

Cabinet Agenda

Date: Tuesday, 9th June, 2020

Time: 1.00 pm

Venue: Virtual Meeting

For anybody wishing to view the meeting please click on the link below:

[Join Microsoft Teams Meeting](#)

Or dial in via telephone: 141 020 3321 5200 and input Conference ID: 967 614 266# when prompted.

Please turn off your camera and microphone when entering the meeting and ensure that they remain turned off throughout.

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 in the report.

It should be noted that Part 1 items of Cheshire East Council decision-making meetings are audio recorded and the recordings are uploaded to the Council's website.

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 disclosable pecuniary and non-pecuniary interests in any item on the agenda.

3. **Public Speaking Time/Open Session - Virtual Meetings**

In accordance with paragraph 3.33 of the Cabinet Procedure Rules, a period of 10 minutes is allocated for members of the public to address the meeting on any matter relevant to the work of the Cabinet. Individual members of the public may speak for up to two minutes. The Chairman or person presiding will have discretion to vary this requirement where he/she considers it appropriate.

Members of the public wishing to ask a question or make a statement at the meeting should provide at least three clear working days' notice in writing and should include the question with that notice. This will enable an informed answer to be given.

4. **Questions to Cabinet Members - Virtual Meetings**

A period of 20 minutes is allocated for questions to be put to Cabinet Members by members of the Council. A maximum period of two minutes will be allowed for each member wishing to ask a question. The Leader will have discretion to vary this requirement where he considers it appropriate. Members wishing to ask a question at the meeting should register to do so in writing by not later than 4.00 pm on the Friday in the week preceding the meeting. Members should include the general topic their question will relate to and indicate if it relates to an item on the agenda. Questions must relate to the powers, duties or responsibilities of the Cabinet. Questions put to Cabinet Members must relate to their portfolio responsibilities.

Where a question relates to a matter which appears on the agenda, the Leader may allow the question to be asked at the beginning of consideration of that item.

5. **Minutes of Previous Meeting** (Pages 5 - 18)

To approve the minutes of the meeting held on 5th May 2020.

6. **Responding to COVID-19** (Pages 19 - 44)

To consider a report which provides a summary of the work in response to the current national and international public health emergency on COVID-19.

7. **COVID-19 - Emergency Temporary Financial Support to the Social Care External Market** (Pages 45 - 82)

To consider a report on temporary financial support to the social care external market.

8. **Cheshire East Council Corporate Peer Challenge Report** (Pages 83 - 112)

To consider the Cheshire East Council Corporate Peer Challenge Report.

9. **Loan Facility to Cheshire & Warrington Local Enterprise Partnership** (Pages 113 - 128)

To consider a proposal to enter into a Facility Agreement with the Cheshire & Warrington Local Enterprise Partnership.

10. **2019/20 Financial Outturn** (Pages 129 - 216)

To consider a report on the 2019/20 Financial Outturn.

11. **Risk Management Framework** (Pages 217 - 238)

To consider a report on the Risk Management Framework.

THERE ARE NO PART 2 ITEMS

Membership: Councillors C Browne (Vice-Chairman), S Corcoran (Chairman), L Crane, K Flavell, T Fox, L Jeuda, N Mannion, J Rhodes, A Stott and M Warren

This page is intentionally left blank

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Cabinet**
held on Tuesday, 5th May, 2020 at Virtual Meeting

PRESENT

Councillor S Corcoran (Chairman)
Councillor C Browne (Vice-Chairman)

Councillors L Crane, K Flavell, T Fox, L Jeuda, N Mannion, J Rhodes, A Stott and M Warren

Councillors in attendance

Councillors Q Abel, S Akers Smith, R Bailey, M Beanland, M Benson, J Buckley, C Bulman, J Clowes, T Dean, J P Findlow, R Fletcher, S Hogben, S Holland, J Nicholas, K Parkinson, B Puddicombe, J Saunders, M Sewart, M Simon, L Smetham and L Wardlaw

Officers in Attendance

Lorraine O'Donnell, Chief Executive
Frank Jordan, Executive Director Place
Mark Palethorpe, Executive Director People
Jane Burns, Executive Director Corporate Services
Jan Bakewell, Director of Governance and Compliance
Alex Thompson, Director of Finance and Customer Services
Paul Mountford, Executive Democratic Services Officer
Brian Reed, Head of Democratic Services and Governance
Katie Small, Governance Officer

The Leader welcomed everyone to the first virtual meeting of Cabinet which was also the first 'virtual meeting' of any kind held by the Council.

The Leader welcomed the Council's new Chief Executive, Dr Lorraine O'Donnell, to her first meeting of the Cabinet.

The Leader began by saying that the Council had been responding to the Coronavirus pandemic by keeping essential services going, protecting the most vulnerable people and supporting communities, businesses and the economy. Social distancing had required changes to the way in which services were delivered. He thanked officers for innovating and implementing these changes and residents and customers for their patience and understanding.

The Portfolio Holder for Highways and Waste announced that household waste and recycling centres in the Borough would re-open from Monday, 11th May. All eight sites would re-open, operating seven days a week from 8.30am – 5pm. All users of the sites would need to observe social distancing measures. Further details were available on the Council's website. Residents were urged only to travel to a site if waste could not be safely stored at home until a later date.

The Deputy Leader outlined a number of measures by the Council to support businesses, work collaboratively with partners to channel community-based support, and provide food parcels for residents who were shielding from Covid-19.

The Deputy Leader also encouraged local residents and communities to participate in the VE Day commemoration on 8th May as best they could whilst observing social distancing requirements.

Finally, the Deputy Leader announced that with effect from 6th May, Councillor Q Abel would be stepping down as Deputy Cabinet Member for Environment but would be retaining his role as Environment Champion. Councillor J Nicholas would be appointed as a Deputy Cabinet Member providing cross-cutting support for the Highways and Transport Portfolios.

122 **DECLARATIONS OF INTEREST**

Councillor B Puddicombe declared a non-pecuniary interest as a board member of Peaks and Plains Housing in relation to a report on the Procurement of a Housing Development Framework.

Councillor R Bailey declared a non-pecuniary interest as a partner in a farming business in relation to a report on the Cheshire East Carbon Action Plan.

123 **PUBLIC SPEAKING TIME/OPEN SESSION - VIRTUAL MEETINGS**

Richard Hamilton referred to the Elworth Hall Farm Phase 2 development, and S106 Agreement monies, which had been secured to provide a Toucan crossing. He said that this had been downgraded to a central reservation and questioned the legal authority/decision-making in support of the change. The Portfolio Holder for Children and Families agreed to provide a written response.

Sue Helliwell asked about the re-opening of waste sites. The Portfolio Holder for Highways and Waste referred to her announcement earlier in the meeting but agreed to provide a written response on whether rubble charges would be suspended.

Andrew Backhouse, referring to the Council's target of achieving zero carbon by 2025, asked what equally ambitious targets were to be set within the Environment Strategy and Carbon Action Plan in respect of energy efficiency of New Build, and for the Council Estate, public transport, restoration of peat bogs, and other sequestration. The Portfolio Holder for Environment and Regeneration replied that the Environment Strategy provided the policy framework within which more detailed actions and targets would be defined, particularly concerning new development and public transport. The Carbon Action Plan included detailed and

ambitious targets for reducing carbon emissions from the Council's estate and fleet. It also set out ambitious targets for at least 130 ha of tree planting, peatland restoration or other natural sequestration solutions on Council-owned land.

Brian Silvester asked when the household waste and recycling site in Pym's Lane, Crewe would be re-opened as there had been evidence of fly tipping around the town. The Portfolio Holder for Highways and Waste referred to her announcement earlier in the meeting regarding the re-opening of household waste and recycling centres and added that the incidence of fly tipping had not been too bad owing to the current restrictions on travel.

124 **QUESTIONS TO CABINET MEMBERS - VIRTUAL MEETINGS**

Councillor B Puddicombe asked a question in relation to Item 13 on the agenda: Procurement of a Housing Development Framework, regarding the importance of the Council's role in promoting affordable housing delivery, especially in the aftermath of the Covid-19 crisis. The Portfolio Holder for Environment and Regeneration replied that the report aimed at improving the mix of affordable housing and tenure/type in the Borough.

Councillor S Akers Smith asked if the Council would consider certain measures to enable social distancing including wider pavements, temporary 20 mph speed limits and the provision of more cycle lanes. These could also be used as a trial towards more permanent changes. The Portfolio Holder for Highways and Waste agreed to consider the suggestion.

Councillor M Beanland asked what the Council would do to support the next stage of the Government's Covid-19 response: track and trace, which would be dependent upon local knowledge. The Leader undertook to provide a written response. Councillor Beanland also thanked the Deputy Leader for responding in writing to a question regarding the 391/392 bus route.

Councillor J Buckley asked about the policy relating to the shortage of burial spaces in Alsager. The Portfolio Holder for Public Health and Corporate Services agreed to provide a written response.

Councillor T Dean asked if consideration could be given to the re-opening of Tatton Park to pedestrians. The Portfolio Holder for Environment and Regeneration replied that this would be done as soon as it was safe to do so. He added that Covid-19 continued to be a serious public health matter, leading recently to an extension by Government of the 'lockdown' arrangements for a further three weeks. While the Council had kept its arrangements under review, the original reasons for closure to visitors of the 1000 acres of Tatton Park, remained valid. The Council would continue to respond to guidance, keeping the question of Tatton Park under review in the context of the wider risks posed by the pandemic.

Councillor M Sewart asked when the report on flooding in Poynton, Bollington and Kettleshulme would be released. The Portfolio Holder for Environment and Regeneration agreed to provide a written response.

Councillor M Simon asked if the Council would review its policy of not replacing trees removed from grass verges. The Portfolio Holder for Highways and Waste replied that she was reviewing the policy and was keen to replace as many trees as possible subject to considerations of safety and maintenance.

Councillor S Holland asked how the Council was considering the distribution of additional funding to Town and Parish Councils which had been allocated from Central Government. The Leader replied that the distribution of the funds was a matter for Cheshire East Council as the upper tier authority. The Council had not set up a scheme yet but was discussing the matter with ChALC.

Councillor R Bailey asked if the re-opening of the waste and recycling centres would take place across the whole of Cheshire at the same time, and how the public messaging would be handled. The Leader agreed to provide a written response as it would be necessary to discuss the matter with other councils.

Councillor J Saunders asked what plans there were to support care homes, both now and in the future, and when this would be communicated to care homes, residents of Cheshire East and members. The Portfolio Holder for Adult Social Care and Health replied that the Council had written to all care homes in the Borough, asking them for details of the additional expenditure they had incurred as a result of Covid-19. The Council had also offered to provide support where care homes experienced shortages of staff or personal protective equipment. The Portfolio Holder undertook to provide further details of the support currently being given to care homes following the Cabinet meeting, and agreed to provide a further written response in due course in relation to future support for care homes.

Councillor K Parkinson referred to the strategic consultation on HS2 and said that replies were awaited to queries from parish councils, and that ward members also needed to be informed about the proposals. The Deputy Leader agreed to provide a written response.

Councillor L Wardlaw commented that the re-opening of the waste and recycling centres in Cheshire East had been the subject of discussion on social media over the weekend, ahead of today's formal announcement by the Council. The Portfolio Holder for Highways and Waste confirmed that the Council had not released any information in advance of today's announcement and that any discussion of the matter on social media must have been speculation.

125 **MINUTES OF PREVIOUS MEETING**

RESOLVED

That the minutes of the meeting held on 10th March 2020 be approved as a correct record.

126 **WELL MANAGED HIGHWAYS INFRASTRUCTURE**

Cabinet considered a further report on well-managed highways infrastructure following the call-in of the Cabinet's previous decision and the consideration of the matter by the Environment and Regeneration Overview and Scrutiny Committee on 16th March 2020. The report outlined the recommendations of the Overview and Scrutiny Committee and responded to those recommendations.

The Chairman of the Environment and Regeneration Overview and Scrutiny Committee, Councillor J P Findlow, attended the meeting and reported the Committee's comments and recommendations.

RESOLVED

That Cabinet

1. notes the advice of The Environment and Regeneration Overview and Scrutiny Committee in relation to well-managed highways as follows:

That Cabinet be advised to:

- (1) *To undertake a further round of streamlined consultation on the winter service element only as part of the annual review of the the Well Managed Highways Infrastructure annual review process;*
- (2) *That this annual review process be carried out through the Area Highways Groups, including the involvement of all Parish and Town Councils and relevant community/cycle groups as appropriate, with supporting information to be supplied to the AHG's in advance of the meetings and shared with all schools;*
- (3) *That a letter be sent to all schools within the Borough informing them of this additional round of consultation as part of the first annual review;*
- (4) *That all schools will be given an appropriate amount of time to respond to the consultation as part of the first annual review. (to be discussed with the Portfolio Holder to take into consideration the current public health issues and school holidays)*

It should be noted that the above recommendations are taken directly from the EROSC minutes

2. agrees to put appropriate measures in place which enable this advice to be incorporated into the implementation and review plans for well-managed highway infrastructure.

127 **ENVIRONMENT STRATEGY**

Cabinet considered a report summarising and responding to public consultation on the draft Environment Strategy. The report also considered and responded to the following Notice of Motion proposed by Councillor Q Abel at Council on 19th December 2019 and referred to Cabinet for consideration:

Cheshire East Council as part of our commitment to the environment and mitigation of climate change require development of whatever size to incorporate best practice (e.g. passive house) to reduce energy requirements and provide a non-carbon footprint for heating and cooking. Ideally ground source heat pump or equivalents and induction hobs.

Further, the Council to lobby Government to bring the legal requirement forward to the earliest possible date to achieve zero carbon for all new development and conversions.

Councillor Abel spoke on the matter as mover of the motion.

A report on the draft Environment Strategy had been considered by the Environment and Regeneration Overview and Scrutiny Committee on 16th March 2020. The Chairman of the Committee, Councillor J P Findlow, reported the Committee's comments and recommendations.

The Portfolio Holder for Environment and Regeneration advised that the fifth strategic goal of the Strategy, as set out on page 61 of the agenda, should read: 'Increase Sustainable Transport and *Active* Travel'.

RESOLVED

That Cabinet

1. approves the draft Environment Strategy, following public consultation, as outlined at appendix One;
2. authorises the Portfolio Holder for Environment and Regeneration to make any further revisions to the strategy;
3. supports the spirit of the motion by Cllr Abel, encouraging and looking favourably upon development proposals that include measures to

reduce carbon emissions and mitigate climate change, but acknowledge that in the context of current planning policy cannot require best practice; and

4. agrees that the Council writes to the Secretary of State for the Ministry of Housing, Communities and Local Government advocating that the changes to energy efficiency standards within the Building Regulations, as set out in the Future Homes Standard, requiring new build homes to meet world-leading levels of energy efficiency, be brought forward to the earliest possible date.

128 **CHESHIRE EAST CARBON ACTION PLAN**

Cabinet considered a report on the Cheshire East Carbon Action Plan which committed the Council to be carbon neutral by 2025 and to work to encourage businesses, residents and organisations in Cheshire East to reduce their carbon footprint by reducing energy consumption and promoting healthy lifestyles. The Action Plan set out how the Council would achieve carbon neutrality by 2025 and influence emission reduction across the Borough.

A report on the Carbon Action Plan had been considered by the Environment and Regeneration Overview and Scrutiny Committee on 16th March 2020. The Chairman of the Committee, Councillor J P Findlow, reported the Committee's comments and recommendations.

RESOLVED

That Cabinet

1. approves the Carbon Action Plan as outlined at Appendix 1 to the report; and
2. delegates authority to the Head of Environmental Services to take all necessary actions to implement the Carbon Action Plan, including:
 - (a) embedding carbon accounting into the business planning and investment processes;
 - (b) reducing carbon from buildings by adopting the Building Research Establishment Environmental Assessment Method (BREEAM) 'Excellent' or equivalent standard for new buildings and aiming for the highest BREEAM standard achievable for refurbished Council buildings;
 - (c) reducing carbon from council vehicles through the use of ultra-low carbon vehicles wherever possible;
 - (d) continuing to seek opportunities to develop sustainable energy production across the Borough;

- (e) focusing on environmental carbon offsetting within the borough through sequestration and reduction schemes, such as tree planting, with communities and partners from across the Borough;
- (f) seeking to become a full partner of the Northern Forest scheme and offset carbon through tree / hedgerow planting and peat moss restoration on Council owned land and farming estate; and
- (g) approving the receipt of £700,000 of external funding for the Crewe Heat Network from the Local Enterprise Partnership's Local Growth Fund, and bringing forward the associated supplemental revenue estimate in the MTFS to 2020/21.

129 **NORTH WEST CREWE PACKAGE - INFRASTRUCTURE AGREEMENT**

Cabinet considered a report seeking approval to enter into an infrastructure delivery agreement for the North West Crewe Package scheme.

RESOLVED

That Cabinet

1. authorises the Council to enter into an Infrastructure Delivery Agreement to deliver foul and surface water drainage, landscaping and boundary treatments to serve development proposed on Local Plan Sites 4 and 5;
2. authorises the Council to enter into a Deed of Covenant with the benefitting land owners to secure future repayment of the total costs incurred by the Council for construction of the foul and surface water drainage, landscaping and boundary treatments;
3. authorises the Council to enter into Indemnity Agreements in respect of any future claims submitted pursuant to Part 1 of the Land Compensation Act 1973;
4. authorises the Council to grant easements through Council owned land for the land benefitting from the enabling works;
5. authorises the Council in its capacity as land owner to enter into any adoption agreements for the foul and surface water drainage proposals serving the proposed development areas and in connection to the proposed agreements; and
6. delegates power to the Head of Estates to negotiate terms for any agreements which are ancillary to the Infrastructure Delivery Agreement and to instruct the Director of Governance & Compliance to

draft and complete the Infrastructure Delivery Agreement and all legal agreements ancillary to the Infrastructure Delivery Agreement.

130 **NORTH WEST CREWE PACKAGE - APPROVAL TO
AUTHORISE THE USE OF COMPULSORY PURCHASE POWERS FOR
THE DELIVERY OF THE NORTH WEST CREWE PACKAGE SCHEME**

Cabinet considered a report seeking approval for the use of compulsory purchase powers for the delivery of the North West Crewe Package scheme.

RESOLVED

That Cabinet

1. confirms that the acquisition of the land identified on the Order Map attached to the report is necessary for highway purposes;
2. approves the draft Statement of Reasons and the draft Order Map (with schedules) both substantially in the form annexed to the report for the purposes of the Compulsory Purchase Order but delegates to the Director – Infrastructure and Highways in consultation with the Director of Governance & Compliance, authority to modify them as necessary;
3. approves the draft SRO's Plan substantially in the form annexed to the report for the purposes of the Side Roads Order and delegates to the Director – Infrastructure and Highways in consultation with the Director of Governance & Compliance, authority to modify them as necessary;
4. authorises the Director – Infrastructure and Highways in consultation with the Director of Governance & Compliance to determine the form and contents of the Schedules ("the Schedules") necessary as part of the CPO to identify the land contained within the Order Map;
5. authorises the Director of Governance & Compliance to make The Cheshire East Council (North West Crewe Package) Compulsory Purchase Order 2020 ("the CPO") pursuant to Section(s) 239, 240, 246, 250 and 260 of the Highways Act 1980 and Schedule 3 to the Acquisition of Land Act 1981 for the purpose of acquiring the land and interests shown on the Order Map and described in the Schedules (or such lesser area of land should this in her opinion be appropriate) to facilitate the construction of the Scheme, and that the Common Seal of the Council be affixed to the CPO and to the Order Map;
6. authorises the Director of Governance & Compliance to make The Cheshire East Council (A530 Middlewich Road Classified Road) (Side Roads) Order 2020, The Cheshire East Council (B5076 Flowers Lane Classified Road) (Side Roads) Order 2020, The Cheshire East Council (B5076 Flowers Lane Classified Road Fairfield Roundabout A) (Side Roads) Order 2020 and The Cheshire East Council (B5076 Flowers

Lane Classified Road Fairfield Roundabout B) (Side Roads) Order 2020, under Sections 8, 14 and 125 of the Highways Act 1980 and all other necessary powers to improve, stop up existing highways, stop up and/or amend private means of access and provide replacement private means of access, and construct lengths of new highway as required to deliver the Scheme;

7. authorises the Director of Governance & Compliance to advertise the making of the CPO and the SROs ("the Orders") to comply with all associated requirements in respect of personal, press and site notices, and to take all other relevant action thereon to promote the making and the confirmation of the Orders;
8. agrees that in the event that no objections are received to the CPO or if all objections are subsequently withdrawn, or the Director of Governance & Compliance certifies that they may be legally disregarded, to authorise the Director of Governance & Compliance to obtain the appropriate Certificate under Section 14A of the Acquisition of Land Act 1981 enabling the Council to confirm the CPO as made;
9. agrees that in the event that relevant objections are received to the Orders (or any of them) and are not withdrawn, or that modifications are made to the Orders, to authorise the Director of Governance & Compliance to submit the Orders to the Secretary of State with a request that it be confirmed in the required form;
10. agrees that in the event that any Public Inquiry is convened to consider objections to the Orders (or any of them), authorise the Director – Infrastructure and Highways in consultation with the Director of Governance & Compliance to prepare and submit such evidence as is necessary in support of the Orders including enlisting the assistance of outside consultants and Counsel to assist in the preparation and presentation of such evidence;
11. agrees that as soon as the Orders (or any of them) have been confirmed and become operative, the Director of Governance & Compliance is authorised to comply with all associated requirements in respect of personal and press notices and to make and give notice of a General Vesting Declaration under the Compulsory Purchase (Vesting Declarations) Act 1981 and/or Notices to Treat and Notices of Entry in respect of the land and rights to be acquired compulsorily;
12. delegates power to the Head of Estates to negotiate and agree terms to seek to acquire the land and rights (or extinguish the same) required for the Scheme by agreement and to instruct the Director of Governance and Compliance to negotiate and enter into all legal agreements necessary to facilitate any such agreements;
13. delegates power to the Head of Estates to negotiate and approve the payment of relevant and reasonable professional fees incurred by

landowners and others with compensatable interests in taking professional advice in connection with the acquisition of their interests required for the Scheme and to negotiate, approve and document by way of settlement or other legal agreement payment of all related compensation claims in advancing the development or implementation of the Scheme, including the settlement of any claims made pursuant to Part 1 of the Land Compensation Act 1973; and

14. agrees that in the event that any question of compensation in respect of such interests or rights is referred to the Upper Tribunal (Lands Chamber) for determination, to authorise the Director of Governance & Compliance to take all necessary steps in relation thereto including advising on the appropriate uses and compensation payable and issuing the appropriate certificates.

131 **A500 - APPROVAL TO PROCEED WITH COMPULSORY
PURCHASE ORDER POWERS TO ACQUIRE REVISED LAND TAKE
FOR THE SCHEME**

Cabinet considered a report seeking approval for the use of compulsory purchase powers for the acquisition of land and new rights required for the construction of the A500 dualling scheme.

RESOLVED

That Cabinet

1. authorises the making of an Order (or Orders) under Sections 239, 240, 246, 250 and 260 of the Highways Act 1980 and all other powers as appropriate for the compulsory purchase of land and rights required for the construction of the Scheme as shown on the CPO Plan (Appendix A);
2. authorises the making of a Side Roads Order (or Orders) under Sections 8, 14 and 125 of the Highways Act 1980 and all other necessary powers to improve, stop up existing highways, construct lengths of new highway and stop up and provide replacement private means of access as required to deliver the Scheme;
3. authorises the Director – Infrastructure and Highways in consultation with the Director of Governance and Compliance to make any amendments necessary to the contemplated CPO and/or SRO (“the Orders”) arising as a result of further design work or negotiations with landowners or affected parties or for any connected reasons in order to enable delivery of the Scheme;
4. authorises the Director of Infrastructure and Highways in consultation with the Director of Governance and Compliance to take all appropriate actions to secure the confirmation of the contemplated orders including:

- (a) authority to take all necessary action to secure the making, submission to the Secretary of State for confirmation and (if confirmed) implementation, of the Orders including the publication and service of all relevant notices and the finalisation of the Statement of Reasons and for the Director of Governance and Compliance to secure the presentation of the Council's case at any public inquiry and the subsequent service of Notices to Treat and Notices of Entry or, as the case may be the execution of General Vesting Declarations;
 - (b) authority to negotiate and enter into agreements and undertakings with the owners of any interest in the required land under the Orders and any objectors to the confirmation of the Orders setting out the terms for the withdrawal of objections to the Orders including where appropriate, the inclusion in and/or exclusion from the CPO of land or new rights or the amendments of the SRO and to authorise the Director of Governance and Compliance to agree, draw up, and to sign all necessary legal documents to record such agreements and undertakings;
 - (c) in the event that any question of compensation is referred to the Upper Tribunal (Lands Chamber) to authorise the Director of Governance and Compliance to take all necessary steps in connection with the conduct and, if appropriate, settlement of such proceedings; and
 - (d) to authorise the Director of Governance and Compliance to appoint suitable counsel to advise and represent the Council at any Public Inquiry held in respect of the Orders and to provide legal support to the team through the process; and
5. authorises the Head of Estates to seek to acquire the land and rights (or extinguish the same) required for the Scheme by agreement and to instruct the Director of Governance and Compliance to negotiate and enter into the agreements necessary to complete such acquisitions; and
6. authorises the Head of Estates to negotiate and approve the payment of relevant and reasonable professional fees incurred by landowners and others with compensable interests in taking professional advice in connection with the acquisition of their interests required for the scheme and related compensation claims and also in advancing the development or implementation of the Scheme.

132 **VULNERABLE AND OLDER PERSONS' HOUSING STRATEGY**
2020-24

Cabinet considered a report seeking approval of a revised draft Vulnerable and Older Persons' Housing Strategy for the purpose of consultation.

The Portfolio Holder for Environment and Regeneration advised that a report would be submitted to the Environment and Regeneration Overview and Scrutiny Committee following the consultation.

RESOLVED

That Cabinet

1. approves the draft Vulnerable and Older Persons' Housing Strategy as outlined at Appendix 1 to the report for the purpose of consultation; and
2. delegates authority to the Portfolio Holder for Environment and Regeneration, in consultation with the Portfolio Holder for Adult Social Care and Health, to consider the results of the consultation and to approve the final version of the Strategy.

133 **PROCUREMENT OF A HOUSING DEVELOPMENT
FRAMEWORK**

Cabinet considered a report outlining proposals for the procurement of a Housing Development Framework for the purpose of developing affordable housing using the Council's land holdings.

RESOLVED

That Cabinet

1. approves the procurement and establishment of a Housing Development Framework to commission the development of mixed tenure housing provision on identified Council owned land; and
2. delegates authority to the Executive Director Place in consultation with the Portfolio Holder for Environment and Regeneration to:
 - (a) award and enter into a Framework Agreement with a minimum of two and up to eight Housing Providers who meet the procurement criteria and requirements of the Framework;
 - (b) identify and approve appropriate Council owned land assets to be taken through the Framework; and
 - (c) approve the award of financial contributions held by the Council in lieu of affordable housing provision, to enhance development opportunities which are in line with the requirements specified under the terms of any Section 106 agreement where such financial contributions are made.

The meeting commenced at 1.00 pm and concluded at 4.29 pm
Councillor S Corcoran (Chairman)



Working for a brighter future together

Key Decision: N

Date First
Published: N/A

Cabinet

Date of Meeting: 9 June 2020

Report Title: Responding to COVID-19

Portfolio Holder: Cllr Sam Corcoran, Leader of the Council and Cllr Craig Browne, Deputy Leader of the Council

Senior Officer: Lorraine O'Donnell, Chief Executive

1. Report Summary

- 1.1. This report provides a summary of the Council's work in response to the current national and international public health emergency on COVID-19.
- 1.2. These are unprecedented times for the Council, our residents and businesses of the borough. The sub-regional response has been led by the Cheshire Local Resilience Forum, which includes Cheshire East, Cheshire West and Chester, Halton and Warrington Councils, working with key partners including health, police and fire and rescue.
- 1.3. In addition to the response, this report outlines how the Council is planning for the initial stages of the lockdown restrictions being lifted. Furthermore, the Council is planning for the longer-term recovery from the pandemic and a progress report will be presented to the next Cabinet meeting.

2. Recommendations

The Cabinet is asked to:

- 2.1. Note the issues outlined in this report;
- 2.2. Note the financial implications of COVID-19 to date and the ongoing lobbying to ensure that the Government fund the total financial impact of the pandemic on Cheshire East Council; and

- 2.3. Continue to lobby Government and raise concerns as appropriate.

3. Reasons for Recommendations

- 3.1. To put on public record a summary of the Council's response to date. To explain the financial and other implications, and the ongoing pressures.

4. Other Options Considered

- 4.1. Not applicable.

5. Background

5.1 Virus and disease

Coronaviruses (CoV) are a large family of viruses that cause respiratory illness.

Coronaviruses were identified in the mid-1960s and are known to infect humans and a variety of animals (including birds and mammals). Since 2002, two coronaviruses infecting animals have evolved and caused outbreaks in humans: SARS-CoV in 2002, and MERS-CoV in 2012¹.

On 31 December 2019, a cluster of pneumonia cases of unknown cause was reported in Wuhan City, Hubei Province, China. The novel coronavirus has been named by the World Health Organisation (WHO) as 'severe acute respiratory syndrome coronavirus 2' (SARS-CoV-2), while the coronavirus disease associated with it is referred to as COVID-19².

As with other respiratory illnesses, symptoms of COVID-19 can include a runny nose, loss of smell, sore throat, cough, and fever. It can be more severe for some people and can lead to pneumonia or breathing difficulties. More rarely, the disease can be fatal. Older people, and people with pre-existing medical conditions (such as diabetes and heart disease) appear to be more vulnerable to becoming severely ill with the virus³.

5.2 Spread

On 31 January 2020, the WHO declared the outbreak as a public health emergency of international concern (PHEIC). At that stage, there were 9,847 confirmed cases globally, with 9,826 in China.

On 11 March 2020, the WHO declared the COVID-19 outbreak as a pandemic, signifying that the new disease was now spreading globally. At that time, there were 124,101 confirmed cases globally and 4,583 confirmed deaths.

¹ <https://www.ecdc.europa.eu/en/2019-ncov-background-disease>

² [https://www.who.int/emergencies/diseases/novel-coronavirus-2019/technical-guidance/naming-the-coronavirus-disease-\(covid-2019\)-and-the-virus-that-causes-it](https://www.who.int/emergencies/diseases/novel-coronavirus-2019/technical-guidance/naming-the-coronavirus-disease-(covid-2019)-and-the-virus-that-causes-it)

³ <https://www.who.int/news-room/q-a-detail/q-a-coronaviruses>

The outbreak initially occurred in China and spread rapidly throughout the country and then into neighbouring Western Pacific states. It spread to Iran and Italy, with Europe taking over from the Western Pacific as the epicentre for the disease by mid-March. The outbreak has spread rapidly globally since, with the Americas, and principally the United States, recognised as the next potential epicentre since late March.

As at 27 May 2020, 213 countries/territories have been affected; there were 5,488,825 confirmed cases globally; and 349,095 confirmed deaths⁴. In the UK, as at 27 May 2020, there were 267,240 confirmed cases and 37,460 confirmed deaths⁵.

Here in Cheshire East there were 1,214 confirmed cases and 376 confirmed deaths as at 27 May 2020.

The latest international, national and local statistics are available from the following data dashboards:

- <https://covid19.who.int/>
- <https://coronavirus.data.gov.uk/>
- <https://lginform.local.gov.uk/reports/view/lga-research/covid-19-case-tracker>

6 Response

6.1 National

In the UK, the Department of Health and Social Care (DHSC), Chief Medical Officers, NHS England and Public Health England, supported by staff at regional centres have led the national response. The council has been in regular contact with these agencies and local health and care organisations in the county.

In the initial stages of the outbreak, the NHS and Public Health England were proactive in contacting people who had been at risk of being infected, testing them, and where people tested positive, tracing who they may have come into contact with and managing and treating risk cases.

DHSC launched a UK-wide public information campaign to advise the public on how to slow the spread of the virus and reduce the impact on NHS services. Information promoting important hygiene messages appeared in print, broadcast and social media.

DHSC worked across government to produce sector-specific guidance, to reflect the different challenges across a number of different settings for example, transport, education, social care and hospitality. As the outbreak

⁴ <https://covid19.who.int/>

⁵ <https://coronavirus.data.gov.uk/>

spread, more guidance was published, and existing guidance revised as the national strategy to tackle the pandemic evolved.

The most significant policy announcement milestones are as follows.

On 3 March 2020, the government published its coronavirus action plan which was based on four strategic phases – contain; delay, research; and mitigate.

On 12 March 2020, the government published its ‘Stay at home’ guidance which set out what individuals should do if they experienced coronavirus symptoms, however mild. At this point the government recognised that the virus was spreading generally throughout the country and could no longer be contained through international travel restrictions and by contact tracing around suspected or confirmed cases. In terms of its action plan, this signified the shift from ‘contain’ to ‘delay’.

Following announcements in relation to the closure of schools, pubs and restaurants, a UK-wide lockdown was announced on 23 March 2020, backed by police powers to enforce social distancing and closure regulations.

Emergency legislation was introduced and passed in just four days, with the Coronavirus Act 2020 receiving Royal Assent on 25 March 2020. The legislation gives further powers to government to slow the spread of the virus; reduce the resourcing and administrative burden on public bodies; and limit the impact of potential staffing shortages on the delivery of public services.

On 6 April 2020 the government confirmed that local authorities would be allowed to hold remote council meetings and that the 2020/21 annual general meetings of councils could be postponed. Where an appointment would otherwise be made or require to be made at an annual meeting of a local authority, such appointment continues until the next annual meeting of the authority or until such time as that authority may determine. In addition, all forthcoming local elections and other polls including the police and crime commissioner elections were postponed to 2021.

In terms of financial support, the Chancellor announced a £330 billion support package on 17 March 2020 including business rates relief support for small and medium sized enterprises (SMEs). And on 27 April 2020 the Chancellor announced a loan scheme underwritten by the government which would offer SMEs loan finance of up to £50,000 with the government meeting the interest payments in the first year.

On 20 March 2020 the introduction of a Job Retention Scheme was announced, whereby the government would pay the equivalent of 80 percent of the wages of staff put on ‘furlough’ (a period of temporary leave of absence on reduced pay) during the lock-down.

On 12 May 2020, the Chancellor made a further announcement that the furlough scheme would be extended by a further four months with workers continuing to receive 80 percent of their current salary through to the end of

July. In addition, from the start of August, furloughed workers will be able to return to work part-time with employers being asked to pay a percentage towards the salaries of their furloughed staff. The employer payments will substitute the contribution the government is currently making, ensuring that staff continue to receive 80 percent of their salary, up to £2,500 a month. The government also announced that it is shortly to publish proposals for how furloughed workers can be supported to undertake additional training and learn new skills while on furlough.

The government has made a number of announcements in relation to supporting local government financially, either by making available additional funding or by bringing forward previously announced funding programmes⁶. In terms of additional funding, the government has made available two amounts of £1.6 billion COVID-19 grant, announced on 19 March and 18 April 2020. Hardship funding to support local council tax support schemes was announced on 11 March 2020 totalling £500 million, and more recently on 15 May 2020, a £600 million fund was also announced for care homes support. See paragraph 8.2 also.

On 11 May 2020, the government published 'Our plan to rebuild: the UK Government's COVID-19 recovery strategy'. This set out a five-point scale to indicate the level of threat posed by COVID-19 to society and a phased approach to recovery, with incremental steps to relax control and public protection measures.

On 13 May 2020, the government amended its existing regulations under the Coronavirus Act to enable the phased relaxation of lockdown measures including allowing people to visit HWRCs, the re-opening of garden centres and some outdoor sports facilities.

On 27 May 2020, the government amended regulations further to allow small gatherings of 6 people in parks or gardens and re-opening of dentists from early June. Further announcements are expected shortly.

6.2 Sub-regional

These are unprecedented times for the sub-region of Cheshire, our residents and businesses. In terms of the response, Cheshire East Council is a statutory Category One Responder under the Civil Contingencies Act 2004.

The sub-regional response has been led by the Cheshire Local Resilience Forum (LRF), which includes Cheshire East, Cheshire West and Chester, Halton and Warrington Councils, working with key partners including health, police and fire and rescue.

The council is a major LRF partner and has played a significant role at all levels of response – participating in the strategic coordinating groups (SCG)

⁶ <https://commonslibrary.parliament.uk/insights/coronavirus-support-for-local-government/>

and tactical coordinating groups (TCG) and resourcing all of the multi-agency support cells established to manage the county's response.

7. Local Response

Cheshire East Council has responded rapidly to the Coronavirus pandemic and has continued to provide a co-ordinated response. During this time the council has delivered essential local services, protected our most vulnerable people, and supported communities, businesses and the economy.

Cabinet has been meeting informally on a frequent basis to provide political leadership.

The Executive Leadership Team has led the operational response, which has been co-ordinated by a bespoke Council Emergency and Response Team (CEMART), ably supported by officers from the Joint Emergency Planning Team.

This report summarises key issues from the response to date under a number of service areas and topics.

7.1 Communities

Cheshire East Council launched the People Helping People (PHP) Service on 20 March. This was our rapid response to support residents out in the community who found themselves required to socially isolate and through that, have become vulnerable due to government advice to stay at home to protect themselves.

The service provides residents who have underlying health issues and/or who were above the age of 70 who do not have the available support networks with the option to request help for tasks such as food shopping or prescription collection. To meet the needs of residents the service also allows local people to offer their availability and support hence the PHP. The scheme was also extended to vulnerable children and their families. To give an indication of the reach of PHP:

- We have contact with 2,037 volunteers
- We have matched 3,196 people with a volunteer
- 255 families have requested support through the Children and Families PHP initiative specifically.

7.2 Adult Social Care

Adult Social Care social work services have continued to offer assessments and support planning to those requiring services, the majority of these assessments being undertaken via telephone or skype calls. Where it has

been deemed necessary to undertake face to face contact for example safeguarding issues, mental health assessments, and urgent Occupational Therapy assessments, the staff have been provided with appropriate PPE, and risk assessments have been undertaken. The service has averaged between 300 and 400 initial contacts per week. The service has maintained offices however, in the main staff are able to work successfully from home using the IT equipment and telephones supplied to them.

There is evidence of pressure on families struggling to cope with challenging behaviour in the confined space of their homes this has been particularly evident in Learning Disability services. Support has been provided and, in some cases, respite has been offered. There has been an increase in the numbers of people who have become very anxious during the period and contacts to the Mental Health Service have increased, however support has been offered without the need to move towards statutory interventions of Mental Health Act Assessments.

Deprivation of Liberty Safeguards referrals have started to increase as more people object to placement within care homes due to the increasing number of deaths in care homes. This will eventually lead to more Court of Protection applications and Best Interest assessments. We are seeing 60 – 70 referrals per week.

Care4CE services have remained resilient during the crisis. All day care provision has been closed following the government advice on gatherings, alternative assistance has been offered in one to one activity and in some cases respite provision together with offering carers breaks. Discussions regarding the reopening of day services have begun, however, there is no date as yet for when the service will resume. Networks and reablement have maintained services with support from the Council for PPE and the commitment and dedication of staff have maintained services throughout the crisis.

Staff from Adult Social Care and Communities have assisted in the areas of People Helping People and Shielding Hub, acting as an interface with statutory service of Adult Social Care and the volunteers. This has been supported by the voluntary, community and faith sector who have been supportive throughout the crisis.

We have maintained our support to Gypsy and Traveller communities, we have ensured that welfare checks and support with portable toilets, fresh water and rubbish removal are provided, together with information regarding prevention and infection control. Whilst we have not issued any court

proceedings to move people on, we have suggested that people move to areas where there is less impact on local communities.

Hospital Social Work Teams have supported with discharges from hospital into 'step down' beds and domiciliary care to enable assessments to take place away from an acute setting. Delayed transfers of care have significantly reduced, and capacity remains well able to meet demand.

7.3 Commissioning

The commissioning team have ensured that every adult and children's social care and public health contract/services was able to deliver services in line with the Government guidelines. A huge effort has been undertaken to support the adult social care market and in particular, the care home sector. The commissioning team started to undertake preparatory work in responding to COVID-19 with social care providers back in February 2020. Every contract was reviewed, and a commissioning strategy was put in place to respond to the COVID-19 pandemic as stated in the following paragraphs.

Collaboration and Communication: - There was a recognition that the situation would be fast moving and would create an uncertain operational environment. To respond to this, we worked with the social care providers to create channels that gave them the ability to raise issues and get answers back quickly, and to be able to solve problems collaboratively both with commissioners and each other.

A weekly mutual aid call takes place with each segment of the care market – Accommodation with Care, Care at Home and Complex Care. The purpose of these calls is to ensure that issues and problems get heard and solutions are sought. These are currently working well, particularly within the care at home segment, where providers are working much more collectively to support the care and support needs of service users requiring that service.

At the start of the COVID-19 pandemic the commissioning team undertook daily calls to all providers however, once the situation became more serious and we started to see an increase in outbreaks the team had to implement and operate a risk-based approach to all providers. The rationale for this approach is that providers have told us they want to focus on delivering the best possible care for the residents. All other commissioned Adult Social Care and Public Health services receive a twice weekly or once a week call unless they inform us that they need support.

A weekly briefing is sent to all care providers operating in Cheshire East (whether commissioned or not) which summarises the latest guidance, processes and support available to providers. In addition, a Care Provider portal has been established on the Council's website to store information for providers.

All providers understand the need to inform the Council of any issues, suspected or confirmed COVID-19 cases and any PPE requirements and there is a well-established process for this which is understood by providers.

Business Continuity Plans -The Commissioning team worked with the social care providers to ensure that we had an up to date copy of all business continuity plans and these were analysed to ensure we could identify, and risk assess services.

Cashflow- To mitigate against the pressure on cashflow for providers, a commitment was made in March that Cheshire East Council would continue to pay for 'commissioned' care and would not claw back and hours that were undelivered due to the COVID-19 pandemic. We also committed to ensuring prompt payments.

Hospital retainer- When a service user is admitted to hospital, Cheshire East Council continues to pay the provider for 7 days. This is to enable the package to remain open and facilitate a fast discharge with their original provider. This offer has been extended to 14 days to align with the infection period of the virus.

Hospital discharge- To facilitate the implementation of the COVID-19 hospital discharge guidance several actions were taken. We block booked 26 beds across the Borough and these are funded by the NHS. In addition to this the current beds commissioned to support winter pressures, 9 beds were also extended. The rapid response (care at home) contracts were also extended and enhanced. We also undertake a daily vacancy count and at the time of writing have 151 beds available across the Borough.

Infection control- As a Council we recognised the need for increased usage of personal protective equipment (PPE) and the difficulty in supply. To mitigate this, we have and will continue to purchase the relevant PPE, and we distribute this to all services that are running low on supplies. This has been an additional cost to the council, circa one million pounds

The commissioning team also set up new programmes to support vulnerable groups during the pandemic:

- Hidden Carers
- Job Matching Service
- Mental Health Information Point

7.4 Public Health data and messaging

Leadership through the early stages of the COVID-19 outbreak was provided by the Acting Director of Public Health and the Health Protection team. This included engagement with Local Resilience Forum partners and Public Health England to ensure a timely activation of our emergency response processes including implementation of the CEMART structure that has been used throughout the Cheshire East Council Response.

The Health Protection team have provided timely support and communication to key teams throughout the council on the government guidance around PPE and safe working. Public Health Officers also direct support to schools, care homes and other partner organisations where additional support was needed.

Communication of key public health messages to the public has been prioritised throughout COVID-19 and both the Acting Director of Public Health and the Public Health Team have played an active role in ensuring key messages are timely and accurate.

7.5. PPE

COVID-19 has caused a huge surge in demand for Personal Protective Equipment (PPE). It is essential to keep up levels of supply so that our key workers, including care staff, can use the equipment they need to protect themselves and those they care for. We have worked tirelessly to source and provide essential PPE for care homes and domiciliary care providers.

Nationally, there have been well-publicised shortages of PPE and delays in securing sustainable supplies. Cheshire East Council has welcomed the PPE drops arranged by the Government. However, like many councils, we have had to supplement that several-fold with locally-sourced supplies which we have funded. This has been and continues to be a real challenge. Securing enough PPE will remain a priority for the foreseeable future, particularly as number of settings increases, for example, schools.

