

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Cabinet**
held on Wednesday, 11th February, 2015 at Committee Suite 1,2 & 3,
Westfields, Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor M Jones (Chairman)
Councillor D Brown (Vice-Chairman)

Councillors Rachel Bailey, J Clowes, B Moran, P Raynes, D Stockton and
D Topping

Members in Attendance

Councillors Rhoda Bailey, L Brown, R Cartlidge, S Corcoran, R Fletcher,
M Grant, P Groves, S Hogben, P Hoyland, F Keegan, W Livesley, P Mason,
R Menlove, A Moran, D Newton, M Simon, L Smetham and A Thwaite

Officers in Attendance

Mike Suarez, Lorraine Butcher, Peter Bates, Anita Bradley, Brenda Smith,
Julian Cobley and Paul Mountford

Apologies

Councillors J P Findlow (on Council business) and L Gilbert.

115 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

116 **PUBLIC SPEAKING TIME/OPEN SESSION**

Sue Helliwell asked whether there were any Section 16 bids for smart street lighting. Councillor D Topping, Portfolio Holder for Service Commissioning, replied that the Council had an extensive programme for modernising street lighting across the Borough which included LED lighting. The Leader added that the Council would respond to further advances in street lighting technology over time.

Sylvia Dyke asked if the emerging neighbourhood plan for Alsager would include an allowance for arable land and green spaces in addition to housing. She asked if it was likely that additional housing would be imposed on Alsager in any event in order to meet housing requirements. Finally, she stated that no action had been taken in over two years regarding breaches in relation to White Moss Quarry. The Leader responded that he would look into the issue with White Moss Quarry and get back to her. He also said that neighbourhood plans were the right way forward for Cheshire East and would help to provide greater protection for the countryside and green spaces.

QUESTIONS TO CABINET MEMBERS

Councillor Rhoda Bailey asked about the likely extent of road repairs on minor roads in the Borough in the next financial year. Councillor Topping responded that the priorities for road repairs over the next year had been identified and members would be informed of the programme of works shortly. He added that whilst priority had to be given to major roads, the rural roads would not be ignored and the Council would respond to any matters brought to its attention by Members or by the public.

Councillor S Corcoran referred to the Ombudsman report into White Moss Quarry and disclosed he had further evidence that he had expected would have been taken into account. He called for an external investigation into the matter, given an internal investigation had, according to a letter he received, been concluded. The Leader undertook to discuss the matter with the Chief Executive. He also indicated that the Monitoring Officer was reviewing all actions relating to White Moss Quarry and that Councillor Corcoran would be informed of the outcome.

MINUTES OF PREVIOUS MEETING**RESOLVED**

That the minutes of the meeting held on 6th January 2015 be approved as a correct record.

2014/15 THIRD QUARTER REVIEW OF PERFORMANCE

Cabinet considered a report setting out the Council's financial and non-financial performance at the third quarter stage of 2014/15 and progress towards achieving the Council's Residents First Outcomes as described in the Council's three year plan 2013 to 2016.

The overall financial health, performance, resilience and value for money at Cheshire East Council was strong despite taking £50m out of its cost base from 2011/12, and freezing Council Tax for the fourth consecutive year. Following the three-quarter year review the Council's reserves strategy remained effective, with an underspend of £0.2m being forecast, which represented only a 0.1% variance from a budget of £253.8m.

Annex 1 to the report set out further details of how the Council was performing in 2014-15, including a summary performance, an update on the Council's overall financial position and a summary of key issues relating to the Council's workforce development plan.

Councillor P Raynes, Portfolio Holder for Finance, signalled his intention to discuss the detail of the report at a forthcoming meeting of the Corporate Scrutiny Committee.

RESOLVED

That

1. Cabinet notes the third quarter review of 2014/15 performance, in relation to the following issues:
 - § the summary of performance against the Council's 5 Residents First Outcomes (Section 1 to the Annex);
 - § the projected service revenue and capital outturn positions, overall financial stability of the Council, and the impact on the Council's reserves position (Section 2);
 - § the delivery of the overall capital programme (Section 2, paragraphs 161 to 169 and Appendix 4);
 - § fully funded supplementary capital estimates and virements up to £250,000 in accordance with Finance Procedure Rules (Appendix 5);
 - § reductions to Capital Budgets (Appendix 7);
 - § treasury management investments and performance (Appendix 8);
 - § the Council's invoiced debt position (Appendix 10);
 - § use of earmarked reserves (Appendix 11);
 - § the workforce development and staffing update (Section 3).
2. Cabinet approves
 - § fully funded supplementary capital estimates and virements above £250,000 in accordance with Finance Procedure Rules (Appendix 6);
 - § supplementary revenue estimates to be funded by additional specific grant (Appendix 9).

