crewe Rail Exchange Project.
4. That approval be given for the Council to negotiate and enter into the necessary legal agreements with Network Rail, in particular the design phase Basic Asset Protection Agreement and the implementation phase Asset Protection Agreement and to make the necessary highway orders to ensure the delivery of the project.
5. That the Strategic Director Places and Organisational Capacity and Deputy Chief Executive be given the delegated authority to make necessary decisions on approved matters to enable the delivery of the project.

KEY DEC 4 BUSINESS PLANNING PROCESS 2012-2015 BUSINESS PLAN

During discussion of this item Councillor D Flude declared a personal interest.

Consideration was given to the report of the Director of Finance and Business Services on the Business Plan for 2012/15 which had been produced following engagement on the draft Business Plan issued in January. The two main elements of the plan were the Council's priorities and the budget. The document set out in detail the spending plans and income targets for the financial year from 1 April 2012 as well as estimates for the following two financial years.

It was noted that the Governments final formula grant allocations for 2012/13 had not yet been formally confirmed and the Business Plan was based on the provisional settlement issued on 8 December 2011. In addition consultation on funding in relation to Academies still needed to be fed into the final settlement. Any changes would however be notified to the Council at its meeting on 23 February 2012.

Each Portfolio Holder presented the key points of the budget for the area within their purview and answered questions from visiting members on specific points.

RESOLVED

1. That the results of the Budget Engagement exercise undertaken by the Council (Appendix A of the report) be noted.
2. That the comments of the Director of Finance and Business Services (Chief Finance Officer), regarding the robustness of estimates and level of reserves held by the Council based on this budget (Appendix B of the report, Comment from Director of Finance & Business Services) be noted.
3. That Council be recommended to approve:
 - a) the 2012/2015 Business Plan (Appendix B of the report);
 - b) the three-year Capital Programme for 2012/2013 to 2014/2015 (Appendix B, Annex 3, paragraphs 88 to 94 and Annex 7, pages 108 to 116 of the report);
 - c) a Band D Council Tax of £1,216.34 (no change from 2011/2012) (Appendix B, Annex 3, paragraphs 57 to 58 of the report);
 - d) the Reserves Strategy (Appendix B, Annex 8 of the report);
 - e) the 2012/2013 non ringfenced Specific Grants (excluding DSG) (Appendix B, Annex 4 of the report). *(Any amendments to particular grants in the light of further information received from Government Departments or other funding bodies will be reported to Council);*
 - f) the Prudential Indicators for Capital Financing (Appendix B, Annex 6).
4. That the 2012/2013 Dedicated Schools Grant (DSG) of £193.8m and the associated policy proposals (Appendix B, Annex 7, page 89 of the report) be agreed.

5. That the Children's and Family Services Portfolio Holder be authorised to agree any necessary amendment to the DSG position in the light of further information received from DfE, pupil number changes, further academy transfers and the actual balance brought forward from 2011/2012.
6. That the risk assessment detailed in Appendix B, Chapter 4 of the report be noted.

111 **TREASURY MANAGEMENT STRATEGY 2012 TO 2015, ANNUAL INVESTMENT STRATEGY AND MINIMUM REVENUE PROVISION 2012-2013**

Consideration was given to the report of the Director of Finance and Business Services concerning the Treasury Management Policy and Strategy Statements for 2012/13 to 2014/15, including the prudential indicators and limits required under Part 1 of the Local Government Act 2003, the Annual Investment Strategy 2012/13, and the Annual Policy on Statement on Minimum Revenue Provision for the redemption of debt 2012/13.

The strategy included the Department for Communities and Local Government reporting requirements in accordance with the Local Government Investments Guidance under Section 15(1) of the Local Government Act 2001.

RESOLVED

That Council be recommended to approve the:-

1. Treasury Management Policy Statement (Appendix A of the report);
2. Treasury Management Strategy and the Minimum Revenue Provision Statement for 2012/13 (Appendix B of the report); and
3. Revisions to the Treasury Management Strategy for 2011/12.

112 **2011/12 QUARTER THREE REVIEW OF PERFORMANCE**

Consideration was given to the joint report of the Director of Finance and Business Services, and the Strategic Director Places and Organisational Strategy, on the financial and non-financial performance the three quarter review stage of 2011/12. The report provided an update on the overall financial stability of the Council, projections of service financial performance and a summary of key performance headlines all for the financial year 2011/12.

Key points emerging were explained in respect of service revenue outturn, reserves, the capital programme, debt and performance.