7.6 Testing

The Government initially set up arrangements to test hospital in-patients and then front-line health and social care staff. This has been expanded to cover community testing, including swabbing and home testing kits. Mass testing centres were set up across the North West to increase access to testing using private lab capacity. The Army has facilitated local testing in our localities. Four mobile testing sites have been agreed within the Borough, namely Crewe, Knutsford, Macclesfield and Nantwich. These locations have been chosen to achieve a balance of access for our communities whilst minimising traffic congestion.

On 23 April, the Government announced the establishment of a National Contact Tracing Service (NCTS) as part of a Test and Trace approach. Local Authorities will have a key role to play in delivering this service. The local element of the national contact tracing programme will be led by Cheshire East Council working with Public Health England when there is a local outbreak of COVID-19 requiring significant local action.

Local Authorities in England have been asked to develop Local Outbreak Plans by the end of June describing how they will tackle outbreaks in their areas. Local Directors of Public Health will provide a leadership role in local outbreak response.

7.7 Support for customers

Whilst face to face Customer Services points are closed, the team moved quickly so that staff could work from home and to provide support, information and advice via the telephone and the website.

We have updated our website as the definitive source of information on services and available support on Coronavirus.

7.8 Shielding Hub

As part of the Government's response to shielding people most at risk of need of hospital treatment if they catch Coronavirus and who have been asked to stay at home for at least 12 weeks, we set up a Community Shielding Hub, and Distribution Centre. This is an entirely new service that wasn't in existence before the pandemic.

The Hub has so far engaged with over 3,000 residents and issued in excess of 250 emergency parcels of food and toiletries. Local companies and supermarkets have contributed through providing supplies which have been greatly appreciated.

7.9 Support for business

We have been working with local businesses, the local chambers of commerce, the Federation of Small Businesses, the Cheshire and Warrington Local Enterprise Partnership and Marketing Cheshire to channel business-based support to meet local need and to enable businesses to support each other.

To date, we have allocated over £76m of Business Grants to almost 6,000 small businesses in the last few weeks.

In addition, we have urgently developed another Discretionary Grant scheme to support small local business which haven't been able to access other funding. The new scheme opened to applications on 1 June 2020, with funds of circa £4.28m available.

Furthermore, we have established a weekly meeting with key businesses and business representatives to ensure we understand the key issues facing the local economy. In addition, we launched a Business Helping Business

service where the council has brokered support to businesses from local businesses.

7.10 Children's Services

Children's services have continued to operate to ensure our children and families are supported during this time. Services have been creative and have adapted to be able to offer support remotely, for example our parenting journey is being offered through our Facebook page, with online tips, videos, advice and activities, receiving very positive feedback from parents. We have established new procedures across Children's Services to ensure that children are effectively safeguarded and supported which are available on our COVID-19 page on Centranet for all Children and Families staff. Some services have continued offering face to face support to ensure our most vulnerable children are safe.

Almost all our schools and some early years settings have remained open for the children of key workers and those defined as vulnerable. We have had positive feedback and thanks from the NHS for providing places for all their key workers.

Guidance has been changing rapidly, and services have needed to be responsive and flexible, working closely and supportively with our partners to implement changes.

We have been able to support our NHS colleagues during this time by enabling Midwifery services to be run through our Children's Centres. This has meant these services have been able to be provided in safe places in local communities, rather than in busy local hospitals.

7.11 Children's Social Care

At the outbreak of COVID-19, we assessed all cases open to Prevention and Children's Social Care, RAG rated the risk to children, and reviewed plans in light of the new situation. All children who were assessed as high risk have had face to face visits to ensure they are effectively safeguarded. Weekly operational meetings were established to discuss high risk children to ensure the right support is in place for these children and there is senior manager oversight of those most at risk. Support is being provided in line with the DfE guidance for Children's Social Care which acknowledges that meetings and contact with families may need to take place in alternative ways.

All partners in the Safeguarding Children Partnership have affirmed that safeguarding children remains a key priority and weekly meetings were established to ensure the partnership offer is strong and we can respond

flexibly to emerging needs or building pressures for individual agencies. This includes support and challenge between agencies as required.

Maintaining contact with children continues to be a multi-agency priority, with other key professionals involved with the family remaining in contact with children as well as social workers. School and early years settings have been crucial in this and we have a rolling process of contacting all schools and settings on a weekly basis to discuss any concerns. This has supported strong relationships between services.

Education, Prevention and Children's Social Care have been working in partnership to support vulnerable children to attend schools and settings. We are working together with families and encouraging attendance, and as a result, the number of vulnerable children attending schools and settings continues to increase. Helplines have been established for practitioners and families to contact and report any issues in returning vulnerable children to school which are enabling quick resolutions.

Cared for children and care leavers have been impacted by COVID-19. Some children who are currently in the Public Law Outline (PLO) process will experience significant delays of between 3-6 months in agreeing their permanency plan as a result of COVID-19. This is due to challenges for the Court in delivering fair justice for complex cases where there is a finding of fact or final hearing. Children who are at most acute risk due to the delay in achieving permanence are children with a plan of adoption, and children who are not currently living in their long-term placement.

The number of cared for children is likely to increase due to Coronavirus and the resulting challenges in progressing children's care plans. We have been working to ensure placement stability for children and young people is maintained throughout this time. In line with DfE guidance, where it is in their best interests to do so some cared for young people who have turned 18, and some care leavers, have remained in their placement to ensure they are safe. We have contingency plans in place to ensure we will have sufficient places for cared for children and care leavers.

As some children and young people will be staying in placements longer than they would otherwise, this will be a continued upward pressure on cared for children expenditure. We have seen an increase in the use of external foster care placements. It is likely that there will be increased demand for placements, and there is a risk that providers will uplift placement costs in response. Foster carer allowances have been temporarily increased to support the additional costs of having children at home as a result of coronavirus, and we have increased the support available to foster carers through regular phone contact, which carers have appreciated. As time

progresses, it is likely that the increase in costs as a result of COVID-19 will rise further.

Care leavers potentially present as the most vulnerable cohort during this period due to the risk of social isolation, lack of employment, financial hardship and deterioration in mental health. The service is working hard to stay in touch and offer support as a priority for these young people. We have adapted our local offer in light of COVID-19 to ensure care leavers have the support they need.

To ensure Members are informed and can effectively exercise their corporate parenting responsibilities, a regular briefing has been established for the members of the Corporate Parenting Committee.

Now we are moving into recovery, all children open to Children's Social Care will receive a face to face visit in the next few weeks if they have not already received one during lockdown.

Some families have coped exceptionally well during this time. However, we know that lockdown has been a challenging time for some, and will have allowed issues to remain hidden, preventing early identification and prevention.

We expect to see a rise in referrals to Prevention and Children's Social Care once more children return to schools and settings. This could result in a significant increase in demand to services over the coming year.

7.12 Early Help and Prevention

A significant number of childcare settings in Cheshire East decided to close as a result of Coronavirus and the ability to furlough staff. We wrote to every setting advising them that we have interim legal authority to request them to re-open if needed. As a result, the number of settings open doubled. Regular calls are in place with early years settings to check their status and that sufficient places are available for keyworkers and vulnerable children. Concerted effort continues to be made to support vulnerable under 5's who are open to Children's Social Care back into settings in order to support families and reduce family pressures.

All early years settings were encouraged to be in regular contact with families whether they were open or closed, to ensure that families were aware support was available if they wanted advice, or if they wanted to access childcare in the future.

The DfE guidance for settings has been complex and we have established a helpline to support settings and childminders with their queries, which has

been well received. We are working closely with settings and childminders to plan for reopening and have established focus groups to drive this work forward.

The Youth Support Service is carrying out joint work with PCSOs in local communities targetting hot spots where young people are gathering. This has been positively received by young people and parents.

7.13. Education and Skills

We have worked closely with schools throughout this period, and have supported schools through school closure. Overall, Cheshire East schools have been very responsive and flexible to changing the way they work to accommodate vulnerable children and children of keyworkers. All but six of our schools were open over Easter compared to just 60% nationally.

We have established a range of support for schools, initially providing daily calls to offer support and check on their wellbeing, which has now reduced to twice a week. This has ensured we have strong communication and concerns are shared and resolved together, and schools have reported that they feel supported and listened to. We have developed specific guidance for schools on safeguarding, testing and HR matters, and send out daily bulletins to schools sharing the latest advice and guidance. We have provided PPE to schools. We are continuing to provide intensive support to schools to those that need it. We have established attendance monitoring arrangements to enable oversight of pupils numbers and the number of vulnerable children attending, including schools liaising with Children's Social Care if children are not attending, and if they are unable to make contact with them, so that this can be pursued by other services.

We have ensured free school meals are provided both to pupils who are continuing to attend, and increasingly for those who are not in school. We have cancelled the majority of school transport, but ensured that transport arrangements have remained in place for those who are continuing to attend, including where vulnerable children have been increasingly supported back into school.

The Virtual School for cared for children has provided additional guidance and resources to carers and children to ensure they can continue to make progress educationally while they are not in school. We have also been coordinating work around the DfE offer to supply equipment and 4G to support remote education for Year 10 and vulnerable pupils.

We have received risk assessments from schools for children with Education, Health and Care Plans (EHCPs) who are not in school. We have regular

contact with the Parent Carer Forum and have provided learning resources tailored to different types of needs to support children, along with a helpline for parents with children with Autism and support via video conferencing for children with sensory impairments. Health partners have also looked at different ways of meeting children's needs from home. Support and equipment has been provided for families where needed to enable them to support remote education. We know that many parents and children with an EHCP are finding it challenging and struggling with the fact that routines and provision at school will have changed. We anticipate that this will continue and additional support will be needed as we re-integrate back into school over the coming year.

We are continuing to improve the quality of our EHCPs. As a result of the change to SEND (Special Educational Needs and/or Disabilities) legislation due to coronavirus, we are now required to evidence for each child with an EHCP what reasonable endeavours we have made ensure children receive the provision detailed in their plan during COVID-19. There are currently 2,600 children on plans, and evidence needs to be gained from Health, Education and Social Care, so this is a considerable exercise. A working group has established a clear process for completing these returns and work is currently underway on completing these for all our children.

We have developed a minimum offer to support transition remotely for children and young people who are due to move schools.

We effectively managed our primary offer date remotely in line with temporary legislation, with 98.1% of Cheshire East residents offered a preference school and 91.4% offered their first choice. The school admissions team received more than 4,200 applications for places.

School building works have been significantly delayed due to coronavirus. We have put alternative arrangements in place, including temporary accommodation, to ensure we can still offer places to pupils in September, avoiding disruption to children and expensive out of borough placements.

We have been very busy holding extensive discussions with all key stakeholders, teaching unions, school heads and the Cheshire East parent carer forum, on a programme of a phased wider opening of education settings following the announcement of the Prime Minister on 10 May. An Education Recovery group has been established to plan for the phased wider opening of schools. We agreed a Cheshire East position which we have communicated to all parents and schools. Plans will see a two-week period to allow staff to prepare classrooms and implement the significant changes that need to be made to ensure safe working practices with smaller numbers of children and young people

From 15 June, all eligible nursery-aged pupils will be able to attend on a limited and controlled basis where staffing capacity and space allows. Similarly, all primary school reception class pupils will be able to attend. From 22 June, Year 1 pupils will be welcome back to primary school, moving to all Year 6 on 29 June if the school has enough space to do so with social distancing in place. A position on more face to face support for Year 10 and Year 12 pupils will be considered following further guidance from the DfE.

Our priority is to make sure that any way forward is safe for everyone within our schools and we have delivered a supply of PPE to all schools and colleges prior to them opening. We have developed a risk assessment framework and checklist for schools to complete to ensure safe arrangements are in place, and we are releasing further advice and guidance around HR and safeguarding.

We are currently planning for the reopening of school kitchens, and establishing increased school transport for the phased reopening.

We are having regular calls with the ADCS, Practice Leaders Group, DfE and Chief Social Worker to share good practice and any issues across local authority areas and based on this we are satisfied that the measures we have put in place are the right ones to ensure children are protected. A number of our initiatives have been recognised as good practice, including our position on reopening schools and our letter to early years settings.

7.14. Place Services

We have kept our parks and public rights of way open. We closed Tatton Park in line with other National Trust properties. We have kept the situation under review and are now considering how it may be re-opened in a COVID-19 secure way.

We took an early decision to waive car parking charges, to both assist health and other key workers and to avoid unnecessary contact with the pay and display machines to limit the spread of the virus. This is in line with LGA advice.

Kerbside collection of waste has continued throughout the period. Unlike some other councils, we have continued to collect recycling materials, garden and food waste. We have re-opened all eight Household Waste and Recycling Centres.

Support has continued to enable the operation of a core local bus network. This serves key destinations in this time of crisis, such as our local hospitals and medical facilities, providing access for key workers without access to a car.

Our highways operations have all continued to function to ensure the road network remains safe for essential travel. All activities have been assessed and adapted where necessary to ensure works can be delivered in line with the public health guidelines. Where it is possible roadworks are being progressed to take advantage of the lower levels of traffic on the road network.

Following a short pause, the construction of the Congleton Link Road progresses with changes made to working practices. The Council's Infrastructure team is actively working with the contractor, the utility companies and the wider supply chain to ensure the project is delivered in line with the programme.

Our Regulatory Services have undertaken their new responsibilities under the Coronavirus Act to enforce the closure of businesses in accordance with the Government restrictions.

Libraries and Leisure Centres have closed but are offering a range of online resources, health and fitness support to customer.

Registration Service and Crematoria have increased capacity to support the level of increased deaths as a result of the pandemic. We also established a shared temporary mortuary facility with Cheshire West and Chester Council and Warrington Borough Council as contingency.

7.15. Welfare and Council Tax

The level of welfare benefits enquiries dealt with and the official DWP statistics relating to new Universal Credit claimants has increased significantly.

As part of its response to COVID-19, the government announced in the Budget on 11 March 2020 that it would provide local authorities in England with £500 million of new grant funding to support economically vulnerable people and households. Cheshire East's award is £2.2m.

There is an expectation that due to the economic position, there could be a significant number of additional Council Tax Support claims.

7.16 Homelessness and rough sleepers

Between 26 March and 28 May 2020, the Council has accommodated over 100 households, 87 of which were people who were sleeping rough or at immediate risk of doing so. We ensured that they received the necessary support and meals required. Of the 87 accommodated we have successfully

moved 52 (60%) on from Bed and Breakfast into more appropriate accommodation.

We are maintaining delivery of the Council's statutory duties towards homeless households in the borough and our Rough Sleeping Outreach workers are working with those who are currently sleeping rough to move them into more appropriate accommodation.

7.17 Workforce

We quickly moved to allow all staff who can work from home to do so. In practical terms that meant the rapid deployment of IT equipment and support. The IT Shared Service has been exceptional. Changing to an organisation that predominantly works remotely has been a huge challenge but is working well. Staff have shown enormous flexibility and resilience. They have done a great job. There has been regular communication with staff and co-operation with Trade Unions. We have had a strong emphasis on supporting emotional health and wellbeing at an extremely challenging time for everyone.

We are continuing to monitor COVID-19 absences on a regular basis, including the numbers of staff self-isolating and/or off sick. There are currently 118 staff self-isolating, 107 off sick and the majority of the workforce, 2177 staff working from home.

A number of staff who were unable to do their usual role have volunteered for redeployment on a temporary basis. For example, libraries and staff from the Audit and Risk service have assisted with high priority activities such as the People Helping People and the delivery of small business grants.

7.18 Governance and Decision Making

Roll out of new IT equipment to all 81 Members was completed in May. The Coronavirus Act Regulations allow for remote meetings and capability to conduct remote meetings. Extensive efforts have been made to ensure that all Members have been appropriately trained in the use of the new facilities to enable them to participate in virtual meetings.

The first remote meeting was a Cabinet meeting held on 5 May. Since then there has been a remote meeting of the Audit and Governance Committee. Further meetings are planned throughout June, July and August. We are learning lessons as we go, including from the small number of councils which have hosted remote meetings. This is expected to grow as the social distancing and COVID secure restrictions continue into the Summer months.

Daily Member briefings have been produced since 18 March 2020 as part of our commitment to keep Members informed. These briefings have been

shared with local MPs. Democratic Services staff have also kept in contact through, for example, welfare phone calls. In addition, Group Leaders and Shadow Cabinet have each been briefed on two occasions.

The Accounts and Audit Regulations (2015) legislation prescribes the format and timescale of the production of the Annual Governance Statement and the Statement of Accounts for local authorities. In recognition of the impact of the pandemic, The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 have now been published.

This legislation amends the timescales for the publication of the draft and final statements as follows;

7.18.2 Publication of draft statements (Accounts and AGS) moves from 31 May to 31 August 2020.

7.18.3 Publication of final statements (Accounts and AGS) moves from 30 July to 30 November 2020.

7.19 Lobbying

In these unprecedented times, we have worked closely with our sub-regional partners, through the LRF, to regularly raise and escalate concerns. These include, but are not limited to: PPE, testing, data requests, capacity to deliver and funding. Funding is covered in more detail below.

7.20 Planning for Recovery

Cheshire East Council is leading on the planning arrangements for the longer-term recovery from the pandemic on behalf of the Local Resilience Forum through a Recovery Board, chaired by the Chief Executive.

This is involving partners from neighbouring local authorities, police, fire and rescue, health, transport and reports to the Strategic Co-ordinating Group. The initial focus for the Recovery planning is on:

- The reopening of schools and education settings
- Public transport, traffic management and supporting active travel
- Support for town centres and businesses as lockdown restrictions are eased.

The longer-term focus for recovery will be to ensure that sub-regional partners anticipate and manage:

- The health and community impacts on the local population

- Anticipating any future increased risks relating to safeguarding, crime and anti-social behaviour
- Support to local businesses and the economy including leading an effective plan for addressing a potential recession in the sub-regional economy
- The additional support requirements for the local population e.g. employment support, skills support, mental health etc
- The ongoing resilience of the local population and public services.

8. Implications of the Recommendations

8.1 Legal Implications

The Coronavirus Act 2020 received Royal Assent on 25 March. The Act has extensive schedules setting out a wide framework to life under lockdown. The Act has been followed with copious and frequent guidance notes, frequently with implementation dates ahead of what is practically possible, e.g. Household Waste and Recycling Centres, administration of School Admission Appeals, restrictions on and subsequent opening up of certain business premises, Test and Trace.

The Coronavirus Act also set out a framework by which Local Authorities could reduce their statutory duties in relation to the Care Act 2014, for Adult Social Care. These Care Act Easements could be implemented should the capacity of Adult Social Care staff become so reduced that it could not continue to meet its duties. To date Cheshire East Council has not initiated any Care Act Easements

There have been two instances where urgent decisions were taken – care homes and discretionary grants. There may be other occasions where actions have to be taken rapidly. Any urgent decisions follow the process set out in the Constitution.

8.2 Finance Implications

Like many councils, Cheshire East continues to face increased costs and demand pressures at the same time as seeing a significant drop in income. We estimate that the financial implications of COVID-19 are significant, at around £60m.

Cheshire East has spent significant amounts of money on providing adult and children social care, providing PPE and housing rough sleepers. All services are affected, including increased costs of running services such as highways and waste due to the need for social distancing and new health precautions.

On top of this, the council is losing significant amounts of income and revenue from council tax, business rates, parking income and leisure/culture fees.

In the case of kerbside household bin collections, for example, the council has kept these operating as normal. However, this has come at additional cost due to the need to maintain social distancing, train redeployed staff to replace those unable to work due to Covid-19 and provision of personal protection equipment for our collection teams such as disposable gloves and hand sanitiser.

To date, the Council has received £19.689m of un-ring-fenced grant from central government and additional grants for specific responsibilities. In addition, some new functions and responsibilities are funded separately. In some cases, we are required to accept grants as a matter of urgency. In other cases, for example, small business grants and infection control, have been passported directly to businesses and care homes. The table opposite summarises funding to date. **It does not cover the Council's estimate of £60m in additional costs and loss of income.**

Cheshire East, alongside the Local Government Association and County Councils Network, is pressing for significant additional financial support from the government to enable councils to fund the additional costs of combatting the pandemic and keeping people safe.

Government Funding	£ amount	comments	Cheshire East Council allocation
MHCLG revenue grant 1	£1.6 bn	Announced 19/03/20	£9.150m
MHCLG revenue grant 2	£1.6 bn	Announced 28/04/20	£10.539m
Infection Control Fund	£600m	Total received 75% passported direct to care homes 25% for L.A.	£5.3m £3.975m £1.325m
Active Travel	£250m	Need to bid. Details awaited	
Re-opening high Streets safely	£50m		£339k
Hardship Fund	£500m		£2.2m
Small business grants	£3.4bn	Passported direct to small businesses	£95m
Homelessness and rough sleeping	£3.2m		£6k
Discretionary business grants	5% discretion	5% of small business grants to be passported direct to small businesses	£4.28m
Test and Trace	£300m		tbc

8.3 Policy Implications

COVID-19 is having a wide-ranging impact on a large number of policies. These will be looked at on a case by case basis.

8.4 Equality Implications

Implications of the changes will continue to be reviewed. There have been some positive benefits in terms of additional funding for vulnerable people.

8.5 Human Resources Implications

We quickly moved to allow all staff who can work from home to do so. In practical terms that meant the rapid deployment of IT equipment and support. Changing to an organisation that predominantly works remotely has been a huge challenge but is working well. Staff have shown enormous flexibility and resilience. They have done a great job.

There has been regular communication with staff and good co-operation with the Trade Unions. We have had a strong emphasis on emotional health and wellbeing.

8.6 Risk Management Implications

We have developed risk registers for each CEMART cell, as well as strategic risks. We have also looked at Worse Case Scenarios. We are keeping Business Continuity Plans under review. We have also tested our plans against concurrent risks.

8.7 Rural Communities Implications

COVID-19 is having an impact across all communities, including rural communities. The support for small businesses will support rural business.

8.8 Implications for Children & Young People/Cared for Children

There are implications for children and young people. There are implications for schools, early years and children's social care which are summarised in the report.

8.9 Public Health Implications

COVID-19 is a global pandemic and public health emergency. There are implications for Cheshire East which are summarised in the report.

8.10 Climate Change Implications

They have been positive benefits of fewer cars on the road. This includes the vast majority of staff who have been working from home. There has also been lower demand for heating/lighting offices.

9 Ward Members Affected

All Members

10 Consultation & Engagement

Formal consultation activities have been paused due to the lockdown restrictions. We are considering how and when they can be restarted.

11 Access to Information

Comprehensive reports on COVID-19 can be found on the Council's and the Government's websites

12 Contact Information

Any questions relating to this report should be directed to the following officer:

Name: Jane Burns

Job Title: Executive Director of Corporate Services

Email: jane.burns@cheshireeast.gov.uk

This page is intentionally left blank



Working for a brighter future together

Key Decision: Y

Date First
Published: 1/6/20
(General Exception)

Cabinet

Date of Meeting: 9 June 2020

Report Title: COVID-19 - Emergency temporary financial support to the Social Care external Market

Portfolio Holder: Councillor Laura Jeuda- Adult Social Care & Health

Senior Officer: Mark Palethorpe – Executive Director People

1. Report Summary

- 1.1. Cheshire East Council has a statutory duty under the Care Act 2014 to ensure that there is a sustainable care market in the local authority area, to promote the efficient and effective operation of the market and not to undertake any actions which threaten the sustainability of the market.
- 1.2. The current COVID-19 pandemic has placed unprecedented demands on care providers not only from a financial perspective but also in terms of their legal and moral duty of care to their staff and service users.
- 1.3. The purpose of this report is to inform Cabinet of measures in place to date to support care providers and to seek approval for temporary and limited financial support to mitigate against the financial pressures. This would help to ensure that providers are able to continue to provide care to service users during the current crisis and would minimise the risk of market failure resulting from financial insecurity. The recommendations set out in this report draw on the findings of a survey undertaken with care providers which are set out in Appendix A.
- 1.4 Cheshire East is proposing to invest a total of £2.021 million as an emergency one off cash injection into the local care market to support care

providers response to the current COVID-19 pandemic so that they are able to continue to provide a good quality and safe service to Cheshire East residents.

2. Recommendations

That Cabinet

- 2.1. Note and approve the actions and mitigations already taken as set out in 5.3 of this report.
- 2.2. Approve the provision of temporary financial supporting fund as set out in recommendations 2.3 and 2.4 to providers delivering the services set out in the addendum of this report.
- 2.3. Approve the one off emergency funding payments to care homes set out in 5.4.1 of the report.
- 2.4. Approve the one off emergency funding payments to domiciliary and Complex care providers set out in 5.4.2 of the report.

3. Reasons for Recommendations

- 3.1 In accordance with the Care Act statutory duty to promote an efficient and effective care market, the Council has a legal responsibility to intervene in the event of provider failure to ensure that the needs of all service users continue to be met, regardless of whether their care is commissioned by the Council or they are self funded. This can result in Commissioners having to make arrangements with an alternative provider at short notice and generally at an increased cost.
- 3.2 On 13th March 2020 the Association of Directors of Adult Social Services (ADASS), the Local Government Association (LGA) and the Care Provider Alliance (CPA) issued joint guidance for local authority commissioners¹ which summarised the pressures on social care providers arising from COVID-19.
- 3.3 The guidance came from a shared ambition to ensure that providers are supported to maximise availability of care and support and to remain operationally and financially resilient during COVID-19. It recommends a number of measures that local authorities can take to mitigate pressures including increasing fee rates or offering a lump sum payment.

¹ <https://www.adass.org.uk/covid-19>

- 3.4 The financial support recommended in this report will ensure that providers are supported to maximise availability of care and support and to remain financially resilient during the COVID-19 pandemic and ensure that Cheshire East Council is enacting its statutory duty.
- 3.5 Most Councils in the area have now set out their financial support to care providers. The measures taken vary from authority to authority but can be summarised in the table below which is taken from research undertaken by the North West Finance Leads (NWFL). 20 local authorities responded to the NWFL survey. Please note that each authority has offered a number of different measures.

Method of Financial support	Number of local authorities adopting method		
	Accommodation with Care	Care at Home	Complex Care
Temporary fee increase (ranging between 5% and 10%)	6	6	5
Targeted support e.g. PPE, sickness, agency costs and other	18	17	17
Direct purchase and distribution of PPE	17	16	17
Redeployment of staffing capacity	8	7	8
Advanced payment to support cashflow	11	10	10
Payment for reduced occupancy or support for reduced capacity	11	14	11
Top ups of Statutory Sick Pay (SSP) for staff who are sick or self isolating	5	5	5
Other	7	2	0

- 3.6 The majority of authorities are offering some form of targeted support for costs and support with purchasing PPE. Many are also offering advanced payments to support cashflow and payment to compensate for reduced occupancy or capacity. In cases where the authority has increased fees

paid to Providers this has typically been between 5% and 10% of current fee levels.

- 3.7 In order to understand the financial pressures on care providers, a survey was sent to all care providers operating in Cheshire East for a two week period at the end of April 2020. The findings of the survey are attached as Appendix A but in summary the survey found that average weekly additional costs directly related to COVID-19 on agency staff, overtime, cleaning, IT for each of the individual care sectors is as follows:

Accommodation with Care - £14,132

Care at Home – £683

Supported Living - £4,839

- 3.8 The figures above do not take account of the additional costs resulting from payment of Statutory Sick Pay for staff who are self isolating or shielding. The survey found that the average number of days lost per provider since 23rd March 2020 are as follows:

Accommodation with Care – 208

Care at Home – 48

Supported Living – 126

- 3.9 The survey also highlighted a range of other additional unforeseen costs for care providers including increases in the price of food, staff transport costs due to public transport being unavailable, cost of supplying additional uniforms for infection control purposes, additional recruitment costs and reduced income due to a reduction in private clients and ability to provide other services such as day services.

- 3.10 There are growing concerns which have been highlighted in the national media about the long term financial viability of care providers resulting from increased costs and loss of revenue due to COVID-19. This is a particular concern for care homes which have lost a significant proportion of residents to the infection and have therefore been left with low occupancy levels. Appendix B to this report contains case studies of two local care homes that find themselves in this position. The case studies highlight the implications for residents and the Council if these homes were forced to close due to financial difficulties.

- 3.11 The costs associated with COVID-19 represent a significant additional pressure on a sector that was already fragile due to significant underinvestment due to austerity cuts over successive years. There is a

very real possibility that the pandemic could act as a tipping point that puts a number of care providers out of business.

- 3.12 It is recognised that for some care providers the funds may not fully recompense for the financial losses incurred as a result of the pandemic. However, it is anticipated that the monies will be welcomed by providers and could help tip the balance in terms of long term financial sustainability

4 Other Options Considered

- 4.10 If the Council were to do nothing further to support care providers during these unprecedented times, there is a real risk of market failure and the Council could be seen as failing in its statutory duties under the Care Act to promote the efficient and effective operation of the care market and meet the eligible care needs of the adult population. Where a care provider fails the Council has a duty to intervene to ensure that all service users including self funders continue to have their needs met and this can result in significant additional cost to the authority. Doing nothing is, therefore, not considered a viable or desirable option.
- 4.11 Some local authorities have opted to underwrite minimum occupancy levels by providing funding for empty care home beds resulting from excess COVID-19 deaths and closure to new admissions. The cost of this is likely to be prohibitive due to the high number of care homes in Cheshire East and, therefore, this option was not considered to be financially viable.
- 4.12 Officers also considered a one-off payment equivalent to a percentage uplift on provider's fees. However, as some care providers have significantly higher rates than others, particularly in the Accommodation with Care sector, it was felt that this would not be an equitable approach and could unfairly penalise providers who are willing to accept Council rates.

5 Background

- 5.1 Thousands of people across Cheshire East rely on the care sector to provide them with the support they require to live their everyday lives. Nationally, two thirds of people living in care homes for the over 65's are over 85, with around 70% living with dementia. Over a quarter of a million people under 65 also receive support, whether for Mental Health, for Physical Support or Support Living with Learning Disabilities. This can be through Supported Living arrangements, Accommodation with Care, Direct Payments or through wider community support services. More locally, we have 92 homes (Residential and Nursing) across Cheshire East; 59 Care

at Home Providers (8 of which are Prime Providers) and 73 Complex Care Providers.

5.2 Current position

5.2.1 At the time of writing, 28 local care homes have active outbreaks of COVID-19. Some of these are in a 28 day quarantine period whereby they have are waiting to see whether other residents display symptoms before the outbreak can officially be declared over. Where an outbreak is confirmed the Council's Quality Assurance team work in partnership with the commissioned Infection, Prevention and Control team, the Clinical Commissioning Group, Public Health England and the Care Quality Commission to ensure that the appropriate support is in place for the care home and that they are following all relevant guidance and procedures and that sufficient Personal Protective Equipment is supplied.

5.2.2 Sadly, in Cheshire East as at 7th May 2020 there had been 143 deaths of care home residents either confirmed or suspected to be related to COVID-19 and 3 deaths among care home staff. Some care homes have been particularly badly affected. For example, there have been 30 service user deaths at The Woodlands care home in Poynton and 24 in Eden Mansions care home in Styal.

5.2.3 Care homes have also seen high numbers of staff with confirmed or suspected COVID-19. As at 6th May 2020 52 staff working in care homes had been confirmed as having COVID-19 and a further 51 were displaying symptoms. This has resulted in the need for providers to employ agency staff at a significant expense.

5.2.4 There have been fewer issues in the Care at Home and Complex care sectors, however, providers report additional costs relating to the need to pay Statutory Sick Pay (affecting those providers who are not eligible for Government support as they have over 250 employees) to staff who are self isolating or shielding, additional PPE expenditure and travel costs resulting from the lack of public transport. As at 6th May 2020, a total of 95 staff working in Care at Home and Complex Care were suspected of having the virus.

5.3 Support currently provided

5.3.1 Cheshire East Council started to undertake preparatory work in responding to COVID-19 with social care providers back in February 2020. Every contract was reviewed and a commissioning strategy was put in place to respond to the COVID-19 pandemic as stated in the following paragraphs.

- 5.3.2 Collaboration and Communication :- There was a recognition that the situation would be fast moving and would create an uncertain operational environment. To respond to this, we worked with the social care providers to create channels that gave them the ability to raise issues and get answers back quickly, and to be able to solve problems collaboratively both with commissioners and each other.
- 5.3.3 A weekly mutual aid call takes place with each segment of the care market – Accommodation with Care, Care at Home and Complex Care. The purpose of these calls is to ensure that issues and problems get heard and solutions are sought. These are currently working well, particularly within the care at home segment, where providers are working much more collectively to support the care and support needs of service users requiring that service.
- 5.3.4 At the start of the COVID-19 pandemic the commissioning team undertook daily calls to all providers however, once the situation became more serious and we started to see an increase in outbreaks the team had to implement and operate a risk-based approach to all providers. The rationale for this approach is that providers have told us they want to focus on delivering the best possible care for the residents. All other commissioned Adult Social Care and Public Health services receive a twice weekly or once a week call unless they inform us that they need support.
- 5.3.5 A weekly briefing is sent to all care providers operating in Cheshire East (whether commissioned or not) which summarises the latest guidance, processes and support available to providers. In addition a Care Provider portal has been established on the Council's website to store information for providers.
- 5.3.6 All providers understand the need to inform the Council of any issues, suspected or confirmed COVID-19 cases and any PPE requirements and there is a well established process for this which is understood by providers.
- 5.3.7 Business Continuity Plans -The Commissioning team worked with the social care providers to ensure that we had an up to date copy of all business continuity plans and these were analysed to ensure we could identify and risk assess services.
- 5.3.8 Cashflow- To mitigate against the pressure on cashflow for providers, a commitment was made in March that Cheshire East Council would continue to pay for 'commissioned' care and would not claw back and hours that were undelivered due to the COVID-19 pandemic. We also committed to ensuring prompt payments.

5.3.9 Hospital retainer-When a service user is admitted to hospital , Cheshire East Council continues to pay the provider for 7 days. This is to enable the package to remain open and facilitate a fast discharge with their original provider. This offer has been extended to 14 days to align with the infection period of the virus.

5.3.10 Hospital discharge- To facilitate the implementation of the COVID-19 hospital discharge guidance several actions were taken. We block booked 26 beds across the Borough and these are funded by the NHS. In addition to this the current beds commissioned to support winter pressures, 9 beds were also extended. The rapid response (care at home) contracts were also extended and enhanced. We also undertake a daily vacancy count and at the time of writing have 151 beds available across the Borough.

5.3.11 Infection control– As a Council we recognised the need for increased usage of personal protective equipment (PPE) and the difficulty in supply. To mitigate this, we have and will continue to purchase the relevant PPE, and we distribute this to all services that are running low on supplies. This has been an additional cost to the council, circa one million pounds, a sum not budgeted for within this financial accounting year.

5.4 Proposed support

5.4.1 It is proposed that the emergency funding to care homes is calculated based on £400 per bed located in Cheshire East. This includes privately funded as well as Council commissioned beds and would only be payable to care homes within the Borough. It is anticipated that care homes outside of the Borough that house Cheshire East residents will benefit from funding from the host local authority. This element of the funding would cost in the region of £1.644 million based on 4,110 care home beds located in Cheshire East.

5.4.2 It is proposed that the emergency funding to domiciliary and Complex care providers is calculated based on £200 per commissioned care package to providers who deliver a commissioned service within Cheshire East. This is to include Prime Providers and any providers who are on Cheshire East Council commissioned frameworks and any who are not currently on a commissioned framework. The rationale for the lower level of funding to this part of the sector is due to less financial pressures resulting from COVID-19 as evidenced by the Council's survey. This element of the funding would cost in the region of £377,200 bringing the total funding to £2.021million.

5.4.3 It is proposed that the temporary funding set out in this report is a one-off payment to be used diligently and sparingly in accordance with the

parameters set out in this report and that providers are required to evidence how these fund has been spent in respect of supporting the COVID-19 response. The Council will reserve the right to claw back any unused funds from providers. Each provider will be issued with an appropriately worded letter confirming the financial support emergency fund value and including specific conditions as to its use, with a requirement to provide a return setting out how the support was spent and clawback provisions requiring repayment if the conditions are not complied with.

5.4.4 The emergency funding does not include provision for service users who receive a Direct Payment to purchase their care and support. It is proposed that requests for additional support are dealt with on an individual case by case basis according to need.

5.4.5 This report is addressing the temporary financial support to the care market to mitigate against the financial pressures associated with Covid 19. It should be noted that this is separate to the £600 million recently announced by the Government for COVID-19 care homes specific support for the explicit purpose of infection, prevention and control.

5.4.6 It is anticipated that the additional financial support recommended in this report will be used by providers to fund the following:

Sick pay- Providers face increased cost pressures due to higher sickness absence rates among there workforce: they have to pay Statutory Sick Pay (SSP). Employers are unable to claim SSP from the Government except for some temporary arrangements announced in the Spring Budget, which will only be available to organisations with 250 or fewer employees. This is one area not currently mitigated by the Council, therefore, the additional funding will support providers in this undertaking. We will expect that providers use the emergency funding to maintain full pay for those individuals who are sick, shielding or self-isolating. If this is found not to be happening the Council will review the financial support to the provider.

5.4.6.1 Workforce availability – Providers are facing higher workforce absence rates through medically-recommended self-isolation, sickness and family caring responsibilities. Care providers will need to be able to deploy their staff flexibly and to hire new staff quickly. They face increased cost pressures from higher use of agency staff and paid overtime/additional to other staff members.

5.4.6.3 Agency and additional recruitment costs – The Council has participated in the national and regional campaigns to encourage people into the care sector, and has also produced a local campaign to support our providers. In addition, we have created the job matching service which also signposts people into the care sector. Despite this, we do not

mitigate against the additional agency costs and additional recruitment costs that providers are experiencing. This is another factor where this additional financial support will be required to support providers.

- 5.4.6.4 Void loss – In response to the survey a number of providers have contacted the Council to warn of a growing risk of closure due to financial viability issues relating to lost income from empty beds due directly to COVID-19. In some cases homes are suffering losses of approximately £40,000 per week. The additional financial support recommended in this report could be by care home providers to mitigate against these losses.

6 Implications of the Recommendations

6.1 Legal Implications

- 6.1.1 The proposed financial support will not constitute a contractual fee uplift and will sit outside each provider's contract as an emergency grant fund. The payment does not constitute a contractual variation and this will be made clear in the conditions which will attach to the support.
- 6.1.2 Each provider will be required to accept the funding by signing a letter which will confirm the financial support emergency fund value and include specific conditions as to its use, including a requirement to provide a return setting out how the support was spent and clawback provisions requiring repayment if the conditions are not complied with.
- 6.1.3 The support is unlikely to breach EU state aid rules as it is funded by (and will be applied in accordance with) central government emergency funds which themselves are compliant.
- 6.1.4 In summary the legal risks are mitigated and acceptable.

6.2 Finance Implications

- 6.2.1 When the budget was set by Council on 20th February 2020, it included an estimated spend on all external care for 2020/21 of £116m. The services that this fund will be allocated include the following types of commissioned providers:-
- Care at home services (Domiciliary Care)
 - Accommodation with Care (Residential & Nursing homes)
 - Complex Care Services (Supported Living)
 - Extra Care Housing

The estimated spend for 2020/21 on providers eligible for payments from the fund is approximately £101.5m. This excludes any client contributions and is the Gross payments to the providers.

- 6.2.2 The estimated cost of the emergency funds for Accommodation with Care providers is £1.644 m, this is based on £400 per bed for all 4,110 beds within the Cheshire East boundaries, this is for both Self Funding and Council purchased beds. The estimated cost for the emergency funds for the Care at Home, Complex Care and Extra Care providers is £377k, this is based on £200 per commissioned care package for 1,886 care packages. The total estimated cost of the recommendations in this paper is therefore £2.021m.
- 6.2.3 The cost of the emergency fund payments will be met by the Adult Social Care budget. There is a significant risk that this budget could be forecasting overspends later in the 2020/21 financial year as a result of this additional cost, which may necessitate the need for future realignment of the 2020/21 budget at a point in time. This position will be kept under review and reported to members as part of the budget monitoring process.
- 6.2.4 The distribution of the fund will not be means tested, it reflects a general increase in levels of spending across the care sector and does not discriminate between providers based on size or organisational size or structure.
- 6.2.5 To address the fact that funding allocations will not be means tested the Council will seek assurance from its providers that this emergency fund is used to support front line services and staff, covering genuine additional costs linked to the COVID-19 pandemic. Funding not used in this way should be returned to the Council and not be used to contribute towards additional profits or dividends to shareholders. Conditions will be placed on the funding requiring providers to apply the funds for specific purposes and provide a return setting out how the funds were spent.
- 6.2.6 The emergency fund is intended purely as a fund to enable providers to maintain their contracted services during this challenging time. It will be made clear that the money has been released under highly unusual and extenuating circumstances and does not constitute a contractual fee uplift. Consequently, providers will be reminded that they must continue to mitigate against the adverse cost consequences of COVID-19 and will be expected to work to their contracted payment rates.

6.3 Policy Implications

6.3.1 The recommendations in this report align with guidance issued by the Association of Directors of Adult Social Services (ADASS), the Local Government Association (LGA) and the Care Provider Alliance (CPA) on 13th March 2020 to ensure market sustainability.

6.3.2 It also supports the recommendations in the Department of Health and Social Care's COVID-19 Action Plan for Adult Social Care.

6.4 Equality Implications

6.4.1 An Equality Impact Assessment has been undertaken and is appended to this report as Appendix C.

6.5 Human Resources Implications

6.5.1 There are no HR implications for Cheshire East Council staff. However, the additional support proposed by this report will support care providers to ensure that they have sufficient staffing levels to provide a safe and good quality service to the residents of Cheshire East.

6.6 Risk Management Implications

6.6.1 There is a significant increased risk of provider and/or market failure during the COVID-19 pandemic. The impact of market failure would be devastating for those individuals who receive care and support but for the Council, financially would be very costly due to the need to commission emergency provision at short notice.

6.7 Rural Communities Implications

6.7.1 The additional support proposed in this report will support care agencies who provide care and support to people living in rural communities.

6.8 Implications for Children & Young People/Cared for Children

6.8.1 There are no direct implications for children and young people.

6.9 Public Health Implications

6.9.1 By maintaining the established approach and supporting providers with financial assistance will help to manage and prevent any further outbreaks of COVID-19.

6.10 Climate Change Implications

6.10.1 There are no direct implications for Climate Change resulting from the provision of financial support.

7 Ward Members Affected

7.1 All Ward members are affected.

8 Consultation & Engagement

8.1.1 The information and recommendations contained in this report draw on feedback from local care providers that has been collated by a number of methods including a survey on additional costs, weekly Mutual Aid calls, letters and emails from care providers.

8.1.2 The findings from the consultation are set out in Appendix A and demonstrates the need for additional financial support from the Council to sustain care provision.

9 Access to Information

9.1 Further information can be found at:

ADASS Social care provider resilience during COVID-19: guidance to commissioners

<https://www.adass.org.uk/covid-19>

Gov.uk - Coronavirus (COVID-19): adult social care action plan

<https://www.gov.uk/government/publications/coronavirus-covid-19-adult-social-care-action-plan>

10 Contact Information

10.1 Any questions relating to this report should be directed to the following officer:

Name :Nichola Thompson

Job Title:Director of Commissioning

Email:nichola.thompson@cheshireeast.gov.uk

Addendum

List of Services

Accommodation with Care – Long Term, including care providers who are on the Council's Dynamic purchasing System and those who aren't

Care at Home – including Prime Providers, Framework Providers and other Care at Home providers

Complex Care – including those that are on the Council's Dynamic Purchasing System and any which aren't

Extra Care Housing care provision

Appendix A.

Covid 19 Provider Expenses Survey Results

In May 2020 a survey was sent to all Care Providers operating in Cheshire East to establish the cost of the response to the Covid 19 pandemic, the results of which are set out below. The results are corroborated by soft intelligence collected by Contracts and Quality Assurance (QA) Officers, both during the weekly Mutual Aid calls, and when QA Officers contact providers directly.