120 **THE COUNCIL'S MEDIUM TERM FINANCIAL STRATEGY 2015/18**

Cabinet considered a report presenting the Council's Medium Term Financial Strategy for 2015/16 to 2017/18.

The following key proposals were included:

- § An additional £6.5m will be spent on improving our highways.
- § Annual spending on Adult Social Care will be increased by over £1m.
- § Council tax is proposed to be frozen for a fifth consecutive year, saving local taxpayers £210 on average per year if inflationary increases had been applied.
- § Net Revenue spending is being reduced by £7.7m to deliver a balanced position in 2015/16.

§ External loans will be reduced by £8.5m.

Appendix A to the report summarised the resolutions that Cabinet were requested to recommend to Council.

The Medium Term Financial Strategy Report for the period 2015/16 to 2017/18 was set out at Appendix B.

Councillor Raynes indicated that since the MTFS report and budget had been produced, the Council had received confirmation that it would receive an additional £241,000 as part of the final settlement. It was proposed that the whole amount would be transferred to the Council's emergency assistance earmarked reserve to allow this additional funding to be called on when needed.

Councillor Raynes also referred to a proposed saving of £100,000 for Home to School Transport which was referred to in the report. This saving had in fact already been achieved by other methods.

The final version of the budget report would be updated to reflect these changes and to pick up any minor typographical errors.

RESOLVED

That

1. Cabinet notes:

- a. The Budget Engagement exercise undertaken by the Council, as set out in the attached (Appendix B, Annex 2 to the report).
- b. The comments of the Council's Chief Operating Officer (Section 151 Officer), contained within the MTFS Report, regarding the robustness of estimates and level of reserves held by the Council based on these budget proposals (Appendix B, Comment from the Chief Operating Officer).
- c. The risk assessment detailed in the MTFS Report (Appendix B, Annex 5).
- d. That the estimates and profiling contained within the proposed Capital Programme 2015/16 to 2017/18 reflect the scale of ambition and future investment plans of the Council. The programme may vary to take advantage of external funding opportunities, maximise private sector investment, prudential borrowing considerations, operational capacity and to ensure optimal delivery of the overall programme (Appendix B, Annex 11).
- e. That projects will be robustly governed through the Executive Monitoring Board. The Council's Finance Procedure Rules will

always apply should any changes in spending requirements be identified (Appendix B, Annex 11).

2. Council be recommended to approve:

- f. The Revenue estimates for the 2015/16 budget and the medium term Capital Programme estimates 2015/18, as detailed in the Medium Term Financial Strategy Report 2015/18 (Appendix B) as adjusted for the home to school transport narrative change and minor typographical errors.
- g. Band D Council Tax of £1,216.34 (no change since 2010/11) (Appendix B, Section 2).
- h. The 2015/16 non ring-fenced Specific Grants, and that any amendments to particular grants will be reported to Council if further information is received from Government Departments or other funding bodies (Appendix B, Annex 7).
- i. The 2015/16 Capital Grants, and that any amendments to particular grants will be reported to Council if further information is received from Government Departments or other funding bodies (Appendix B, Annex 8).
- j. The relevant Portfolio Holder to agree the use of additional Specific Grants received in conjunction with the Finance Portfolio Holder as further updates to the 2015/16 funding position are received.
- k. The recommended Prudential Indicators for Capital Financing (Appendix B, Annex 10).
- l. The Safeguarding Children and Adults Portfolio Holder to agree any necessary amendment to the 2015/16 Dedicated Schools Grant (DSG) of £160.6m and the associated policy proposals, in the light of further information received from DfE, pupil number changes, further academy transfers and the actual balance brought forward from 2014/15 (Appendix B, Annex 7).
- m. The recommended Reserves Strategy, and the proposals to create an earmarked reserve of £1.0m for planning appeals and staffing restructure, and to make further contributions from general reserves of £0.45m to the Sustainable Investment reserve, and £0.25m to the Insurance and Risk reserve (Appendix B, Annex 12).
- n. That the additional £241,000 received as part of the final settlement be transferred to the Council's emergency assistance earmarked reserve to allow this additional funding to be called on when needed.