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 (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 (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; and
 - reductions to approved capital budgets, as shown in Annex 2, Appendix 3 of the report.
2. That the performance issues, contained in Annex 3 of the report be noted particularly the successes achieved during the first three quarters of 2011/12 and also issues in relation to the underperformance against targets.
3. That approval be given to:
 - a Supplementary Revenue Estimate of £69,000 for the Development service following receipt of Warm Homes for Healthy People grant funding for 2011/12, as detailed in Annex 1 of the report; and
 - Supplementary Capital Estimates and virement requests over £100,000 and up to and including £1,000,000 as shown in Annex 2, Appendix 2b of the report.
4. That Council be recommended to approve:
 - a Supplementary Revenue Estimate of £0.6m to be met from general reserves to meet one-off VR costs in 2011-12, as detailed in Annex 1 of the report; and
 - a Supplementary Capital Estimate / Virement of over £1,000,000 as detailed in Annex 2, Appendix 2c of the report.

113 **HOME TO SCHOOL TRANSPORT SCRUTINY REVIEW**

In accordance with the Overview and Scrutiny Committee final reporting procedure Cabinet was asked to receive the Children and Families Scrutiny Committee Task and Finish Group report of Home to School Transport, and the minority report endorsed by that Committee.

The Portfolio Holder for Children and Family Services confirmed that the recommendations of both reports would be fully investigated and that a full response would be made to Cabinet, in approximately 2-3 months time.

RESOLVED

That both reports be received and that the Cabinet member for Children and Family Services undertake to come back to a future meeting of the Cabinet with a formal response to each recommendation.

114 **NOTICE OF MOTION FROM COUNCIL - PROVISION OF FINANCIAL INFORMATION TO MEMBERS**

Consideration was given to a Notice of Motion submitted to Council on 15 December 2012 by Councillors S Hogben and D Newton concerning the provision of financial information to Members. The report set out the current situation regarding the provision of such information and the actions that were now proposed to build on improvements being implemented.

RESOLVED

1. That the Notice of Motion be endorsed.
2. That the report and comment on the current and future provision of financial information to Members be noted.
3. That approval be given to the recommended actions recommended in Section 10.13 of the report.

115 **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.

116 **MANAGING WORKFORCE CHANGE**

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

RESOLVED

1. That Cabinet supports the decision of the Chief Executive to release the employees whose roles are listed at 1 to 3 in Appendix A of the report, under the arrangements agreed in relation to voluntary severance provisions for employees in the Council.
2. That the voluntary severance of the employees listed at 4 and 5 in Appendix A of the report, approved by the Procurement, Assets and Shared Services Portfolio Holder under the terms of his delegated powers, in response to an urgent request from management, be noted.

The meeting commenced at 2.00 pm and concluded at 5.05 pm

W Fitzgerald (Chairman)



06 February 2012 – 2pm Cabinet Meeting – Crewe Town Hall

Questions:

- 1 Since the Durrow Report, about the Bexton Road, Knutsford, Health and Social Care site, was it seems **not** Commissioned by Cheshire East – nor it seems did Cheshire East have any public hand in that Commissioning - can I ask who is supposed to represent the interests of those people whom Cheshire East either
 - a threw off the site – distributing them right across the Borough – or - unwilling - into full time care homes
 - b are attempting to remove from the site?
- 2 What profit does Cheshire East Cabinet aim to make from the sale of the Bexton Road, Knutsford, Social Care and Health site?
- 3 What arrangement has Cheshire East Cabinet or any representative or employee of Cheshire East Council made, in respect of the Durrow Report and its Commissioners, with regard to the sale or other handing over of that Bexton Road, Knutsford, Social Care and Health site?
- 4 Can the Leader of this Council please make a statement in respect of the Part 2 items – employment – to say that no social care hours will be cut on that site at Bexton Road, Knutsford?
- 5 I would be grateful if the Director of Adult Social Care Services could forward a full copy of her proposed Report, in respect of the Bexton Road Site and other aspects of our Petition to be discussed at Full Council on 23 February 2012
- 6 Perhaps I could point out to the Council Leader, following his letter to me of 03 February 2012, that Knutsford Area For Knutsford Action is not a 'specific pressure group' but a disparate though large number of concerned members of the Council taxpaying public, who across the board wish to have Local Services for Local People in the Local Area. The KAFKA umbrella is no more than a way of drawing the attention of this Cabinet and Cheshire East Councillors at large, to the wishes of those whom they were elected to represent.

For Knutsford Area For Knutsford Action

This page is intentionally left blank