Table 1. Response Rates

Care type	Number of providers survey sent to	Number of responses	Response rate
Accommodation with Care	89	21	24%
Care at Home	60	37	62%
Complex Care	76	17	22%

Response rates are consistent with other surveys undertaken with Providers in Cheshire East, where Care at Home providers are more likely to engage. 24% is a relatively good response rate from Accommodation with Care providers.

Table 2. Staffing Levels

Care type	Providers with 250 employees or more	Providers with less than 250 employees	Number of employees in care home or working in Cheshire East (range)	Number of employees working in care home or in Cheshire East (average)
Accommodation with Care	9 (45%)	11 (55%)	14 - 950	111

Care at Home	5 (13.9%)	31 (86.1%)	10 - 110	32
Complex Care	9 (56.3%)	7 (43.8%)	0 - 236	85

N.B. 1 provider in each care area didn't respond to this question.

Table 3. Residents/ Service Users

Care type	Number of CEC Commissioned residents/ service users - range	Number of CEC Commissioned residents/ service users - average	Number of private residents/ service users or Direct Payments - range	Number of private residents/ service users or Direct Payments - average
Accommodation with Care	0 - 46	16	0 - 46	17
Care at Home	0 - 157	28	0 - 75	21
Complex Care	0 - 100	33	0 - 27	3

Table 4. Accommodation with Care Costs

Expenditure item	Number of responses to question (out of 21 responses)	Number of providers incurring additional expense	Weekly cost – range of those with additional costs	Weekly cost – average of all those who responded to question

Agency staff	20	9 (45%)	£1,500 - £6,000	£1,691
Overtime	20	12 (60%)	£400 - £37,880	£2,845
Cleaning	18	17 (89.5%)	£17 - £6,034	£661
PPE	18	18 (100%)	£80 - £26,044	£8,935

Other costs incurred for: Statutory Sick Pay, Food, Transport, temperature monitors, extra tables for social distancing, red laundry bags, reduced income from lower occupancy and inability to provide additional services e.g. day services.

Table 5. Care at Home Costs

Expenditure item	Number responding to question	Number of providers incurring additional expense	Weekly cost – range of those with additional expense	Weekly cost – average of all responses
Agency staff	36	2 (5.6%)	£1,100 - £3,500	£128
Overtime	37	8 (21.6%)	£200 - £1,000	£78
IT *	35	18 (51.4%)	£10 - £190	£56
PPE	34	32 (94.1%)	£97 - £3,000	£421

* Some assumptions made about weekly costs.

Other costs incurred for: Increased mileage costs due to office closures and distribution of PPE for staff, additional recruitment and training costs to cover for self isolating staff, uniforms due to need for infection control, reduced income from private clients and referrals

Table 6. Complex Care Costs

Expenditure item	Number of responses to question	Number of providers incurring additional expense	Weekly cost – range of those with additional expense	Weekly cost – average of all responses
Agency staff	16	8 (50%)	£466 - £7,500	£1,077
Overtime	16	7 (43.8%)	£67 - £5,256	£1,105
Cleaning	17	14 (82.4%)	£50 - £1,500	£281
PPE	12	12 (100%)	£157 – £12,000	£2,376

Other costs incurred for: Clinical supervision for anxiety due to Covid 19, equipment for indoor activities, isolation unit, online training, decontamination costs, void costs.

Table 7. Staff Sickness Directly Due to Covid 19

Care type	Number of providers who have paid Statutory Sick Pay (SSP) to staff on sick leave directly to Covid-19	Number of sick days lost due to C19 – range of those who have lost sick days	Number of sick days lost due to C19 – average of all responses
Accommodation with Care	17 (81%)	9 – 1,000	201
Care at Home	30 (81.1%)	0 - 156	48
Complex Care	12 (70.6%)	0 - 441	126

Table 8. Preferred Method of Payment

Care type	Reclaim additional costs via invoice to CEC	Monthly lump sum (Advanced payment for AWC)	One off lump sum
Accommodation with Care	9 (45%)	0 (0%)	11 (55%)
Care at Home	5 (16.1%)	11 (35.5%)	15 (48.4%)
Supported Living	2 (18.2%)	4 (36.4%)	5 (45.5%)

N.B. Not all providers responded to this question in the survey.

This page is intentionally left blank

Appendix B.

A Case Study Demonstrating the Financial Impact of Covid 19 on Care Homes



15th May 2020

The objective of this case study is to assess the impact of Covid-19 on the financial position of the care homes Provider A and Provider B, and the effect this will have on service delivery if their financial position remains unchanged.

Covid-19 has presented significant financial challenges to care homes. Outgoings have increased due to additional PPE requirements, increased usage of agency staff, and the requirement to incentivise regular staff to come into work. Cheshire East Council have contributed to support with increased outgoings, by reimbursing providers for the cost of additional PPE.

However, care homes are also experiencing a large reduction in income, as occupancy has decreased. There have sadly been significant numbers of deaths of care home residents. Simultaneously, care homes with Covid-19 outbreaks have temporarily closed for admissions, and inquiries into new admissions have decreased significantly. The impact on providers and residents and loss of income are set out in this case study.

1. Provider A

Provider A is a care home with nursing care, owned by a large Care Home Group and located in Crewe. It is registered for a maximum of 80 service users.

Concerns about financial sustainability were first raised by email on 6th May by the Group Chairman. Concerns were reiterated more strongly in a letter on 13th May, stating that occupancy of Provider A was down by 14 residents, from 80 on 31st March to 66 on 13th May. Reduced occupancy combined with increased expenditure is causing a total monthly void of £71,097, compared with pre-Covid-19 levels (Table 1). Additional funding from Cheshire East covers expenditure on additional PPE, but this is relatively insignificant compared to reduction in revenue, which the Chairman states is “completely and totally unsustainable.” Provider A currently have 15 symptomatic residents in the home, and so regrettably, they anticipate further Covid-19 casualties. Therefore, financial stresses on the home are likely to worsen.

Table 1. Weekly and monthly financial impact on Provider A due to Covid-19

	Weekly	Monthly
Average commissioned placement cost	£787	£3,372
Reduction in income (14 vacancies)	£11,016	£47,213

Increase in agency staff expenditure	£4,167	£17,857
Increase in payroll expenditure	£1,406	£6,027
Total void	£16,589	£71,097

Currently, the Care Home Group are able to subsidise the continued service at Provider A, as they are a large organisation, and have cash reserves. However, this is not sustainable in the long term, particularly as Provider A is not an isolated case – nationally, the Group's occupancy has decreased by 10%. They have considered pursuing rent deferrals, or interest free loans. However, due to the very modest margins available in running of care homes, this option is not preferred as they do not anticipate being able to pay the debts back. Therefore, if their financial position remains unchanged, then the Care Home Group will be unable to maintain their presence in Crewe, and Provider A will close.

2. Provider B

Provider B is a care home with nursing care, also located in Crewe. It is registered for a maximum of 85 service users.

Similarly to Provider A, Provider B currently have 13 vacancies due to resident deaths. They have agreed to pay all staff that have been off with Covid-19 half pay plus SSP, leading to a large increase in payroll expenditure over the last 6 weeks, as well as an increase in agency spend. Reduced occupancy combined with increased expenditure is causing a total monthly void of £91,368, compared with pre-Covid-19 levels (Table 2).

Table 2. Weekly and monthly financial impact on Provider B due to Covid-19

	Weekly	Monthly
Average commissioned placement cost	£724	£3,103
Reduction in income (13 vacancies)	£9,412	£40,339
Increase in agency staff expenditure (estimated)	£6,000	£25,714
Increase in payroll expenditure	£5,907	£25,315
Total void	£21,319	£91,368

The manager of Provider B is concerned about how to retain service levels under such financial pressure. In the short term, she is considering furloughing staff, as well as reconfiguring staffing levels, which would result in staff lay-offs. From a long term financial sustainability perspective, it is likely that if the situation is unchanged, Provider B will be forced to close.

3. Impact on Residents of Provider Failure

The closure of Provider A would have substantial negative impacts on its current residents, as it would force their relocation to other care homes. Relocation of older people from one care setting to another is recognised to be particularly stressful, and just one unwanted move is associated with deterioration in health and increased mortality¹. Most residents of Care Homes have characteristics which leave them particularly vulnerable to the adverse affects of relocation, including older age, dementia, depressive illness, impairment of mobility and reduced sensory function².

Several elements of relocation which are known to be particularly stressful are likely to be exaggerated due to Covid-19. The move would be relatively sudden, and could involve multiple moves including temporary interim placements, due to a lack of appropriate long-term placements. Many good practice approaches to facilitate good outcomes for residents throughout the move would not be possible in the current situation (Table 3).

Table 3. Good practice guidance for the relocation of older people, and why it will be difficult to follow

Good practice guidance ²	Challenges posed by Covid-19
Identification of suitable alternative placements in consultation with the resident and their family.	Reduced number of open homes will limit choice of placement. The tight timescales imposed by care home closure, and current social-distancing measures, will make consultation with family difficult.
Familiarisation visits to the new care home in advance of a move.	This will not be possible due to social distancing guidance, and the risk of Covid-19 transmission posed by familiarisation visits.
Making careful person-centred plans for individual residents.	Plans for the relocation are unlikely to be person-centred, due to the large number of residents, time pressure and a lack of staff capacity at Provider A and Cheshire East Council.
Facilitate discussions and counselling with individuals and groups in anticipation of the move.	Due to the large number of residents, staff at Provider A will not have time to facilitate conversations about the relocation with all residents in a person-centred way.
The introduction of large groups within a short timescale may produce additional stress for residents and staff.	Due to the large number of residents being relocated, and the reduced number of open homes, it is likely that several residents will be relocated to the same new home, producing additional stress.

After the relocation has occurred, there is likely to be a reduction in the quality and continuity of care of residents. Care staff will have to get to know new residents, at a time when they are already experiencing enormous pressure. Communication between families and the new

home, which would assist the home in getting to know the resident, will be made difficult by social distancing. This is all likely to lead to a reduction in the quality of care and support, and worsened outcomes for residents.

4. Impact on Cheshire East Council of Market Failure

Where a business fails and the provider is unable to carry on relevant activity, the Local Authority has a temporary duty in respect of people receiving care and support services, under the Care Act, to meet the needs they were receiving immediately before the provider failed³.

4.1 Market Capacity

Relocating residents upon business failure requires beds to be available in open care homes. On 13th May there were 239 bed vacancies in open homes in Cheshire East. The closure of Provider A and Provider B would necessitate relocation of 139 residents, which would lead to 58% of those vacancies being filled, greatly reducing capacity in the provider market. The average number of beds in a care home in Cheshire East is 41, and therefore just 6 mid-sized care homes out of 96 closing could see bed vacancies in the borough shrink to 0.

4.2 Financial Impact

Assuming there are beds available to be commissioned, the premium charged to Cheshire East Council is likely to be much higher than the weekly average of £724 or £787 per placement currently paid to Provider B and Provider A respectively. Providers will be aware of the urgent requirement to relocate residents, and therefore will be able to set their preferred price. Cheshire East Council will have little recourse to negotiate on price, as we will be obliged under the Care Act to source a care package.

4.3 Time Impact

According to a checklist produced by numerous partners including CQC, LGA and NHS England, the Local Authority are identified as the lead on 124 considerations which should occur upon closing a home⁴. An unplanned closure may also present safeguarding issues for residents, meaning that Cheshire East Council are likely to see an increase in safeguarding referrals. This will significantly increase workload for Adults Social Care staff, at a time when they are already experiencing immense pressure.

4.4 Reputational Damage

Cheshire East Council have a duty under the Care Act to promote the efficient and effective operation of the market for adult care and support using a wide range of approaches, so that it meets the needs of everyone in the borough who need care and support, regardless of how it is funded³. Where remaining open is both in the best interests of the residents and it is possible to overcome issues, partners should do all they can to prevent care homes closing where possible⁵. Therefore there is a real risk of reputational damage to Cheshire East if the current financial difficulties experienced by care providers lead to provider failure.

5. References

1. Beirne, N.F., Patterson, M.N., Galie, M. and Goodman, P., 1995. Effects of a fast-track closing on a nursing facility population. *Health & Social Work*, 20(2), pp.116-123.
2. David Jolley, Peter Jefferys, Cornelius Katona, Sean Lennon, Enforced relocation of older people when Care Homes close: a question of life and death?, *Age and Ageing*, Volume 40, Issue 5, September 2011, Pages 534-537, <https://doi.org/10.1093/ageing/afr052> [Accessed 14/5/20]
3. <https://www.gov.uk/government/publications/care-act-statutory-guidance/care-and-support-statutory-guidance#chapter-4> [Accessed 15/5/20]
4. <http://www.nhs.uk/NHSEngland/keogh-review/Documents/quick-guides/background-docs/Checklist-managing-care-home-closures.docx> [Accessed 15/5/20]
5. https://www.nhs.uk/NHSEngland/keogh-review/Documents/quick-guides/1577_QuickGuide-CareHomes_9.pdf [Accessed 15/5/20]

This page is intentionally left blank



EQUALITY IMPACT ASSESSMENT

Title: COVID 19 – Emergency Temporary Financial Support To The
Social Care External Market

VERSION CONTROL

Review	Date	Version	Author	Changes
	19.5.20	1.0	Colin Jacklin	

OFFICIAL

EQUALITY IMPACT ASSESSMENT FORM

Note: Delete guidance in italics during completion

Stage 1 Description: Fact finding (about your policy / service / service users)

Department	People's Directorate		Lead officer responsible for assessment		Jo Sutton	
Service	Adult Social Care and Health - Commissioning		Other members of team undertaking assessment		Colin Jacklin	
Date	19.5.20		Version		1.0	
Type of document (mark as appropriate)	Strategy	Plan	Function	Policy X	Procedure	Service
Is this a new/ existing/ revision of an existing document (please mark as appropriate)	New X		Existing		Revision	
	<p>Cheshire East Council has a statutory duty under the Care Act 2014 to ensure that there is a sustainable care market in the local authority area, to promote the efficient and effective operation of the market and not to undertake any actions which threaten the sustainability of the market. The current Covid 19 pandemic has placed unprecedented demands on care providers not only from a financial perspective but also in terms of their legal and moral duty of care to their staff and service users.</p> <p>As a result, the proposal is that the Council provide one-off payments to both residential and domiciliary care providers operating in the Borough.</p>					

OFFICIAL

EQUALITY IMPACT ASSESSMENT FORM

	<p>This temporary one-off funding would mitigate against the financial pressures. This would help to ensure that providers are able to continue to provide care to service users during the current crisis and would minimise the risk of market failure resulting from financial insecurity.</p> <p>The funding proposed is £400 per residential and Supported Living care providers and £200 per Domiciliary Care provider. The total package of funding amounts to £1.816m.</p> <p>By the very nature of the care provision, the people receiving the care are all from protected characteristic groups. For Residential Care this will be older people and people living with dementia and other health conditions. For Supported Living this is in the main, people of a wide age range with disabilities including learning disabilities, autism, and mental illness. For Domiciliary Care, the people are in the main older people sometimes with health conditions including dementia.</p> <p>For this reason, any change to this kind of provision howsoever brought about, necessitates an Equality Impact Assessment. In this case, the reason for this new funding proposal has been brought about by the impact of the COVID 19 pandemic.</p> <p>In summary, it is clear that not providing additional financial assistance, would bring about significant risk of disproportionate effects on people from protected characteristic groups in particular older people and disabled people. For instance:</p> <ul style="list-style-type: none">• From the recent survey completed with homes, they report significant risk of care home failure due to financial pressures. If a care home does fail then alternative accommodation would need to be found. This would bring about significant distress to the people and their families/friends.• It is also possible that alternatives may end up being more costly and so a disproportionate impact on the older/disabled people involved. The person's family may also feel the need to source alternatives requiring a top up that they have to pay for. If
--	--

OFFICIAL

EQUALITY IMPACT ASSESSMENT FORM

	<p>the family are from a disadvantaged socio-economic group then they will also have been disproportionately affected</p> <ul style="list-style-type: none"> • For Supported Living the risk of closure could bring about significant disruption and distress to residents • Home closures would also mean disruption to the staff who had been working there. It is known that a higher number of people from BAME groups and disabled people work in these settings. They could therefore be disproportionately affected • It is also known that a larger percentage of the workforce in these settings are female and so they could be disproportionately affected <p>As a result, the impact of this new fund will have a predominantly supportive effect on people from the protected characteristic groups.</p> <p>However, it is also possible that the additional expenditure of £1.816m may bring about pressures in the future mid-term. For instance, there may be less money to pay for day care or re-ablement services. This may then have a negative effect further down the line on cohorts of people already receiving services. It may also have a negative effect in that there could be less resource for those newly assessed as needing a service.</p> <p>Although this should not mean that this emergency funding should not be used, it does point to a need to forecast where future pressures will arise in other services and what could be planned in order to mitigate those effects on people from protected characteristic groups</p>
<p>Who are the main stakeholders and have they been engaged with? (e.g. general public, employees, Councillors, partners, specific audiences, residents)</p>	<p>A survey was conducted with all providers</p>

OFFICIAL

EQUALITY IMPACT ASSESSMENT FORM

What consultation method(s) did you use?	<i>Letters and emails</i>
--	---------------------------

DRAFT

OFFICIAL

EQUALITY IMPACT ASSESSMENT FORM

Stage 2 Initial Screening	
Who is affected and what evidence have you considered to arrive at this analysis? (This may or may not include the stakeholders listed above)	This fund is focussed on increasing the resilience of care providers to maintain the quality and volume of care. The analysis is based upon feedback from the survey re risk to provision and risk of closures
Who is intended to benefit and how?	Cheshire East residents who are receiving care (residential, supported living and domiciliary care)
Could there be a different impact or outcome for some groups?	Not immediately. The immediate effect would be beneficial. Analysis would need to take place to establish if there are risks of disproportionate impacts on cohorts of people from protected characteristic groups in the near to mid future
Does it include making decisions based on individual characteristics, needs or circumstances?	No
Are relations between different groups or communities likely to be affected? (eg will it favour one particular group or deny opportunities for others?)	No
Is there any specific targeted action to promote equality? Is there a history of unequal outcomes (do you have enough evidence to prove otherwise)?	No
Is there an actual or potential negative impact on these specific characteristics? (Please tick)	

OFFICIAL

EQUALITY IMPACT ASSESSMENT FORM

Age	Y		Marriage & civil partnership		N	Religion & belief		N
Disability	Y		Pregnancy & maternity		N	Sex	Y	
Gender reassignment		N	Race		Y	Sexual orientation		N
Carers		N	Socio-economic status		Y			
What evidence do you have to support your findings? (quantitative and qualitative) Please provide additional information that you wish to include as appendices to this document, i.e., graphs, tables, charts							Consultation/ involvement carried out	
See below								
							Yes	No
Age	<p>The survey conducted with providers was not specific to people within the protected characteristic groups. There was a clear need to obtain very swift feedback in order to make speedy proposals about additional funding requirements.</p> <p>It may be prudent to test out with providers in due course, if they feel a second survey would be beneficial to test out in more detail effects on people from protected characteristic groups</p>							
Disability								
Gender reassignment								
Marriage & civil partnership								
Pregnancy & maternity								
Race								
Religion & belief								
Sex								
Sexual orientation								
Carers								

OFFICIAL

EQUALITY IMPACT ASSESSMENT FORM

Socio-economic status			
Proceed to full impact assessment? (Please tick)	Yes	No X	Date 19.5.20
Lead officer sign off		Date	
Head of service sign off		Date	

If yes, please proceed to Stage 3. If no, please publish the initial screening as part of the suite of documents relating to this issue

OFFICIAL

EQUALITY IMPACT ASSESSMENT FORM

Stage 3 Identifying impacts and evidence

This section identifies if there are impacts on equality, diversity and cohesion, what evidence there is to support the conclusion and what further action is needed

Protected characteristics	<p>Is the policy (function etc....) likely to have an adverse impact on any of the groups?</p> <p>Please include evidence (qualitative & quantitative) and consultations</p> <p><i>List what negative impacts were recorded in Stage 1 (Initial Assessment).</i></p>	<p>Are there any positive impacts of the policy (function etc....) on any of the groups?</p> <p>Please include evidence (qualitative & quantitative) and consultations</p> <p><i>List what positive impacts were recorded in Stage 1 (Initial Assessment).</i></p>	<p>Please rate the impact taking into account any measures already in place to reduce the impacts identified</p> <p>High: Significant potential impact; history of complaints; no mitigating measures in place; need for consultation</p> <p>Medium: Some potential impact; some mitigating measures in place, lack of evidence to show effectiveness of measures</p> <p>Low: Little/no identified impacts; heavily legislation-led; limited public facing aspect</p>	<p>Further action (only an outline needs to be included here. A full action plan can be included at Section 4)</p> <p><i>Once you have assessed the impact of a policy/service, it is important to identify options and alternatives to reduce or eliminate any negative impact. Options considered could be adapting the policy or service, changing the way in which it is implemented or introducing balancing measures to reduce any negative impact. When considering each option you should think about how it will reduce any negative impact, how it might impact on other groups and how it might impact on relationships between groups and overall issues around community cohesion. You should clearly demonstrate how you have considered various options and the impact of these. You must have a detailed rationale behind decisions and a justification for those alternatives that have not been accepted.</i></p>
Age				
Disability				

OFFICIAL

EQUALITY IMPACT ASSESSMENT FORM

Gender reassignment				
Marriage & civil partnership				
Pregnancy and maternity				
Race				
Religion & belief				
Sex				
Sexual orientation				
Carers				
Socio-economic status				
Is this change due to be carried out wholly or partly by other providers? If yes, please indicate how you have ensured that the partner organisation complies with equality legislation (e.g. tendering, awards process, contract, monitoring and performance measures)				

OFFICIAL

EQUALITY IMPACT ASSESSMENT FORM

Stage 4 Review and Conclusion

Summary: provide a brief overview including impact, changes, improvement, any gaps in evidence and additional data that is needed			
Specific actions to be taken to reduce, justify or remove any adverse impacts	How will this be monitored?	Officer responsible	Target date
<p>It is also possible that the additional expenditure of £1.816m may bring about pressures in the future mid-term. For instance, there may be less money to pay for day care or re-ablement services. This may then have a negative effect further down the line on cohorts of people already receiving services. It may also have a negative effect in that there could be less resource for those newly assessed as needing a service.</p> <p>Although this should not mean that this emergency funding should not be used, it does point to a need to forecast where future pressures will arise in other services and what could be planned in order to mitigate those effects on</p>	Through normal planning at DMT, CLT procedures	To be confirmed	Sept 2020

OFFICIAL

EQUALITY IMPACT ASSESSMENT FORM

people from protected characteristic groups			
Please provide details and link to full action plan for actions			
When will this assessment be reviewed?			
Are there any additional assessments that need to be undertaken in relation to this assessment?	No		
Lead officer sign off	Nichola Thompson	Date	1 June 2020
Head of service sign off	Nichola Thompson	Date	1 June 2020

Please publish this completed EIA form on the relevant section of the Cheshire East website

OFFICIAL



Working for a brighter future together

Key Decision: N

Date First
Published: N/A

CABINET

Date of Meeting: 9 June 2020

Report Title: Cheshire East Council Corporate Peer Challenge Report

Portfolio Holder: Cllr Jill Rhodes, Public Health and Corporate Services

Senior Officer: Jane Burns, Executive Director of Corporate Services

1. Report Summary

1.1 In January 2020, Cheshire East Council hosted its first Corporate Peer Challenge (CPC). Facilitated by the Local Government Association (LGA), a peer team consisting of councillors and senior officers from local authorities around the UK who examined the Council's leadership, governance, financial planning and capacity to deliver its priorities. This is part of a commitment to local government leading its own improvement.

1.2 The team spent four days on-site in Cheshire East, during which they:

- Spoke to over 180 people including a range of council staff together with councillors and external stakeholders.
- Gathered information and views from more than 40 discussions, focus groups and observing regular meetings as well as additional research and reading.
- Visited key sites of the borough to look at practice in action and engaged with staff at other locations.
- Collectively spent c. 270 hours on-site to determine their findings, the equivalent of one person spending eight weeks in Cheshire East.

1.3 A final report of their findings has now been received.

1.4 The CPC Peer Team, in its feedback presentation when on site and final report now received (Appendix A), delivered the following key observations and recommendations:

Observations:

- The Council has made good progress over the past few years.
- It delivers a number of high-quality services to the residents of the borough which we should be proud of.
- The culture change programme has made a profound difference to the way the organisation functions and the experience of staff.

Key recommendations:

1. Continue with the Council's commitment to staff culture and wider workplace wellbeing.
 2. Develop and launch a new Corporate Plan.
 3. Provide clarity regarding the process, decisions and timelines for the introduction of the Committee System.
 4. Finalise technical and political decisions that will underpin the new Committee System.
 5. Consider the strategic and operational context in which the Committee System will be operating.
 6. Refine the council's approach to strategic finance and create dialogue regarding collective appetite to risk.
 7. Communicate priorities for working in a partnership environment and learn the lessons of historic practice and approaches.
 8. Refine the work programme and focus of Scrutiny Committees to support internal challenge and improvement.
 9. Develop new approaches to engage councillors in neighbourhood working.
 10. Review the findings of the 2019 Resident Survey to inform future relations with residents.
- 1.5** Since the delivery of the informal feedback in January, progress has been made on a number of these recommendations, including workplace wellbeing and the transition to a committee system.

- 1.6** Over the last 2 months the Council's attention has been focussed on the management of the COVID-19 pandemic. With the careful relaxation of the 'lockdown' and the move towards a recovery phase, there will be an opportunity to pause and reflect on the CPC recommendations, considering the learning and changes we would want to make as a result of our recent experience.

2. Recommendations

That Cabinet

- a) Approve the Corporate Peer Challenge report for wider publication;
- b) Note the progress to date, and the delivery of key actions since the informal feedback was received in January 2020;
- c) Agree to take forward the further work identified on strategy and finance, governance, culture and partnerships and support the development of required action plans; and
- d) Monitor progress on a six monthly basis.

3 Reasons for Recommendations

- 3.1** The recommendations made by the Corporate Peer Challenge Team are about the Council's overall strategic direction and planning, rather than specific operational issues. They have been used to reflect on the future direction of the Council and to inform the refresh of the council's corporate plan.

4 Other Options Considered

- 4.1** The Council welcomed the opportunity to host a corporate peer challenge visit and would want to demonstrate positive action to respond to the recommendations. Some councils decide not to publish their CPC report. This was not considered desirable or appropriate given our commitment to openness and transparency.

5 Background

- 5.1** Since 2012 the Local Government Association (LGA) has provided, as part of its support to the sector, the facilitation of Corporate Peer Challenge (CPC) reviews whereby senior members and officers from other local authorities, supported by LGA staff, visit the Council with the objective to provide constructive feedback to inform improvement plans and support corporate learning. It is designed to be forward looking, and to facilitate reflection on issues and how they may be

resolved. While it can be used as an external 'health check' on the councils' corporate governance, the peer challenge is not a form of inspection.

5.2 The peer team considered the following five lines of enquiry which form the core components of all corporate peer challenges. These are the areas believed to be critical to councils' performance and improvement:

- **Understanding of the local place and priority setting:** Does the Council understand its local context and place and use that to inform a clear vision and set of priorities?
- **Financial planning and viability:** Does the Council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
- **Capacity to deliver:** Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?
- **Political and managerial leadership:** Does the Council provide effective political and managerial leadership through its elected members, officers and constructive relationships and partnerships with external stakeholders?
- **Governance and decision-making:** Is political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change to be implemented?

5.3 In addition to these, the Council asked the peer team to provide feedback on the workforce culture, as well as the organisational approach to internal assurance.

5.4 The CPC team comprised of:

- Team Leader and Chief Executive – Tracey Lee, Plymouth City Council
- Member Peer (Labour) - Cllr Chris Read, Leader, Rotherham Council
- Member Peer (Independent) - Cllr Hannah Dalton, Epsom and Ewell Council
- OD/Culture - Sarah Messenger, LGA
- Corporate Director - Neil Thornton, Rochdale Council
- Audit/Finance - Tim Watkinson ex Audit Commission now LGA
- LGA Programme Manager - Matthew Dodd

5.5 In terms of the process undertaken; the peer team were based at Westfields, Sandbach during the four-day review. There was an initial 'scene setting' attended by Cabinet and the Corporate Leadership Team and regular informal feedback.

5.6 Meetings and discussion sessions took place with a range of officers, members and other stakeholders/partners enabling the peer team to explore the issues relevant to the purpose, scope and terms of reference for the peer review.

5.7 At the end of the initial on-site activity (13th – 16th January), there was a feedback session and members of Cabinet and the Corporate Leadership Team were invited to attend and presented with the findings of the review.

5.8 This has been subsequently followed by a formal report (Appendix A), summarising the peer team's feedback with their recommendations for improvement. There has been a delay to the original timelines because of the impact of COVID-19.

5.9 During the five months between the CPC visit to the publication of the final report, the Council has made considerable progress on a number of the key recommendations, examples of this are;

5.9.1 Recommendation 1: Continue with the council's commitment to staff culture and wider wellbeing.

- The Council has developed an organisational action plan to respond to the findings of the Big Conversation staff survey.
- The staff wellbeing strategy and supporting action plan has been reviewed and updated, and more recently in light of the Covid-19 pandemic and mobile working arrangements. Wellbeing forms a key part of the culture work and is discussed regularly within teams and forums, along with the internal staff newsletter 'Team Voice' and Covid-19 staff briefings.
- We continue to engage and develop our Brighter Future Champions and held a development day at the end of January 2020. The champions have been encouraged to get involved in the Brighter Future Transformation Programme, with individual champions now identified for each workstream. We acknowledge an important role for the champions as we progress plans to implement the committee system.

5.9.2 Recommendation 2: Develop and launch a new Corporate Plan.

- The senior leadership team and cabinet members have developed a draft corporate plan for the period 2020-2024.
- The Council is keen to ensure that there is full and robust consultation on the draft corporate plan, and a comprehensive consultation and engagement schedule has been prepared.
- The original intention was to begin public consultation in March 2020 just before the Covid-19 restrictions were imposed. New dates for consultation need to be agreed.
- We are currently exploring opportunities for a digital consultation that can be meaningfully delivered during this pandemic.

5.9.3 Recommendations 3,4 & 5: Provide clarity regarding the process, decisions and timelines for the introduction of a committee system.

- In January 2020, a letter signed by all Group Leaders was sent to all staff and members to outline the continued commitment to move from the current Leader and cabinet form of governance to a new committee system, with a new intended implementation date of May 2021.
- In March 2020, the Constitution Committee agreed to the detailed design of the proposed committee system, including the structure of the committees, roles of the leader and deputy leader and the role and power of committee and sub-committee chairs and urgency provisions.
- A formal resolution vote of full Council has been scheduled for July 2020. This will be a legally binding vote to implement the new model.
- Consider the strategic and operational context in which the Committee System will be operating. – See above

5.9.4 Recommendation 6: Refine the council's approach to strategic finance and create dialogue regarding collective appetite to risk.

- The Council set the 2019/20 budget in February 2020. Since then the outturn has been finalised (see report elsewhere on this agenda). The financial implications of COVID-19 started to emerge in March. It is already clear that there will be both significant additional costs and falls in income which will require a new Medium-Term Financial Strategy to be developed to take account of the Council's changed circumstances.

5.9.5 Recommendation 7: Communicate priorities for working in a partnership environment and learn the lessons of historic practice and approaches.

- Strong partnership working has been a vital part of the response to Coronavirus. We are using the recovery process to develop new conversations.

5.9.6 Recommendation 8: Refine the work programme and focus of Scrutiny Committees to support internal challenge and improvement.

- This will be led by the scrutiny committees themselves.

5.9.7 Recommendation 9: Develop new approaches to engage councillors in neighbourhood working.

- This will be part of the discussions with Members on the new committee structure.

5.9.8 Recommendation 10: Review the findings of the 2019 Resident Survey to inform future relations with residents.

- The residents survey concluded in November 2019 with a 46% response rate, (an improvement on the 2017 survey).

- Discussions have taken place with a number of service leads on the findings of the survey, including planning, customer services, highways and countryside rangers. All services are considering the findings and preparing action plans as a result.
- A full report is now at final draft stage with a publication date to be agreed shortly.

5.10 The progress to date demonstrates the Council's commitment to continuous improvement.

5.11 The ten key recommendations from the CPC are shaping priorities for further improvement. These will be developed into actions with measurable targets, focussed on four strategic themes:

- Strategy and Finance
- Governance
- Partnerships
- Culture

5.12 We are using the opportunity of the unprecedented changes resulting from COVID-19 to reflect on the next stages of improvement. The publication of the final report of findings provides the Council with the opportunity to engage and collaborate with its staff, Members and key stakeholders, ensuring that there is clarity and ownership about the next steps of our improvement journey.

6. Implications of the Recommendations

6.1 Legal Implications

6.1.1 Engaging in the LGA corporate peer challenge and acting on the feedback is not mandated. The actions taken and progress to date, will however, assist the Council to meet its duty to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness (s 3 LGA 1999).

6.1.2 As work progresses and actions are identified, any direct legal implications which will be considered individually and in line with the actions required. For example, the recommendations related to the introduction of a committee system will be incorporated into the ongoing programme of work.

6.2 Finance Implications

6.2.1 The cost of the corporate peer challenge is included within the authority's annual subscription to the LGA. Other costs are internal and related to officer time. The cost of implementing any actions resulting from the recommendations will be met from current budgets (unless separately identified and agreed as part of the budget setting and approval process).

- 6.2.2** There is no direct impact on the council's Medium-Term Financial Strategy (MTFS) arising from this report.

6.3 Policy Implications

- 6.3.1** Participating in the corporate peer challenge supports the Council's commitment to being a responsible, effective and efficient organisation. The findings will be used to drive improvement and will support the development and refresh of council policy.

6.4 Equality Implications

- 6.4.1** The CPC feedback report will be published on the council's website ensuring compliance with the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.

6.5 Human Resources Implications

- 6.5.1** Implementing any required actions will require the support and contribution of a number of officers and members, including the brighter future champions, equality champions and named officers identified in the action plan. This will be achieved within existing resource with management arrangements in place to consider skills and capacity.
- 6.5.2** The feedback report has clearly recognised the positive contribution of the council staff and members in engaging with the workforce culture programme, and a key recommendation is to ensure that this progress is continued and sustained.

6.6 Risk Management Implications

- 6.6.1** The Corporate Peer Challenge report does not identify any serious concerns or recommendations. As such, there are no identified risks arising from it.

6.7 Rural Communities Implications

- 6.7.1** Implementing any required actions will have indirect implications for our rural communities, which will be considered individually and in line with the actions required. For example, the launching of a refreshed Corporate Plan will include priorities and commitments which will impact rural communities. These impacts will be considered and reported through individual work programmes as they are developed.

6.8 Implications for Children & Young People/Cared for Children

- 6.8.1** Implementing any required actions will have indirect implications for children and young people/cared for children, which will be considered individually and in line with the actions required. For example, the launching of a refreshed Corporate Plan will include priorities and commitments which

will impact children and young people/cared for children. These impacts will be considered and reported through individual work programmes as they are developed.

6.9 Public Health Implications

6.9.1 Implementing any required actions will have indirect implications for public health which will be considered individually and in line with the actions required. For example, the launching of a refreshed Corporate Plan will include priorities and commitments which will impact the wider public health of the borough. These impacts will be considered and reported through individual work programmes as they are developed.

6.10 Climate Change Implications

6.10.1 Implementing any required actions will indirectly support the Council to reduce its carbon footprint and achieve environmental sustainability. For example, the launching of a refreshed Corporate Plan will include priorities and commitments which will directly and specifically support environmental priorities and initiatives.

6.11 Ward Members Affected

6.11.1 The CPC ten recommendations will affect all residents across all areas of the borough and therefore all ward Members.

7 Consultation & Engagement

7.1 In preparing for the Corporate Peer Challenge the Council engaged with all officers and members, not only to raise awareness and understanding of the challenge week, but to seek representation and support to attend the 1-1 and focus group discussions.

7.2 As reported by the LGA over 180 people were spoken with during the four-day visit, and feedback sessions were offered to those that attended the meetings.

7.3 The Council will continue to consult, engage and collaborate with residents, officers and key stakeholders to determine the scope and focus of the work to be delivered over the short to medium term.

8 Access to Information

8.1 Further information on the LGA's Corporate Peer Challenge programme can be found at:

<https://local.gov.uk/our-support/peer-challenges>

9 Contact Information

9.1 Any questions relating to this report should be directed to the following officer:

Name: Natalie Robinson

Job Title: Head of Business Change

Email: Natalie.robinson@cheshireeast.gov.uk

This page is intentionally left blank

Corporate Peer Challenge

Cheshire East Council

13-16 January 2020

Feedback Report

1. Executive Summary:

Cheshire East council has made significant improvements in recent years to address issues of misconduct and to transform the culture of the organisation. This reform has been made whilst managing wider financial pressures, increased demand and maintaining service standards. The opportunity now exists for Cheshire East to build on these foundations. The council can use their successful approach to organisational change to make wider reforms and service transformations to improve outcomes for residents.

Cheshire East was established in 2009 and covers 450 square miles, with a population of 380,800 residents in 175,000 households. The largest proportion of residents live in the Crewe and Macclesfield areas, with significant settlements in market towns such as Sandbach, Knutsford and Wilmslow. The borough is well connected through road and rail links, including Crewe railway station, which serves as a major junction on the West Coast Mainline, supporting travel to Manchester, Liverpool, North Wales and the Midlands.

Cheshire East has a strong social and economic base, illustrated by several indicators, including the low levels of free school meal eligibility (8.7% against a North West average of 16.2%), high levels of owner-occupied housing (75% against a North West average of 64%), and average household income (£35,800 against a North West average of £27,200). However, there is a considerable range to household income in the borough, varying from £19,900 to £66,600 between the most and least deprived wards. This demonstrates a level of inequality that exists within the borough, with six areas within the most deprived 10% nationally. This, alongside the geographic diversity of the borough has contributed to the notion amongst officers and members that Cheshire East is a “*place of places*”, made-up of multiple identities, issues and needs.

The council was led by a Conservative administration from 2009-2019. However, the ‘all-out’ elections of May 2019 resulted in the council entering ‘no-overall control’, with there being no individual majority party across the 82 councillors. Since the election, the council has been led by a Joint-Administration comprising Labour and Independent councillors, with a Labour Leader and Independent Deputy Leader.

Historically, Cheshire East has faced a number of internal and external investigations into the practice of the council and the conduct of senior officials and elected members. These investigations were identified and referred for investigation by senior officers regarding matters of procurement, land transactions and the treatment of whistle blowers, and have undoubtedly been damaging to the reputation of the council and the morale of staff. However, it was not the role of the Corporate Peer Team to revisit any individual instances or issues but instead to consider any subsequent learning and improvement that had been applied by the council.

Following the appointment of the Acting Chief Executive in 2017 the council requested a review of the workplace culture that was completed by the LGA. In addition to the themes covered in all corporate peer challenges (CPC), this CPC provides an opportunity to assess progress against the findings and recommendations in culture review. The Peer Team also

reviewed the wider corporate health of the organisation, with a specific focus on the processes of internal assurance and audit.

Shortly prior to the CPC, the council's Acting Chief Executive announced that she would be leaving the organisation to take up a Chief Executive post at another council. The Peer Team heard a range of positive comments regarding the contribution that she had made to the council's improvement, emphasising the importance of securing the correct replacement.

The Corporate Peer Challenge Team spent four days on site in Cheshire East. During this time the Team spoke to a broad range of stakeholders, including staff, councillors, and partner organisations. The team received a broad range of feedback and were struck by the positivity of the staff working for the organisation, and the remarkable progress that has been made in improving workforce culture in a relatively short space of time. The importance of this work was illustrated by clear leadership and commitment, including the determination of councillors to drive and prioritise improvement. These messages were received from multiple levels within the organisation and this improvement has been embedded across multiple teams and locations.

These improvements in culture have also supported the council to advance their internal assurance, with officers stating their comfort to '*call out*' and '*professionally challenge*' practice when appropriate. Alongside this cultural shift, the Team recognised the practical actions that have been taken, including improved management oversight and the development of supporting assurance frameworks and action plans.

The council has a good understanding of the socio-economic needs of the borough and undertakes regular activities to gather the views of residents including resident surveys, and thorough approaches to budget consultation. However, as a new administration, there is naturally further work to be done to set-out the priorities of the organisation following the May 2019 elections. The renewal of the council's Corporate Plan provides an opportunity to communicate these priorities within the context of needs, resources, and local partnerships.

Following the May 2019 election, the joint administration confirmed their commitment to operate an "inclusive model of governance". Following the Peer Review on 30 January, Group Leaders have agreed to defer a decision to change the Council's model of governance; moving from a Cabinet and Leader model to a Committee System with a view to implementation in May in 2021. The importance of this transition cannot be overstated. The council needs to be assured regarding the impact of any changes on timeliness of decision making and collective oversight. It is also important that the appropriate training for members and officers is undertaken and capacity is in place so that the Committee System is successful.

Cheshire East has a net revenue expenditure of approximately £270 million. There has been an estimated reduction in Government funding to Local Government of 49.1% from 2010-2018, this equates to a reduction of 28.6% in the council's spending power. Whilst the council has been required to make savings in recent years, there remains a strong local financial base, including council tax, business rates and new homes bonus. This has resulted in the council having a low exposure to settlement funding assessments from

Central Government, and wider grants. These grants currently account for approximately 15% of the council's income.

However, the council had forecast to overspend their budget for the past two years (but balanced at year end) and is forecast to overspend for 2019-2020 which clearly needs to be addressed. Finally, unallocated reserves are currently at £10.3 million, this is below the comparator figure for other Unitary Authorities, and the council needs to consider their wider approach and strategy for increasing these reserves. Within this context, the challenge remains for Cheshire East to ensure that they are managing the finances of the council as effectively as possible, and the opportunity exists to review approaches and appetites towards risk across councillors and senior managers to reflect the priorities of the organisation.

The Peer Team recognise the progress that has been made by the council in addressing historic issues and improving the culture of the organisation. The team were also impressed that whilst these improvements were delivered, the council had continued to deliver effective services, including high-performance in areas such as housing delivery. As the Council builds on the progress made to date, the opportunity exists to apply the skills and experience of cultural change initiatives to wider change programmes. This will involve managing the implementation of the Committee System and being prepared for the associated transition. Furthermore, the Joint Administration is presented with the exciting opportunity to communicate medium- and long-term ambitions for the borough through a new Council Plan and aligning resources to these goals through the Medium-Term Financial Strategy. This will support partners and residents to better understanding the aims of the council, whilst also setting out an approach to wider improvements and transformation.

2. Key Recommendations:

There are a range of suggestions and observations that are included within the main body of this report, that will help to inform potential 'quick wins' and practical actions. The following notes represent the key recommendations from the CPC Peer Team to Cheshire East Council, and reflect the feedback delivered on Thursday 16 January:

1. **Continue with the council's commitment to staff culture and wider workplace wellbeing:** This includes making sure that the progress made to date extends to all teams and considering how shared practice within the organisation could support any outstanding pockets. There is also a need for the council to mitigate the risk of regression following the departure of the Acting Chief Executive who has been central to this work. Finally, the council implement plans for what the next wave of the "Brighter Futures" programme considering how this capacity and momentum could be used to address other issues.
2. **Develop and launch a new Council Plan:** The current corporate plan expires in 2020. This presents an opportunity to progress the work underway to set out the priorities of the new administration, including their commitment to addressing climate change, in a clear and consistent manner to residents, staff and partners. This corporate plan should be set within the context of the needs of the borough, the views of residents, the resources available, and the political priorities for the coming years.