3. Council recognise that Cabinet has noted:

- o. The Budget Engagement exercise undertaken by the Council, as set out in the attached (Appendix B, Annex 2).
- p. The comments of the Council's Chief Operating Officer (Section 151 Officer), contained within the MTFS Report, regarding the robustness of estimates and level of reserves held by the Council based on these budget proposals (Appendix B, Comment from the Chief Operating Officer).
- q. The risk assessment detailed in the MTFS Report (Appendix B, Annex 5).
- r. That the estimates and profiling contained within the proposed Capital Programme 2015/16 to 2017/18 reflect the scale of ambition and future investment plans of the Council. The programme may vary to take advantage of external funding opportunities, maximise private sector investment, prudential borrowing considerations, operational capacity and to ensure optimal delivery of the overall programme (Appendix B, Annex 11).
- s. That projects will be robustly governed through the Executive Monitoring Board. The Council's Finance Procedure Rules will always apply should any changes in spending requirements be identified (Appendix B, Annex 11).

121 **TREASURY MANAGEMENT STRATEGY AND MRP STATEMENT 2015/16**

Cabinet considered a report on the Treasury Management Strategy and the MRP Statement for 2015/16.

Strong financial management had strengthened the Council's balance sheet, enabling the Council to continue its policy of utilising investment balances instead of taking out new external borrowing in order to finance capital expenditure. The Council remained committed to delivering appropriate levels of capital investment to support service improvement and local economic growth.

The key elements of the strategy were set out in paragraph 1.6 of the report. The strategy itself was set out at Appendix A and had also received consideration by the Audit and Governance Committee.

Councillor Raynes advised that the Council had been able to pay back debt and had made an adjustment to its investment strategy in order to reduce exposure to risk.

RESOLVED

That Council be recommended to approve the Treasury Management Strategy and MRP Statement for 2015/16 as set out in Appendix A to the report.

122 NOTICE OF MOTION - LOCATION OF STRATEGIC PLANNING BOARD MEETINGS

Cabinet considered the following motion which had been moved by Councillor D Brickhill and seconded by Councillor A Moran at the Council meeting on 11th December 2014 and referred to Cabinet for consideration:

"In the light of the chairman's decision to hold a Strategic Planning Board meeting in Macclesfield when all the items of the agenda (bar one in Ollerton) were in the south of the Borough, it is clear that the previous decision of Council is not being observed by him. Therefore his discretion in this matter is withdrawn. The location of the meeting in Crewe or Macclesfield shall be decided only on the basis of whether the majority of the agenda items are in the south or north of the Borough, as this was clearly the intention of council especially to avoid residents having to travel long distances e.g. Wrenbury to Macclesfield."

The current rules for determining the venue for each SPB meeting were set out in paragraph 2.2 of the report. Taking into account the need for the implications for residents to be more firmly taken into consideration when decisions about meeting arrangements were made, it was considered that the existing rules provided all of the flexibility needed in the circumstances.

Councillor A Moran as seconder of the motion attended and spoke on the matter. The proposer, Councillor D Brickhill, had been unable to attend the meeting.

RESOLVED

That the Chairman's discretion in determining the venue for a meeting of the Strategic Planning Board be retained in accordance with the arrangements approved by Council on 27th February 2014.

123 NOTICE OF MOTION - LOCAL PLAN

Cabinet considered the following motion which had been moved by Councillor D Newton and seconded by Councillor S Corcoran at the Council meeting on 11th December 2014 and referred to Cabinet for consideration:

"This Council notes:

1) *The recent comments of Steven Pratt on the Cheshire East Local Plan; and*
 2) *the appeal recovery criteria that enable a decision on any appeal that involves a potential conflict with an emerging (or recently made) Neighbourhood Plan to be taken by Ministers*
And resolves to write to Edward Timpson MP, Fiona Bruce MP, David Rutley MP, George Osborne MP and Stephen O'Brien MP asking them to call
a) for any appeal that involves a potential conflict with an emerging (or recently made) Neighbourhood Plan in Cheshire East to be recovered and taken by Ministers; and
b) for emerging Local Plans to be afforded greater weight at planning appeals."

The Council had long called for emerging Plans to be given greater weight in the planning system. This request had been made previously in respect of the Local plan; and now with an accelerated programme of Neighbourhood Plans which formed part of this ongoing work. The first draft Neighbourhood Plans were expected to be made public in the coming months and more draft plans could be anticipated as the year progressed. With regard to Neighbourhood Plans, Ministers had displayed a greater willingness in recent months to attribute weight to emerging plans when deciding appeals.