3. **Provide clarity regarding the process, decisions and timelines for the introduction of the Committee System:** The Peer Team recognise that the Joint Administration is committed to replacing the Cabinet and Leader model with the Committee System. The committee system has set out a clear timeline for any transition, however, ongoing work is required to provide clarity to staff regarding the date of implementation as well as training opportunities and requirements.
4. **Finalise technical and political decisions that will underpin the new Committee System:** There remain several key decisions that need to be made regarding the transition towards the Committee System. This includes technical decisions regarding the number and scope of committees, the role of Committee Chairs, and the size of each Committee. However, there also remain several important political decisions that need to be finalised regarding the structure and operation of the new system. Alongside these political decisions associated with the new approach to governance, the council needs to consider the levels of decisions and delegation which it is comfortable to be made by officers across the organisation, reflecting the recent staff survey finding to empower staff and distribute decision making across the organisation. This should include reflecting on current arrangements in-light of proposed reforms.
5. **Consider the strategic and operational context in which the Committee System will be operating:** It is important that the implementation of the Committee System is not viewed as a technical process in isolation alone. Therefore, the council will need to assure themselves of the following alongside the new model of Governance:
 - The timeliness of decision making.
 - Collective oversight for strategic issues that cut across multiple Committees.
 - The impact of the new model on partnership working.
 - The relationship of decision making with neighbourhood forums.
 - The training and development required for councillors and officers.
 - The communication and engagement required with staff throughout this process.
6. **Refine the council's approach to strategic finance and create dialogue regarding collective appetite to risk:** The council has taken a very prudent approach in addressing financial challenges to date. However, further improvements could be made including:
 - The relationship between transformation programmes and budgetary pressures.
 - The monitoring and tracking of benefits and savings across the organisation.
 - Review the council's appetite towards risk in core budget assumptions, and the relationship with reserves.
 - Simplifying the council's Medium-Term Financial Strategy to ensure that it is more focused and succinct.
 - Review the medium-term financial strategy to ensure resources reflect the content of a newly developed corporate plan for a four-year period.
7. **Communicate priorities for working in a partnership environment and learn the lessons of historic practice and approaches:** The council works in a complex partnership context and should consider the areas of work that it wants to prioritise. This

should be communicated clearly to partners to support clarity on ambition. The council should also consider the lessons learnt from successful partnership projects, as well as instances which have not gone to plan.

- 8. Refine the work programme and focus of Scrutiny Committees to support internal challenge and improvement:** The council may benefit from considering the relationship between breadth and depth within Scrutiny Committees, and the topics and issues that would most benefit from Scrutiny input or working groups. The council should also be proactive in identifying their approach to enabling effective challenge within any Committee System in the future.
- 9. Develop new approaches to engage councillors in neighbourhood working:** The council should consider new ways of working that give more focus to the role of councillors as community leaders. This could potentially include the development of neighbourhood budgets, providing the opportunity for councillors to support local schemes, including the development of a new conversation with residents regarding expectations as the council moves forward.
- 10. Review the findings of the 2019 Resident Survey to inform future relations with residents:** The council is currently processing the results from their most recent resident survey since 2017. This information should be used to identify areas of improvement in customer relations and support the council's next wave of cultural change.

3. Summary of the Peer Challenge Approach:

3.1 The Peer Team:

Peer Challenges are delivered by experienced councillor and officer peers from across the sector. The make-up of the peer team reflects the requirements of the council and the specific focus of the peer challenge. Members of this team were selected based on their relevant experience and expertise, and their involvement was agreed with the Council prior to arriving on site. The peers who delivered the Cheshire East Corporate Peer Challenge were:

- **Tracey Lee** – Chief Executive of Plymouth City Council;
- **Cllr Hannah Dalton** – Epsom and Ewell Borough Council;
- **Sarah Messenger** – Workforce Consultant Local Government Association;
- **Cllr Chris Read** – Leader of Rotherham Metropolitan Borough Council;
- **Neil Thornton** – Executive Director Corporate Services, Rochdale Borough Council;
- **Tim Watkinson** – Principal Advisor Local Government Association;
- **Matthew Dodd** – LGA Challenge Manager.

3.2 Scope and focus

The peer team considered the following five questions which form the core components looked at by all Corporate Peer Challenges that the LGA undertakes. These are the areas that are critical to a councils' performance and improvement:

1. **Understanding of the local place and priority setting:** Does the council understand its local context and place, and use that to inform a clear vision and set of priorities?
2. **Leadership of Place:** Does the council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
3. **Organisational leadership and governance:** Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
4. **Financial planning and viability:** Do the council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
5. **Capacity to deliver:** Is organisational capacity aligned with priorities and does the council influence, enable and leverage external capacity to focus on agreed outcomes?

Additionally, Cheshire East asked for the CPC process to consider two additional areas:

1. **Workforce and Culture:** What progress has been made following the 2017 Workforce Review into issues of bullying, harassment and working environment?
2. **Internal Assurance and Audit:** How effective are the systems and processes that the council has put in place following investigations into areas of historic practice?

3.3 The Peer Challenge Process:

It is important to stress that the CPC process is not an inspection. Peer challenges are designed to focus on improvement, and each is tailored to meet individual councils' needs and context. They are designed to complement and add value to a council's own performance and improvement. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material and evidence that they read.

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge every four to five years. This was the first CPC which Cheshire East has undertaken, but where appropriate these findings have been

cross-referenced against other external reports. There is an expectation that the Council will consider a further CPC from 2023 onwards.

Prior to arriving on site, the Peer Team were provided with a Self-Assessment developed by the council. This document is designed to highlight good practice and the current issues of the council in order to support the peer team to identify emerging questions and themes. Moreover, this document provides an important opportunity for Cheshire East Council to reflect on their achievements and progress to-date and consider their ambition and actions for future years. In addition to this Position Statement, the Peer Team prepared for this challenge by reviewing a wider range of supporting documents and information, in order to ensure that they were familiar with the council and the challenges it is facing. The team then spent four days onsite, during which they:

- Spoke to **more than 180 people** including a range of council staff, elected Members, external partners and wider stakeholders.
- Gathered information and views from **more than 40 meetings, focus groups and discussions**. This including **attending and observing business meetings** of the Council, including Cabinet on Tuesday 7 January.
- **Visited key sites of the borough** including Crewe Lifestyle Centre, Jubilee House, and Nantwich Library to look at the practice of the council in action. Members of the team also visited other council locations and offices, including Westfields and Delamere House to engage with **staff at other locations**.
- Collectively spent **c. 270 hours on-site to determine our findings**, the equivalent of one person spending **eight weeks in Cheshire East**.

This report provides a summary of the Peer Team's findings. It builds on the feedback presentation provided by the peer team at the end of their on-site visit (16 January 2020). In presenting feedback to you, they have done so as fellow local government Officers and Members, not professional consultants or inspectors. By its nature, the peer challenge is a snapshot in time, and we appreciate that some of the feedback may be about issues that you are already addressing and progressing.

4. Feedback:

4.1 Understanding of the local place and priority setting:

As the only organisation that works across the specific geography of "Cheshire East", the council is unique in serving the population of the borough. The council was able to provide a depth of information regarding the needs of the borough. This information helped the Peer Team to better understand the profile of Cheshire East, and the population that the council serves:

- **Ageing Demographics:** The age profile of the borough is older than the national average with 22.5% of residents over the age of 65, compared to an average across England of 18%. This profile is due to become more prominent over coming years,

with a forecast increase in residents over the age of 65 by 17,000, compared to a decrease of over 6,000 in working age residents.

- **Housing and Development:** Over the past three-years there have been 7,145 new homes that have been built in the borough. This included the delivery of 1,737 affordable homes during the same period. Approximately 28% of the houses in the borough are detached, compared to a North West average of 13%.
- **Business and Economy:** It is estimated that there are approximately 20,000 businesses that are located within the borough across several sectors. This has continued to the economic strength of the borough, estimated at £14.4bn.

Beyond an understanding of the population and needs of residents at a borough level the council has a very strong understanding of the needs and variations that exist between wards. Over the course of the time spent in Cheshire East, the Peer Team heard frontline staff, managers and councillors all refer to the tools and processes which are used to capture the different issues and needs at a ward level. The “tartan rug” which assesses wards through a red, amber, green system is an effective way for the council to understand local issues.

As well as the socio-economic needs of the borough, the council has in-place a robust scorecard approach to assessing the performance of services across Directorates. This helped the Peer Team to understand areas of both good and challenging performance for the council. This included the increasing visitor numbers to council owned leisure facilities (1,786,656), the strong local tax base for the authority (98.65% collection), and the average response time for answering calls within the customer contact centre (116 seconds). Throughout the team’s time on site, a number of participants also raised issues regarding the levels of customer service and stated their ambition to improve council performance in this area. It was also clearly articulated to the Peer Team that issues of climate change are a priority area for the council moving forward.

In addition to the use of needs and performance information, the council has a clear commitment to engaging and consulting with residents. This has included the operation of a Digital Influence Panel which contains approximately 1,400 members and has been used to inform a broad range of consultations. This Panel replaced the previous Citizen’s Panel and is used as a contact list and starting point for consultations. This includes the budget consultation which closed shortly before the peer team arrived on-site. The Peer Team also saw first-hand examples of high-quality community engagement through the work of the Connected Communities Programme during our time on-site. The Peer Team recognises the appetite and ambition of council to improve and extend consultation and engagement, and the ongoing work that the council is undertaking to develop a framework to support this.

The council’s commitment to conducting bi-annual resident attitude surveys makes a strong contribution to their insight into the opinions and aspirations of residents. This survey was distributed to approximately 8,000 households (4.5% of the borough) in late 2019 and results will be available in early 2020. This process will provide a valuable update on the findings from the 2017 survey, which included 81% satisfaction with Cheshire East as a place to live, but a much lower satisfaction rate of 56% with “how Cheshire East runs things”. This reflected a response of 56% for those who said that they did not believe the council “acts on the concerns of local residents”.

These results were produced in September 2017 at the height of several high-profile local issues for the council. However, it is important that the results from the 2019 survey are distributed and understood across the organisation. This intelligence will indicate the extent to which the council's improvements in workforce culture have extended to external customers and residents and will provide essential information for where the efforts of the next wave of cultural transformation should be applied.

The current corporate plan for Cheshire East runs from 2016-2020. It includes core values and strategic outcomes and is well understood within the organisation. However, the process of developing a new corporate plan presents a timely opportunity for the Joint Administration to set out future priorities and focus and communicate the type of council that they want to create in line with the financial challenges facing the organisation, the needs of the borough, and the strategic context in which the council is working. This process will also enable the council to consider how priorities relate to the ambition of partners, and the aspirations of residents. However, it is important that the council distinguishes between the long-term corporate objectives that need to be included in a new council plan, and the short-term opportunities that can be progressed in the interim, and to avoid the risk of missing immediate opportunities for improvement or the clear short-term priorities of councillors.

It was recognised across the organisation that councillors have a unique understanding of their local ward and issues. There is an opportunity to bring together councillors with the wider engagement work that is taking place through the Connected Communities Programme and Equality, Diversity and Inclusion Champions. This work could be extended through the introduction of local neighbourhood budgets to support councillors in their role as community leaders to broker a new conversation with residents.

4.2 Leadership of Place:

The Peer Team recognise the complexity of partnership working in Cheshire East and support the pragmatic approach that has been taken to date. The council has made significant contributions to local forums for partnerships working including:

- The Constellation Partnership;
- The Cheshire East NHS Place Partnership Board;
- The Cheshire and Warrington Local Enterprise Partnership Board;
- The Cheshire East Health and Wellbeing Board;
- The Cheshire and Warrington Sub-Regional Leaders Board;
- The Cheshire East Leaders Board;
- The Place Board.

The Peer Team noted the complex structures and multitude of forums for partnership working in the borough and felt that they may benefit from being reviewed or simplified to ensure that they are effective and that there are clear lines of accountability.

The positive contribution that the council has made to the sub-region was confirmed throughout the course of the review. This included significant praise for the contribution that the council has made as Chair of the Sub-Regional Leaders Board; with specific

praise for the annual conference, and the increased focus on bringing together the people and place agendas through the concept of inclusive growth. This positive approach towards partnership working was recognised by council staff in both operational and management positions, who spoke about the importance of working with partners.

Outside the contribution that the council has made to partnership forums, the Peer Team also heard positive examples of direct partnership working. This was illustrated by the work that was conducted by Cheshire East Council in partnership with Cheshire Fire and Rescue Service following the Beechmere Care Home Fire. Following the fire in August 2019, the Council worked in partnership with Fire and Rescue, as well as the wider care market to support the 123 residents of the extra care village who were affected.

However, despite some strong examples of partnership working, the Peer Team recognised that relationships across all local partners are mixed and includes instances and programmes of partnership working which have not run smoothly, including work on shared services and systems with some partners. As a learning organisation, it is important that the council continues to consider any lessons learnt from these programmes, and how these issues could be resolved or avoided in future. These lessons should be shared internally to support continuous improvement.

The partner organisations that the Peer Team spoke to through this process were keen to develop long-term strategic relations with the council. This could be supported through the clear articulation of the council's priorities through a new council plan, enabling a structured conversation built around long-term goals. This approach will also enable relationships between organisations to be grounded in the needs of communities, rather than being transactional in nature, or based on individual councillors or members. We also note, however, that the geography of Cheshire East inevitably gives rise to complex partnership arrangements, and that the Council will wish to prioritise how and when different relationships develop in order to secure maximum value. Given the resources and capacity implications of partnership working, it is important that the council considers which partnership initiatives are a priority, and resources them appropriately.

The council may also wish to consider and communicate its appetite for shared roles and shared services. There are several legacy arrangements that are in place that would benefit from a formal review, including the formal footing which underpins shared services with neighbouring authorities. Progress has been made through the establishment of a Shared Services Committee with Cheshire West and Chester. However, the opportunity exists for this forum to not only support accountability for current models, but to consider their strategic fit and the future appetite of the council. This work should be clearly communicated to partner organisations to support their understanding of prioritisation and pace within this context.

Finally, the opportunity exists for Cheshire East to play a more active role in engaging with local Members of Parliament. Following the 2019 General Election it is recognised that there will be potential changes to the policy context for local government, and it was felt by the Peer Team that the council may benefit by working closer with local MPs to set out their asks and offers to central government.

4.3 Organisational leadership and governance:

Following the suspension and subsequent resignation of the former Chief Executive in 2017 the council appointed an Acting Chief Executive. She is positively regarded by members of staff across the organisation, and partners, and has played a pivotal role in the council's approach to addressing workplace culture. The acting CEX was praised by officers and partners for her transparency, openness and has modelled many of the behaviours that the council is keen to embed within the workforce. However, the acting Chief Executive will be leaving Cheshire East in the spring of 2020, and the appointment of a new individual will be an important cross-roads for the council.

These improvements in workforce culture are also reflected in improved relationships between councillors and officers. The previous nature of these relationships was particularly damaging and detrimental in 2017, and the Peer Team recognise the stark improvements that have been made. As well as the recognition for the contribution made by the Acting Chief Executive and Senior Leadership Team, the Team heard positive feedback for the leadership demonstrated by the current and previous Leader of the Council on this topic. The Team witnessed first-hand the approach and respect that exists between officers and members throughout the week. This progress has been because both officers and councillors have recognised the key role and responsibility that they have in driving and modelling change.

Following the 'all-out' local elections for all 82 councillors in May 2019 the council moved from being a Conservative administration to no-overall control. A Joint Administration was formed comprising 41 members of the Labour and Independent Groups, including 25 Labour and 16 Independent Group Members. The remaining 41 councillors represent the Conservative, Liberal Democrat, Real Independent and Non-Grouped Independents by 34, four, two and one seats respectively. This included the election of 38 new councillors who had not previously held office. Given the number of newly elected councillors the council should be live to considerations regarding the ongoing training, development and support.

The Joint Administration has settled into new roles and responsibilities well, and there is a clear commitment from the Leader and Deputy Leader to work effectively together. There has been a mature approach to joint working across the Joint Administration, as illustrated by the commitment to appoint Cabinet roles based on skills rather than political interest. The Peer Team appreciated the collegiate relationships that were in-place across Cabinet, and the enthusiasm that existed for the subject matters discussed.

In May 2019 the council passed a Notice of Motion supporting a change in the decision making and governance arrangements for the council. This motion stated that they would move towards a Committee model subject to a legally and constitutionally robust process. Following the CPC process the Council has confirmed that they are planning to implement this system from May 2021. A change in governance models such as this is a major undertaking that will be central to the council's success over coming years. There are also several risks which need to be managed throughout this process. The Council has made good progress through the Working Group of the Constitution Committee to develop proposals, timelines, and the details of such a system. This has

included independent advice, visits to other councils that currently operate this system and several councillor engagement sessions.

During the Peer Challenge, there was ongoing discussion regarding the date and process for implementing this new system. Therefore, there is an urgent need to provide clarity regarding this process. This includes making several political and organisational decisions such as the implementation date, the structure and size of Committees, the role of Chairs, and the process for selecting them. It will be important for the culture of the organisation that this information is communicated to staff clearly, and that officers across the council and from multiple levels are engaged in the process. This should also include consideration of any additional capacity that is needed, and the additional training that will be needed for members and officers.

When moving towards the Committee System the council needs to also consider the levels of decision making and delegation that will be applied. It will be central to the success of the new system that decisions are taken at the lowest appropriate level, and that there is understanding of the due processes and approaches. This was illustrated in the 2019 staff survey when only 33% of respondents felt that decisions were taken at the right level.

Beyond the technical process of designing and introducing the Committees, due thought needs to be given to how they will operate within the current context of local government. Whilst many representatives of the council spoke of the need for a 21st century Committee System, this needs to include consideration of issues of collective oversight, timeliness of decision making, accountability and transparency. There will also need to be clarity regarding the relationship between Committees and how councillors work in partnership forums and local area arrangements.

Although the peer team did not explore the operation of scrutiny in depth, the Team recognise that the council has moved towards best practice by allowing opposition councillors to Chair Scrutiny Committees following the May 2019 elections. The Team praise this development in supporting political challenge to drive improvement. Further consideration is needed towards the wider approach of Scrutiny within these new arrangements, including the potential to focus on a smaller number of issues in greater depth, and having fewer items presented for updates on activity (which could be dealt with through group briefings). However, beyond these marginal improvements, a more fundamental decision is required regarding the approach, scope and functions of Scrutiny under any Committee System.

4.4 Financial planning and viability:

The council has an annual turnover of approximately £700 million, and a net revenue expenditure of approximately £270 million. The council is largely financed from local sources of revenue, with council tax accounting for 77% of all funding, and government grants only accounting for 5% of overall funding. The council also enjoys strong business rate growth, with an indicative increase of 5% a year. This has limited the level of reductions that the council has had to make in response to austerity, and they have been able to protect several service areas.

Historically, the council's budget has over-spent by £0.4 million in 2017-2018 and by £1.1 million in 2018-2019. In October 2019 the Council reported that they were forecasting to overspend by £7.5 million for the financial year of 2019-2020. This forecast was largely due to budget pressures from demand-led services within the People's Directorate, previous pension costs, and the achievability of saving targets. These reflect challenges which are faced by many organisations, and the council should consider their approach towards savings across the organisation to share ownership and encourage informed approaches to financial risk.

In previous years there have been transfers from earmarked reserves to address these issues. The council currently has low levels of reserves (£10.3m) for an organisation of their size, and these levels have reduced over recent years. The Chief Finance Officer is aware of this and has publicly stated the intention to act to increase reserve levels in future.

The Medium-Term Financial Strategy reports a budget gap of £11million in 2020-2021, and on Monday 6 January the council closed their budget consultation which included emerging information on proposals to address this gap. The MTFS also provides information on the cumulative savings of £19.9 million that need to be delivered between 2021-2024. It is also believed that the MTFS would benefit from being simplified, presenting a clearer narrative on the council's strategy and use of resources whilst also supporting improved member engagement on content.

Total capital expenditure in 2017-2018 was £88.2million compared to the budget of £120.4million. Expenditure on the capital programme in 2018-2019 was £96.8million compared to the revised budget of £153.8million. Given that the council has benefited to date from significant investment in infrastructure and has a high-level of aspiration for this programme in the future, it is important that the council balances this ambition with the practicalities and capacity to support delivery.

The council takes a pragmatic approach to the delivery of services, and this includes several alternative service delivery vehicles (ASDV) that deliver services on their behalf, including Ansa Environmental, Transport Service Solutions, Orbitas Bereavement Services, and Civicance, which are overseen by a Shareholder Committee. These Vehicles are currently generating a profit, and those with which the peer team engaged were delivering high-quality services. Moving forward, the council should consider their medium-term and long-term goals for their growth and operation.

The council will need to consider the decisions and analysis related to the development of any further ASDVs, including the risks, return, and relationship with wider commissioned services. The council is currently in the process of developing an ASDV for adult social care services (Care4CE) and will need to assure itself regarding the transition of staff to this new organisation and the associated organisational development work. Finally, this transition will require the council to develop new methods to monitor performance and manage quality within a contractual relationship, for services which had previously been under direct control.

The council has a "Brighter Future" Transformation Programme which contains five core work streams:

- Culture;
- Estates and ICT;
- Customer Experience;
- Commercial;
- Governance.

The Peer Team recognise the importance of these workstreams and that they have been prioritised as a result of their cross-cutting nature and impact on multiple services in the council. However, given the annual overspends within the budget that have been created due to demand led services, the council he council may wish to consider how best to support service transformation linked to existing budget challenges as well as the Brighter Futures Transformation Programme.

Moreover, further work is needed to fully identify and quantify the potential cashable and non-cashable benefits to transformation programmes. This should include an agreed approach to tracking benefits to ensure that it supports councillors to make future decisions regarding invest to save, and wider budgetary decisions. Beyond the strategic input of councillors on these decisions, the potential also exists to introduce neighbourhood budgets to support local schemes and initiatives, including the potential to link with other local funding sources and approaches.

The council would benefit from agreeing and defining their appetite and attitude towards risk financially. This includes consideration of risks from both a management and political perspective. This approach will be central to future transformation programmes and policy objectives but should also be embedded within all of the council's financial assumptions (such as future years income through New Homes Bonus, or the longevity of additional funding announcements). The council may benefit from support to developing their strategic approach to financial management that supports these conversations and enables closer alignment between the budget and priorities.

4.5 Capacity to Deliver:

Cheshire East employs approximately 3,800 staff (this does not include staff in Alternative Service Delivery Vehicles). The Peer Team could not help but notice the energy, passion and commitment of staff working for Cheshire East. It was clear to members of the team that they care hugely about the work that they do and the people of the borough. However, 74% of the council workforce is over the age of 40. This creates natural challenges for succession planning within the council. Whilst staff turnover has remained both stable and low between 10-11%, the council does face challenges due to the number of working days lost due to sickness and ill-health, this was narrowly above 10 days per employee in 2018-2019 against a public sector average of 8.5.

The Acting Chief Executive and wider Leadership Team are visible throughout the organisation and this is appreciated. Staff throughout the organisation spoke with respect for wider members of the Leadership Team, and the actions and behaviours which they have modelled. This has set a high standard for managers across the organisation.

Cheshire East has a track record of delivering behaviour and culture change. This has been evidenced through the cultural transformation at the council, and the progress of the Brighter Futures Programme. The network of officers that have been created through the Brighter Futures Champions is a valuable resource, these officers have developed their skills and confidence, and are 'bought-in' to the organisation. This network provides an important tool as capacity for future work in this area.

Whilst great progress has been made through the Brighter Futures Programme, the council is clear that culture change is ongoing. With this in-mind, the council needs to continue to invest time, effort and energy into sustaining the change that has been achieved to date. This has been recognised as a key theme within the council's transformation programme and has been resourced appropriately.

The new member enquiry system that has been developed and implemented in 2019 appears to provide a streamlined way of managing queries and questions across a range of service areas. As with all new initiatives such as this, there will need to be a periodic review to ensure that the operation of this approach does not undermine the quality of councillor and officer relationships, and to capture the continuous improvements that can be made to systems.

Staff across the organisation recognised the potential for I.C.T to support their effectiveness in their roles. There were some frustrations with the current ICT systems, including confusion regarding the use of 'bring your own device' and the relationship with flexible mobile working and clarity is needed on this without delay.

The Peer Team noted the publication of the OFSTED report into children's services which was published the week before the CPC took place and rated the council as "requires improvement to be good". The council will need to consider the capacity requirements that are required to act on the findings of this report, and any wider corporate support and approach that may be needed for further progress over coming years. This will require careful balancing with the wider capacity required for corporate transformation, the delivery of savings, and wider service improvement.

The council's transformation plan includes a dedicated workstream on customer experience. As part of this work there is a need to define the standard of customer experience that the council wants to deliver. This work should involve reviewing current standards and focusing on services with known issues of poor customer experience. The planning service was one such area that was identified area which would benefit from an external review.

However, the biggest issue that has the potential to impact upon the capacity of officers and members will be the introduction of the committee system. This is likely to require more members to attend formal meetings, and careful consideration is needed for the corporate support and resources that will be required to support this new system, including the impact on key services such as; finance, policy, legal, and democratic services. Consideration is also needed for the practicalities of this transition, including the timing of meetings, and the potential impact of evening meetings on officers' wider commitments. The Council also raised the potential to 'double run' systems as part of

their governance transition, this has the potential to place further demands on the capacity of officers.

4.6 Workforce Wellbeing and Culture:

The transformation of the organisational culture within Cheshire East has been profound. When the LGA undertook a workforce review in 2017 it was clear that there were several staff who had experienced or witnessed bullying, felt unsupported by their line manager, or were fearful of the impact of change. This culminated in an unhealthy working environment, and in some cases, staff saying that they were 'ashamed' to admit they worked for the council.

Two years following this review, the council has been able to demonstrate the action plan that they put in place in response to the report, the changes in practice that have been made, and, importantly, the progress that has been made.

The challenge of changing an organisational culture cannot be overstated. This process can often be simplified to communication campaigns, relaunched values or training courses. But it is about changing the emotional relationship between the employee and employer, for example how staff feel when they enter the office, their relationship with their manager, and their wider psychological contract. This emotional relationship does not change easily or quickly.

Cheshire East Council understood that and put in place the key ingredients for success by having visible leadership at the top of the organisation modelling the behaviours that they wanted to embed. By encouraging and facilitating people to talk openly and honestly with each other, and equipping managers with the skills and confidence to manage people well, changing policies and procedures to ensure they are fair and easily understood. By seeking feedback and acting on what people say. The views of staff two years later illustrated that they had experienced and felt the difference.

Importantly, councillors from across all parties are positive about this programme of culture change and understand the ongoing role that they play in 'setting the tone' of the organisation. This was witnessed by the team first hand when watching officers and councillors interact. It is important that there is an ongoing conversation between members and officers to support this relationship. This staff survey also includes challenges for future improvement, such as 30% feeling that the council effectively managed change.

The council has also introduced practical changes to support this improvement, including wellbeing areas to offer a break to staff, and the development of a network of Mental Health First-Aiders.

A healthy organisational culture should be constantly evolving. Whilst there is still further work to do at Cheshire East to make sure that these improvements are made in every team and function, the council should be extremely proud of the progress made to date.

4.7 Internal Audit and Assurance:

In light of the historic investigations the council was keen for the Team to give some attention to internal processes and assurance. Linked to the progress made on workforce culture, the environment within the organisation is now such that any identified concerns are very likely to be 'called out' or challenged, and staff are confident that senior managers would listen to their concerns.

There is also improved management oversight over the identified areas of historic concern. Most notably, procurement and land and property transactions. These controls provide more assurance to the council and should be kept in place to ensure that they are effective and proportionate. This oversight has been accompanied by improvements in systems and processes, including the development of a clear 'Assurance Framework' for Land and Property Transactions, that is in effect an action plan to ensure the necessary actions are implemented. The council have also set up an Asset Board to support the governance on these decisions. These processes have been recognised by both internal and external audit who have carried out reviews and test-checked the operation of the controls. Both internal audit and external audit have confirmed that the controls are now adequate and that the controls are operating as expected.

The required statutory roles of Monitoring Officer and Section 151 Officer are now both held by substantive officers rather than interims, with the importance of these roles recognised by senior management, including the Chief Executive Officer. The appointment of new individuals in key roles (e.g. Head of Audit and Risk, and the Chair of the Audit Committee) provides an opportunity to develop strong relationships across key roles. It was clear to the Peer team that internal audit is recognised and respected within the council.

As with all councils, there is ongoing work to maintain the progress made in this area. This includes regular reviews of core policies and practices to make sure that they remain fit-for purpose and are understood by staff. A review and subsequent awareness campaign of the whistleblowing policy would be particularly helpful. The wider Risk Management Framework of the council would also benefit from a refresh, this could be done in conjunction with the development of an Assurance Framework across all key risk or business areas, potentially utilising the three lines of defence model.

The Audit and Governance Committee of the Council has made improvements in recent years with much more effective challenge being provided through this committee, including reviews of contracts due for renewal. There is currently one 'independent person' on the Committee who is not a member of the council and can therefore help to provide independent challenge. However, the size and membership of the committee may benefit from review to ensure the committee can operate effectively and provide sufficient challenge across all areas of responsibility, including on financial matters.

5 Next steps

5.1 Immediate Next Steps:

We appreciate the senior managerial and political leadership of Cheshire East Council will want to reflect on these findings and suggestions in order to determine how the organisation wishes to take things forward.

As part of the peer challenge process, there is an offer of further activity to support this work. The LGA is well placed to provide additional support, advice and guidance on a number of the areas for development and improvement and we would be happy to discuss this offer. Claire Hogan, (North West Principal Adviser) is the main contact between your authority and the LGA, and her email address is: Claire.hogan@local.gov.uk.

Claire will arrange to meet with recently recruited Chief Executive to discuss this final report, and any support needs that the LGA or those elsewhere in the sector may be able help with. Throughout the Peer Team's time on site, regular feedback was given to the Leader, Deputy Leader, Acting Chief Executive and Executive Director for Corporate Services.

The LGA are also keen to continue the relationship that has been formed with Cheshire East Council through the peer challenge, building on the openness, transparency and principles of improvement. This will include signposting to examples of best practice in the sector, identifying opportunities, and communicating policy changes in-line with the issues raised within this report. This approach may also include instances when the practice of Cheshire East is communicated to other Councils in the sector to support their improvement journey.

5.2 Follow up visit:

The LGA Corporate Peer Challenge process includes a follow up visit. The purpose of the visit is to help the Council assess the impact of the peer challenge and demonstrate the progress it has made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not necessarily involve all members of the original peer team. The timing of the visit is determined by the Council. Our expectation is that it will occur within the next 18-24 months

5.3 Next Corporate Peer Challenge:

The current LGA sector-led improvement support offer includes an expectation that all councils will have a Corporate Peer Challenge or Finance Peer Review every four to five years. It is therefore anticipated that Cheshire East Council will commission their next Peer Challenge to take place from 2023-2024.

Finally, all the Peer Team would like to thank the officers and Members of Cheshire East Council for making us feel so welcome during our time on-site and for contributing towards the process.

This page is intentionally left blank



Working for a brighter future together

Key Decision: Y

Date First
Published: 6/2/20

Cabinet

Date of Meeting: 9 June 2020

Report Title: Loan Facility to Cheshire & Warrington Local Enterprise Partnership

Portfolio Holder: Cllr Amanda Stott, Finance, IT and Communications

Senior Officer: Jane Burns, Executive Director for Corporate Services

1. Report Summary

- 1.1. The Council, with Cheshire West & Chester (CWAC) and Warrington (WBC) Borough Councils, is seeking to stimulate and accelerate economic growth by entering into a £10m Facility Agreement with Cheshire & Warrington Local Enterprise Partnership (LEP).
- 1.2. The three aforementioned authorities will act independently to each provide the LEP with a £10m facility which will enable the LEP to provide total grants to developments of £30m in the Cheshire Science Corridor Enterprise Zone (EZ).
- 1.3. It is intended that the LEP will repay the loan using accelerated retained business rates generated from the supported developments in the EZ. Consequently, it is not on typical commercial or standard terms and full repayment is dependant upon the ongoing existence of the EZ and the rates system. These risks are considered in the relevant section below.
- 1.4. It aligns to the Investment Strategy within the Medium Term Financial Strategy (MTFS) as approved by full Council in February 2020.

2. Recommendations

- 2.1. Approval be given to enter into a £10m Facility Agreement with the Cheshire & Warrington Local Enterprise Partnership.

- 2.2. Delegated authority be given to the S151 Officer, in consultation with the Portfolio Holder for Finance, IT & Communications and Director of Governance & Compliance, to finalise the terms and conditions of the legal agreement between the Council and the LEP in respect of the loan and the associated governance processes.
- 2.3. Delegated authority be given to the S151 Officer and the Director of Governance & Compliance for the preparation, negotiation and completion of all ancillary legal documents required to give effect to the loan, and make arrangements to provide loan advances in accordance with the initiative as necessary.
- 2.4. Authorise Finance and Legal Officers to take all necessary actions to implement the proposals.

3. Reasons for Recommendations

- 3.1. To stimulate economic growth in the EZ by providing loan funding for the LEP to then use as grant funding to accelerate development of the EZ and grow the business rate base within the EZ quicker than would be possible without the intervention. Additionally there is an expectation that the Council will be repaid and will receive interest on the loan, which can be used to support other Council services.
- 3.2. There is a strong and shared strategic rationale between the Council, the LEP and other local authority partners working together to unlock and accelerate new development in the EZ, even out with the current economic landscape caused by Covid-19. Not only does it attract new businesses, create new jobs and boost economic activity, it also generates a stronger, accelerated flow of retained business rates for reinvestment into other economic development projects within the EZ and across the wider sub-region.
- 3.3. The LEP Executive Team and senior Finance Officers from the three local authorities have explored a range of options for how a borrowing facility could operate, including the creation of a single sub-regional facility and individual facilities with each local authority. The consensus was for individual facilities with the LEP supporting developments in the funding authority's locality.
- 3.4. An indicative pipeline of projects, requiring £30m funding and spanning the three Authorities, is expected to generate in excess of £90m of additional business rates, a multiplier of three. Recognising that developers will face competing offers across the country, it is important that the LEP positions itself to be able to provide support for schemes to incentivise early development.

- 3.5. Each local authority will provide the funds to enable the LEP to finance EZ investment projects in their own areas. In the event that a local authority is unwilling or unable to finance an EZ project in their area, the funding opportunity will be made available to the other two local authorities.
- 3.6. Approval of grants is through the LEPs existing EZ investment approval process, which includes EZ Board approval, Performance & Investment Committee approval and LEP Board approval for investments over £2.5m. The Council has Members and officers who attend these Boards/ Committees, as appropriate. In addition, a credit committee made up of senior Finance representatives from the three local authorities is to be established to provide oversight and assurance for the Councils as lenders, and to determine if individual loans to particular schemes can proceed. This would be distinct and separate from the Authority's normal representation on LEP Boards (where fiduciary duty is owed to the LEP).
- 3.7. It is the intention that the loan and associated interest will be repaid from the additional retained business rates generated by the new developments and the wider EZ.
- 3.8. There will be the ability to generate a return over and above the cost of providing the loan facility which can be used to support other Council objectives. A margin of 2.05% above prevailing PWLB rates has been agreed which could generate interest repayments of up to £300,000 per annum.

4. Other Options Considered

- 4.1. Senior Finance Officers from the Council, along with the other Cheshire Councils, have agreed on the merits of utilising Council borrowing facilities to pump-prime development in the EZ to maximise and accelerate business rate retention.
- 4.2. Other options were considered but discounted for various reasons.

4.2.1. Do not lend and use other LEP funds to make the grants

- 4.2.1.1. The LEP is not cash rich and all of its funding is tied to specific purposes and criteria; e.g. Government funding for capital investment in Local Growth Fund projects; and for operational funding of the LEP itself.
- 4.2.1.2. To date, the LEP has committed £7.6m in investments in the EZ utilising its existing Growing Places Fund (GPF). However, there are insufficient funds remaining in the GPF to fund the proposed level of grants in the EZ. This would also have the effect of tying up GPF

funds and impacting the ability to invest further across the sub-region.

- 4.2.1.3. Other funds such as the Cheshire and Warrington Development Fund come with strict criteria such as eligibility, building standards and security, as is typical when utilising monies from the European Regional Development Fund.

4.2.2. Pooling resources into a single fund

- 4.2.2.1. Advancing funds by way of a loan gives the Council the ability to ensure the grants are made to projects within the EZ. The option of pooling financial resources into a single fund controlled by the LEP was discounted, so each local authority will provide the funds to enable the LEP to grant-fund EZ investment projects in their own areas; effectively they will operate as three separate loan facilities.

4.2.3. Council lend directly to or invest in developers

- 4.2.3.1. The lack of customary security for the Council is an area of concern. Because the LEP has few genuine assets there is nothing tangible to secure the loan against, other than future retained business rates. Thus, direct lending to, or investment in, developers has been considered.
- 4.2.3.2. Loans to developers could have the benefit of being secured against an identifiable asset. However, with EZ status, an expectation of developers is that they would benefit from the EZ-retained business rates of the LEP, and obtain gap-funding to make projects viable. They are not expecting to be offered loans, and having charges placed on their properties may not be desirable or deliverable for them, in light of other borrowings they may have.
- 4.2.3.3. The attractiveness of the scheme proposed is that developers benefit from a grant whilst the Council gains what would be a quality development in its geographical area, and still has the potential to recover its loan to the LEP via retained business rates.
- 4.2.3.4. In general it is possible that in this period of likely quantitative easing the access to relatively cheap credit may not be a problem for businesses and therefore a loan provided by the Council, subject to State Aid rules, may not be economically advantageous to developers. Faced with a potential geographical choice between investment opportunities, developers may choose to go elsewhere and/ or delay investments in Cheshire East.

4.2.3.5. The Council could also invest directly in developers. The Council is already an investor in Alderley Park Holdings Limited where the Cheshire East EZ is located and where the LEP would grant the borrowed money. Whilst increasing an equity stake may be desirable, it would not provide the Council with additional security or a liquid exit route and repayment. Most assets will be secured against loans from higher-ranked banks and financial institutions.

4.2.4. Tripartite arrangement with LEP and developer

4.2.4.1. A three-way arrangement whereby the Council lends funds direct to the developer, but repayment is via retained business rates from the LEP, has been considered but rejected, partly due to State Aid complexities.

4.2.4.2. Lending direct to the developer could have the advantage of being able to secure a charge on the asset. However, as noted above, where this charge would rank against other charges would have to be considered. There is currently no such arrangement on offer.

4.2.4.3. However, for State Aid purposes the loan would need to be on commercial terms. Having a scenario where there was no expectation on the part of the loanee to repay the loan, as this would be repaid from retained business rates by the LEP, could be subject to State Aid challenge.

4.2.5. Do nothing

4.2.5.1. The business case for the Cheshire Science Corridor EZ predicted total retained business rates of approximately £200m by 2041, of which £90m is in respect of the 13 schemes being supported by the initiative outlined in this report. Therefore, it would be entirely possible to do nothing and let the amounts accrue over time.

4.2.5.2. However, this proposal seeks to accelerate economic development and maximise the ability to retain business rates and re-invest across the sub-region.

4.2.5.3. Furthermore, in the light of the Covid-19 pandemic, the Council needs to consider how it is best placed to provide stimulus, such as via this proposal, so that the sub-region is positioned to maximise the benefit from any future upturn.

5. Background

- 5.1. The Cheshire Science Corridor, which includes Alderley Park, obtained Enterprise Zone status in April 2016. Enterprise Zones are specially designated areas identified for regeneration and development for business use.
- 5.2. Under an agreement between the Ministry of Housing, Communities & Local Government and the Local Authorities any additional business rates generated, until 2041, from investments in the Enterprise Zones can be retained by the LEP to fund further development to promote economic growth.
- 5.3. This important benefit from Enterprise Zone (EZ) status, the ability to retain any additional business rates generated for up to 25 years in the sub-region, is the driving factor behind this decision. The Cheshire Science Corridor EZ could generate approximately £200m in retained business rates by 2041, to be reinvested into economic development projects across the sub-region.
- 5.4. The LEP has identified a pipeline of 13 projects which, subject to funding, could accelerate the development of the EZ and are expected to generate in excess of £90m of additional business rates, which will be retained by the LEP and used to service the loans and for further investment in the sub-region.
- 5.5. Loans provided by Cheshire East, Cheshire West & Chester, and Warrington Councils to the LEP will enable the LEP to provide grants to developers to progress schemes – and the local authority loans will be repaid, with interest, from the additional business rates income generated and retained by the LEP under the assumed ongoing EZ rules.
- 5.6. Following consideration of the matter by S151 Officers of the three local authorities and Executive officers from the LEP, it was proposed that a single interest rate and uniform set of terms and conditions for the loan facility be developed. WBC have led the preparation of the loan terms, latterly in consultation with CEC and CWAC, and these are close to finalisation.

6. Implications of the Recommendations

6.1. Legal Implications

- 6.1.1. The Council has the power to make the proposed loan by using the General Power of Competence, introduced in the Localism Act 2011, which gives the Council the power to do anything that an individual may do (unless specifically prohibited). This provides the Council with the

power to make reasonable accountable decisions which support innovative approaches.

- 6.1.2. The proposed loan in its current form is a highly bespoke arrangement. A £10m unsecured loan is to be made to the LEP who will then grant fund projects within the Cheshire Science Corridor Enterprise Zone. The LEP will repay the loan using business rate income from this Enterprise Zone (less the LEP's costs). The use of the Council's loan as a grant and the loan's repayment via business rate income is unconnected to the funded projects and unsecured. The LEP's liability to pay the interest and/ or repay the loan is limited to the amount of Retained Business Rates paid over to the LEP.
- 6.1.3. The proposed Facility Agreement contains bespoke drafting to capture the LEP's use of the loan as grant funding and the repayment of the loan from business rates. In particular, as drafted, the LEP can be insolvent but not be in default as a standard insolvency definition has been removed and the need for financial and a legal due diligence prior to making the loan (e.g. on the legality, validity and enforceability of the loan) have been removed.
- 6.1.4. The Facility Agreement defines Retained Business Rate Income as received business rates in respect of the properties within the Cheshire Science Corridor Enterprise Zone less any such income, which is approved by the LEP Board. This drafting gives the LEP the unilateral ability to reduce the Retained Business Rate Income to zero if it so wishes and so it is imperative to ensure that this is addressed in the loan documentation in order to ensure that this sole source of repayment under the Facility Agreement cannot be unilaterally reduced. Repayment is reliant on the receipt of Business Rates. It is understood that the need for the EZ model to be revisited by the LEP is accepted, to assess the impact of current economic circumstances.
- 6.1.5. The LEP is proposing to enter into grant agreements with recipients of the funding. The LEP has provided a Heads of Terms document which is to be used as the basis for negotiation of bespoke grant agreements with each proposed recipient. The proposed Heads of Terms include mechanisms such as overage, charges and parent company guarantees. Such mechanisms are not usually used in grant agreements (which are a gift of funds for a specific purpose whereby the funder retains some power of clawback in the event the grant is misapplied or not used) and may prove difficult to legally enforce.

- 6.1.6. The proposed mechanism relies heavily on due diligence by the LEP, a third party. Due diligence will need to be carried out on the actual terms of each grant agreement to determine who would bear the liability if the grant funding was, for example, misapplied, constituted illegal State aid or breached. Each grant agreement will need to be considered in terms of the risk to the Council (as the original provider of the funds).
- 6.1.7. Consideration needs to be given to any impact resulting from the loan being made to the LEP's company and the Framework Agreement needs to be examined and advice provided.
- 6.1.8. One of the considerations in relation to signing off the proposals is the creation of a Credit Committee. This Committee is be made up of representatives of the three Councils. It will have a right of veto over individual proposed grant agreements. In doing so the Councils would be fettering the LEPs independence and so could be viewed as using the LEP as a mechanism to lend money in a manner not otherwise available to a Local Authority (and as a means to avoid state aid).
- 6.1.9. The circumstances around the making of the Facility Agreement and EZ grants that flow from it carry with it a number of risks as identified within the body of this report. As such it cannot be said that to proceed is without risk; however it is understood that organisationally the benefit of proceeding on balance outweighs the risks. Therefore, any decision to proceed is on the basis that the risks and concerns must be acknowledged and accepted by decision makers in an informed manner.

6.2. Finance Implications

- 6.2.1. The proposal would require a capital cost of providing a loan facility of up to £10m, with the stated aim of this being repaid by the LEP through retained business rates. It is entirely possible that there may not be a requirement for the full £10m based upon the pipeline of LEP projects within the Cheshire East EZ area.
- 6.2.2. Providing a loan facility is referred to in the Council's Investment Strategy, as agreed as part of the Medium Term Financial Strategy 2020-24 approved in February 2020. This provided approval of the headroom available for different investment types, of which loans is but one.
- 6.2.3. A local authority may choose to make loans to local enterprises, local charities, wholly owned companies and joint ventures as part of a wider strategy for local economic growth, even though those loans may not all

be seen as prudent if adopting a narrow definition of prioritising security and liquidity.

- 6.2.4. Within the existing Capital Programme for Corporate there is a £36m agreed budget for Strategic Capital Projects. It is envisaged that subject to necessary approvals the loan would be advanced from this budget line. This is consistent with how Local Authority loans are accounted for within the Capital Account.
- 6.2.5. The terms of the loan agreed with the LEP stipulate an arrangement fee of £25,000 and an interest rate of the agreed Public Works Loan Board (PWLB) rate at the time the loan is taken out plus a margin of 2.05%. The relatively low rate of return reinforces the fact that economic growth is driving this investment proposition, rather than financial return.
- 6.2.6. If the actual cost of borrowing for the Authority was less than the PWLB rate – e.g. if the Council has borrowed from elsewhere - this would in effect increase the margin on the loan. Assuming full recovery of the loan and associated interest it is estimated that this could generate an additional amount of up to approximately £300,000 per annum based upon the current borrowing cost within CEC.
- 6.2.7. There is an existing pipeline of 13 projects identified by the LEP across the EZs in the three local authority areas. These are envisaged to cost approximately £30m (in gap-funding requirement) and generate £90m of additional retained business rates. Based upon the pipeline of projects they range from under construction to speculative. Of the 13 projects, two are currently in the Cheshire East EZ area and would cost £8m (in grant-aided gap-funding), and are anticipated to generate £24m in retained business rates. There is the potential for further projects to utilise the remaining £2m of the proposed facility.
- 6.2.8. The projects within CEC are well advanced, which gives added assurance, as they will start to generate retained business rates sooner and thus commence loan repayment. Additionally, Finance has visibility of what retained business rates are currently received in respect of the EZ and that provides added comfort, that there will continue to be a flow of retained business rates from these and other projects to service the debt.
- 6.2.9. It should be noted that there is currently no recourse to other LEP funding should retained business rates be insufficient to pay back the loan. Thus there is a risk that some or all of the loan is not repaid. Such a scenario may occur if legislation around LEPs, enterprise zones or business rates change. We do not anticipate this at present. Finance will

continue to monitor and mitigate where possible the risks as identified in Section 6.6 below. We will do this through regular meetings with the LEP, active debt management through our Treasury function and monitoring of the receipt of retained business rates by the Council.

6.3. Policy Implications

6.3.1. This is aligned to Council policies in respect of economic development.

6.4. Equality Implications

6.4.1. The proposal relates to enabling development in the Enterprise Zone to create jobs and support economic growth. There are no implications of the proposal that would be considered to have any negative effects on people with protected characteristics under the Public Sector Equality Duty.

6.5. Human Resources Implications

6.5.1. There are marginal human resource implications as a result of the recommendations herein. Some existing Finance and Legal resources will be utilised in order to manage the process of preparing the facility agreement, preparing and authorising drawdowns and managing the repayment of the loans as and when they fall due.

6.6. Risk Management Implications

6.6.1. The key risks associated with advancing a loan to the LEP are:

6.6.2. LEP ceases to exist

6.6.2.1. There is a risk that government policy leads to the dissolution of the LEP and that there is no obligation to repay the loan. We assess this as having a low probability but high impact and overall is currently deemed to be low risk.

6.6.2.2. There is no indication that government policy is likely to change in the medium term, in this regard. There is currently a stable government, with a strong mandate that appears committed to devolving power to the regions. In addition, the loans will be recorded on the LEP's balance sheet so should the LEP be dissolved then there would be an expectation that existing liabilities are met or taken forward by any successor organisation.

6.6.2.3. The pipeline of projects within the CEC geographical area should also work to the advantage of the Council and minimise risk. Because one project is near completion and has a relatively short

payback period this means repayment will commence sooner and reduce the exposure of potential default from the later projects with longer paybacks.

6.6.3. Changes to regulatory framework of LEPs, business rates or EZs

- 6.6.3.1. The Cheshire Science Corridor, which includes Alderley Park, obtained Enterprise Zone status in April 2016. Enterprise Zones are specially designated areas identified for regeneration and development for business use that are established through specific government statute.
- 6.6.3.2. Under an agreement between MHCLG and the Local Authorities any additional business rates generated, until 2041, from investments in the Enterprise Zones can be retained by the Local Authorities and LEP to fund further projects to promote economic growth.
- 6.6.3.3. Given the central pillar that business rates represents in the UK taxation and local authority financing system some reliance has been placed on this as a significant risk mitigator rather than a cause of risk.
- 6.6.3.4. There is no indication of or historic precedent for government abolishing EZs early. Therefore we have to assume that the EZ will continue to exist until 2041.
- 6.6.3.5. Similarly with business rates. They are intertwined with the organisation and management of EZs. It is likely that if business rates were to be abolished they would be replaced with an alternative form of taxation on businesses. We have no indication that there are any plans to replace or diminish the role that business rates play in UK taxation policy. As a mitigation it may be prudent to have the loan agreement reference business rates or any replacement for the rates system.
- 6.6.3.6. The application of reliefs could impact the value of retained business rates. The Covid-19 response has seen business rates temporarily suspended or reduced for a number of sectors. The Council and LEP need to continually monitor this for early indicators that the Science Corridor EZ is affected. Some mitigation is offered by how far advanced individual projects that the LEP might invest in within the Alderley Park EZ are, in relation to others. There is the potential for CEC to be repaid quicker, say, when compared with investing in other EZ projects, thus reducing the exposure to losses.

6.6.4. Schemes do not achieve practical completion

6.6.4.1. This could occur because the developer gets into financial trouble or because they deliberately delay the completion of the scheme. Not reaching practical completion means that the payment of business rates is not triggered, which in turn means that the LEP would be unable to repay the debt finance provided by the local authorities.

6.6.4.2. The intention is that this risk is to be actively mitigated by the LEP through a rigorous due diligence process on grant applicants; through the application of legal charges and company/ personal guarantees and through the provision of a longstop completion date within the legal agreement, with clawback penalties for under-performance.

6.6.4.3. Additional assurance is provided from the stipulation that the LEP would be able to make its loan repayments from income from other EZ investments, not just the specific project supported.

6.6.4.4. For CEC in particular, as noted above some comfort is afforded by the fact that the first scheme the LEP is seeking CEC funds to support is the Glasshouse, and this is nearing practical completion so will start to generate retained business rates almost immediately.

6.6.4.5. Additionally, developments on Alderley Park, the EZ located in CEC, are led by Bruntwood, which is a significant regional developer. Alderley Park is a key strategic location for Bruntwood and its partners.

6.6.5. Estimated level of retained business rates not achieved

6.6.5.1. If the estimated level of retained business rates generated by a grant is not realised, then this would impact on the LEP's ability to repay the Council.

6.6.5.2. To mitigate this risk, the LEP requires developers to provide detailed and realistic estimates of Rateable Values for their schemes, which are assessed by the LEPs retained property advisers. Collectively, the LEP and Authorities have good Valuation Office Agency data on the rateable values on the sites in the EZ to benchmark against.

6.6.5.3. For each project there is an element of sensitivity analysis and business rate cover (rates expected /grant value). This suggests that there is adequate cover should an estimate be incorrect.

6.6.5.4. Where this would impact the ability of the LEP to repay the debt there is a stipulation that the LEP would be able to make its loan repayments from income from other EZ investments, not just the specific project supported, and including those in other Council areas.

6.6.5.5. Some further comfort can be taken from the fact that CEC is already paying retained business rates relating to the EZ over to the LEP, so there is an identifiable revenue source to support future repayment.

6.6.6. Rate mitigation

6.6.6.1. Landowners/ developers may deploy rate mitigation schemes in order to avoid paying empty rates, which would reduce the level of retained business rates generated and the ability of the LEP to repay the debt finance.

6.6.6.2. We are assured that the LEP has anticipated this tactic and has built in a 'no rate mitigation' clause into the LEP grant agreement, which prevents landowners/ developers from avoiding paying rates on empty properties. Assuming that these are utilised in the agreements then this would reduce both the likelihood and impact of any mitigation.

6.6.7. Cost and time overruns

6.6.7.1. Delays in completion of schemes would impact on level of retained business rates, whilst budget overruns would further increase the viability gap on schemes.

6.6.7.2. We are wholly reliant upon the LEP to manage this risk. They stress that this risk is mitigated by a rigorous pre-investment due diligence process which assesses the track record and financial standing of the applicant, key milestones and targets set within the grant agreement. Ongoing monitoring of construction progress against the drawdown of the EZ investment is also carried out.

6.6.7.3. Any LEP EZ grant will be capped at an agreed maximum level regardless of cost overruns so the risk of cost overruns is borne by the developer. We have to assume that it would be in developer's interests to complete and secure occupancy.

6.6.7.4. Ordinarily this would be assessed as low risk; however, in the current climate there is the increased risk that construction projects

will not complete on time and that occupancy will take longer, thereby encouraging developers to withhold payment of rates.

6.6.8. Other risks as identified

6.6.8.1. A detailed risk register that considers these risks, along with other considerations, will be produced and maintained for the duration of the loan.

6.7. Rural Communities Implications

6.7.1. There are no direct implications for rural communities.

6.8. Implications for Children & Young People/Cared for Children

6.8.1. There are no direct implications for children and young people.

6.9. Public Health Implications

6.9.1. There are no direct implications for public health.

6.10. Climate Change Implications

6.10.1. Whilst not directly impacting the Council's carbon footprint there is a desire on the part of the LEP and the developers at Alderley Park to invest in schemes that have a positive impact upon the environment. It could be the case that some of the funding is used to deliver developments that are supportive low carbon initiatives and outcomes.

7. Ward Members Affected

7.1. The loan will be used to support investment on the Alderley Park site which impacts the Alderley Edge Ward. However the benefits in terms of returns will be Borough-wide.

8. Consultation & Engagement

8.1. The principle of the loan has been predominately negotiated between Warrington Borough Council and the LEP. Latterly there has been some discussion between the LEP, Warrington, Cheshire West and Chester and Cheshire East Councils.

9. Access to Information

9.1. There are no additional supporting documents relating to the report and its recommendations.

10. Contact Information

- 10.1. Any questions relating to this report should be directed to the following officer:

Name: Paul Goodwin

Job Title: Finance Manager (Commercial & Project Accounting) and
Acting Deputy S151 Officer

Email: paul.goodwin@cheshireeast.gov.uk

This page is intentionally left blank



Working for a brighter future together

Key Decision: N

Date First
Published: N/A

Cabinet

Date of Meeting: 09 June 2020

Report Title: 2019/20 Financial Outturn

Portfolio Holder: Cllr Amanda Stott – Finance, IT and Communication

Report Author: Alex Thompson – Director of Finance & Customer Services
(Section 151 Officer)

Senior Officer: Jane Burns – Executive Director of Corporate Services

1. Report Summary

- 1.1. This report outlines how the Council has managed its resources to provide value for money services during the 2019/20 financial year. The report includes a revenue outturn summary and detail on financial performance for the year within service areas and central budgets.
- 1.2. The financial outturn for Cheshire East Council is balanced for 2019/20, in that gross income is matched to gross expenditure with the appropriate use of earmarked reserves. General Reserves will remain unchanged at £10.3m. 2019/20 presented a challenging year for the Council, in common with other local authorities across the UK, as revenue budgets came under severe pressure due to the combined effects of rising inflation, increased demand for services and continuing reductions in government funding as well as facing rising costs associated with the response to the COVID-19 pandemic.
- 1.3. The Covid-19 emergency started to impact on the Council's finances in March 2020, resulting in an increase in costs of £1m. Central Government has provided emergency grant funding; the first instalment being paid on 27th March. This has therefore been used to fund the impact in 2019/20 so that the identified expenditure has not affected the Council's outturn or

reserves position, although for transparency it is shown under the relevant Directorates.

- 1.4. At the third quarter, reported to Cabinet on 4th February 2020, the Council was forecasting a potential overspend of up to £6.8m compared to the 2019/20 Budget. Mitigating actions were proposed to minimise the impact of this forecast. These actions included the application of capital receipts from sale of shares (c.£2.4m) and the re-alignment of and appropriate use of earmarked reserves to support General Reserve balances (c.£4.4m).
- 1.5. The outturn position for 2019/20 is reported at £6.043m, which increases to £7.096m with the inclusion of the additional spending on Covid-19. The outturn position of £6.043m presents a positive comparison to the third quarter forecast of £6.832m and actually indicates a small improvement. Further detail is provided in the following table and Appendix 1.

Table 1: Total Net Budget has been overspent by £7.096m, which includes Covid-19 expenditure of £1.053m

Directorate	Budget £000	Outturn (excluding Covid 19) £000	Covid 19 Expenditure £000	Outturn £000	Over/(Under spend) £000
People	170,434	176,587	648	177,235	6,801
Place	73,120	72,750	387	73,137	17
Corporate	30,369	31,990	18	32,008	1,639
Total Services	273,923	281,327	1,053	282,380	8,457
Central Budgets	8,266	6,905	-	6,905	(1,361)
Total Net Budget	282,189	288,232	1,053	289,285	7,096
Funding	(282,189)	(282,398)	(1,053)	(283,451)	(1,262)
Additional use of Reserves	-	(5,834)	-	(5,834)	(5,834)
Funding Position	-	-	-	-	-

- 1.6. When the position was reported at third quarter overspending was identified as occurring due to demand led pressures in the People Directorate, past service pension costs and delays associated with efficiency savings included within service budgets. These identified pressures remained at year-end although the financial impact of past service pension costs reduced from £1m to £0.4m based on revised valuations.
- 1.7. Financial pressures in the People Directorate have increased by £1.9m since the third quarter review. This is mainly due to Covid-19 expenditure (£0.6m), an increase in the bad debt provision for Adult Social Care (£0.4m), which recognises an up to date and appropriate level of financial risk from possible non-collection of debt; increased transport costs (£0.4m)

and additional staffing pressures in the Special Educational Needs & Disability (SEND) team.

- 1.8. The Place Directorate is reporting an improved outturn position compared to third quarter. The Outturn position of £73.1m includes Covid-19 expenditure of £0.4m and the creation of new earmarked reserves for Flood Recovery Works, Parking Studies and the Highways Winter Service.
- 1.9. Pressures in the Corporate Directorate increased by £0.4m since third quarter. Included in this figure is £0.7m of costs relating to revenue expenditure associated with the Best4Business project and MARS (Mutually Agreed Resignation Scheme) payments that are to be covered by the Flexible Use of Capital Receipts. The underlying position for the Directorate after these have been accounted for centrally is an outturn of £0.9m over budget.
- 1.10. Outturn within Central Budgets has improved by £2.2m linked to the revised forecasts for pension liabilities; the Apprenticeship Levy and the additional use of Capital Receipts. A reduction has been applied to the bad debt provision following a review of the policy in line with IFRS9.
- 1.11. A drawdown of reserves will be required to fund gross expenditure in the year. This was previously recognised at third quarter as part of the mitigating actions and is set out in Appendix 1 (Net Position). This also takes account of the application of the capital receipts from sale of shares (£2.4m), as this amount has been taken from the financing reserve as an alternative.
- 1.12. Expenditure on the capital programme is £123.4m against a forecast spend of £132.7m at third quarter. The underspends will be carried forward to 2020/21 and budgets will be re-profiled as part of the outturn reporting. Capital receipts in year amounted to £10.5m against a forecast of £7.2m.
- 1.13. The Council's wholly owned companies produced a positive outturn for the year, with an overall operating profit of £494,000 for the Group.
- 1.14. A summary of the Council's achievements since May 2019 has been collated. This includes information on how the Council has responded positively to a number of major incidents during the year, including a short summary of the COVID-19 response. The Appendix also includes nominations for awards.
- 1.15. The attached Appendices set out details of the Council's financial and non-financial performance in 2019/20:

Appendix 1 – Revenue Outturn Summary 2019/20 – Provides the final revenue outturn position for the period 1st April 2019 to 31st March 2020.

Appendix 2 – Grants – includes details of capital and revenue grants received during 2019/20.

Appendix 3 – Debt Management

Appendix 4 – Reserves

Appendix 5 – Achievements and Awards

The Capital Outturn and Treasury Management position will be reported in a subsequent Cabinet report.

2. Recommendations

That Cabinet

- 2.1. Note that gross expenditure has been balanced to gross income with the appropriate allocation of reserves.
- 2.2. Note the financial impact of the COVID-19 emergency on the 2019/20 budget and the use of the emergency funding to cover this cost.
- 2.3. Note the debt management position.
- 2.4. Note the reserves position.
- 2.5. Note the achievements during the year.
- 2.6. Approve the supplementary revenue estimate of £790,265 relating to the increase in Public Health grant received. This is additional to the estimated amount approved in the budget report.
- 2.7. Recommend to Council to approve:
 - 2.7.1. fully funded supplementary revenue estimate above £1,000,000 in accordance with Financial Procedure Rules as detailed in (**Appendix 2 Table 1**).

3. Reasons for Recommendations

- 3.1. The Council monitors in-year performance through a reporting cycle, which includes outturn reporting at year-end. Reports during the year reflect financial and operational performance and provide the opportunity for members to note, approve or recommend changes in line with the Council's Financial Procedure Rules.
- 3.2. The overall process for managing the Council's resources focuses on value for money and good governance and stewardship. Financial changes that become necessary during the year are properly authorised and this report sets out those areas where any further approvals are now required.

- 3.3. This report provides strong links between the Council's statutory reporting requirements and the in-year monitoring processes for financial and non-financial management of resources.

4. Other Options Considered

- 4.1. Not applicable

5. Background

- 5.1. Monitoring performance is essential to the achievement of outcomes within the Corporate Plan. This is especially important in evidencing the achievement of value for money across an organisation the size of Cheshire East Council. The Council is the third largest in the Northwest of England, responsible for over 500 services, supporting over 375,000 local people. Gross annual spending is over £770m, with a balanced net revenue budget for 2019/20 of £282.2m.
- 5.2. The management structure of the Council is organised in to three directorates, People, Place and Corporate. The Council's reporting structure provides forecasts of a potential year-end outturn within each directorate during the year, as well as highlighting activity carried out in support of each outcome contained within the Corporate Plan.
- 5.3. At final outturn, the Council's reserves strategy remains effective with a zero net variance against the budgeted position, as forecast at the third quarter review. Capital Expenditure for the year was £123m.

6. Implications of the Recommendations

6.1. Legal Implications

- 6.1.1. The legal implications surrounding the process of setting the 2019 to 2022 medium term financial strategy were dealt with in the reports relating to that process. The purpose of this paper is to provide a progress report at the final outturn stage of 2019/20. That is done as a matter of prudential good practice, notwithstanding the abolition of centrally imposed reporting requirements under the former National Indicator Set.
- 6.1.2. Legal implications that arise when activities funded from the budgets that this report deals with are undertaken, but those implications will be dealt within the individual reports to Members or Officer Decision Records that relate.

6.2. Finance Implications

- 6.2.1. The Council's financial resources are agreed by Council and aligned to the achievement of stated outcomes for local residents and

communities. Monitoring and managing performance helps to ensure that resources are used effectively and that business planning and financial decision making are made in the right context.

6.2.2. The Council's Audit & Governance Committee is responsible for reviewing and analysing the Council's financial position at year-end. The final accounts will be approved by 30th November 2020 following external auditing and associated recommendations to the Committee.

6.2.3. Reserve levels are agreed, by Council, in February each year and are based on a risk assessment that considers the financial challenges facing the Council.

6.2.4. The forecast outturn for 2019/20, as reported at quarter three, was used to inform the budget setting process for 2020/21. Analysis of the final outturn helps to inform the Council of potential issues arising for the 2020/21 budget, or highlights potential underlying issues that can be managed in future budget setting cycles

6.3. Policy Implications

6.3.1. This report is a backward look at Council activities during the final quarter.

6.3.2. Performance management supports delivery of all Council policies. The final outturn position, ongoing considerations for future years, and the impact on general reserves will be fed into the assumptions underpinning the 2021/24 medium term financial strategy.

6.4. Equality Implications

6.4.1. Any equality implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

6.5. Human Resources Implications

6.5.1. This report is a backward look at Council activities at outturn and states the year end position. Any HR implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

6.6. Risk Management Implications

6.6.1. Performance and risk management are part of the management processes of the Authority. Risks are captured both in terms of the risk of underperforming and risks to the Council in not delivering its

objectives for its residents, businesses, partners and other stakeholders. Risks identified in this report are used to inform the overall financial control risk contained in the Corporate Risk Register.

6.6.2. Financial risks are assessed and reported on a regular basis, and remedial action taken if and when required. Risks associated with the achievement of the 2019/20 budget and the level of general reserves were factored into the 2020/21 financial scenario, budget and reserves strategy.

6.7. Rural Communities Implications

6.7.1. The report provides details of service provision across the borough.

6.8. Implications for Children & Young People / Cared for Children

6.8.1. The report provides details of service provision across the borough, acknowledges the ofsted report and notes the overspend on Children in Care.

6.9. Public Health Implications

6.9.1. This report is a backward look at Council activities at the fourth quarter and provides the year end position. Any public health implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

7. Ward Members Affected

7.1. All

8. Consultation & Engagement

8.1. As part of the budget setting process the Pre-Budget Report 2019/20 provided an opportunity for interested parties to review and comment on the Council's Budget proposals. The budget proposals described in the consultation document were Council wide proposals and that consultation was invited on the broad budget proposals. Where the implications of individual proposals were much wider for individuals affected by each proposal, further full and proper consultation was undertaken with people who would potentially be affected by individual budget proposals.

9. Access to Information

9.1. The following are links to key background documents:

[Medium Term Financial Strategy 2019-22](#)

[Mid Year Review of Performance 2019/20](#)

[Third Quarter Review of Performance 2019/20](#)

[Statement of Accounts 2019/20](#)

10. Contact Information

10.1. Any questions relating to this report should be directed to the following officer:

Name: Alex Thompson

Job Title: Director of Finance & Customer Services (Section 151 Officer)

Email: alex.thompson@cheshireeast.gov.uk

2019/20 Final Outturn**People Directorate**

FINAL OUTTURN (GROSS Revenue Budget £646.3m)	Revised Budget (NET)	Outturn Excluding Covid-19 Expenditure	Covid-19 Expenditure	OUTTURN		CHANGE FROM TQR		
				OUTTURN	NET Over /	TQR Forecast	Change from TQR (net outturn)	Change from TQR (net outturn excluding covid-19 Expenditure)
	£000	£000	£000	£000	£000 (Underspend)	£000 (Underspend)	£000	£000
People								
Directorate	883	720		720	-163	-614	451	451
Children's Social Care	36,995	40,656	9	40,665	3,670	3,837	-167	-176
Education & 14-19 Skills	14,471	15,104	212	15,316	845	27	818	606
Prevention & Early Help	8,221	7,717		7,717	-504	-321	-183	-183
Adult Social Care Operations	24,743	26,226	427	26,653	1,910	1,568	342	-85
Commissioning	85,121	86,164		86,164	1,043	428	615	615
Public Health	0	0		0	0	0	0	0
	170,434	176,587	648	177,235	6,801	4,925	1,876	1,228

The overspend for Children and Families (C&F) for 2019/20 is £3.8m. The main driver for this figure is the pressure on the agency placements budget within Children's Social Care.

The number of cared for children stood at 533 at 31st March 2020 reflecting an increase of 49 during the financial year. That is broken down into 182 admissions and 133 children leaving care. While care budgets were uplifted for 2019/20, this increase in numbers continues to place a strain on existing budgets of £3.7m.

The service is actively engaged in reducing the pressure on the agency placements budget through a combination of measures including:

- Increasing the number of foster carers.
- Working as part of a regional adoption collaboration to increase adopters.
- Opening up a number of smaller children's residential homes to meet need and provide value for money.
- Regular reviews of placements to ensure needs are met at the appropriate cost and improved gatekeeping.
- Trialling different methods of providing care which have benefitted from Government investment in previous years.
- Further projects being planned for 2020/21 to move to a "bespoke" service offer and undertake further challenge of costs.

Other key pressures include:

Transport (£0.4m pressure) – this is provided through the Council owned company Transport Service Solutions Ltd (TSS). The C&F Directorate and TSS staff have been working for several years to make significant savings to the management fee. This is continuing to prove a challenge as options are limited without impacting on service delivery.

Special Educational Needs and Disability (SEND) staffing (£0.7m pressure) where the service is using agency staff to fill permanent roles and catch up on Education Health and Care Plans (EHCP) production.

The SEND service has seen a significant rise in activity levels and there is a pressure on the grant used to provide funding for children with SEND in various settings. This has led to a £4.2m overspend against the Council's Dedicated Schools Grant. The Council has a Dedicated Schools Grant (DSG) Reserve balance of £1.6m at April 2019. Throughout the year the pressure on that budget of £4.2m has taken that to a £2.6m credit reserve

This is a result of pressures on the high needs budget from additional volumes and complexity of cases of children with EHCPs and more expensive independent provision. A significant number of measures to address this are being taken forward including:

- Restructuring the SEND team and increasing capacity.
- Using new systems to improve monitoring and forecasting.
- Updating an analysis of SEN Need across the borough.
- Expanding local SEND provision and opening new facilities to reduce the need for expensive placements. This is taking time to deliver.
- Piloting a new banding system for funding pupils with SEND to give schools greater flexibility on how the funding is used.

The Adult Social Care (Operations and Commissioning) and Public Health budgets remains under continued pressure across the country. The pressure here in Cheshire East comes from a combination of factors, which have been building over a number of years, and relate to meeting the needs of our most vulnerable residents and this has been recognised in the 2019/20 budget where growth has been allocated. Adult Social Care Commissioning have responded to this challenge by commissioning the care at home and care with accommodation market to ensure there is a better offer to service users and more certainly for providers. In addition to this the Adult Social Care Commissioners have also introduced an Early Help Framework to support better outcomes in the Voluntary, Community and Faith sectors. Additional costs at the end of the year linked to the Covid-19 Pandemic have created additional pressure for the Adults service budget.

The final outturn position is £2.95m overspent in 2019/20, the main large variances contributing to this pressure are-

£1.93m of Care4CE overspend due to the unachievable savings targets, these have been removed in the MTFS so will not be a pressure in 2020/21.

£594k of costs that are shown in the service position in line with reporting requirements, these are funded centrally (£427k of Personal Protection Equipment due to Covid-19 and £165k of C Co (Cipfa consultancy) costs linked to the Care4CE review).

£598k contribution to the bad debt provision which reflects some debt tipping over into the 6 month old + category. Most of this change relates to client contribution debt (non-

deferred). Debt levels are reviewed quarterly and the provision is adjusted to reflect fluctuations in numbers of new invoices raised and debts settled or written off. As the value of care costs have increased due to demand and complexity, client contributions and corresponding debt also increases.

The temporary funding used in 2019/20 includes £1.45m of Winter Pressures and £7m of Improved Better Care Fund (iBCF).

Place Directorate

FINAL OUTTURN (GROSS Revenue Budget £646.3m)	Revised Budget (NET)	Outturn Excluding Covid-19 Expenditure	Covid-19 Expenditure	OUTTURN		CHANGE FROM TQR		
				OUTTURN	NET Over / (Underspend)	TQR Forecast Over / (Underspend)	Change from TQR (net outturn)	Change from TQR (net outturn excluding covid-19 Expenditure)
	£000	£000	£000	£000	£000	£000	£000	£000
Place								
Directorate	654	551		551	-103	0	-103	-103
Environment & Neighbourhood Services	39,607	39,490	278	39,768	161	163	-2	-280
Growth & Enterprise	20,547	20,286	17	20,303	-244	-395	151	134
Highways and Infrastructure	12,312	12,423	92	12,515	203	151	52	-40
	73,120	72,750	387	73,137	17	-81	98	-289

The Place Directorate net expenditure outturn of £72.4m is £0.7m lower than budget.

Included in this number are £0.4m of costs and loss of income related to Covid-19 and £0.5m of costs covered by flexible capital receipts. The underlying position for Place after these have been accounted for centrally is an outturn £1.5m lower than budget.

Place Directorate £0.1m underspend

The Council's corporate spending freeze led to savings across a number of areas. In addition, contributions to the Constellation Partnership were not needed in 2019/20.

Environment & Neighbourhood Services £0.2m pressure

Mutually Agreed Resignation Scheme (MARS) and Covid-19 costs account for the pressure of £0.2m, excluding these the service would achieve a balanced position.

There has been a large fall in the amount of planning income received in year. Pressures also exist for reduced recycling income and the revenue costs of rolling out food waste recycling. These have been mitigated by staffing vacancies across the majority of services and savings made under the Council's spending freeze, particularly in Libraries. Some of the Local Plan work has moved into 2020/21 thereby creating an underspend which hasn't been carried forward.

Growth & Enterprise £0.2m underspend

Costs covered by flexible capital receipts and Covid-19 costs total £0.5m within Growth & Enterprise. The underlying position excluding these is an underspend of £0.7m

There are staffing vacancies across the majority of the services, rental income has increased from Farms and the Council has received reimbursement of a subsidy paid to Skills and Growth to operate Fairer Power from prior years. Savings have been made from bringing Skills and Growth and Engine of the North back in-house.

Additional expenditure has arisen from emergency repairs within Facilities Management, but this has been offset by a reduction in planned maintenance. Costs have also been incurred from aborted housing schemes.

Highways & Infrastructure £0.5m underspend

Costs covered by flexible capital receipts and Covid-19 costs total £0.2m within Highways & Infrastructure. The underlying position excluding these is an under spend of £0.7m.

There are staffing vacancies across the service, with the shortfall predominantly on Civil Enforcement Officers within Parking. There has been lower spend than expected on Parking studies and concessionary fares. Higher income has been received for Highways licences, traffic regulation orders and s38 developer fees. Recharges to capital have also been higher than budget levels.

These have been partially offset by the revenue costs of the flooding which totalled £1.4m.

Earmarked reserve requests have been made to complete the parking studies, for the flood recovery work linked to gully emptying and drainage works and to cover the winter maintenance pressures as a result of the recent Scrutiny call in.

Corporate Directorate

FINAL OUTTURN (GROSS Revenue Budget £646.3m)	Revised Budget (NET)	Outturn Excluding Covid-19 Expenditure	Covid-19 Expenditure	OUTTURN		CHANGE FROM TQR		
				OUTTURN	NET Over / (Underspend)	TQR Forecast Over / (Underspend)	Change from TQR (net outturn)	Change from TQR (net outturn excluding covid-19 Expenditure)
	£000	£000	£000	£000	£000	£000	£000	£000
Corporate								
Directorate	778	596		596	-182	-234	52	52
Finance and Customer Services	7,550	9,185		9,185	1,635	574	1,061	1,061
Governance and Compliance	9,994	9,753		9,753	-241	385	-626	-626
Services								
Transformation	12,047	12,456	18	12,474	427	463	-36	-54
	30,369	31,990	18	32,008	1,639	1,188	451	433

The Corporate Services Directorate net expenditure outturn of £32.0m is £1.6m more than the budget available, which is a £0.4m shift from the £1.2m overspend forecast at Third Quarter Review (TQR). Included in this figure is £0.7m of costs relating to additional Best4Business (B4B) costs and MARS payments that are to be covered by Flexible Capital Receipts (FCR). The underlying position for the Directorate after these have been accounted for centrally is an outturn £0.9m over budget.

Directorate (-£0.2m)

The Corporate Services Directorate area includes the cost of the Chief Executive and associated budgets, and the Executive Director of Corporate Services, along with the temporary three year £280,000 Corporate Services growth. The outturn is due to a £91,000 saving relating to the Admin Review, that is meant to be eliminated by savings achieved through the Corporate Services restructure, being offset by Corporate Services temporary growth budget that will be moved to services once the Corporate Services restructuring has been completed.

Finance & Customer Services (+1.6m)

The overall forecast for Finance and Customer Services (F&CS) is a £1.6m overspend which is a £1.0m increase compared to the £0.6m forecast at Third Quarter. Flexible Capital Receipts will be applied to fund revenue costs associated with the B4B project (£0.6m) and MARS payments (£48,000), so the underlying position for F&CS is a £1.0m overspend against the revenue budget. The majority of the over spend is attributable to digital project savings of £0.8m which are unachievable, and the base budget has been reset for 2020/21 and opportunities to relaunch the project will be considered in the future. There has also been an under-recovery of £0.5m on the Benefits Payments centre, and £0.2m savings linked to delays in implementing the Best4Business System. These pressures are partially offset by in-year staffing underspends within Finance and Procurement, and Customer Services.

The B4B project was paused during 2019/20 to enable the project to be re-set and for the capital project budget to be re-based and consequently increased. Staff costs incurred from that point were required to be met from revenue causing an over spend of £0.6m as no budget was available in revenue. The £0.6m of additional costs were incurred on business change work and the equalised costs of staff working on the B4B project employed by both Cheshire East and Cheshire West Councils. These costs cannot be capitalised, as they do not meet the criteria to be charged to the capital project. However, they can be funded by the Flexible Use of Capital Receipts as they still meet the criteria of transformational spend. A revenue budget funded by the Flexible Use of Capital Receipts will be available in 2020/21 to meet any further costs arising from the project that cannot be capitalised.

Transformation (+0.4m)

In line with the TQR forecast, Transformation overspent by £0.4m. Costs relating to additional MARS payments (£44,000) are to be covered by FCR so will slightly reduce the underlying position.

Human Resources (HR) which includes the cross council MARS saving of £0.3m, part of savings linked to implementing the Best4Business System £0.3m and the shared Transactional Services (TSC) hosted by Cheshire West & Chester (CWaC), was break-even however the CEC HR budget significantly underspent on departmental employee budgets due to secondments, vacancies, maternity leave, and recruitment awaiting a restructure. This is offset by unachieved in-year MARS and Best4Business savings, and TSC overspending by £0.1m. Business Change overspent by £0.3m due to unfunded posts, reduced DSG funding, and a large unachievable income target within Project Management Office. ICT Strategy overspent by £85,000 due to an increase in spend on third-party contracts and an increased number of licences being partially offset by higher than expected project income recovery, ICT Service Delivery overspent by £20,000.

Governance & Compliance (-£0.2m)

Governance & Compliance underspent by £0.2m which was a £0.6m positive shift from the £0.4m overspend forecast at TQR. Costs relating to additional MARS payments (£49,000) are to be covered by FCR so will slightly increase the underlying underspend. Legal Services overspent by £0.4m compared to the £0.7m forecast at third quarter, due to cost pressures of unbudgeted posts being partially offset by an over-achievement in income. The Director of Governance & Compliance (DoG&C), overspent by £0.1m due to a shortfall in the budget for the DoG&C post. These pressures were offset by underspends in Governance & Democratic Services, and Audit & Risk.

Central Budgets

FINAL OUTTURN (GROSS Revenue Budget £646.3r	Revised Budget (NET)	Outturn Excluding Covid-19 Expenditure	Covid-19 Expenditure	OUTTURN		CHANGE FROM TQR		
				OUTTURN	NET Over / (Underspend)	TQR Forecast Over / (Underspend)	Change from TQR (net outturn)	Change from TQR (net outturn excluding covid-19 Expenditure)
	£000	£000	£000	£000	£000	£000	£000	£000
CENTRAL BUDGETS								
Capital Financing	12,000	12,000		12,000	0	0	0	0
Transfer from/to Earmarked Reserves	-1,897	-1,897		-1,897	0	0	0	0
Collection Fund Management Reserve	-1,000	-1,000		-1,000	0	0	0	0
Other income/Expenditure		-326		-326	-326	-200	-126	-126
Past Service Pensions	163	580		580	417	1,000	-583	-583
NHB Community Fund	1,000	1,000		1,000	0	0	0	0
Income from Use of Capital Receipts	-2,000	-2,834		-2,834	-834	0	-834	-834
Apprenticeship Levy		-618		-618	-618	0	-618	-618
Total Central Budgets	8,266	6,905	0	6,905	-1,361	800	-2,161	-2,161

Outturn within Central Budgets has improved by £2.2m linked to revised forecasts for pension liabilities, the Apprenticeship Levy, increased use of Capital Receipts and a reduction in the bad debt provision following a review of the policy in line with accounting standard IFRS9.

Funding

FINAL OUTTURN (GROSS Revenue Budget £646.3r	Revised Budget (NET)	Outturn Excluding Covid-19 Expenditure	Covid-19 Expenditure	OUTTURN		CHANGE FROM TQR		
				OUTTURN	NET Over / (Underspend)	TQR Forecast Over / (Underspend)	Change from TQR (net outturn)	Change from TQR (net outturn excluding covid-19 Expenditure)
	£000	£000	£000	£000	£000	£000	£000	£000
FUNDING								
Business Rates Retention Scheme	-47,977	-47,977		-47,977	0	0	0	0
Specific Grants	-15,873	-16,082	-1,053	-17,135	-1,262	0	-1,262	-209
Council Tax	-216,243	-216,243		-216,243	0	0	0	0
Sourced from Collection Fund	-2,096	-2,096		-2,096	0	0	0	0
CENTRAL BUDGETS FUNDING	-282,189	-282,398	-1,053	-283,451	-1,262	0	-1,262	-209

The favourable variance on grants mainly relates to the additional covid-19 emergency funding grant. This offsets the additional costs experienced within the services. The remainder of this grant has been carried forward in a reserve to met further costs expected next year.

Net Position

FINAL OUTTURN (GROSS Revenue Budget £646.3r)	Revised Budget (NET)	Outturn Excluding Covid-19 Expenditure	Covid-19 Expenditure	OUTTURN		CHANGE FROM TQR		
				OUTTURN	NET Over / (Underspend)	TQR Forecast Over / (Underspend)	Change from TQR (net outturn)	Change from TQR (net outturn excluding covid-19 Expenditure)
	£000	£000	£000	£000	£000	£000	£000	£000
People Directorate	170,434	176,587	648	177,235	6,801	4,925	1,876	1,228
Place Directorate	73,120	72,750	387	73,137	17	-81	98	-289
Corporate Directorate	30,369	31,990	18	32,008	1,639	1,188	451	433
Total Central Budgets	8,266	6,905	0	6,905	-1,361	800	-2,161	-2,161
Funding	-282,189	-282,398	-1,053	-283,451	-1,262	0	-1,262	-209
FUNDING POSITION	0	5,834	0	5,834	5,834	6,832	-998	-998
RELEASE OF RESERVE TO MITIGATE								
Release from Capital Finance Reserve				-2,370	-2,370			
Release from MTFS Reserve				-1,700	-1,700			
Release from Trading Reserve				-1,317	-1,317			
Release from Other Reserves				-447	-447			
RELEASE OF RESERVE TO MITIGATE	0	0	0	-5,834	-5,834			
NET POSITION					0			

The outturn position will return to a balanced position with the release of reserves.

Appendix 2

Corporate Grants Register

Government Grant Funding of Local Expenditure

1. Cheshire East Council receives two main types of Government grants; specific use grants and general purpose grants. The overall total of Government grant budgeted for in 2019/20 was £264.6m.
2. In 2019/20 Cheshire East Council's specific use grants held within the services was budgeted to be £249.7m based on Government announcements to February 2019. At mid-year, this figure was revised down to £244.9m, and then down again at third quarter to £237.0m.
3. The last quarter has seen a decrease in specific use grant of £1.6m. In the People Directorate, the majority of the difference relates to Academy conversions, whilst in the Corporate Directorate, there has been a further reduction in Housing Benefit Subsidy.
4. Spending in relation to specific use grants must be in line with the purpose for which it is provided.
5. General purpose grants were budgeted to be £14.9m. This reduced by £0.3m during the year as the Tackling Troubled Families budget was transferred to the service. Further in-year grant announcements have increased the amount received to £30.2m.
6. Where additional non-ringfenced grant funding is received, services wishing to increase their expenditure budgets are required by Finance Procedure Rules to seek approval to use this additional funding. Additional general purpose grants totalling £6.1m were received during the final quarter of 2019/20.
7. Services are seeking approval for use of £73,351 of this additional funding (**Table 1**) in 2019/20 to match expenditure that has occurred during the year. This relates to COVID-19 Bus Support Services and Neighbourhood Planning.
8. Services are seeking approval to use £157,381 of this additional funding (**Table 1**) in 2020/21 and this has been transferred to an earmarked reserve.
9. These grants were received too late in 2019/20 to spend in year and therefore this report seeks approval to service requests to incur expenditure of £157,381 in 2020/21, fully funded by the additional grants.
10. There are also service requests relating to 2020/21. The requests relate to Public Health and Rough Sleeping Initiative grants. These requests increase budget expenditure in People Directorate by £790,265 and Place Directorate by £438,329.
11. During the quarter service budgets have been increased by £133,332 as a result of an officer decision record. This related to an Environmental Service Feasibility Study (NW Local Energy Hub) funding that was received, and expenditure budget required, during 2019/20.

12. COVID-19 Emergency Funding of £9.1m was also received during the final quarter. Of this, £1.0m has been applied in 2019/20 with the remaining £8.1m going forward in to 2020/21.
13. Business Rates Tax Loss Compensation grants of £8.4m have also been received during 2019/20 to reimburse billing authorities for the extra discounts offered to businesses as announced in the Autumn Statements. £3.6m of these grants have been utilised to support the revenue budget.

14. Net additional general purpose grant of £15.3m has been received during the year, with £1.1m being allocated direct to services. After allowing for the transfer of £13.1m to earmarked reserves, the net outturn variance is a £1.1m improvement against budget.
15. **Table 2** below provides a summary of the updated budget position for grants in 2019/20 by type and service. Further details of grants are shown in the Statement of Accounts.

Table 1 – Requests for Allocation of Additional Grant Funding

Service	Type of Grant	£000	Details
Place	Neighbourhood Planning Grant for Local Planning Authorities (General Purpose)	23	The conditions of grant mean that this funding could be used across the wider Spatial Planning area.
Place	Covid-19 Bus Support Services (Ring-fenced)	50	Additional support for bus services that have been affected by, or need to be adjusted because of, the impact of COVID-19. Conditions apply and any underspend will need to be returned to DfT.
Total Allocation 2019/20 for use in 2019/20		73	
Place	Neighbourhood Planning Grant for Local Planning Authorities (General Purpose)	37	The conditions of grant mean that this funding could be used across the wider Spatial Planning area.