Councillors D Newton and S Corcoran, as mover and seconder of the motion respectively, spoke on the matter.

RESOLVED

That Cabinet notes the points raised in the motion and confirms that all the issues raised are the subject of work already underway which was instigated immediately after the feedback from the Inspector Stephen Pratt on 6 November 2014.

124 NOTICE OF MOTION - SANDBACH NEIGHBOURHOOD PLAN

Cabinet considered the following motion which had been moved by Councillor S Corcoran at the Council meeting on 11th December 2014 and referred to Cabinet for consideration:

'This Council welcomes the strong community involvement in and the cross party support for the Sandbach Neighbourhood Plan and regrets the comments of the Leader of the Council about the Sandbach Neighbourhood Plan on the Sunday Politics Show on 30 November.'

The government had confirmed funding to support neighbourhood plans into the next financial year and beyond. Cheshire East Council was committed to resisting unsustainable development and in July 2014 had

made a high level commitment to support neighbourhood planning by entering into a partnership with Cheshire Community Action. The Leader expressed his continued support for the Sandbach Neighbourhood Plan.

Councillor S Corcoran as mover of the motion spoke on the matter.

RESOLVED

That Cabinet

1. recognises and endorses the high level commitment the Council has made to the residents of Cheshire East in its support for neighbourhood planning;
2. recognises the significant and fast progress that communities are making in bringing forward their plans;
3. supports the ambition to make Cheshire East the leading local authority in neighbourhood planning; and
4. will continue to support the resources necessary to facilitate the hard work of Councillors, officers, town and parish councillors and residents, that underpins progress toward sustainable planning in Cheshire East, by and for all its communities.

125 NOTICE OF MOTION - HEYES LANE ALLOTMENTS

Cabinet considered the following motion which had been moved by Councillor S Corcoran at the Council meeting on 11th December 2014 and referred to Cabinet for consideration:

This Council commits that it will not agree to vary the lease with Alderley Edge Parish Council for the Heyes Lane site to allow any use other than allotments, unless the Secretary of State exercises any powers that he might have to require a variation of the lease.

The Lease of Heyes Lane Allotments to Alderley Edge Parish Council was part of Cheshire East's drive to ensure that working locally was at the heart of what the Council did. The transfer of services to town and parish councils was key to the Council's approach to asset management and was in line with the Localism Act. The devolution initiative supported the view that it was beneficial for local people to choose what services they paid for under devolved services delivered by town and parish councils.

The Portfolio Holder for Finance informed Cabinet that the Council had received 79 emails from people in support of the Heyes Lane Allotments. He summarised the key points that had been made.

Councillor S Corcoran as mover of the motion spoke on the matter.

Councillor F Keegan, as local ward member, also attended and spoke on the matter.

RESOLVED

That any future variation to the lease of the Heyes Lane Allotment Site be considered in relation to the plans and ambitions of the Parish Council, and the legal position regarding the covenanters of the land, with the intention of securing the best solution for Alderley Edge.

126 JOBS REGENERATION AND ASSETS OVERVIEW AND SCRUTINY COMMITTEE - HIGH GROWTH CITY PROJECT TASK AND FINISH GROUP REPORT

Cabinet considered the report of the High Growth City Project Task and Finish Group. The Group had reviewed and assessed the readiness of the Council to capture the full economic and social benefits that a potential superhub station at Crewe could bring for Crewe, Cheshire East and the wider sub-region.

Councillor P Groves, the Chairman of the Task and Finish Group, commended the report to Cabinet. Cabinet proposed three additions to the Group's recommendations which Councillor Groves was happy to accept.

RESOLVED

That

1. the report of the High Growth City Project Task and Finish Group be received;
2. recommendations A-I of the Task and Finish Group as set out in paragraph 2.1 of the Group's report be noted and supported subject to the following additions:
 - J. There should be compatible trains to Stoke via Macclesfield and further enhancement of Cheshire rail links in the north into HS2 and links to Manchester.
 - K. Council should support further investment and growth around Middleswich including a new station to enhance the Mid-Cheshire Line.
 - L. Health and wellbeing implications of High Growth City and HS2 be included in the report in the form of a high level Strategic Health Impact Assessment.
3. a response to the Task Group's report be submitted to the Jobs Regeneration and Assets Overview and Scrutiny Committee.

Cabinet considered a report seeking endorsement of the Cheshire East Energy Framework.