Service	Type of Grant	£000	Details
Place	Private Rented Sector Innovation and Enforcement (General Purpose)	75	This grant is to be used to raise the standard of properties in the Private Rented Sector by supporting projects that will help local authorities to carry out their duties and use their existing budgets more effectively.
Place	Custom Build (General Purpose)	15	The funding is designed to off-set the new responsibilities imposed by the the Self-build and Custom Housebuilding Act 2015. The Act requires authorities to keep a register of individuals and associations of individuals who are seeking to acquire serviced plots of land in the authority's area and, unless exempt, to grant sufficient development permissions to meet the demand for self-build and custom housebuilding.
Place	Brownfield Register & Payments In Principle (General Purpose)	2	New legislation requires local planning authorities to prepare and maintain registers of previously developed land suitable for housing (brownfield land registers) and allow for the granting of permission in principle for sites allocated for housing-led development. Local planning authorities are receiving new burdens grant payments to fulfil the new requirements.
Corporate – Customer Operations	Blue Badge: New Criteria Implementation (General Purpose)	15	The Government is providing revenue funding towards the additional administration costs that have arisen because of the changes to the eligibility criteria for Blue Badges to include non-visible disabilities which came into force on 30 th August 2019.
Corporate	Local Government Transparency Code - New Burdens (General Purpose)	13	New burdens in relation to the Council's obligation to publish information in line with the Government's Transparency Code 2014.
Total Allocation 2019/20 for use in 2020/21		157	

Service	Type of Grant	£000	Details
People	Public Health (Ring-fenced)	790	The public health grant is ring-fenced for use on public health functions exclusively for all ages. This request is in addition to the amount included in the Medium Term Financial Strategy report.
Place	Rough Sleeping Initiative (Ring-fenced)	438	The Rough Sleepers Initiative provides local support for those living on the streets, making an immediate impact on the rising levels of rough sleeping. This request is in addition to the amount included in the Medium Term Financial Strategy report.
Total Allocation 2020/21		1,228	
Central Budgets	Covid-19 Emergency Funding	1,053 8,098	The Covid-19 Emergency Funding is additional grant received due to the rising costs caused by the pandemic. Use of Emergency Funding to cover additional expenditure relating Covid-19 during 2019/20. Remaining Emergency Funding carried forward in a reserve to meet additional costs during 2020/21
Total Covid-19 Funding		9,151	

Table 2 – Corporate Grants Register

	Original Budget	Revised Forecast TQR	Final Outturn	Change from TQR
	2019/20 £m	2019/20 £m	2019/20 £m	2019/20 £000
SPECIFIC USE				
Held within Services	249.7	237.0	235.4	(1.6)
GENERAL PURPOSE				
<u>Service Funding</u>				
People - Childrens & Families	0.2	0.4	0.4	0.0
People - Adult Social Care and Health	3.7	3.7	3.7	0.0
Place	0.1	0.1	0.5	0.3
Corporate - Customer Operations	1.6	1.6	1.6	0.0
Corporate	9.3	9.7	19.0	9.3
Central Items	0.0	8.6	5.0	(3.6)
TOTAL GENERAL PURPOSE	14.9	24.1	30.2	6.1
TOTAL GRANT FUNDING	264.6	261.1	265.6	4.5

Source: Cheshire East Finance

Corporate Grants Register (Detail)

Corporate Grants Register 2019/20		Original Budget	Revised Forecast TQR	Final Outturn	Change from TQR
	Note	2019/20 £000	2019/20 £000	2019/20 £000	2019/20 £000
SPECIFIC USE (Held within Services)					
PEOPLE					
Schools	1	149,481	144,800	143,795	(1,005)
Children & Families		1,732	2,340	2,349	10
Adult Social Care		12,675	12,690	12,686	(4)
Public Health		15,967	15,967	15,967	0
Public Sector Transformation		0	410	410	0
Total		179,855	176,206	175,207	(999)
PLACE					
Growth and Regeneration		652	652	651	(1)
Planning and Sustainable Development		220	0	0	(0)
Directorate		787	819	819	0
Total		1,659	1,471	1,470	(1)
CORPORATE					
Finance and Customer Services		68,211	59,329	58,736	(593)
Total		68,211	59,329	58,736	(593)
TOTAL SPECIFIC USE		249,725	237,006	235,413	(1,593)

Corporate Grants Register 2019/20		Original Budget	Revised Forecast TQR	Final Outturn	Change from TQR
	Note	2019/20 £000	2019/20 £000	2019/20 £000	2019/20 £000
SPECIFIC USE (Held within Services)					
GENERAL PURPOSE (Held Corporately)					
PEOPLE					
Children and Families		195	368	368	0
Adult Social Care and Health		3,679	3,702	3,702	0
PLACE					
Environment and Neighbourhood Services		0	83	294	211
Growth and Enterprise		47	47	122	75
Highways and Infrastructure		16	16	67	50
CORPORATE					
Finance and Customer Services		1,598	1,607	1,644	37
Governance and Compliance		0	352	365	13
CENTRAL ITEMS					
Central		9,328	9,328	18,621	9,293
Collection Fund		0	8,577	5,001	(3,575)
Total Service Funding		14,863	24,079	30,184	6,105
TOTAL GENERAL PURPOSE		14,863	24,079	30,184	6,105
TOTAL GRANT FUNDING		264,588	261,086	265,597	4,511

Notes

- The Dedicated Schools Grant, Pupil Premium Grant, Sixth Form Grant and Other School Specific Grant from the Education Funding Agency (EFA) figures are based on actual anticipated allocations. Changes are for in-year increases/decreases to allocations by the DfE and conversions to academy status.

This page is intentionally left blank

Appendix 3

Debt Management

1. Sundry debt includes all invoiced income due to the Council except for statutory taxes (Council Tax and Non-Domestic Rates). The balance of outstanding debt has increased by £464,000 since third quarter.
2. Annually, the Council raises invoices with a total value of over £70m. Around a quarter of the Council's overall sundry debt portfolio relates to charges for Adult Social Care, the remainder being spread across a range of functions including Highways, Property Services, Licensing and Building Control.
3. The Council's standard collection terms require payment within 28 days of the invoice date, however, services receive immediate credit in their accounts for income due. The Council uses a combination of methods to ensure prompt payment of invoices. Recovery action against unpaid invoices may result in the use of debt collectors, court action or the securing of debts against property.
4. The Revenue Recovery team (using their experience gained in collecting Council Tax and Non-Domestic Rates) engage with services to offer advice and assistance in all aspects of debt management, including facilitating access to debt collection/enforcement agent services (currently provided by Bristow & Sutor). In 2019/20 the team collected £3m on behalf of services.
5. After allowing for debt still within the payment terms, the amount of outstanding service debt at the end of March 2020 was £8.9m.

6. The total amount of service debt over six months old is £4.8m; provision of £5.5m has been made to cover doubtful debt in the event that it needs to be written off.

DEBT SUMMARY

	Outstanding Debt £000	Over 6 months old £000	Debt Provision £000
People			
Adults, Public Health and Communities	5,467	3,262	4,261
Children's Social Care (Incl. Directorate)	156	41	41
Education and 14-19 Skills	40	2	2
Prevention and Early Help	34	-	-
Schools	41	7	-
Place			
Highways and Infrastructure	1,554	1,024	1,024
Growth and Enterprise	585	211	211
Environment and Neighbourhood Services	356	280	280
Corporate			
Finance and Customer Services	6	4	4
Governance and Compliance	8	-	-
Transformation	663	1	1
Adjustment for IFRS 9			(288)
	8,910	4,832	5,536

This page is intentionally left blank

Appendix 4

Reserves

Management of Council Reserves

1. The Council's Reserves Strategy states that the Council will maintain reserves to protect against risk and support investment.
2. The opening balance at 1st April 2019 in the Council's General Reserves was £10.3m as published in the Council's Statement of Accounts for 2018/19.
3. The updated Risk Assessment for 2019/20 provided for the Minimum Level to increase to £12.0m. The Reserves Strategy for 2019/20 set out a planned contribution from earmarked reserves of £1.7m to the general reserve in 2019/20.
4. Following an update to the Risk Assessment for 2020/21, the minimum level has been retained at £10.3m.
5. The Council also maintains Earmarked Revenue reserves for specific purposes. At 31 March 2020 balances on these reserves stood at £40.1m, excluding balances held by Schools.
6. At the end of 2018/19 a central contingency referred to as the MTFs (Medium Term Financial Strategy) Reserve was created to support in-year pressures against the 2019/20 revenue budget. Use of this earmarked reserve has been subject to approval of robust business cases.

7. **Table 1** shows the total reserves at the end of March 2019/20. Overall the Council remains in a strong financial position given the major challenges across the public sector.

Table 1 – Reserves Position

	£m
General Reserve	10.3
Earmarked Reserves (excluding Schools)	40.1
Total Reserves Balance at 31 March 2020	50.4

8. Further details of individual reserves are provided in Table 2.

Table 2 – Earmarked Reserves (excluding Schools)

Earmarked Reserves	Balance at 31 March 2019 £000	Transfers Out 2019/20 £000	Transfers in 2019/20 £000	Balance at 31 March 2020 £000
People:				
PFI Equalisation - Extra Care Housing	(2,373)	0	(131)	(2,504)
Public Health	(627)	1	(352)	(979)
Other Useable reserves (<£500,000 in value)	(539)	273	0	(266)
Place:				
Investment (Sustainability) & Place restructure	(705)	23	0	(683)
Royal Arcade Crewe	(500)	401	0	(99)
Spatial Planning	(730)	326	(234)	(638)
Investment Portfolio	0	0	(558)	(558)
Other Useable reserves (<£500,000 in value)	(1,760)	1,209	(1,038)	(1,589)
Corporate:				
Brighter Future Transformation Programme	(1,000)	90	0	(910)
Collection Fund Management	(5,009)	4,063	(5,138)	(6,084)
Financing Reserve	(11,539)	4,451	(1,991)	(9,079)
Insurance Reserve - Cheshire County Fund	(570)	734	(277)	(113)
Insurance Reserve - Cheshire East Fund	(4,506)	2,164	(1,432)	(3,774)
New Homes Bonus Community Fund	(1,000)	1,860	(1,000)	(140)
Other Useable reserves (<£500,000 in value)	(804)	329	(2)	(477)
Central:				
MTFS Reserve	(6,426)	3,987	(1,001)	(3,439)
Revenue Grants Transferred to Earmarked Reserves	(5,446)	5,577	(8,931)	(8,800)
Trading Reserve	(2,161)	2,205	(44)	(0)
Total General Fund Reserves	(45,697)	27,692	(22,128)	(40,133)



*Working for a **brighter future** together*

Awards and Achievements

A summary of Cheshire East Council's awards and achievements

May 2019 – March 2020

Introduction



Cllr Sam Corcoran

**Leader of Cheshire East
Council**

The purpose of this document is to provide a clear insight into the successes of Cheshire East Council over the period May 2019- March 2020, of which there are many. It gives the opportunity for us to celebrate all the excellent work that is going on across our Council. Following the local elections in May 2019, the Labour Group and the Independent Group formed the first joint administration in Cheshire East Council's history. The document covers each of the Cabinet's Portfolio Holders for ease of reference.

It has been a challenging year for many services, some of whom have had to respond to major incidents such as the Beechmere Fire, Poynton Flooding and Middlewich Gas Leak.

More recently, we are all experiencing the impact of Covid 19, a global pandemic that has required us to demonstrate strong leadership and action to keep our staff and residents safe. This unprecedented situation continues to push us into new ways of working, for which we have many achievements and learning opportunities to capture and drive us on our journey of success.



Cllr Craig Browne

Deputy Leader of Cheshire East Council

Portfolio Holder for Transport & Strategic Infrastructure

Procurement

- £600m highway design, maintenance and construction services contract awarded.
- £44m design and construction of A536 Congleton Link Road awarded.

HS2

- Following a formal petition against the phase 2a hybrid bill and subsequent negotiations with HS2 Ltd, the Council received a number of assurances to the bill.
- This included the availability of a new fund of up to £850,000 to the Council to support the identification of further local environmental and landscape enhancements within the administrative area of Cheshire East which are over and beyond that proposed in the Environmental Statement. This included £700,000 secured directly by the Council and a further £150,000 secured by Cheshire Wildlife Trust.
- The Council continues to work collaboratively with Government, Network Rail and HS2 to develop proposals for enhanced hub station options that support the Council's growth and regeneration ambitions for Crewe.
- The Council has worked with Transport for the North to ensure that the Crewe hub is reflected as a key priority in the proposals for Northern Powerhouse Rail. The Crewe north junction/connection, allowing direct high-speed services to run between Crewe and Manchester, is included as a key priority Strategic Outline Business Case which is to be submitted to Government in the coming months.

Strategic Infrastructure

- Congleton Link Road - Contractor procurement completed, contract awarded, land acquisition completed, and construction continues – CEC's largest ever capital project.

- Crewe Green Roundabout, opened at the end of November 2018, has won 2 awards – CIHT and also the Council shared the ‘best practice’ award with its contractors Balfour Beatty and Jacobs for the community engagement and communications work associated with the Crewe Green Roundabout scheme as well as being shortlisted at the MJ awards for Highways Management.
- Sydney Road Bridge opened at the end of June 2019.
- The Poynton Relief Road - Public inquiry completed, procurement process complete, contract awarded, land acquired for a July 2020 start and DfT funding of £16.4m approved.
- The Middlewich Eastern Bypass planning applications to Cheshire East and Cheshire West and Chester Councils were successful and the scheme has received approval to proceed to acquisition of land required to deliver the scheme.

Highways Service Contract

Bid Submissions / Updates

- Successful bids submitted to Department for Transport Safer Road Funding for the A536 Congleton to Macclesfield and A537 Buxton Road, Macclesfield to County Boundary (Cat & Fiddle route) schemes. Funding for delivery to be provided by DfT from 2020/21.

Strategic Transport

- Local Transport Plan (LTP) – development of the borough wide transport strategy including public consultation leading to a final strategy being adopted at Council in November 2019.
- Launch of new flexible transport service (Flexilink) operated by TSS in August 2019. Customer satisfaction with new service at very high levels after first 6 months of operation.
- Sustainable Modes of Travel to School Strategy (SMOTS) – adopted and an implementation programme is being delivered annually through work with local schools.
- £1.7m Local Growth Fund bid successful to deliver strategic cycle route to serve Wilmslow and North West Crewe. Schemes to be constructed by April 2021.

Constellation Partnership

- Cheshire East continues to drive forward the Constellation Partnership providing the Chair, SRO and programme support.
- The CP HS2 Growth Strategy has been refined throughout quarters 1 and 2 this year. This provides the Partnership with a platform to engage more widely with key stakeholders and further raise awareness and profile of the Partnership and its vision, as set out in the Growth Strategy.

- Partners have been working together to develop the 10-year Delivery Plan through quarters 1, 2 and 3. The key objective is to demonstrate to Government that we have a credible, cohesive plan of what needs prioritising as a partnership over the next 10 years. This plan will be a key document supporting our HS2 Station delivery 'asks' by providing the confidence that the CP has a unified, credible plan to deliver the additional growth should those stations secure the levels of HS2 connectivity that we have been arguing for as a partnership. This plan is looking to the CP Leaders Board for approval.

	Category	Entry Details	Result
MJ Awards 2019	Highways Management	Crewe Green Roundabout – preparing for the arrival of HS2	Shortlisted
Chartered Institute of Highways and Transport NW Best Practice Awards	NW Best Practice Awards	Crewe Green Roundabout	Win
ASPE Service awards	Best Highways, Winter Maintenance & Street Lighting Service	Crewe Green Roundabout & Strategic Highways	Shortlisted
Institute of highways engineers (Mercia)	Large project of the year	Crewe Green Roundabout	Yes



Cllr Laura Jeuda

Portfolio Holder for Adult Social Care & Health

Adult Social Care

- Adult Social Care was selected as a National pilot site for the Strengths based practice framework with Manchester Metropolitan University. All frontline staff and their Practice Managers have been trained during the year. As part of this pilot the Professional Lead for Adults delivered a webinar with Professor Sam Baron for the Social Care Institute of Excellence (SCIE) and National Institute of Clinical Excellence (NICE) to showcase how Cheshire East has implemented the strength-based approach across all adult teams.
- The Principal Social Worker for Adults and Professional Lead for Adults were invited to present at a series of national events in London to showcase strengths-based practice.
- We have worked with health partners to develop the IDT system which won an award at the HSJ national awards ceremony.
- We have continued to refine discharge to assess processes to enable people to leave hospital as quickly as possible. The Hospital team as a result are spending increased time in the community rather than the hospital.
- One of our newly qualified Occupational Therapists has successfully completed her Assessed Supported Year of Employment and continues to work with our Occupational Therapists in the East of the Borough. This is a programme which works alongside the established ASYE for Social Workers and has been led by one of our Professional Leads and Practice Manager/Occupational Therapists. This has now established a progression route for Occupational Therapist within Cheshire East and will lead to a raised profile for Occupational Therapy development and best practice.
- A number of Social Workers were involved at all stages in the tragic fire at Beechmere Extra Care Housing facility in Crewe. From the initial stages of the incident, where Social Workers turned up to offer support having heard the breaking news to working evenings and weekends delivering medication and equipment to those who had lost everything. In all, the Social Workers worked directly with 43 people who were displaced as a direct result of the fire. We worked closely with our Commissioning colleagues to ensure that everyone was

accounted for, had temporary accommodation found, and received support where and when they needed it.

- A successful recruitment campaign saw a high number of Newly Qualified Social Workers apply to work in Cheshire East Adult Social Care and three high performing candidates are in the process of being appointed. Thanks to the successful ASYE and progression programmes led by our Professional Lead for Social Work, we are assured of being able to support the new recruits to develop their knowledge and skills and ensure that we are able to continue their progression with Cheshire East for many years to come.
- The Adult Social Care Teams have worked hard to ensure that reviews of people's care and support needs has been undertaken and have reduced overdue reviews to less than 2%. Each review has been undertaken in a person-centred way that builds on a person's strengths and those of their communities to ensure we are delivering care and support in the least restrictive and most cost-effective way. The teams have been creative in ensuring that a person's needs are met in the way that they direct and not just by commissioning traditional services.
- The Adult Contact Teams have continued to respond to people contacting Social Care in a person-centred way which focuses on what strengths they have already. The approach uses a conversational approach and has been successful in reducing the flow of people into Adult Social Care and dependency on commissioned services to meet their needs.
- The Adult Contact Team identified one of their team to work specifically on those in our communities who struggle with hoarding behaviour. Staff who already had vast experience of working with people in our community and was able to draw on the experience of someone doing a similar role in Housing. One such person supported by staff has gone from significant and life impacting hoarding within their whole house, to having a clear, safe and hygienic home, free of hoarding of which she is very proud. The woman concerned met with Practice Managers of Adult Social Care to talk about her positive experience working with Dave and how she felt he had completely changed her life with his gentle approach which placed her firmly in control. We have held a successful conference on hoarding for children and adults social workers.
- A number of our Locality Managers, a Team Manager and a Professional Lead from Adult Social Care have successfully completed BA (Hons) degrees in business management with Manchester Metropolitan University. This was achieved with the support of the Heads of Service and Directors of Adult Social Care who mentored the 'students' throughout the course.
- A high number of serious Safeguarding Enquiries under s42 Care Act 2014 have been completed by the Adult Social Care Teams. These include serious physical abuse and assault, Human Trafficking, Modern Slavery and financial abuse. One such case saw a multi-disciplinary which was able to safeguard a young woman who had consistently and repeatedly returned to her abuser as she felt there were no other options available to her. This woman is now safer but more importantly

has increased her skills so that she is better able to protect herself from potential abuse in the future.

- Managers in Adult Social Care have responded to a large number of requests from the Members and Councillors of Cheshire East – South Community requests were in excess of 90 – within the agreed timescales.
- We have worked jointly with the North West Teaching Partnership to provide a number of workshops to support our social workers including resilience, Contextual Safeguarding and the application of theory in practice.
- Social Work and Occupational Therapy apprenticeships were developed and introduced in 2019 - two Social Care Assessors have started their Social Work training via the Apprenticeship route with Staffordshire University alongside two children's colleagues.
- 5 Social Workers in Adult Social Care have successfully completed the Assessed and Supported Year in Employment (ASYE).
- 9 Social Workers in Adult Social Care have successfully progressed to Grade 9 roles.
- 3 student Social Workers who completed placements in Cheshire East were successful in gaining employment in Cheshire East.
- 4 Social Workers successfully completed Practice Education training.
- 3 Social Workers successfully completed their Approved Mental Health Professional (AMHP) training.
- Research in Practice has enabled teams to use these resources to support their evidenced based practice. From May 2019 to February 2020, 2162 Ripfa web pages were viewed with over 240 visits. All 19 learning events were fully booked, and 4 webinars were viewed either live or recorded. The most search topics were strength-based working, outcomes, mental health and safeguarding.
- The Professional Lead has contributed to the development of Ripfa Legal literacy resources and publications.
- Adult Social Care was nominated for an MJ Award in the Category 'Transforming Lives'.
- In the East locality, Intermediate Care support workers and reablement were integrated into one (reablement) service; intermediate care social workers, nurses and therapists are now part of care community teams. Reablement processes have been reviewed and revised, and our new more streamlined process allows direct referral for health colleagues.
- Trusted Assessor post established and developed at hospital (using BCF) with the number of homes accepting assessments and therefore not requiring a visit increased.
- Grade 8 Occupational Therapist post established allowing recruitment of newly qualified therapists; first grade 8 OT recruited.
- As part of the work to develop closer working relationships between health and local authority OTs, we seconded an OT to Macclesfield hospital, and she has devised and implemented a revised discharge pathway for people needing

therapy input. A project to review all cases where two carers are required has been agreed.

- Pathways for people with a visual impairment have been reviewed and revised in partnership with the voluntary sector and Commissioning colleagues.
- Adult Social Care completed 2099 reviews in 2019/20 which represents 71% of the total; 94% of people in receipt of support have had a review within the last 2 years.
- All care community teams are now linked to a GP cluster and take an active part in the multi-disciplinary discussions in their community.
- A care concern pilot was successfully completed with 10 care home providers. The council has remodelled its care at home services to maximise service users' independence. The impact of this way of working has reduced the number of first account referrals to the community teams by 50% and the providers feel more confident in reporting mechanisms. We now have an electronic first account form available on the 'Livewell' and Safeguarding Adults Board website.
- Cheshire East is working collaboratively with Halton, Cheshire West and Chester and Warrington Councils on a proposal for the Police and Crime Commissioner to commission a more effective 'Appropriate Adult' service for our residents.
- Cheshire East's Partnership Five Year Plan has now been published. The Commissioning team have led on the development of a Social Value Charter on behalf of the Cheshire and Merseyside Health and Care Partnership.
- We have developed and implemented an all age coproduction charter 'Together'.
- SCIES launched guidance on carers' breaks and the Council was highlighted as a good practice example of commissioning for adult's respite provision and learning disability respite.
- We have commissioned and mobilised a new integrated substance misuse service with a focus on recovery.

Adult Safeguarding

- The Council is now part of the Cheshire and Warrington Gypsy and Traveller Partnership. We have responded to over 100 unauthorised encampments within the borough, ensuring that the welfare of travellers is maintained, and they are supported to access health care support where appropriate.
- SCEP Development Day held and new organisational structure and priorities set.
- Serious and Organised Crime Day of Action was held on 12th February 2020 – over 700 houses were visited to raise awareness about Community Safety issues.
- Channel Panel is now part of the DOVETAIL pilot. Meetings are held monthly to provide a multi-agency response to individuals at risk of Radicalisation. Channel Panel training has been delivered to 201 Officers across Adult Social Care.
- The Safeguarding Adults Board celebrated its 10th Anniversary in October 2019.
- The Safeguarding Adults Board Trainer has now delivered 2200 Basic Safeguarding Training sessions to providers across Cheshire East.

- Multi-agency Protocol for Modern Slavery agreed and launched, and we have delivered 650 training sessions to Officers across the Council on Modern Slavery.
- Adult Safeguarding Provider Team is now established and working with the QA Team to address issues of abuse and neglect in Care Providers in Cheshire East. All Providers are now using the Care Concern process to capture low level concerns in Care Homes.
- Deprivation of Liberty Safeguards (DOLS) – BIAs and Section 12 Doctors are working creatively to complete Mental Capacity Assessments remotely during the Covid-19 pandemic whilst still maintaining and protecting human rights for people who are subject to a DOLS.
- We presented at a national conference around 'making safeguarding personal'.

Commissioning

- A new Community Inclusion Day Service in Congleton was established for individuals with a variety of support needs including older people with dementia and/or living with long-term health conditions, people with learning disabilities and/or physical disabilities and people with mental health conditions.
- We have launched and published our Cheshire East All Age Mental Health strategy. This is a strategy for people with a functional mental health condition and proposes a whole system approach to improve the mental health and wellbeing of individuals and their families and is supported by integrated health and social care services, resilient communities, inclusive employers and services that maximise independence and choice.
- An All Age Mental Health Partnership Board has been established in Cheshire East to promote mental health and wellbeing and encourage improved partnership working with key stakeholders to ensure that good quality mental health services are in place.
- My Life, My Choice a Strategy for people with Learning Disabilities in Cheshire East has been produced which sets out the vision, ambitions, and commissioning intentions for people with learning disabilities of all ages living in Cheshire East. The strategy was co-produced with individuals who have a learning disability and their parents and carers, and organisations that support people with a learning disability.
- The Council, health, our partners and Cheshire East residents who experience autism as part of their lives have coproduced an All Age Autism strategy which sets out our vision and priorities for services for people with autism. While the Strategy is informed by the Autism Act 2009 and the National Autism Strategy, it is shaped by our children, young people and adults to ensure we all work to meet their needs and aspirations.
- A Mental Health Floating Support Service has been established in Cheshire East. The service has a preventative focus and works to empower people to remain independent, improve health and wellbeing and use strength-based approaches to build resilience and reduce the requirements for long term intensive support

services. The service also helps people to improve their own social relationships and connections and prevent social isolation and loneliness

- **Proof of Concept Project** - The Council's Supported Employment team continue to support Care Act eligible customers with a Support Plan and a costed package of care (e.g. direct payment for Personal Assistant support) into paid or voluntary work, giving people more opportunities and stronger community networks, while reducing costs to public services. 93 people were supported in the last two years, and costs were reduced by £107,008.
- **Social Action Partnership** - The Council redesigned the support service that it provides to the voluntary, community, faith and social enterprise sector through a large-scale review process. Analysis of these views led to a refocusing on the priority of supporting organisations to achieve real social impact in local communities in the Borough.
- **Direct Payments** - The Council redesigned and recommissioned the Direct Payment Support Service during 2019 together with a range of stakeholders, including direct payment recipients, parent and/or carers, operational and finance colleagues. The service maximises choice of support, empowers residents with their understanding of a Direct Payment and the ensuing responsibility to purchase their own support to meet their needs.
- **Falls Prevention** - Key achievements to date include consultation on and adoption of a falls prevention strategy; the writing of a JSNA section; the recommissioning of Falls Prevention strength and balance classes with capacity increased from 420 to 800 places per year; the distribution of 30,000 falls leaflets to people aged 65+ via the Council and partners; system mapping of falls pathways. This work has contributed to a reduction in hip fractures by 7% and emergency hospital admissions for falls by 4% from the previous year.
- **We have refreshed Live Well** which is now live with our new design and layout which was completed in consultation with the public to provide a more streamlined directory and a user-friendly interface.
- **Social Value** – The Council was been identified as the lead to deliver and implement a Social Value programme across the Cheshire and Merseyside footprint. The programme aims to explore and learn how Social Value can practically and effectively be embedded at scale within Anchor Institutions (Local Authorities, NHS, and Voluntary, Community, Faith and Social Enterprise sector (VCFSE) organisations) across Cheshire and Merseyside.

Award	Category	Entry Details	Result
North West Local Cultural Education Partnership Awards	Curious Minds Cultural Education Challenge Award	Life on Reshuffle	Shortlisted
MJ Awards 2019	Transforming Lives	Domestic Abuse Accommodation Project	Shortlisted

ASPE Service awards	Best Health and Wellbeing initiative (including social care)	Carers' Hub	Shortlisted
---------------------	--	-------------	-------------



Cllr Mick Warren

Portfolio Holder for Communities

Libraries

- Cheshire East Libraries retained their position as Number 1 unitary authority for library issues per 1000 population in the 2019 CIPFA Public Library Statistics and made it into top 5 for all UK authorities. Macclesfield library issued the most books of all North West libraries.
- 7,262 children in Cheshire East took part in the 2019 National Summer Reading Challenge, an 11% increase on 2018. Regional participation data for the North West reported that Cheshire East Libraries reached the highest percentage of children aged 4-12 (16.6%); had the highest number of children under 4 taking part in the 'Mini Challenge' (830); and the highest number of issues (198,958 items).
- During the scheme we saw 32% rise in new library members and as well as 36% increase in children attending events.
- Cheshire East Libraries had more than 600 people try a coding activity during EU Coding Week in Oct 2019
- The 2019 Cheshire East Libraries survey reported a customer satisfaction rate of 96%.

Leisure Services

- 3.4 million visits to our leisure centres – an 8% increase in participation at leisure centres and the associated benefits to health and wellbeing.

Regulatory Services and Health

- The 2019 Air Quality Annual Status Report has been approved by Defra in accordance with the requirements of the Local Air Quality Management Regime.
- The Trading Standards Team has worked with 97 banks and financial institutions to implement the banking protocol as part of our doorstep crime/rogue trader project. This work helps to prevent victims of frauds from withdrawing large amounts of money from their accounts to pay for often overpriced and unnecessary work.
- A comprehensive review of all taxi ranks in the borough has been completed – the first since 2009. As the borough changes and the night-time economy shifts it is important to review ranks so that customers can get to taxis safely and easily.

- The pilot “check and send” service to help customers submit licensing applications right first time has been extremely successful bringing in additional income and improving the quality of applications dealt with by the licensing administration team. This will now be a permanent provision within the licensing service.
- The CCTV Service has received accreditation from the Home office for their work to achieve best practice and standards set by the UK Surveillance Camera Commissioner. This makes them one of only a small percentage of accredited control rooms across the UK.

Communities

- Connected Communities - 15 developed Neighbourhood Partnerships are supporting local strategic drivers for a multitude of place-based projects across the borough. By working in collaboration to address evidenced need, key stakeholders share expertise and networks to deliver outcome focussed interventions. Taking an asset-based community development approach, the aim of the model is not to do things to or for a community but to design services with the community and provide opportunities for local people to deliver services and activities by themselves.
- We have 37 Connected Communities Centres, which provide a single point of contact in a community, enabling people to access local services and connect with local people.
- Over 100 new projects have been developed across communities in partnership with local people and key community stakeholders.
- Community Connector pilot - A Community Connector (prevention) has been positioned alongside the NHS Link Worker (intervention) in Macclesfield, with each supporting a similar size caseload. The Link Worker (based in GP surgery) was able to develop clinical professional relationships whilst taking referrals solely from health colleagues, whereas the Community Connector (based in community venues) was able to capitalise on opportunities for mobilising and utilising services in the VCF sector.
- A re-launch of the Communities Grant saw a change in Policy (Bright Idea Fund) allowing groups to apply for up to £10,000 and local individual residents to apply for £250 to undertake local projects. This is an anchor to promote social innovation in communities and to empower local residents using an asset-based community development approach to look at local solutions to local issues.
- Beechmere Recovery Donation Centre - As soon as the news broke about the disastrous event at Beechmere on 8th August 2019, the community of Crewe (and beyond) came out in droves to offer their belongings and time to support the people affected. The Council’s Communities team swiftly mobilised a team of officers and a venue to create an emergency response centre in Crewe Town Centre. Council Officers coordinated the donations (food, bedding, clothing, toiletries, mobility aids and more), volunteers and communications which allowed the centre to become a safe place for residents experiencing shock and disbelief about their experience. Donations were not only received from members of the

public – many local businesses and community groups provided much needed provisions and equipment.

- Estimates suggest that the community response to the Beechmere disaster required around 360 hours of officer time (some outside of contracted working hours) but more important in excess of 2108 hours' volunteer time. The commitment and passion exhibited by volunteers is a true positive outcome for the incident. There are a team of around 10 local volunteers who continue to support Beechmere social events and drop ins. CEC Community Development Officers have facilitated the integration of Beechmere volunteers into the wider Crewe Neighbourhood Partnership which will enable the use of their skills and experience to influence and shape local provision moving forward.
- Community Cohesion – we were successful in our bid to support community cohesion in Crewe and were granted £122,961 via the Government Controlling Migration Fund (CMF). We have used these funds to support improved health and wellbeing for migrant families. We have three Community Liaison Officers (CLOs) who speak a total of 7 languages, who work with schools and migrant families to improve wellbeing. We have used innovative ways to engage with migrant communities, for example being in the playground at the beginning of school time and meeting and greeting with parents, working with local shop owners and sharing literature. CLO's have led school assemblies, delivering the message to teachers and pupils, and coordinated reading sessions using stories that talk about why we have vaccinations. Health practitioners have identified Cheshire East Community Liaison Officer's as a key link into the communities where the migrants are living. They work closely with the school nurse to translate and support with information, which needs to be shared with the families.
- The Social Action Partnership started 1st April 2020

Licensing

- Over 4 nights in December Licensing Enforcement Officer worked with Cheshire Roads Policing Team to stop check taxis working in our area. This included vehicles licenced by other Councils. The purpose of the operation was to ensure that all taxis are safe and suitable for use. In total 50 vehicles were stopped and checked.
- The service has changed its approach to the 'Knowledge Test' which is a requirement of a new driver licence application. Now, applicants can take the test prior to applying and paying the relevant application fee allowing them to determine whether driving is an appropriate career and before significant financial outlay. This change has received positive feedback from applicants.
- During the final quarter, covert licensing operations were undertaken to check for illegal plying for hire activities. This was a joint exercise with Cheshire Police and identified private hire drivers who were undertaking work that had not been pre-booked as is required by their licence. Enforcement cases have been produced and passed to legal services.

Commercial Services

- Commercial Services has been experiencing a high number of staff vacancies for over twelve months. This directly impacts upon the food hygiene inspection programme. During the year members of the team have been undertaking additional work to triage outstanding inspections to identify closed or changed business models. This work was then used to support an ongoing project to employ external agency staff to carry out this work on our behalf, minimising aborted visits and reducing our contract costs.

Animal Health & Welfare

- The animal welfare team have been supporting businesses with the licensing requirements of the new Animal Welfare (Licensing of Activities Involving Animals) Regulations which came into force in October 2018 and were the first local authority nationally to submit the newly required Animal Welfare licensing returns.
- The team undertook an investigation into a very serious animal welfare case which began in 2017 and came to court in January 2020. The defendant was issued with a significant fine and has been prohibited from keeping animals for 10 years. The professionalism of the team in the face of witnessing terrible animal welfare conditions was exceptional.

Trading Standards and CCTV

- Cheshire East is the first authority in the NW region (5th nationally) to introduce the Regulatory Compliance Apprenticeship taking on two apprentices during the year. The apprenticeship scheme was developed in response to the national reduction in Trading Standards Officers providing a flexible and phased training and qualification route to bring new officers into the profession.
- In collaboration with Cheshire East Age UK we now have Scams Awareness and Aftercare project team to spread awareness of scams and to keep vulnerable people safe.
- The service prevented over £800,000 from being handed over to criminals. This was as a result of collective work including rapid response interventions, support to secure refunds, work on the banking protocol and general intervention and prevention work.
- Our CCTV service has provided evidence leading to convictions for domestic burglary, violent crime in town centres, drink driving, ASB and assault. The service has also supported work around wanted and missing individuals.

Award	Category	Entry Details	Result
Anti counterfeiting group	Highly commended department award	Cheshire East Council Trading Standards Investigation team	Win
ASPE Service awards	Best Community and Neighbourhood Initiative (inc community safety)	Connected Communities	Shortlisted

Code compliant surveillance camera accreditation	Code compliant surveillance camera accreditation	CCTV team	Win
--	--	-----------	-----



Cllr Kathryn Flavell

Portfolio Holder for Children and Families

Cared for Children and Care Leavers

- Over the last 4 years, the Council has increased funding for cared for children by over £7m to meet demand and ensure our cared for children and care leavers achieve the best possible outcomes.
- Care leavers coproduced their Local Offer which was launched in October 2018. Staff from the Council and partner agencies made pledges, including prioritisation of care leavers within voluntary mental health services and free access to parks and green spaces.
- Star Celebrations take place each November to recognise the achievements of all our cared for children and care leavers.
- The Council has reviewed our joint fostering campaign, Foster4, and we have agreed our new ambition to progress a local recruitment campaign to maximise the strengths that we are building with our existing amazing Foster Carers.
- Our Ofsted inspection in November 2019 found that, “Social workers can clearly articulate children’s needs, identify their risks and vulnerabilities and describe their personalities. Children are supported by purposeful and creative direct work, which informs assessments and plans.”
- The National Implementation Adviser for Care Leavers praised Cheshire East’s work with care leavers and included Cheshire East as a good practice example in his annual report.
- ‘Ignition Panel’ has had positive impact on supporting care leavers to participate in planning and shaping their accommodation and support and has also been shortlisted for a number of national awards.
- Our Regional Adoption Agency (RAA), Adoption Counts, was the second regional adoption agency to be formed in the UK, three years ahead of the 2020 target set by government.
- Cheshire East Council’s adoption performance has been praised by the Department for Education for our strong performance on adoption timeliness.

Children's Safeguarding

- Our Safeguarding Children Partnership Neglect Strategy and campaign has received national interest. The campaign was coproduced with young people and was shortlisted for several national awards.
- The council was shortlisted for a national award for transforming lives with Municipal Journal for the work we are delivering to our most vulnerable victims of domestic violence, ensuring that they have safe accommodation that can lead to a home for life.
- In our inspection in November 2019, Ofsted found that "The Cheshire East domestic abuse hub provides an effective 24-hour, seven-days-a-week response, underpinned by access to a wealth of intervention and support services."

Children in Need and Child Protection

- We have achieved good impact for children through Signs of Safety, a strengths-based approach to working with families in Cheshire East. Our strategy was identified as a national exemplar. There is strong leadership buy-in, and we have coproduced implementation with staff, our national consultant has said that Cheshire East has the best engagement they have seen. Ofsted found that this approach was embedded across the partnership. To date, we have trained over 1,000 multi-agency staff in this approach.
- Our Ofsted inspection found that the voice of the child is embedded at all levels and children views are listened to and acted on.
- The inspection also found that our front door is strong, and safeguarding concerns are dealt with quickly and appropriately; "Experienced social workers, supported by effective and prompt information-sharing by partner agencies, ensure that safeguarding concerns are responded to well. Children at immediate risk of significant harm are identified swiftly, and action is taken to safeguard and protect them."
- Our edge of care team, works intensively with families to ensure that children only come into care when they need to.
- Our Children with Disabilities team uses a wide variety of communication methods to ensure children's needs inform assessments, leading to strong planning and bespoke packages of support for children and families.
- The mobilisation of our new Children's Homes commission started mid-year 2019-20 with two homes opening early 2020. The new Children's Homes will ensure good quality, local homes are available for our cared for children.

Education and 14-19 Skills

- Cheshire East Council has worked with local primary schools to offer 98.1% of Cheshire East residents a place at a school of their choice for September 2020, with 91.4% being offered their first preference.
- 97% of Cheshire East residents were allocated a place at a secondary school of their choice for Year 7. This was an increase from 96.5% in 2019. Of these 91.6%

(compared to 90% in 2019) were offered their first preference of secondary school.

- The 2019 school results again show positive trends and further successes across all key stages. Current highlights include:
 - Maintaining our high performance in the early years phase for 'Good Level of Development' (GLD) where 73% of learners achieved the required standard. This is above national with CE being one of the strongest performing authorities across the NW region.
 - Very strong performance at Key Stage 1:
 - In Phonics where 84% achieved the pass rate, which is above the national average.
 - In Reading with 77% of pupils achieving the expected level or better, which is above the national figure.
 - In Writing with 70% of pupils achieving the expected level or better, which is above the national figure.
 - In Science with 84% of pupils achieving the expected level which is above the national figure
 - Strong improvements were seen this year in maths at the end of Key Stage 2, where 80% achieved the expected standard; a rise of 2 ppts on the previous year.
 - Improvements in the number of students achieving strong passes at GCSE (grades 9-5) with 50% achieving this level in both maths and English. This is again a rise of 2 ppts on last year.
 - Very strong improvements in the outcomes at the end of Key Stage 4 for our disadvantaged learners across all core subjects
 - Further improvements in the percentage of students achieving A*-C in A levels and a very high overall pass rate of 98%.
- Cheshire East led a successful bid for Strategic School Improvement Funds (SSIF) including 39 schools (20 Cheshire East and 19 Cheshire West) to improve outcomes in mathematics and for disadvantaged learners.
- We have established a comprehensive training and development programme to support all schools with a particular focus on maintained schools. 90 delegates have started a 5 day Leading on Reading course and 70 have begun a 3 day Subject Leadership course with excellent feedback so far.
- Feedback from delegates attending the Schools Governor Conference in November was that it was 'one of the best ones ever'. Over 120 delegates attend with the theme being 'Brave Governance'.
- Continued success with the Careers & Enterprise Company national Enterprise Adviser Network across Cheshire East secondary schools/colleges with 100% coverage achieved and 25 actively working towards the new Gatsby benchmarks.
- Developed and delivered, in partnership with Franklyn Financial Management, SAS Daniels, Thrive and East Cheshire Chamber of Commerce, the first 'Cheshire East Stock Market Challenge' for 140 Year 7 students across 5 schools, to promote skills and careers in STEM – The winning school was 'Prime Investors'

- from Brine Leas. 99% of young people rated the Challenge 'good' or 'excellent' and 84% now have a greater understanding of the skills employers are looking for.
- Launched the first annual 'Cheshire East Apprenticeship Directory' featuring a range of local employers - shared with over 10,000 students and raising the profile of local businesses and their apprenticeship offer.
 - Ran a project which registered 266 young people on the Find an Apprenticeship website and created a library of video case studies promoting the exciting and diverse apprenticeships across Cheshire East. Delivered technical skills support to over 35 Cheshire East businesses and tailored Apprenticeship Levy support to a further 19 to increase vocational opportunities for young people.
 - Created 11 Town Data Infographics 2 for each school in Cheshire East to ensure a sound understanding of the local economy and job/skills opportunities available.
 - 900 young people completed the 'YourSay' annual survey in 2019 - providing key information on the quality and relevance of careers advice across Cheshire East, and how well this is underpinned by local employers, (c2400 total responses since launched in 2016).
 - Ofsted confirmed that cared for children are well supported by the Virtual School. Staff have high aspirations for every child and young person to help them to achieve their ambitions; we currently have six young people at University, and one in a higher-level apprenticeship.
 - Over 90 school representatives have accessed cross-service training during last academic year to understand the needs of cared for children. Over 20 individual schools and colleges have accessed whole staff continual professional development training to further develop understanding of attachment and trauma.
 - Positive impact of our medical needs team – a high number of children within the service go on to complete formal exams and achieve well despite their medical condition.
 - A new elective home education (EHE) policy has been launched to bring practice into line with DFE guidance. As part of the launch of the policy parents are being consulted with around new documents used and resources offered by the LA. New ways of working mean that alongside an annual home visit offer, additional visits will be triggered and offered to children and families open on child in need plans, child protection plans and following a missing from home incident.
 - Highly effective and regular meetings now take place to ensure there is a coordinated response across Children's Social Care, SEND and Early Help to the most vulnerable learners, particularly where they are not in school. This has resulted in 190 young people supported to increase their attendance and/or reintegrate back into school.
 - The Safeguarding Children in Education Settings (SCIES) team have actively sought the voice of the child to influence safeguarding in schools; as a result of which many primary schools have engaged with locality-based children's

safeguarding conferences and children from secondary schools and alternative provisions engaged in the Act Now Conference 2019.

- SCIES were given recognition for their work with involving children in safeguarding
- through successful re-accreditation for the Investors in Children award. SCIES received an award in the category for 'Partnership Working' at Cheshire East's Adult's and Children's Safeguarding and Dignity Awards 2018.
- Our Safeguarding Children in Education Settings (SCIES) team and Virtual School have been shortlisted for Children and Young People Now Awards.
- Children in secondary schools have coproduced with SCIES a Cheshire East bullying prevention strategy for schools which made priorities and expectations clear.
- An art gallery of work produced by pupils in Cheshire East schools (over 15 pieces of work from 6 schools) has been displayed in our Council Head Quarters at Westfields with plans to extend this to other corporate buildings.
- The last 12 months has seen a significant amount of work undertaken to increase our overall capacity for school places across the borough especially in those planning areas where there is impact of new housing. The following schemes highlight the extensive capital projects which are well underway or close to completion:
 - Expansion of Alsager Secondary School to accommodate an extra 150 pupils.
 - A completely new build for our Pupil Referral Unit (Oakfield Lodge) in Crewe to accommodate up to 60 learners – due to open in October 2019.
 - Expansion of Cranberry Primary School providing over 100 extra places in the Alsager area.
 - Ongoing works in both Nantwich secondary schools with two schemes progressing to meet local need.
 - Detailed programmes of works at Wilmslow High School to increase the capacity in each year group from 300 to 360 over the coming years.
 - Expansion of Springfield Special School with a completed build for a further 24 learners
 - An approved scheme is progressing at Park Lane Special School for an additional 40 pupils
- Cheshire East was one of 19 local authorities approved to develop a free school by the DfE. This will be a 40-place special free school for children aged 4-16 with social, emotional and mental health needs in Crewe. The new school, called the Axis Academy, will support pupil development across all key stages. The new build is expected to be in place by early 2021, and we hope to have some provision available from September 2020.
- Schools have been very flexible during the coronavirus lockdown and have worked with us to ensure places have been available for children of keyworkers and our most vulnerable children. Almost all Cheshire East schools were open over Easter, so we were able to continue to offer places for vulnerable children compared to just 60% that were open nationally.

Special Educational Needs and Disabilities

- There has been regional and national interest in adopting Cheshire East's SEND Toolkit that outlines the provision and support that should be in place in all educational settings for those aged 0-25 years.
- Our SEND Youth Forum is a new and innovative way to engage children with SEND whose voices were previously not heard.
- Our SEND sufficiency statement and implementation plan is a comprehensive assessment of SEND provision that has enabled the Council to target its resources to develop in borough provision in the right areas.
- We are currently carrying out a review of all resource provisions. The outcome will provide a set of key priorities and principles to ensure consistency of practice across them all.
- Since May 2019 there have been significant improvements in the timeliness of our SEND assessments.
- We have established a SEND Ignition panel, which aims to support young people with special educational needs and disabilities into paid employment, good health, independent living, friends, relationships and community inclusion.
- July 2019 saw the first 'Planning your future' event with over 30 providers from the third sector to specialist provision aimed at showcasing the range of provision in Cheshire East for SEND young people and their families. Feedback was excellent and these events will now take place each year.
- The 'Preparing for Adulthood' workstream has produced a transition pack which is individualised to the young person and is for all young people from Year 9 to support their transition from school to further education, employment or training.
- Termly SENCO conferences are embedded to provide Cheshire East, Regional and National updates, continuing professional development and networking opportunities for all professionals involved in SEND in schools and settings. The number of attendees has risen from 35 to over 135.
- The Cheshire East Toolkit for SEND is to be the feature of an article in nasen Connect (The national nasen magazine) in November 2019 and we are currently working to make this document available for purchase by other local authorities.
- We have held an 'Excellence across SEND' workshop with all partners from across Education, Health and Social Care along with parents to coproduce our quality framework and develop a three-year quality development plan.
- We have undertaken consultation on a new transformational funding model and launched a major pilot.
- 81% mainstream Y6 students supported by Cheshire East Autism Team (CEAT) were able to transition to mainstream high schools and thus continue their education in their local school. This equates to 110 young people.
- 1042 delegates attended training sessions run by CEAT on supporting young people with autism. A wide range of stakeholders were trained including parents,

young people, educational professionals, family support workers and medical needs tutors.

- Our person-centred planning for preparation for adulthood for children with a Special Educational Need and Disabilities (SEND Ignition) strengthened during 2019-20 with excellent feedback from children, families, partners and professionals. The approach has been showcased at a regional level, via NHSE, and has had the DFE national lead for Post 16 travel to observe a SEND Ignition session. The DFE national lead was impressed and fed back to the government minister on the approach being taken by Cheshire East.
- Early in 2019-20 Cheshire East established its lead role to implement a new North West Purchasing System for Special Educational Needs school placements. The new regional purchasing system will strengthen market shaping, communication and relationships and will drive improvement in outcomes through collaborative contract management.
- A critical element of managing the significant demand for SEN school places across Cheshire East continues to gather pace with new Resource Provision at existing mainstream schools, expansion of our special schools and the building of a new special school in Crewe that will cater for 48 pupils with mental health needs.
- 2019-20 saw the introduction of a new pilot to enhance the support to our pupils with additional needs through the commission of specialist Speech and Language Therapist (SALT) for autism, a programme of early intervention through SALT and a new Occupational Therapist focussing on upskilling school staff and targeted support to pupils and their families. This pilot has been recognised as outstanding practice by CQC.
- A peer review of provision to meet the needs of children and young people with sensory impairments in Cheshire East highlighted many positive aspects of service planning and delivery, with particular reference to work around the NatSIP quality standards for sensory support services, the NatSIP support allocation criteria, and the Cheshire East toolkit for SEND.
- We have restructured the SEND service into locality teams to support improved communication with parents and schools.
- We have increased senior management capacity and appointed an additional Head of Service for SEND with a focus on quality to support our drive to achieve high quality Education, Health and Care plans for all our children and young people.
- We introduced termly coffee mornings with parents, the set of these were planned jointly with the parent carer forum and were very positively received.
- There is increasing evidence of the improvement in quality of EHCP plans and increasing parental satisfaction.

Preventative Services

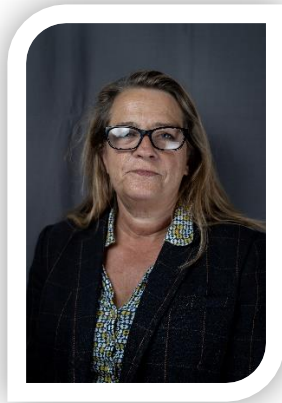
- Our integrated Youth Support Service delivered an extensive Summer programme delivering creative and challenge outdoor activity for over 40 of our most vulnerable children and young people. The programme was hugely successful and involved sailing, kayaking, bush craft and camping residential opportunities to build peer support and positive relationships.
- The Youth Support Service continues to maintain high performance for low numbers of children and young people not in education, employment or training (NEET) and 'Not Known' destinations post-16. Percentage into learning has been consistently excellent and is above National, Regional and statistical neighbours.
- Cheshire East has been awarded £926,989 from the DfE School Nursery Capital Fund in order to expand our free childcare offer to families. This capital grant was awarded to support the delivery of the 30 hours free childcare offer to enable the local authority to create 88 new places for 2020/21.
- Our new three-year Children and Young People's Plan launched in June 2019, which was produced together with young people. The plan sets out the overarching outcomes that we want to achieve for all Cheshire East children and young people.
- The council has significantly improved our performance on the Troubled Families Programme. We are now the second highest performing area in the North West with over 3000 families having positive attachment with our programme and delivering all expected outcomes in line with our agreed MHCLG targets.
- Our shared Youth Justice Service is outperforming the rest of the region with only 75 young people coming in to the criminal justice system. Only 6 required a custodial sentence which very low compared to our statistical neighbours.
- Ofsted found that "Children and families benefit from a comprehensive and well-developed early help offer." "The quality of help and support provided builds families' resilience and improves the experiences of children."

Public Sector Transformation (PST)

- Health related worklessness – we successfully secured £5.4m from the European Social Fund to support complex adults and vulnerable young people into further education or employment. An additional bid has recently been submitted for £1.9m to support parents who are eligible for the statutory childcare offer.
- Reducing Domestic Abuse – we secured £398,500 to boost support for survivors of domestic abuse. The funding has been used to establish a domestic abuse accommodation partnership across Cheshire and Warrington, increase keyworker support, develop our workforce, and offer trauma-based therapy to those most in need.
- Parental conflict support – lobbying by the PST and Merseyside has secured £115k from the Department of Work and Pensions to support the development of a sub-regional reducing parental conflict strategy (excluding Halton) and practitioner training programme.

- Reducing re-offending – working with National Probation Service (NPS) and the Office of the Police and Crime Commissioner (OPCC) we have secured £170,000 for the establishment of women’s centres in Macclesfield and Crewe in Cheshire East, Warrington and Cheshire West and Chester, and to enhance the existing centre in Halton.

Award	Category	Entry Details	Result
North West Local Cultural Education Partnership Awards	Curious Minds Cultural Education Challenge Award	Life on Reshuffle	Shortlisted
Positive Practise Mental Health Award	Children and Young People’s Mental Health Services	Emotionally Healthy Schools	Highly Commended
Children and Young People Now Awards	Learning Award	Virtual School	Shortlisted
Children and Young People Now Awards	Partnership Award	SCiES	Shortlisted
National Farm Attractions Network (NFAN) annual awards	Best in Education	Tatton Park Education and Farm Teams	Highly Commended



Cllr Toni Fox

Portfolio Holder for Planning

Strategic Planning

- The Council's latest Housing Monitoring Update was published in November 2019 showing that there was a 7.5 year supply of deliverable housing land in Cheshire East, an increase from the previous year's figure of 7.2 years. Maintaining a housing land supply of at least 5 years is important to best ensure that new housing development schemes are plan-led and protect the countryside around our towns and villages from unplanned, speculative housing proposals.
- Six weeks of public consultation took place during August and September 2019 on the 'Publication Draft' version of the Site Allocations and Development Policies Document (SADPD). The council received over 2,700 responses and these are currently being carefully considered. Because of the high volume of representations received about the Plan, it is now expected that decisions about its policies and proposals will be made over the summer/autumn of 2020. If this results in any significant changes to the Plan, a further round of public consultation would be needed prior to its submission to the Secretary of State for examination. If this arises, it is anticipated that this consultation would take place in the autumn of 2020.
- Work has progressed on finalising the evidence base that will underpin the Council's Minerals and Waste DPD with a refresh of the Waste Needs Assessment originally published in 2017, the preparation of a Cheshire East sand study, the updating of the annual Local Aggregates Assessment and a review of the proposed sites and areas submitted by external parties (for the Council's consideration and potential allocation in the draft plan) as part of the last call for sites exercise. Relevant duty to co-operate activity has also continued.
- A final round of public consultation took place between January and March on the Brooks Lane, Middlewich Development Framework. It will provide more detailed planning guidance to encourage further positive investment in the town. Amongst other things it aims to create high quality development, bring about regeneration along the Trent and Mersey Canal and illustrates how a new rail station could be built bringing passenger services to the town once again. The approval of the

Development Framework as a 'Supplementary Planning Document' will be decided later this year.

- An operational CIL charge was introduced on 1 March 2019 to raise money towards infrastructure projects. In just over a year (to the 31 March 2020) it has raised £218,401 in total, £54,322 of which has been distributed to the town and parish councils where the CIL charges were raised from chargeable development
- Crewe Hub Area Action Plan finalised for Regulation 19 consultation, ahead of submission to government.
- Project development works of Crewe hub station and the preparation and submission of a planning application by summer 2020 to enable delivery of the scheme within the required timeframes.
- Authorised the making of three non-immediate Article 4 Directions to withdraw permitted development rights for the conversion of individual dwellings to small Houses in Multiple Occupation for parts of Crewe.

Neighbourhood Planning

- Neighbourhood Plans have reached at least draft stage and moved through the process towards completion. Of those:
 - 8 have been fully completed ("made") (Alsager, Acton, Wybunbury Combined Parishes, Newhall, Church Minshull, Poynton, Wilmslow and Chelford).
 - 1 has successfully passed examination (Over Peover).
 - 1 is currently under examination (Eaton).
 - 1 has been submitted for consultation, ahead of examination (Shavington).
 - 4 have completed local consultations and are expected to be submitted shortly (Hankelow, Little Bollington, Alderley Edge, Gawsforth).
- This progress reflects considerable effort from local communities alongside the support and guidance from this Council and has placed CEC in the top 5 performing authorities with a total of 30 completed neighbourhood plans in the borough.
- Policies within adopted Neighbourhood Plans are a material consideration in the determination of planning applications.

Development Management

- 5700 Applications received last year (2019-20)
- 153 Major Applications (maintaining the position as one of the top 5 busiest councils).
- 99% of Major Applications determined within time marking a significant improvement from last year.
- 92% of Minor applications determined within time strengthening the position from last year.
- Planning Appeals success rate of 76%, maintaining a good decision record which is better than the national average.
- 998 Enforcement cases closed.
- Instigated a Peer Review to assist the Council in improving its services

- Implementation and practical application of the CEC Design Guide has enabled improvement in design quality for residential applications and rejection of poor design.
- Production and implementation of a Heritage at Risk strategy to assess the Borough's listed building stock, with over half completed by the end of 2019.
- Successful prosecution of the owner of Aston Park House for offences committed in relation to unauthorised works to the listed building.
- Acknowledged Conservation input into Jodrell Bank is inscribed by UNESCO as a world heritage site.

Developer Contributions

- Secured over 850K of additional funding towards landscape/ecological mitigation from HS2 petitioning. The funding will be made available to CEC 6 months after the Bill for HS2a receives royal assent. On the current timetable we can anticipate this money coming through after July 2021. The funding will be used for wildlife projects and hedgerow, tree and woodland planting.
- In ensuring 'no net loss' from planning applications the council has secured over £1.5m towards ecology and biodiversity off-setting. This funding has been secured through Section 106 Agreements and is tied to trigger points as development proceeds. To date we have received just over £315,000, much of it quite recently. We work with Cheshire Wildlife Trust and other organisations such as Local Barn Owl Groups to ensure that the benefits for wildlife are maximised. Funded work to date includes 9 sites for species rich grassland (13.4ha), 1080m of new native hedgerow, support for pond creation and restoration, restoration work at Wybunbury Moss National Nature Reserve and Blakenhall Moss Local Wildlife Site, funding to Barn Owl Groups for nest box construction.
- Granted consent for thousands of new houses across the Borough; major infrastructure works such as the A500 widening; a 'state of the art' Recycling facility for all food and bio-degradable waste generated by CEC households and new employment developments in Crewe and Middlewich.

Award	Category	Entry Details	Result
National land information service	Most improved service	Land charges team (Civance)	Shortlisted
IESE Public Sector Transformation	Innovation	Civance	Win



Cllr Laura Crane

Portfolio Holder for Highways & Waste

Waste and Environmental Services

- Emptied over 13 million bins.
- Managed and safely disposed of over 180,000 tonnes of household waste.
- Through Ansa's concerted efforts successfully carried out a complete transformation of collection rounds and staff rotas delivering savings of over £0.5m
- Successfully introduced a food recycling service through the garden bin scheme, delivering over 170,000 food caddies. Ran an extensive publicity campaign for the new service. Thank you to all those recycling food waste.
- Our composting plant, built at Leighton Grange farm, Crewe, received its national standard accreditation for its high-quality compost product, the last stage in its accreditation.
- Launched the Waste Watchers app to provide our waste service information in one handy place.
- Completed an extensive review of the waste strategy that was approved by Cabinet in March.

Strategic Parking

- Updated High Level Parking Strategy for the borough adopted as part of the Local Transport Plan.
- Safer Parking Around Schools Initiative – a continuation of the multi-agency initiative with our Parking Enforcement Team, Cheshire Fire and Rescue Service and the Police. Promoting the Councils Sustainable Modes of Travel to School Strategy. Emphasis is made about parking safely, responsibly, considerately and legally; ensuring that the children arrive safely at school either in a vehicle or on foot as a pedestrian.
- Multi-agency Operations – working in tandem with Cheshire Police and other agencies on various operations tackling concerns raised by residents. This resulted in a high level of positive feedback from members of the public
- Working alongside our Countryside rangers, United Utilities & Police to alleviate obstructions in rural areas for the safety of the public, also paving a way for emergency vehicles.

- Late night Licensing/Police operations tackling illegal parking and other issues.
- Making a Difference for a Brighter Future Together annual awards – Emma Steers (Senior Civil Enforcement Officer) was awarded First Time Manager of the Year. A reflection of all the hard work she put into the parking enforcement team whilst embracing the Brighter Future vision and stepping up to provide cover. Emma acted up as CEO supervisor from June 2019 and continues to do so, to support the return of the actual staff member.
- Supporting local Town Councils with the successful continuation of their local events, fairs and markets.
- Awarded a Highly Commended Certificate of Excellence for our Parking Services PATROL (PARC) Awards annual report in July 2019.
- Introduced online applications for staff permits which has received excellent feedback from users.
- Audited by DVLA (KADOE) on which we received a green rating - (excellent with no infringements).

Highways

Awards and accreditations

- Awards - Ringway Jacobs were recently awarded the National Asset Management Award at the Chartered Institution of Highways & Transportation awards in June 2019. This award marks the achievements of those working in the sector and promotes professionalism at best practice to a wider industry audience.
- BSi environmental and safety audit success - BSi assessors visited Brunswick Wharf depot and Delamere House on 25 and 26 June to audit our Quality Systems (ISO 9001), Environmental Management Systems (ISO 14001) and Occupational Health and Safety Management Systems (ISO 45001).
- Secured audit success in ISO 55001 Asset Management and awarded the National Asset Management Award at the CIHT recognising our achievements in the industry.
- Successfully retained accreditation of BSI ISO 44001 Collaborate Business Relationships.
- Received an Armed Forces Covenant Silver award as part of our commitment to our ex-servicemen and women employees.
- Achieved awards for the upgrade of the vehicle restraint system on the A54 Buxton. Road Safety Award at the North West CIHT awards, ICE North West Small Project Award and winner of Project under £1m at the Civil Engineering Contractors Association.
- Gold Performance Award received for excellence in management of Street information by the GeoPlace Awards.
- 2019 / 20 maintained continued accreditation for Department for Transport level 3 funding.

People and training

- 8 of our employees graduated with a Construction Management degree, some beginning their journey with us back in 2014 as highway apprentices.

Network Management

- Successful defence against a service strike claim. In December. Attended Crewe Magistrates Court in defence of two accusations. Due to our robust processes and procedures, the claims amounting to 25k were dismissed and BT were ordered to pay costs of £6,000, as the judge felt that we took every step to avoid the incident.

Unexpected events affecting Maintenance and Operations

- Tackled significant flood events in summer (end of July and August 2019) and October 2019 through mobilisation of our Adverse Weather Desk. Managed and investigated customer reports and prioritised crews, whilst keeping key stakeholders informed. During these two flooding events, 469 enquiries were received, and 1,270 hours were spent responding to flooding event activities.
- Mobilised a quick response to two diesel spills both requiring resurfacing work on A34 Rood Hill and Linley Lane.
- During February 2020, storms Ciara and Dennis resulted in the mobilisation of the Adverse Weather Desk. During these two storms, 202 emergency calls were received reporting 89 trees down, 87 floods plus a variety of other weather-related concerns; power lines, trampoline in the carriageway, power cuts for traffic lights, large hole in road and broken signs.

Innovation and schemes

- A54 Safety barrier replacement scheme constructed to programme in a very challenging location within the Peak District National Park. The design solution addressing engineering challenges posed by narrow road located on a hillside and subject to extremes of weather and significant environmental factors such as species/habit protection and work adjacent to sites of special scientific interest.
- Introduced a mostly electric only powered site on McLaren Street in Crewe for a flags to flexi scheme – supporting Environmental strategy.
- Implemented the use of bridge material made from Glass Reinforced Plastic (GRP). Joey the Swan was the first of its kind in Cheshire East and the planks used were made from 100% recycled plastic bottles.
- LED energy reduction programme finalised leading to carbon reduction for Cheshire East.

Flooding:

- The Highway Service has responded to several serious flooding events during 2019 which has necessitated numerous road closures whilst the significant

infrastructure damage is assessed, and the reconstruction work programmed in liaison with our partner organisations. The repair work will be ongoing through the year and we will continue to support those affected communities, together with our partner organisations, to improve their flood resilience.

Highways Development Management

- 89% of planning application consultations responded to within 21 calendar days: target 90%.
- 100% of planning pre-application consultations responded to within 21 calendar days: target 90%.
- £2.3m of s106 contributions secured towards key CEC highway infrastructure schemes.

Award	Category	Entry Details	Result
Go Awards 2018	GO Procurement Innovation / Initiative of the Year Award: Local Government, Central Government and Other Organisations (Local Government & Central Government)	Procurement of an Organic Waste Treatment Facility for Cheshire East Council to enable the recycling of food waste across the borough	Shortlisted
PATROL PARC Awards	Parking report	CEC parking report	Yes



Cllr Nick Mannion

Portfolio Holder for Environment & Regeneration

Parks and Playing Pitches

- Awarded the Green Flag and Green Heritage Awards for Queens Park Crewe.
- Awarded the Green Flag Award for: Fountains Field (Middlewich), Milton Park (Alsager), Sandbach Park, The Moor (Knutsford), Congleton Park and Bollington Recreation Ground.
- Queens Park won Bees Need's Champion Award demonstrating a commitment to Biodiversity and Pollination.
- Completed the annual refresh of the Playing Pitch Strategy.

Carbon and Energy

- Before the lock down the Council, with many volunteers, managed to reach its target for planting nearly 6000 trees this planting season, increasing biodiversity and carbon capture over the tree's life time.
- We have also progressed our Hydrogen bin wagon trial project and are grateful to our partners including Store Energy and the LEP funding that has enabled us to progress to begin the delivery phase of the project.
- Cabinet approved on 5th May 2020, the carbon action plan in its entirety, which details not only how the Council will reduce its own emissions to deliver carbon neutrality by 2025, but also how the Council can influence our residents and businesses to reduce the emissions across the borough.
- A new carbon screener template has been developed for integration into the business planning process for 2020/21.
- In February 2020 we announced a new pilot to convert bin wagons to be hydrogen fuelled, following receipt of the LEPs Local Growth Fund. The hydrogen will be produced in the greenest way possible, at the ANSA environmental services depot in Middlewich, using an electrolyser connected to solar panels and grey-water recycling.
- The Council has already accelerated the planting of approximately 6,000 trees and shrubs across the Borough in February/March 2020, this planting was able to be completed despite the challenging circumstances faced by the country and the local authority.

- In February 2020 Cheshire East Council announced a new competition targeted at primary schools, which is partnered with Energy giant Storengy UK. The competition asks for entries, from primary school students across the Borough, of what they will do to combat the climate emergency; with the prize being a solar panel package worth up to £10,000.

Economic Development

- Developed a draft economic strategy for the borough in conjunction with partners of the Place Board which has been through a public consultation period and is scheduled for adoption early 2020. The five-year Cheshire East Economic Strategy 2019 – 2024 and associated action plan set out an ambition for sustainable growth and the key priorities to enable and drive forward delivery. This will support us in; articulating our offer and opportunity to investors; framing our conversations with the Local Enterprise Partnership (LEP) and Government Departments and any strategic bids we will be submitting in the future for national programmes; and ensuring we are prepared for the post Exit from the EU funding landscape and the UK Shared Prosperity Fund.
- The council has helped to create 304 high value jobs and 212 sq. ft of new floorspace in the Borough this year.
- The council has worked with existing businesses to secure £16.7m of investment with a further £4.4m of investment as a result of companies relocating or expanding.
- £21.3m of investment leveraged as part of ELENA energy program.

Environmental Protection

- The Cheshire East Low Emissions Strategy – one of the first amongst Cheshire and Merseyside has now been approved and will be implemented alongside our strategic air quality work. The LES links to other CE policy and strategy focussed on improving local air quality across Cheshire East.
- The links between transport and air quality and the need to focus actions accordingly continue to be supported by Local Transport Plan funding and increased liaison between Environmental Protection and the Highways team.

Development and Regeneration

- A hybrid planning application was submitted in May 2019, which will deliver:
 - Around 1,500 new homes, including 30% affordable.
 - Up to 12 hectares of employment land.
 - New village centre (shops, restaurants, day nursery, hotel, pub, etc.)
 - Primary school
 - Green infrastructure (corridors, country-park style open spaces, sports pitches, community allotments/ orchards)
- The council worked very closely with Homes England to put forward a high-quality development scheme with appropriate public infrastructure that can be accelerated and can attract and benefit from Government funding. The council

has been allocated £21.7million of Housing Infrastructure Funding (HIF) Forward Funding by Homes England to fund key infrastructure to bring forward this site and deliver on its place making objectives as quickly as possible.

- Strategic regeneration framework for Macclesfield approved by cabinet in October 2019, following public consultation. In line with the recommendations in the SRF officers are now looking to develop plans to enhance the public realm in the historic heart of the town centre (identified by the public as their priority area for regenerative interventions) and are seeking to identify resources for the progression of other recommendations stemming from the SRF.
- Advanced plans for the redevelopment of the Royal Arcade site for a major mixed-use, leisure-led scheme including specifications for a new multi-storey car park, bus station and public realm.
- Crewe Market Hall - Secured planning consent for the remodelling of Crewe Market Hall, subsequently procured a works contractor and progressed with plans for the procurement of a new markets' operator for Crewe - Following completion of a comprehensive 12 month works programme Crewe Market Hall is planned to reopen to the public in summer 2020.
- Future High Street Fund - The council's Future High Street Fund Expression of Interest for Crewe has been selected by MHCLG to progress to the next stage of assessment. This involves the development and submission, in early 2020, of a final business case for capital investment of up to £25m. The Future High Streets Fund (FHSF) was set up to support and fund local areas' plans to make their high streets and town centres fit for the future. The council will further investigate development options including but not limited to existing council assets, which could be used to diversify the range of uses in the town centre, increase footfall and improve perceptions. This could include opportunities for environmental and accessibility improvements, better connectivity, green technology and a wider range of homes and workspaces in the heart of the town.
- Stronger Towns Fund (Town Deals) - Crewe has been selected by government to develop proposals for a Town Deal. This provides an opportunity to bid for funding, separate from and in addition to the Future High Street Fund, to deliver regeneration and 'improved transport, broadband and cultural institutions. A prospectus and guidance will be published by government but is yet to be received.
- Collaborated with stakeholders across our towns to facilitate investment, regeneration and development, with the intention of generating increased footfall and expenditure in our town centres by residents and visitors.

Rural and Culture

- Developer contributions secured through the planning process have been used to improve the accessibility of local facilities for pedestrians from a new housing estate in Nantwich. A traffic-free footpath running from the new residents' homes to local schools and onwards to the town centre has benefited from an improved surface making it available for year-round use.

- Sandbach Footpaths Group secured funding via the New Homes Bonus grant scheme to improve the accessibility of footpaths in the vicinity of Sandbach. The Group identified potential circular walks close to residents' homes that they wished to improve by replacing stiles with gates. Working with landowners and the Public Rights of Way team, these routes are now being improved making them easier to use for local residents.
- Working in partnership, Cheshire West and Chester Council and Cheshire East Council secured Rural Development Programme for England (2014-20) funding to improve the infrastructure of Cheshire's Twin Trails: the Gritstone Trail and the Sandstone Trail. The funding was granted under the growth programme as part of the European Agricultural Fund for Rural Development. The funding has been used to bring both trails to a high standard and to work closely together as a visitor attraction. This has been done by improving signposting, way marking, interpretation, by the replacement of stiles with more accessible gates and surfacing improvements. The project has now been completed with the benefits of the improvements there for residents and visitors alike to enjoy.
- The value of the visitor economy reached another record high in 2017 of £963 million; an increase of over 77.1% since Cheshire East Council was formed.
- There are 11,780 people employed in the Cheshire East visitor economy; an increase of 36.8% since 2009.
- In 2018 the average amount visitors paid for their accommodation hit record levels for Cheshire East.
- The economic impact of the staying visitor reached £251m; up by 64.7% since 2009.
- Tatton Park's Business Support team won the Marketing Cheshire 'Team of the Year' award 2019.
- Successful completion of a new Visitor Arrival Building at Tatton Park, part-funded by £246,000 of grant funding from the European Agricultural Fund for Rural Development.
- Tatton Park's 2019 Christmas Mansion event was one of the most successful, with a 60% increase in visitor numbers, compared to the average of the previous 4 years.
- 3200 hazel and willow whips have been planted as part of the 'green offsetting' strand of the 'carbon neutral' plan along with 200 cherry laurel and 30 Specimen trees in the Gardens.
- Awarded Green Flag and Green Heritage Awards for Tatton Park.
- Awarded Green Flag for Teggs Nose and Brereton Nature Reserve.
- Countryside Ranger Service has an events satisfaction rate of good/excellent of 96.87% with a 37% increase in visits to the Countryside Ranger Service website.
- Successful completion and launch of Crewe Cultural Strategy and Cultural Forum
- Successful delivery of several major events – most notably Wavefield which attracted over 5,000 people.

- Crewe Lyceum Theatre had its best year yet. The panto filled the theatre to 91% capacity with 24,000 tickets sold.
- Completion of a Green Infrastructure Plan for Cheshire East.

Housing

- The Accommodation Team referred 1046 cases via the single point of access for supported accommodation and floating support to enable some of our most vulnerable residents to access appropriate accommodation with support.
- Following the fire at Beechmere, Extra Care Housing Scheme - Strategic Housing worked in partnership with other directorates, statutory agencies and providers to rehouse over 120 vulnerable residents that were left homeless.
- Further houses in Crewe and Congleton were purchased to increase the availability of suitable temporary accommodation for homeless families in these areas.
- Housing Related Support services were reviewed and evaluated, and the services provided completely overhauled. The new service specifications were targeted at specific client groups in order to develop a more person-centred offer. The services were tendered successfully within budget and successfully mobilised, despite the COVID-19 lockdown.
- The Council was successful in their bid for further Rough Sleepers Initiative funding for 2020/21 receiving a grant of £438,329.30 which will be used to provide further accommodation with staffing and bespoke workers to engage with statutory partners such as the prisons and the health service.
- Move on to settled accommodation from the Council's hostel has been extremely successful the target for 19/20 was set at 80% and the outturn figure was 89% which is excellent considering the complexity of the residents. This is in comparison to the figures from the Homeless Link Single Homelessness Support in England: Annual Review 2018 which gives the successful move on figure as 49%.
- Preventing homelessness has been very successful this year with the annual target set at 875 exceeded by the end of Q3. Full year figure 1073.
- Exceeded the affordable home target of 355 homes delivered in 2019/20.
- We have reviewed the Homelessness and Rough Sleepers' Strategy to ensure it meets Government requirements and provides a clear strategic focus.
- 374 HMOs reviewed for compliance with management and property standards.
- The Green Doctor service has secured £212,500 of financial benefits for Cheshire East residents through energy saving improvements, switching energy tariffs, and securing additional benefits.
- 428 households helped to improve their living conditions through liaison with landlords, enforcement and support for vulnerable homeowners.

Economic Development

- 11 new inward investment projects were managed and delivered by the team, in total creating 433 jobs (against a target of 200). This included a larger cross-team project, the Swizzels investment in Middlewich.
- Strategic Regeneration Framework (SRF) setting out a vision, principles and key objectives for the future regeneration of Macclesfield town centre approved in October 2019 following stakeholder engagement and full public consultation exercise.
- Commenced works for remodelling and upgrading Crewe Market Hall.
- Facilitated plans by Scottish Power Energy Networks for a new £2.5m primary sub-station in Crewe town centre, to meet future energy demands.
- Succeeded with plans for further town centre regeneration in Crewe through being shortlisted for the Government's Future High Streets Fund, with an initial £150k grant awarded to support business case development to access up to £25m
- Prepared Planning Applications for circa 3,000 new homes across Garden Village, South Macclesfield Development Area and Leighton Green.
- Progressed the public realm improvements scheme on Castle Street in Macclesfield town centre ready for delivery on site commencing May 2020 (will now have to be deferred due to COVID-19).
- Strategic Regeneration Framework (SRF) setting out a vision, principles and key objectives for the future regeneration of Macclesfield town centre approved in October 2019 following stakeholder engagement and full public consultation exercise.
- Completed Shop Front Grant Scheme in Macclesfield Town Centre successfully helping to improve the appearance of 16 properties around the lower Mill Street/Park Green area of the town centre.
- Progressed plans for delivery of a pocket park at the egress of Macclesfield Bus Station ready to start on site spring 2020 (deferred due to COVID-19)
- Finalised brief for design work to improve the Cheestergate and Historic Heart of Macclesfield town centre following stakeholder workshops.
- Procurement exercise undertaken to secure a team to develop 9 Town Centre Vitality Plans for the Borough's key service centres.
- Advanced plans for the redevelopment of the Royal Arcade site for a major mixed-use, leisure-led scheme including specifications for a new multi-storey car park, bus station and public realm.
- Commenced works for remodelling and upgrading Crewe Market Hall.
- Facilitated plans by Scottish Power Energy Networks for a new £2.5m primary sub-station in Crewe town centre, to meet future energy demands.
- Succeeded with plans for further town centre regeneration in Crewe through being shortlisted for the Government's Future High Streets Fund, with an initial £150k grant awarded to support business case development to access up to £25m.

- Crewe selected as a location for consideration for Government's Towns Fund to support its economic development, with an initial £162k grant to support development of a Town Strategy.
- Established a new partnership-based Place Board for Crewe (initially a Shadow Board) to lead in developing and implementing strategies and action plans to support the long term economic, physical, environmental and social development of Crewe.
- Collaborated with stakeholders across our towns to facilitate investment, regeneration and development, with the intention of generating increased footfall and expenditure in our town centres by residents and visitors.
- 11 new inward investment projects were managed and delivered by the team, in total creating 433 jobs (against a target of 200). This included a larger cross-team project, the Swizzels investment in Middlewich.
- FDI projects: 7 projects were classed as foreign direct investment, with the majority of these being smaller life sciences projects landing at Alderley Park. Examples include GE Life Sciences (USA) creating 5 positions, with Sai Healthcare (India) creating 40.
- Enquiries: 81 new inward investment enquiries were managed by the team.
- Supported Astrazeneca to introduce a 'Green Commuting Strategy' for staff at Hurdsfield to free up parking space for future investment at the site.
- Supported Royal London Asset Management and Colliers International to develop a marketing strategy for new business units at the RL site in Wilmslow.
- Supported Barclays with their long-term development strategy for Radbroke Technology Centre.
- The team have continued to support Cheshire Green Industrial Park (152 acre site in total, planning permission for 1.5million sq ft of units covering B1 (C) (light industrial), B2 (general industrial) and B8 (warehouse, storage and distribution). First occupation of Plot 1A (1.43 acres) and Plot 1B (0.63) facilitated by the team.
- RDPE Growth Programme - 12 Cheshire East rural businesses supported successfully through to the full application stage circa 1.4 million of grant request lodged with the Rural Payments Agency.
- RDPE Cheshire LEADER Programme - 15 rural businesses supported resulting in £545,746 grant secured and 63 jobs created.
- Events – Rural Grant funding workshop organised and delivered by the team. 72 businesses in attendance.
- Delivered a public sector procurement and tendering workshop for small businesses.
- Secured £326,000 in grant funding from Innovate UK to undertake a research project, in partnership with Barclays, to test different approaches for encouraging SMEs to adopt productivity boosting business practices, particularly focusing on the adoption of digital payment technologies and practices.
- Obtained grant offers relating to Housing Infrastructure Funding, subject to contract, from Homes England totalling £41.7m towards delivery of strategic

housing schemes at Garden Village at Handforth, South Macclesfield Development Area and Leighton Green.

Estates

- Completed capital receipts sales of assets and farms worth £5.673m
- Exceeded the annual rental income target by £130k bringing in £2.085m via its investment and farms portfolio.
- Continued the successful statutory testing and management of the Council's estate
- Managing £70m of construction projects on the Council's assets.
 - £30m projects have been completed including, New Composting Plant, Demolition works at Macon House and Hollins View; Cledford Hall Farm Barn Demolition; Concrete Capping works at Malkins Bank; Remodelling Works to the Town Hall at Macclesfield and 10 No School Expansions.
 - £15m are in construction projects, including 5 of the 9 being School /education facility expansions and refurbishments; Listed Barn Repairs and the refurbishment works to Macclesfield Leisure Centre and Crewe Market Hall.
 - 19 projects circa £27m in the early feasibility, pre-construction stages of development, including 3 No Leisure Centres refurbishments, 7 No School expansion projects and the second phase of essential remediation works at Malkins Bank.

Award	Category	Entry Details	Result
Active Cheshire	Everyday Superhero Awards	CEC Rangers	Shortlisted
Marketing Cheshire Awards	Team of the year	Tatton Park's business support team	Yes
Marketing Cheshire Awards	Wedding venue	Tatton Park	Shortlisted
National Farm Attractions Network (NFAN) annual awards	"Best In Education"	Tatton Park Education and Farm teams	Highly Commended
Marketing Cheshire Annual Awards	Tourism Experience or Event of the Year	Tatton, 'Field to Fork'	Win
Green Flag Awards	Employee of the Year	Elaine Webster	Win

IEMA Sustainability Impact Awards 2020	Sustainability Strategy to achieve net-zero	Ralph Kemp	Applied
---	--	------------	---------



Cllr Jill Rhodes

Portfolio Holder for Public Health & Corporate

Governance and Compliance Services

Democratic Services

- Member induction programme agreed for the 2019 newly elected members.
- Launched a member/officer protocol.
- 1,749 Civil marriages / civil partnerships. This service was closed at the end of this period due to Covid19.
- At the 2019 North West Weddings Awards the service was voted the best ceremony provider.
- The registration service won a bronze award for 'reinventing local services' at the annual iESE national awards. The award was for improving outcomes for the local community, including residents and businesses.
- Introduced A centralised, dedicated service for member enquiries, resulting in a more efficient and focussed way of dealing with residents' enquiries, the service is expected to begin being rolled out to town and parish councils in the coming months.
- Established most accurate Electoral Register since the council was created, containing around 300,000 electors
- FOI Disclosure Log launched. FOI requests and responses now published on the council's website.
- Published the first monitoring officer annual report.
- Delivery of a "snap" Parliamentary General Election on 12th December ensuring, at short notice, that over 300,000 Cheshire East Borough voters and over 50,000 postal voters could vote in 300 polling stations, and by use of the postal system.
- Agreement reached on implementation of the new Committee System in May 2021
- Responded to the cancellation of all electoral activity, including the Police and Crime Commissioner Elections, and the proposed Cheshire East Crewe West by election.

Audit & Risk

- 5 detailed reviews into historic land transactions and a consolidated finding report to address identified control weaknesses.
- 7 whistleblowing referrals received and investigated.
- 5 counter fraud investigations.
- Ongoing support to subsequent police investigations as key witness: 2 successful prosecutions with the 2 former staff members.
- Audit and Governance committee approved Annual Statement of Accounts and Annual governance.
- Statement within statutory deadlines at the July 2019 meeting.
- Achieved seventh gold medal in the internationally renowned RoSPA (Royal Society for Prevention of Accidents) Health and Safety Awards in recognition of our health and safety practices and achievements.
- Training and establishment of a new Audit and Governance Committee to enable them to meet quickly after the elections, thus meeting statutory deadlines for accounts etc.

Legal Services

- Alongside Democratic Services, we have been working on the community Governance Review and Committee System, both of which will have a potentially significant impact on the shape of local democracy.
- Alongside IG/FOI colleagues, facilitated the action plan for IPCO in terms of our use of powers under the Investigative Powers Act, and satisfactory acceptance of this by the IPCO.

Transformation

Business Change

- Led on a successful LGA Corporate Peer Challenge including preparation of material, engagement with staff, members and partners and the co-ordination and support of the peer review team.
- Established a consultation panel to ensure robust and meaningful consultations take place across the organisation.
- Published the council's first Borough Profile, drawing together range of business intelligence to 'set the scene' about Cheshire East.
- Revised the council's approach to performance scorecards and reporting processes.
- Developed a Corporate Improvement Framework.
- Business intelligence team for the People Directorate was recognised for its strong support of the front door peer review and support given to the company supporting the EHCP review process.
- Support for the Ofsted ILAC's inspection in November – with recognition in the final formal report "41. Senior leaders and managers have access to an array of

comprehensive performance information. Monthly and quarterly reports provide analysis of performance and identify areas of focus. This has improved compliance in most areas of performance”.

- A member of the Business Intelligence Team was awarded Employee of the year in the council’s annual awards ceremony.
- Undertaken or opened a range of consultations with residents and the Digital Influence Panel including:
 - Libraries survey - over 4,700 responses
 - Kerbside Waste Collection Service – schedule reorganisation consultation – over 1,600 responses.
 - Budget Consultation 20/21
 - Community Governance review – pre-consultation survey
 - Environment Strategy consultation
 - Article 4 and Selective licensing analysis and report
 - Prepared residents’ survey to engage with residents which received over 4,000 responses.
 - Transition to secondary school project (Yr6 and Yr7) – over 3,000 responses.
- Launched the Insight Cheshire East website, providing accessible information and data direct to the public.
- Worked with the Senior Leadership Team and Cabinet to develop a draft Corporate Plan for 2020-2024, supported by a robust communications and engagement strategy.
- Delivered a range of successful equality and diversity events, including Pride in the Park event at Queen’s Park, Crewe, local Pride events held in Macclesfield, Congleton and Nantwich, Holocaust Memorial Service, International Women’s and Men’s Days, Menopause Awareness Day, dedicated staff forums for LGBT+ and mental health first aiders, established a prayer room in two of our main office bases
- Took part in Mandela Day, spotlighting the ‘My67minutes’ campaign across the organisation.
- Implementation and roll out of SEND payments portal in March.
- Supported key projects and programmes, e.g Cultural Transformation Programme
 - Brighter Futures Transformation Programme
 - HS2 / Constellation Partnership
 - Redevelopment of Congleton Leisure
 - Organic Food Waste
 - Environmental Services Hub
 - HWRC review
 - archives project includes HLF bid
 - Procurement of new planning system
 - ASDV review
 - Westpark
 - B4B Programme

- Tatton Park (Vision 2 and EPOS system)
- Crewe Market
- Carbon Neutral programme
- Highways Premises Strategy
- Cemetery Review
- Undertaken service diagnostics and systems reviews for key parts of the business.

Human Resources

- Implemented the Brighter Future Together (Culture) programme with full governance structure including staff and Member Forums.
- Recruited and trained over 100 Brighter Future Together Champions to support the embedding of culture across the organisation and facilitated “A Conversation for all Members” training that focuses on building and maintaining positive relationships with each other, officers and residents.
- Commissioned a new confidential helpline for officers experiencing unacceptable behaviour – Stop Bullying Behaviour helpline.
- Embedded new apprenticeship scheme and levy - 277 apprenticeship new starts to date. Total of 125 apprentices currently on programme.
- Supported the roll out of E-Payslips with over 90% of staff signing up.
- The Wellbeing in Work newsletter has been refreshed to include the five strands of the wellbeing in work strategy with content to highlight the work undertaken across the Council in helping staff to improve their wellbeing.
- Launched the Leadership and Management Development Programme 2019/2020 based on manager skills audit, with a total of 346 staff having undertaken the programme.
- Completed NJC pay assimilation to national pay structure and first phase of holiday pay review and payments. Completed second phase of holiday pay review and payments, developed and implemented Oracle update for automatic calculation of holiday pay going forward. All services operating in line with requirements except Schools, TSS and Catering, however, plans in place for these services which have Term Time Workers.
- Delivered induction for all new members providing an opportunity to discuss our workplace culture, values, behaviours and refreshed the Corporate Induction for officers.
- Developed and implemented embedding plan for culture programme work. Introduced revised PDR process, created and implemented My Conversation toolkits, Getting up to Speed – Induction for Managers, Getting up to Speed – Induction for All, Getting in the Knowledge key cards for all staff.
- HR policies approved and implemented with training delivered to managers in relation to; Recruitment, Organisational Change and Equality in Employment - Introduction of a new recruitment toolkit, as part of the Brighter Future Together

(Culture) programme, including behavioural based questioning and a new template for job descriptions.

- Approved and implemented further Policy updates including Leaving the Council, Flexible and Mobile Working, Flexi Time Scheme, Pay and Allowances, Travel and Expenses and Leave and Time Off.
- Launched The Big Conversation staff survey to assess staff engagement across the Council. Engaged with the Brighter Future Champions to support managers to communicate the results and seek feedback on potential areas for improvement.
- Collated The Big Conversation staff survey action plan for the Council across key themes.
- Successfully implemented and completed the MARS 2019 scheme, Gender Pay Gap report and Pay Policy Statement.
- A record-breaking year for the Made My Day Recognition programme with a total of 2330 sent during the scheme year (Jan – Dec) against a target of 1195. Made My Day continues to grow with March being a record-breaking month where 246 were sent.
- Successful end of year recognition event held, over 150 nominations were received.
- Successful Well-being Week took place in April and September with over 600 staff attending and receiving a health check at each event.
- Supported the recruitment of a new senior leadership team including a new Chief Executive, Executive Director of Corporate Services and various Director roles

Public Health

- Suicide Prevention – the Pilot of the ‘Gatekeeper’ Training ensured a total of 401 people from frontline services trained in suicide prevention. Gatekeeper training for 26 secondary schools is now underway with 63 members of staff from Cheshire secondary schools and colleges trained to date.
- The council is working with the Cheshire and Merseyside Public Health Collaborative to develop and promote Making Every Contact Count (MECC) across organisations throughout Cheshire East.
- The collaborative campaign ‘Know Your Numbers Week’ take place annually in September. Blood Pressure checks are offered to staff in the workplace and in the Connected Community Centres for the public.
- Youth Connect 5 – This wellbeing and resilience course for the parents of 10-18-year-old children has been delivered to 180 trainers across Cheshire and Merseyside.
- A survey of all our primary schools has shown that 50% of our schools are undertaking some form of children walking a mile a day during school hours. A total of 54 schools have implemented a scheme, with a further 10 underway. We are working with the remaining schools to implement the ‘Make the Mile’ initiative.
- The council’s flu vaccination programme for staff achieved approximately a 20% uptake in its first year. This year the uptake at our clinics was higher than last year

and requests for vouchers have also been higher. The Council was successful in bidding for £5,000 from NHS England to support targeted flu communications.