The combination of energy insecurity and soaring prices brought into sharp focus the need to lead the way to find more sustainable energy solutions for Cheshire East residents. In response to these challenges, Cheshire East Council was developing an ambitious energy programme to reduce fuel poverty, increase the production of energy from renewable and low carbon sources, and increase the number of jobs in the Borough in the low carbon economy.

The report sought the endorsement of and support for the Energy Framework, which had been produced to set out a clear ambition in providing affordable energy, developing a local energy economy and supporting secure decentralised and locally managed energy services.

RESOLVED

That

1. the Energy Framework and Vision for the Council as appended to the report be endorsed; and
2. the promotion and delivery of the Energy Framework be actively supported.

Cabinet considered the disposal of part of the Redsands site to facilitate the development of a specialised design and engineering centre.

An opportunity had arisen to bring a major high value inward investor into Cheshire East. HPL Prototype (HPLP) was seeking a new location to develop a design and engineering centre to supply services to a major customer based in the North West. After an extensive site search, HPLP had selected the Redsands Site, owned by the Council, as its preferred location to expand its business operation in the North West.

RESOLVED

That Cabinet approves the disposal of Areas 1, 2 and 3 at Redsands (as delineated red on the plan attached to the report) to HPL Prototype (HPLP) on terms and conditions to be agreed by the Executive Director for Economic Growth and Prosperity in consultation with the Head of Legal Services and Monitoring Officer who shall draw up the documentation for sale to HPLP in accordance with the agreed heads of terms.

129 **DFT LOCAL HIGHWAY MAINTENANCE - CHALLENGE FUND
BIDS**

Cabinet considered the submission of two funding bids to help maintain and improve existing local highway infrastructure.

The maximum allowable bids were one £5-20M bid and one £20M+. The submitted bids would utilise the Council's maximum allowance and would cover a major maintenance scheme on the A51 at Wardle, and a significant upgrade of the Council's street lighting assets, including column replacements and upgrades to LED lanterns.

The two bid documents as referred to in the report were circulated at the meeting.

RESOLVED

That the submission of the two funding bids referred to in the report be endorsed.

130 **COMMISSIONING OF 0-19 HEALTHY CHILD PROGRAMME IN
CONJUNCTION WITH NHS ENGLAND (REF CE 14/15-28)**

Cabinet considered a report on the re-commissioning of 'healthy child' services for children and young people (aged 0–19 years).

The funding and commissioning of 5-19 years health services had transferred to the Council in April 2013, and 0-5 years health services would transfer to the Council in October 2015. The services to be commissioned included health visiting and family nurse partnership, a targeted breastfeeding service and childhood vaccinations and immunisations for school-aged children.

This report summarised the work undertaken to date and set out the procurement arrangements for securing the new services.

RESOLVED

That

1. Cabinet notes that an EU compliant procurement exercise to identify a preferred supplier for the public health services for 0-5 years (health visiting), breastfeeding, 0–5 years (school health) and 5–19 years Vaccinations and Immunisations is being undertaken and is on schedule to be completed with new services in place by 1st September 2015;
2. following the prescribed procurement process, the Council will enter into contracts (two separate contracts) for 5-19 years' service, including

the National Child Measurement Programme and for breastfeeding with one or two suppliers; the authority to enter into contract be delegated to the relevant Portfolio Holders, the Director of Public Health and Executive Director of Strategic Commissioning;

3. Cabinet notes and agrees that the 0-5 years contract, including Family Nurse Partnership which is being procured by the Council but entered into by NHS England, will be transferred to Cheshire East Council in October 2015 (in line with national guidance when responsibility for the service transfers to the Council); and
4. Cabinet notes the following:
 - § the breastfeeding contract, whilst under £500k, has been included in this work to secure the same provider as 0-5 years; and
 - § the vaccinations and immunisations contract has been included in this work to secure the same provider as 5-19 years service; the contract for this service remaining with NHS England.

131 **PAY POLICY STATEMENT 2015/16**

Cabinet considered a report on the Pay Policy Statement for 2015/16.

The Statement, which reflected the position as at 1st April 2015, was attached at Appendix 1 to the report. Key changes since last year's Statement were outlined in Section 11 of the summary report.

RESOLVED

That

1. Council be recommended to approve the Pay Policy Statement for 2015/16 for adoption on 1st April 2015;
2. the key changes since the 2014/15 Pay Policy Statement as outlined in Section 11 of the summary report be noted; and
3. it be noted that the Staffing Committee has been consulted on the Pay Policy Statement and has noted the paper.

The meeting commenced at 2.00 pm and concluded at 3.53 pm

Councillor M Jones (Chairman)