- The One You lifestyle service programme is achieving strong performance in terms of participant outcomes with regards to weight management, physical activity, and falls prevention:
 - 79% of participants moved from inactive to active
 - 66% experienced a reduction in Body Mass Index (BMI)
 - 37% achieved over 5% weight loss
 - 67% achieved 3% weight loss and over
 - 68% had a decrease in fear of falling score (Falls prevention)
 - 86% improved their timed up and go assessment (Falls prevention)
 - 82% had an improved Dietary Quality Score
- To draw attention to hypertension during 'Know Your Numbers' week, working in collaboration with district nurses and community leaders, there were 24 stations set up across our communities taking well over 250 residents' blood pressure readings, which resulted in 40 GP referrals and over 50 referrals to the OneYou service.
- The Council was an active partner in the preparation of a successful funding bid for £486,000 to the Cheshire and Merseyside Health and Care Partnership.
- The Public Health Improvement Team was successful submitting a bid and was awarded £49,000 from NHSE Innovation Funding to support middle aged men's mental health and reduce suicide in Cheshire East.
- The British Heart Foundation awarded £100,000 of funding for people to have potentially life-saving blood pressure (BP) checks. From that the Public Health team at Cheshire East have trained up the volunteers in the Connected Community Centres and staff in external workplaces to increase testing outside of primary care. From November to February, 170 people in the community have had their BP taken.
- A state-of-the-art touch screen health kiosk was introduced in Cheshire East after a successful collaborative bid and has begun its journey at the lifestyle centre in Crewe and has been in place until March with over 500 health checks been undertaken. The kiosk calculates BP as well as Body Mass Index, Body Fat, Heart Rate and Heart Age. It will be moved throughout the year into other locations.
- The Public Health Improvement Team held handwashing sessions in every building to raise awareness of the importance of handwashing as the flu season began.
- The Director of Public Health and the Health Protection Team have led the initial stages of our response to the Covid-19 situation. This has included providing technical support and advice to our staff, care teams and schools, positive engagement with the media and early multiagency planning.
- The Health Intelligence Team have been supporting Cheshire East Council and the Local Resilience Forum with data, planning and modelling throughout the Covid-19 situation. This is in addition to developing Joint Strategic Needs Assessment chapters and creating a refreshed 'Tartan Rug'.

Award	Category	Entry Details	Result
North West Wedding Awards	North West Wedding Awards	CEC Registration Service	Win
IESE awards 2019	Reinventing Local Services	CEC Registration Service	Win
NW Wedding awards	Best Ceremony Provider	CEC Registration Service	Win
LGC Awards	Public/Private Partnership	Ignition	Shortlisted
RoSPA H+S Gold Award	RoSPA H+S Gold Award	H+S team	Win



Cllr Amanda Stott

Portfolio Holder for Finance, IT & Communications

Procurement

- £600m highway design, maintenance and construction services contract awarded.
- £44m design and construction of A536 Congleton Link Road awarded.
- Completed the procurement of Congleton Leisure centre - £8.2 million.
- Cleaning and catering contracts combined into one contract – first year saving £52,385, 34.3%.
- Translation and interpretation contract saving -£64,318, 34.2%
- Nil non adherences to contract procedure rules during Q1 2019-20.

Finance

- Achieved the statutory reporting deadline for the audited Group Statement of Accounts.
- Provided training to 300 budget managers as part of the Leadership & Management Development Programme.
- Almost 1,000 views of the on-line consultation for the 2019/20 pre-budget.
- External assessment of the Council Treasury investments showed a reduction in the overall risk profile, whilst returns continued to exceed bank base rates in line with our target.
- Retained CIPFA Platinum accreditation.
- Continued the staff Save Us Money Scheme.
- Provided financial advice and support to enable £3m expansion of the Alliance Environmental Services joint venture, to cover grounds maintenance and street cleansing functions within Staffordshire Moorlands and High Peak Boroughs.
- Provided financial advice and support to the Journey First project, successfully securing £5m ESF monies to support care leavers and people with complex needs.
- As Accountable Body, supported the Cheshire & Warrington Local Enterprise Partnership in its bid for ERDF monies to create a £20m Evergreen Development Fund.

Customer Services

- New digital services have been implemented to provide improved customer access 24x7 to a range of services including council tax, benefits, waste and recycling, blue badges and pest control.
- A new online customer account has also been implemented providing customers with up to date information on their council tax balance, latest payments, bills and benefits entitlement.
- Maintained 99% collection rate for Council Tax and Business Rates.
- The benefits team have consulted on a revised Council Tax support scheme and are adopting the changes to the Blue Badge scheme.
- Launched 'Social Value' supplier survey to achieve as much social value through every £spent as possible, especially within key contracts with high spend/platinum suppliers.
- Benefits Team have gained approval and successfully implemented a new banded Council Tax scheme.
- The Web Team have re-designed and launched the new "Live Well" site.
- Revenues Team have completed the procurement of a new print solution for bulk mail.
- Customer Services have refined and launched the Customer Experience workstream of the Brighter Future Together Programme.

ICT Services (inc ICT Shared Services)

- Organisational approval of the email retention policy, which supports best practice information management such as the ICO's Code of Practice and compliance with the GDPR.
- Won two GeoPlace awards – Gold Achievement Award for finishing the financial year on Gold Standard for LLPG, and Gold Performance Award for achieving Gold 11 times out of 12 last financial year.
- Information Assurance and Data Management (IADM) is supporting preparedness planning for the 2021 census.
- Re-developed the legacy Tithe Maps solution, the new system benefits from a newly released set of aerial photographs and supports an interface with Google StreetView – this has been recognised across the region with requests to share knowledge.
- Launched a corporate e-learning module "Protecting and Managing Information" to improve the Council's maturity of handling information.
- Implemented a Business Continuity tool across the Authority to support management of business during times of disruption to operations.
- Proof of concept completed for a Cheshire East Personal Care Record cross-referencing advice in Live Well Cheshire East. An initiative with Eastern Cheshire CCG for access to health records, adding own information, connecting

health devices (for example, Fitbit / weight scales etc.), and communication with configured clinical teams in any care setting.

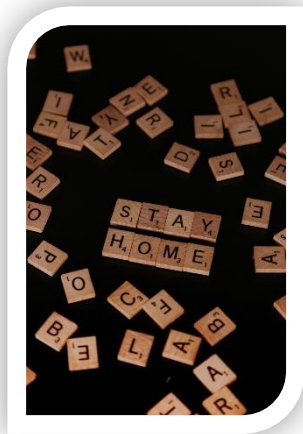
- The 'Choices for Care' Live Well service was launched allowing Adults, Carers, and young people to complete self-assessments. These form-based self-assessments ask a series of questions and signpost people to help and support available on Live Well. Financial eligibility self-assessment checks are also now available online for Adults.
- Complete refresh of Live Well Cheshire East page design based on extensive public consultation. New menu system added with extra help for navigating health and wellbeing information and services, including a new self-service social prescription facility.
- Engagement of Microsoft as a strategic cloud enablement partner.
- Implementation of a new secure, compliant mobile device management solution, removing the need for frequent costly upgrades, exploiting the benefits of cloud, reducing on premise infrastructure and providing significant improvements in management and reporting.
- A joint ICT Strategy was developed with assistance from Ernst Young (EY);
- Developed a Target Operating Model (TOM) to support the strategic direction and hybrid model.
- Supported the introduction of over 250 champions (Technology Champions and Bright Sparks) across both councils who have volunteered and been mobilised to support the transition to new technologies. These champions have been trained in the latest products Windows and Office 365 products, so they are ready to help;
- As part of "Digital Refresh", begun council-wide programme to update our computers to Windows 10 and Office 365 to provide even better service to our customers. 1500 users migrated to date.
- Next Generation Wide Area Network procurement completed which will support the operational delivery of network services and give both Councils strategic opportunities to explore Digital/Smart Cities/5G.
- Key Line of Business (KLOB) Application Decommissioning – 45 applications decommissioned to date, with a further 66 applications in the pipeline, equating to 25% of KLOBs.
- Developed draft Digital Business Strategy.

Business Change - Communications

- Communications strategy for key strategic priorities inc:
 - Environment strategy, climate change and waste strategy
 - HS2, strategic highways programmes, town centre Regeneration
 - Local Plan
 - Cheshire East Partnership 5-year plan
 - Fostering and Adoption
 - SEND

- Staff Survey
- Elections
- Free school meals campaign brought in £182,985 funding.
- Surpassed 25,000 followers for corporate Twitter account in June.
- Surpassed 11,000 followers for corporate Facebook account in August.
- Provided emergency crisis comms strategy and support for two major incidents.
- Working with colleagues in Ansa, we delivered comms to inform and engage people around changes to waste and recycling services and food waste collection.
- Pitched and placed an article in Local Government Chronicle celebrating the importance of champions in culture change
- Reviewed and secured approval for a revised Media Relations Protocol.
- Produced a successful marketing campaign for Pride in the Park 2019 including advertising on D&G Buses, street advertising furniture and communicating with residents around road closures for the event.
- Secured a media partnership with Reach, publishers of Crewe Chronicle to promote Pride in the Park across its readership.

Award	Category	Entry Details	Result
MJ Awards 2019	Innovation in communications	A life with less plastic	Shortlisted
Institute of Revenues Rating & Valuation	Best Practise in Social Inclusion	Council Tax Team	Shortlisted
Institute of Revenues Rating & Valuation	Excellence in Social Inclusion	Revenue Team	Shortlisted



Whole Council Response to Covid-19.

In December 2019, the outbreak of a coronavirus called Covid19 was reported in China. The months that followed saw the spread of this virus through Iran, Italy and into Europe and by March it was prevalent in the United Kingdom.

On 23rd March, Central Government announced a 'lock down' across the country to reduce the speed of transmission and impact that this would have. The advice was that all who could work at home should do so, people should stay 2 metres apart, there should be no unnecessary travel and schools were closed to most children. Residents over 70 and the vulnerable were told to stay in their homes and not have contact with anyone except essential carers.

In the month between the start of lock down and writing this report Cheshire East has achieved and delivered the following.

Corporate Services

Communications

- Introduced Daily Staff and Daily member briefing to ensure that everyone was up to date with information regarding Covid-19 response
- Key communications staff are still working at Westfields to ensure a timely response to any issues that arise.
- Worked closely with the HR department to ensure that all staff know the correct processes to follow in case of infection of either themselves or their families.
- Four months of media releases and statements produced in one month due to the impact of the Covid19 pandemic.
- Facebook followers increase by nearly 2,500 in the same period

Logistics hub setup and operation

- Logistics hub set up from scratch
- Officers have worked long hours including weekends and over the bank holidays to make sure that food parcels were able to go out to the identified vulnerable people.
- Officers attended local supermarkets to bulk purchase food items using their own transport, specifically toiletries as these are not supplied in the boxes distributed nationally.
- Secured a donation of 1300 packing boxes which are being used by both the Shielding hub and Children & Families.
- Secured a donation of 700 breakfast items from Mornflake Oats as well as donations of food from Taste for Life and a chemical firm in Holmes Chapel.
- 120 food parcels have been distributed over the course of 3 weeks to elderly and vulnerable people.

Intelligence and data

- Developed the homeworking assessment and support to ensure that all staff who are now working at home are doing so safely.
- Lead on 'lessons learnt' project.
- Providing and cross matching data sets of vulnerable adults in conjunction with Public health and adults social care.
- Developed vulnerable children data sets,
- Working with the DfE to develop national daily data requirements and returns.

ICT Projects

- Developed a process for dealing with the increase in ICT requests caused by staff having to work from home.
- Triaged 495 requests for new ICT kit over a 4-week period
- Devised a safe process to hand over new ICT equipment to staff in a safe way to ensure minimal contact.

- Responded and actioned 438 of these requests within the 4-week period
- Triaged 47 requests for advice on teleconferencing
- Ensured that approximately 2,500 members of staff were able to work from home on either existing, new or their own equipment.

Human Resources

- Developed a Workforce Redeployment Programme to temporarily redeploy staff to support business critical areas. To date, in excess of 55 staff have been redeployed.
- A multi-faceted recruitment campaign has been launched to recruit staff into health and social care. This includes running a Cheshire East Care4ce campaign, joining a North West campaign to recruit Auxiliary Social Care Workers and working with ES&R to recruit their staff on a casual basis. HR is supporting this with a shortened recruitment process to enable additional resource to be put into place as soon as possible.
- A process for testing staff for COVID 19 as part of the nationwide testing programme has been implemented for staff who are symptomatic and staff who are self-isolating due to a family member showing symptoms. Testing is available for frontline Local Authority staff.
- A daily reporting tool has been established to accurately inform senior management on the current status of the Council's workforce. Letters have been issued to all staff across the Council identified as critical workers to support their movement when travelling between council sites or other locations in line with their job role.
- Working with colleagues across the Council and the Trade Unions, an extensive range of FAQs have been developed to address staff questions relating to government guidance, changes to working arrangements and temporary policy changes. A bespoke Well-being Communication Plan has been developed and implemented during the COVID 19 response period. This includes a bite size communication that is included in the daily COVID 19 update and articles and information focusing on 'Well-being in Work', e.g. working differently, creating a new routine, working from home, keeping in touch and 'Well-being at Home' focusing on both physical and mental well-being for staff and family members.
- A solution has been found to share communications with our non ICT enabled staff via [Cheshireeast.gov.uk/staff](https://cheshireeast.gov.uk/staff) which can be accessed via any device through the internet and does not require a Cheshire East email or login. All COVID 19 updates and Well-being in Work updates are available on these pages.
- Continued engagement with the Brighter Future Champions. The focus of the weekly communication is to share well-being hints and tips, share insights of innovative ways of adjusting to working differently and to seek feedback from the group of what further support would be helpful. After each communication, positive feedback has been received from the Champions, particularly around sharing experiences which has helped colleagues stay connected when working from home.

Governance and Compliance

- Effectively responded to the emerging Covid-19 emergency by making provision for Members of the Council to make decisions remotely, rather than in face to face meetings. With the help of colleagues from ICT, rolled-out Windows 10 and Office 356 provision and training to Members and to officers who would be required to service “virtual” meetings.
- Analysed emerging legislation in order to inform preparations for virtual meetings.
- Responded to the need for the first virtual meeting of Cabinet to take place on 5th May
- Implemented arrangements for telephone death registrations: for the first time being equipped to deal with the registration of deaths without face to face meetings with Registration Service staff

Benefits and Revenues

- Issued over 4,000 grants to businesses totalling £53million,
- Implemented easements to support those struggling financially such as the deferment of Council Tax and Business Rates, responded to a significant increase in claims for Council Tax Support and Housing Benefits,
- Supported vulnerable customers contacting the People Helping People service and ensured COVID information is easily accessible on the Councils Website.

People

Cared for Children and Care Leavers

- Staff within our Care Leavers service have shown many examples of creativity and great use of technology to stay in touch with our young people during the coronavirus lockdown. Staff have carried out social distance walks and door step visits, had virtual lunches and even dressed up on video calls to make young people laugh.
- During the coronavirus lockdown, we held a competition for care leavers and all children and young people with a social worker to design a tote bag. All children and young people who have a social worker will receive a bag featuring the winning design for their age category.

Children in Need and Child Protection

- During the coronavirus lockdown, workers have been using creative ways to stay in touch with children and young people and have carried out face to face visits where necessary to ensure children and young people are safe.

Education and 14-19 Skills

- Schools have been very flexible during the coronavirus lockdown and have worked with us to ensure places have been available for children of keyworkers and our most vulnerable children. Almost all Cheshire East schools were open over Easter, so we were able to continue to offer places for vulnerable children compared to just 60% that were open nationally.

Preventative Services

- To support families during the coronavirus lockdown, we developed the Children and Families People Helping People welfare scheme which has supported all children and families who need essential shopping, support with bills and access to food and household essentials during this difficult time. Cheshire East Council has directly delivered support to more than 500 families with urgent needs.
- Prevention services have adapted during the coronavirus lockdown and have found creative ways to ensure services are provided to children, young people and families. This has included providing videos, leaflets and other information for parents to support them to create a learning environment at home for their children, daily live streaming to young people by the Youth Engagement teams, online chats and quizzes, and online Youth Council meetings. Workers have been using video calls to stay in touch with children and young people and have carried out face to face visits where necessary to ensure children and young people are safe and well.

Public Health

- The Acting Director of Public Health and the Health Protection Team have led the initial stages of our response to the Covid-19 situation. This has included providing technical support and advice to our staff, care teams and schools, positive engagement with the media and early multiagency planning.
- The Health Intelligence Team have been supporting Cheshire East Council and the Local Resilience Forum with data, planning and modelling throughout the Covid-19 situation. This is in addition to developing Joint Strategic Needs Assessment chapters and creating a refreshed 'Tartan Rug'.

Communities

- In rapid response to support residents out in the community that now found themselves required to socially isolate and through that have become vulnerable due government advice to stay inside to protect themselves the [People Helping People](#) service was launched on 20th March 2020.
- The service provides local residents with underlying health issues and/or who were above the age of 70 who do not have the available support networks with the option to request help for tasks such as food shopping or prescription collection.

- To meet the needs of local residents the service also allows local people to offer their availability and support hence the People Helping People.
- The scheme was also extended to vulnerable children and their families.

Adult Social Care

- Adult Social Care has been maintaining contact with all service users ensuring their safety and wellbeing. This includes preventing any carer breakdown.
- The hospital social work teams have continued to support hospital discharges and we have seen the lowest delayed transfers of care for many years.
- The team have not had to enact any 'Care Act' easements.
- The social work team have also been supporting the individuals on the 'shielded patients' list.

Commissioning

- The commissioning team have ensured that every adult & children's social care and public health contract/services were able to deliver services in line with the Government guidelines. A huge effort has been undertaken to support the adult social care market and in particular the care home sector.
- They have supported the Clinical Commissioning Group by block purchasing a number of beds to support the discharge process and work collaboratively to ensure the safety of residents in our care homes.
- They have set up new programmes to support vulnerable groups during the pandemic:-
 - Hidden Carers
 - Job Matching Service
 - Mental health information point.

Place

Waste and Environmental Services

- The Council is grateful to all its recycling and waste teams and those who have joined them from other services who have enable us to keep residual, garden/food and silver bin recycling going throughout this period of Covid-19. We also thank the public for their support for our 'Waste Hero's' who have clapped and left rainbows on their bins in encouraging our teams as they have collected the bins.

Parks and Playing Pitches

- We are grateful to our parks and open spaces teams who have continued to mow the grass and maintain our public open spaces to allow them to be used for exercise and wellbeing during this time.

Housing

- As part of the response to COVID-19 the Government introduced the “Everyone In” initiative which required Councils to find accommodation for anyone sleeping rough in their area. The Homelessness Outreach team were already aware of and working with this cohort and apart from one person managed to work with people and access suitable accommodation for them.
- The transition to home working has been really successful considering the nature of the services which are very public facing. The staff worked really hard on finding solutions that would work well for our customers who can often be vulnerable and chaotic.

Economic Development

- COVID19 support for business including;
 - Setting up and managing the Business Helping Business Scheme – 96 businesses supported
 - Drafting content and updating business information on the Council website
 - Supporting the Business Rates team to deal with queries relating to the small business grant

Strategic Transport & Parking

- Senior Civil Enforcement Officer has taken on a unique role from Feb/March 2020 to support redeployment of staff into delivering essential food and prescription parcels and alternative work rotas for our CEO's during the Covid-19 crisis.

Highways

Innovation and Schemes

- The COVID-19 outbreak has resulted in the service working in more innovative ways to ensure that fundamental day to day activities continue to take place. Social distancing has resulted in new and more dynamic ways of working both out on the network and within the office environment, allowing to deliver more efficiencies
- Donated cones to Shavington medical centre to ensure social distancing is followed. One of the operational staff revisits on his way to work to reset the cones after they are moved overnight.
- Maintained bin collections across the authority with the help of colleagues from across the business.



Working for a brighter future together

Key Decision: N

Date First
Published: N/A

Cabinet

Date of Meeting: 9 June 2020

Report Title: Risk Management Framework

Portfolio Holder: Cllr Jill Rhodes, Public Health and Corporate Services

Senior Officer: Jane Burns, Executive Director of Corporate Services

1. Report Summary

- 1.1. Effective risk management is central to good governance and supports the efficient delivery of the Council's objectives. To ensure the continued effectiveness of the Council's risk management arrangements, the Risk Management Framework has been reviewed.
- 1.2. The Risk Management Framework (Appendix A) has been considered by the Audit and Governance Committee (March 2020) and is now recommended to Cabinet for approval and adoption.

2. Recommendation

- 2.1. That Cabinet approve the adoption of the Risk Management Framework.

3. Reasons for Recommendation

- 3.1. The Council is publicly accountable and must be able to demonstrate effective management of the kinds of risks which may threaten the achievement of its strategic objectives, the effectiveness of its operations, the its financial stability, the security and value of its assets and to protect the public. It ensures the Council discharges its statutory responsibilities for managing risk under the Accounts and Audit Regulations 2015.

- 3.2. Risk management provides a structured, consistent and continuous process across the whole of the Council for identifying, assessing, responding to, and reporting on opportunities and threats that affect the achievement of the Council's Corporate Plan objectives and outcomes.

4. Other Options Considered

- 4.1. Not applicable

5. Background

- 5.1. To ensure the continued effectiveness of the Council's risk management arrangements, the Risk Management Framework has been reviewed. The review identified a need to update and consolidate existing documentation which forms the Risk Management Framework, and to ensure that once updated, the updated Framework is communicated across the organisation.
- 5.2. The Council's arrangements for managing risk, known as the Risk Management Framework, comprise of the following:
- 1 Risk Management Policy Statement
 - 2 Risk Management Policy
 - 3 Risk Management Appetite Statement
 - 4 Risk Management Maturity
 - 5 Risk Management Strategy 2020-22
- 5.3. Detailed Practitioner Guidance is also available to ensure that the risk management principles established in the Framework can be applied in practice. The Council actively manages risk and the development of risk management within the organisation and its decision making. This will be made available on the Council's CEntranet.
- 5.4. The Risk Management Appetite Statement (Section 3) is consistent with the overall and individual appetite statements established previously in the initial appetite statement.
- 5.5. The aspiration established for risk maturity (Section 4) is for the organisation to become "Risk Managed". The last assessment result placed the organisation as between "Risk Managed" and "Risk Defined

6. Implications of the Recommendations

6.1. Legal Implications

- 6.1.1. The Council has a statutory responsibility to have in place arrangements for managing risks, as stated in the Accounts and Audit Regulations 2015:

‘A relevant authority must ensure that it has a sound system of internal control which includes effective arrangements for the management of risk’.

- 6.1.2. Regularly reviewing the Council’s arrangements for risk and updating them as needed ensures that the Council is managing its statutory responsibility.
- 6.1.3. Risk management can relate to legal aspects of the council’s business; however, the content of this report does not have any specific legal implications. Legal risks to the organisation are incorporated in the service level risk registers.
- 6.1.4. The adoption of a risk management framework supports the Council to achieves its strategic aims and operate under general principles of good governance and proactively identifying risks which threaten its ability to be legally compliant and ensuring the Council operates within the confines of the legislative framework.

6.2. Finance Implications

- 6.2.1. There are no adjustments required to the Medium-Term Financial Strategy as a result of this report.

6.3. Policy Implications

- 6.3.1. Risk management is integral to the overall management of the Council and, therefore, considerations regarding key policy implications and their effective implementation are considered within departmental risk registers and as part of the Risk Management Framework.

6.4. Equality Implications

- 6.4.1. There are no equality implications identified.

6.5. Human Resources Implications

- 6.5.1. Training for staff and members on the refreshed Risk Management Framework will be provided to ensure that all have the relevant skills to support the assessment of risk in decision making

6.6. Risk Management Implications

- 6.6.1. Failure to review the effectiveness of the Council's arrangements for the management of risk and update them where needed could result in non-compliance with the requirements of the Accounts and Audit Regulations 2015.

6.7. Rural Communities Implications

- 6.7.1. There are no direct implications for rural communities

6.8. Implications for Children & Young People/Cared for Children

- 6.8.1. There are no direct implications for children and young people.

6.9. Public Health Implications

- 6.9.1. There are no direct implications for public health.

6.10. Climate Change Implications

- 6.10.1. There are no direct implications for climate change.

7. Ward Members Affected

- 7.1. All wards

8. Consultation & Engagement

- 8.1. The Risk Management Framework was considered by the Audit and Governance Committee on 12th March 2020 and recommended for adoption by Cabinet.

9. Contact Information

- 9.1. Any questions relating to this report should be directed to the following officer:
Name: Josie Griffiths
Job Title: Head of Audit and Risk Management
Email: josie.griffiths@cheshireeast.gov.uk

Risk Management Framework

Table of Contents

Foreword	3
Risk Management Policy Statement	4
1. Introduction	5
2. Risk Management Policy	5
3. Risk Appetite.....	9
4. Risk Management Maturity	13
5. Risk Strategy – 2020-2022	14
6. Reporting and monitoring arrangements.....	14
7. Update of the Strategy and Policy Statement.....	15

Version Control	Author
Draft 2.2	Considered by Audit and Governance Committee – Recommended for adoption by Cabinet

Foreword

Risk management within Cheshire East Council is about managing our threats and opportunities and striving to create an environment of 'no surprises'. By managing our threats we will be in a stronger position to deliver business objectives and outcomes to our residents. By managing our opportunities we will be in a better position to demonstrate improved services and better value for money.

The Risk Management Policy Statement sets out Cabinet and the Corporate Leadership Team's commitment to managing risks effectively across the Council, and the standard of risk management we expect across the Council.

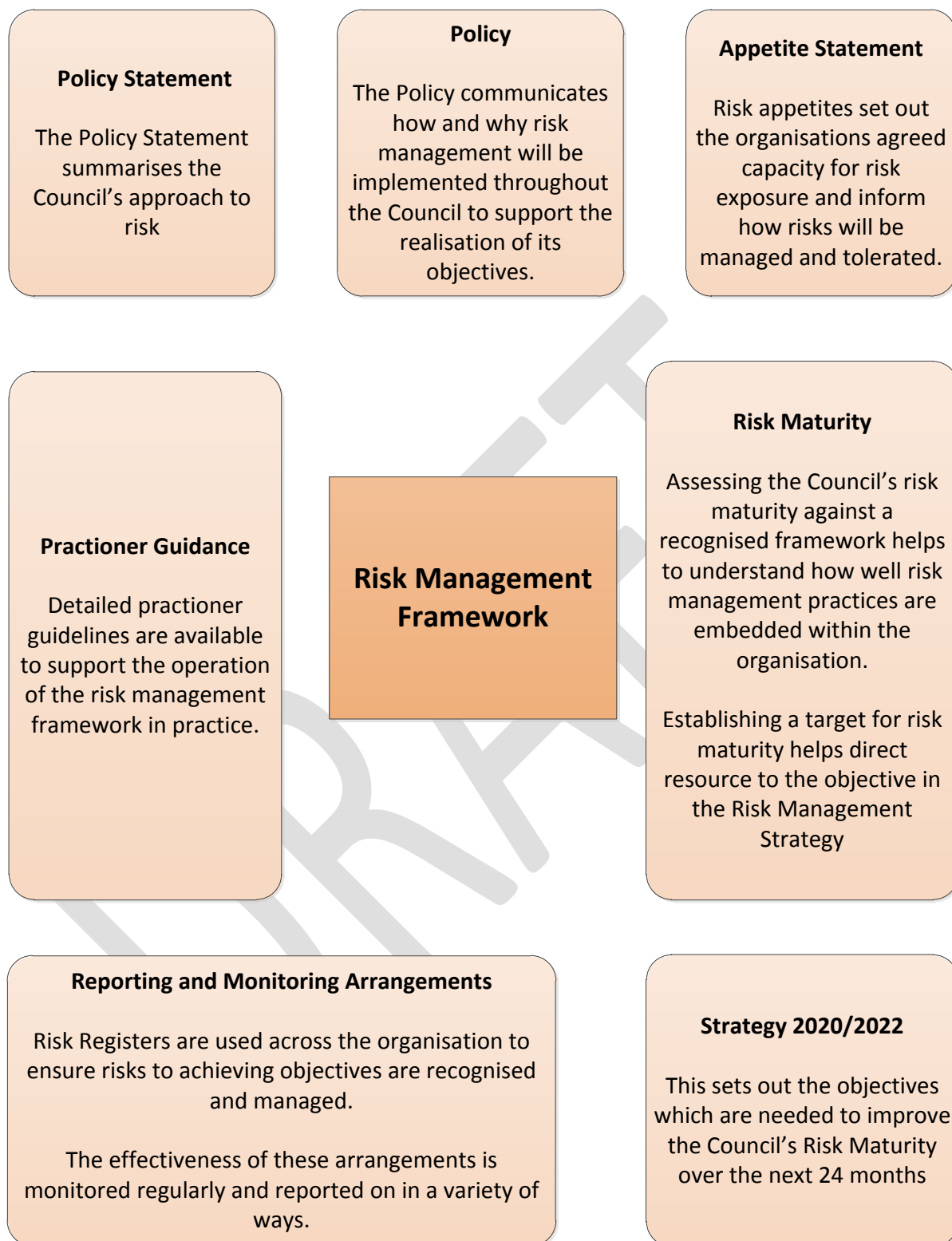
It seeks to demonstrate the explicit commitment to effective risk management from the top of our organisation and is inclusive to the rest of the organisation, with the expectation of increasing the likelihood that the management of risk will be given appropriate recognition, consideration and treatment.

Cheshire East is a learning organisation and as such seeks to benefit from previous experiences and review risks across the organisation to develop the Council's risk maturity in the treatment of risks.

The Cabinet and Corporate Leadership Team are fully committed to effective risk management and see it as part of our responsibility to deliver an effective public service to the residents of Cheshire East.

Cllr Jill Rhodes
Portfolio Holder

Jane Burns
Executive Director of Corporate Services



Risk Management Policy Statement

In delivering the Council's Corporate Plan outcomes, the Council recognises it has a duty of care to its stakeholders, residents, employees, Members and partners. Key to ensuring our governance arrangements support the effective identification and management of opportunities and risks is fundamental in delivering this duty of care.

The Council seeks to adopt recognised best practice in the identification and evaluation of risks and opportunities and to ensure that these are managed to acceptable levels in a proportionate and cost effective way. We recognise that risks are inherent within our service delivery, and some are unavoidable. As an organisation it can impact in many ways, whether financially, politically, on our reputation, environmentally, or to our service delivery.

Effective risk management is about ensuring there is an appropriate level of control in place to provide sufficient protection from harm, without stifling our development. This is challenging for an organisation with a range of stakeholders with differing needs and expectations, but we must ensure decisions taken as a Council include consideration of potential impacts for all of our stakeholders.

Overall, the Council's approach to risk is to operate in a culture of creativity and innovation, in which risks are identified, understood and pro-actively managed, rather than avoided.

Our risk management framework comprises the structures and processes in place to ensure that the risks and opportunities of Council activities, partnerships and other joint working arrangements are identified, assessed and managed in a consistent way.

Our Risk Management Policy Statement is summarised with the following key objectives:

- 1) That Cheshire East Council develops implements and demonstrates an effective risk management framework and is reviewed annually.**
- 2) That Cheshire East Council applies its risk management policy consistently across the Council.**
- 3) That Cheshire East Council recognises risks and makes correct decisions to tolerate, treat, transfer or terminate threats or to exploit, share, enhance or ignore opportunities**

1. Introduction

- 1.1. The Council has a Risk Management Framework to ensure a focused and structured approach to the management of risk arising from Council activities. This will ensure that risk management is an integral part of good governance, recognising the importance of effective identification, evaluation and management of key strategic and operational risks.
- 1.2. This is endorsed by the increased focus on the importance of corporate governance to public sector bodies. The Council also has a statutory responsibility to have in place arrangements for managing risks, as stated in the Accounts and Audit Regulations 2015:

‘A relevant authority must ensure that it has a sound system of internal control which includes effective arrangements for the management of risk’.

- 1.3. The Council’s Risk Management Framework comprises of the Risk Management Policy Statement, which includes the Risk Management Policy, Risk Appetite and Risk Maturity Statements and a two year Risk Management Strategy. It is supported by detailed practitioner guidance.
- 1.4. The Risk Management Framework has the full support of the Council and the Corporate Leadership Team. All elected Members and employees have a responsibility for and contribution to make in terms of risk management.

2. Risk Management Policy

- 2.1. Risk Management is the process by which risks are identified, evaluated and managed, such that objectives are more likely to be achieved, damaging actions or events are avoided or minimised and opportunities maximised.
- 2.2. Good risk management increases the probability of success, and reduces the probability of failure and uncertainty of achieving the Council’s overall objectives.
- 2.3. Risk can describe threats or opportunities;
 - 2.3.1. A threat is a possible future event or action which will adversely affect the Council’s ability to achieve its stated objectives and to successfully deliver approved strategies.

2.3.2. An opportunity is an event or action that will enhance the Council Council's ability to achieve its objectives and deliver approved strategies.

- 2.4. As acknowledged in the risk management policy statement, risk is part of everything we do. Risks and opportunities need to be considered in the impact they have on the Council's corporate objectives, whether positive or negative and be reflected in the relevant risk register.
- 2.5. There are a host of factors which influence the nature of the Council's relationships with its residents, businesses, communities, neighbouring authorities, and other key partners. These factors challenge the Council to continually review its systems and approaches, and to experiment with new ideas supporting mixed and flexible use of its resources.
- 2.6. This constantly evolving environment creates a need to continually adapt our internal governance arrangements to meet legal requirements, economic challenges, urban, demographic and social changes, and in adapting, our managers and decision makers will need to identify and manage risks.
- 2.7. Consideration and response to existing and new threats, and the ability to recognise and seize new opportunities, is fundamental to achieving the Council's desired corporate objectives and outcomes outlined in the Corporate Plan. Underlying this is a commitment from the Council to transparency and good governance. Decisions of the Council can be subject to challenge. Effective risk management is a key principle of corporate governance and a key contributor to a sound control environment.

Recognising, scoring and managing risk

- 2.8. Recognising and managing risk is part of good corporate stewardship and provides a basis for making informed decisions with an understanding of the impact those decisions will have organisationally.
- 2.9. Risk management will strengthen the ability of the Council to achieve its objectives and enhance the value of services by;
- i. Increasing the chances of success and reducing the chances of failure;
 - ii. Assisting the delivery of creative and innovative projects;
 - iii. Reducing unexpected and costly surprises;
 - iv. Ensuring a more efficient use of resources.

- 2.10. The Council recognised that identification and accurate scoring of a risk provides an opportunity for improvement and success.
- 2.11. The Council uses a “4 x 4” scoring methodology, measuring impact and likelihood. Consistency of use and the way in which risks are scored will provide a way of managing risk across the whole of the organisation. This will move to a “5 x 5” scoring methodology when the Risk Management System is implemented.
- 2.12. It is typically assessed using two dimensions, one of which is the impact of the threat or the opportunity, representing the consequences to the Council’s intended outcomes. The second dimension is the frequency or likelihood of the risk occurring, representing the probability of the threat or opportunity happening.
- 2.13. Once a risk has been identified and accurately articulated it should be included on an appropriate risk register, whether project, programme, service, department, directorate or strategic risk register.
- 2.14. The risk is then scored, existing controls considered, what time of response or treatment of the risk is required (mitigate, accept, transfer, etc.) what the risk status is (for example enduring) and after the treatment of the risk, what the net score is.
- 2.15. Direction of travel is important as this demonstrates whether a risk treatment is working and reducing the risk or other factors are impacting, making the risk rating rise and requires more attention or escalation.

Risk Management Responsibilities

- 2.16. In “Delivering Good Governance in Local Government”, CIPFA Solace states:

“good governance requires that risk management is embedded into the culture of the organisation, with members and managers at all levels recognising that risk management is part of their job. At the highest level, risk management must be closely aligned to the organisation’s strategic objectives, ensuring that there is a clear focus, at the top of the organisation, on those significant risks that would prevent the organisation achieving its key business objectives.”
- 2.17. The Cabinet is responsible for advising Council on an appropriate risk management policy statement and strategy including risk appetite/tolerance levels and for reviewing the effectiveness of risk

management.

- 2.18. The Audit and Governance Committee has an assurance role to monitor the effective operation of risk management in the Council and in monitoring progress on risk related issues reported to the Committee.
- 2.19. The Council's Corporate Leadership Team has a key role in reviewing and testing that risk management is implemented, working effectively and ensuring that the full risk management cycle operates within their services. Individual members of the Corporate Leadership Team are also allocated as owners of strategic risks and collectively own the strategic risk register.
- 2.20. The Head of Audit and Risk Management is responsible for the preparation of the Council's Risk Management Policy Statement and for the promotion of this throughout the Council. This includes providing and maintaining the format and structure for risk scoring and recording.
- 2.21. Heads of Service are responsible for ensuring risk management is carried out at both an operational and strategic level in accordance with the agreed guidance and procedures.
- 2.22. Individual managers remain responsible for the identification and management of risks within their service areas, projects, partnership activities and cross-cutting service activities.
- 2.23. Embedding risk management into the Council is critical to achieving a consistency of approach and ensuring that risk management is an integral part of people's day jobs - not an add on. Staff engaging in the process will proactively aid improvement in risk maturity for the Council. Getting the balance right in terms of not being too risk adverse, but being risk aware, is key to whether something is a risk or an opportunity.

Identification, review and reporting of risks

- 2.24. Risks should be managed at a number of levels within the Council and should be considered at the initiation of projects, partnerships, service developments and during the business case phase.
- 2.25. There is a clear escalation process to follow to ensure risks are proactively considered and managed throughout the organisation.
- 2.26. If a risk is scored high (above 12), then this should be reviewed by the next tier of management. Service level risks should be considered by department and department by directorate, directorate by Corporate

Leadership Team.

- 2.27. The Council has a top down, bottom up approach which ensures strong alignment to its corporate objectives.
- 2.28. The risk management framework will be reviewed annually. Compliance with, and the effectiveness of the Policy and guidance in operation will be reported to the Audit and Governance Committee. Any changes required will be considered by the Audit and Governance Committee and recommended for approval by Cabinet.

3. Risk Appetite

- 3.1. A risk appetite is an organisation's agreed capacity for risk exposure. This needs to be set and reviewed regularly taking into account transformational change, new programmes and projects.
- 3.2. Understanding and setting a clear risk appetite level is essential to achieving an effective risk management framework and should be done before managers consider how to treat risks.
- 3.3. Establishing and articulating the risk appetite level helps to ensure that consideration in the way management, Cabinet and Council respond to risk is consistent and that there is a shared vision for managing risk. There are risks for which the Council is the custodian on behalf of the public and the environment, where risk appetite may be very low, and there may be risks with choices about investment in projects, research and delivery roles, where risk taking may be encouraged.
- 3.4. This overarching risk appetite statement sets out how the Council balances threats and opportunities in pursuit of achieving its objectives and forms a key element of the Council's assurance and governance framework set by Cabinet.
- 3.5. In determining the statement, it is recognised that risk appetite is subject to change and needs to flex in line with the organisation's strategic environment and business conditions; and as such the statement will be reviewed periodically, every two years. The operation of the risk appetite in practice will be monitored and used to inform reviews of the overall and individual appetite statements.

Overarching Risk Appetite Statement

- 3.6. The Council recognises that in pursuit of its objectives and outcomes it may choose to accept an increased degree of risk. The Council will

establish and articulate risk appetite for the differing areas of its business. Where the Council chooses to accept an increased level of risk it will do so, subject always to ensuring that the potential benefits and threats are fully understood before developments are authorised, that it has sufficient risk capacity and that sensible measures to mitigate risk are established.

- 3.7. The Council is **not averse** to taking risks; our approach is based on judgement and the circumstances of each potential action, and an assessment of its impact. This means we will not seek to intervene in all risk situations, rather we prioritise in terms of the risk, cost and perceived benefits in a consistent and transparent way, choosing the most appropriate course of action from our risk management tools.
- 3.8. In determining the risk appetite for an activity, we take account of anticipated outcomes and benefits, internal and external drivers for the activity, risk exposure, and the Council's risk capability and capacity to manage risk. This includes key questions around financial and reputation capability; sufficiency of infrastructure, knowledge, people and skills; and political and stakeholders views.

Statutory / External Regulatory

- 3.9. The public sector is undergoing reform, involving new legal frameworks, the creation of new delivery models, and new entities for the Council to engage with, for example, likely changes due to Brexit, reform of the Health and Social Care Act. We are regulated and we are also regulators. We are **averse** to risks to our statutory obligations and to our objectives relating to those we regulate that must meet standards required by law.
- 3.10. We have an **open** appetite for taking well managed risks where innovation and change creates opportunities for discernible benefits and clear improvement in our ability to achieve our objectives.

Operational

- 3.11. In acknowledgement of the maturity of our multiple service areas, we maintain a **cautious** risk appetite towards sustaining appropriate operational processes, systems and controls to support delivery but adopt a more **open** appetite for the development and enhancement of these systems.
- 3.12. Individual projects and programmes should be risk assessed and have a risk appetite defined, which reflects the project objectives and other dependencies such as the source of funding. These should be defined at

the outset of the programme or project and be reviewed as it progresses.

- 3.13. We are heavily reliant upon information and data to be able to operate effectively and we therefore have a **minimalist** appetite for risks to information and data objectives. The accidental or deliberate wrongful disclosure of sensitive or restricted information has the potential to result in financial penalties, erode trust, damage our reputation and ultimately prevent us from being able to function.

Countering Fraud and Corruption

- 3.14. We are **averse** to the risks of internal fraud and corruption and will maintain appropriately robust controls and sanctions to maximise prevention, detection and deterrence of this type of act or behaviour.

Legal

- 3.15. Where we are working with relatively untested legislation we are willing to adopt an **open** risk appetite to achieve our statutory objectives and to determine the extent of the Council's powers and our jurisdiction. We retain an **averse** risk appetite to behaving in an illegal, unreasonable or irrational way or any other way which would likely give rise to a successful challenge.

Reputational

- 3.16. We rely on our reputation in order to secure the engagement of our key stakeholders, businesses, partners, communities and residents. The support of these parties is essential to achieving the Council's Corporate Plan objectives and we have a strong commitment to being seen as a responsible, efficient and effective organisation and retain an overall **cautious** risk appetite with regard to our reputation.
- 3.17. We are however prepared to take a stance which may be opposed to some of our audience where we believe it is necessary for the achievement of one or all of our statutory objectives.

Risk Capacity

- 3.18. The Council's risk capacity is determined through understanding and assessment of the following areas:-
- Reputation – can the Council withstand pressures as they arise as a result of the activity?
 - Financial – is there sufficient financial contingency for the activity?

- Political – what political tolerance is there for any adverse risk events materialising?
- Infrastructure – is there sufficient infrastructure to manage risk?
- People – is there sufficient trained and skilled individuals?
- Knowledge - is sufficient knowledge available to the Council?

Risk Tolerance and Thresholds

- 3.19. Tolerance levels will be established for organisational activities at different levels across the Council and a risk contingency will be determined and defined for different business areas. As part of the quarterly performance monitoring cycle, delivery is compared to the established tolerance and actions identified to ensure continued performance, or to improve performance further.
- 3.20. Access to contingency resource has to be approved in line with delegated authority. Where analysis indicates that the returns or outcomes will deviate by more than acceptable limits these will have to be referred as soon as the deviation is forecast. This includes forecasts that may enhance objectives as well as those that may erode objectives.

Definitions

- 3.21. Defining an organisation's risk appetite enables both staff and members be clear on the Council's capacity for risk (financially and operationally) and achieving a risk exposure it is comfortable with. It also provides clarity of vision for the Council in ensuring that it has the resources to achieve its corporate objectives.
- 3.22. Definitions for risk appetites are set out in the following table.

Risk Appetite Definitions

Appetite	Description
Hungry / High Risk Appetite 5	Eager to be innovative and choose activities that focus on maximising opportunities to achieve objectives (with additional benefits and goals) and offering potentially very high reward, even if these activities carry a very high residual risk that may result in reputation damage, financial loss or exposure.
Open / Moderate Risk Appetite 4	Willing to undertake activities seeking to achieve a balance between a high likelihood of successful delivery and a high degree of reward and value for money. Activities themselves may potentially carry, or contribute to, a high degree of residual risk.
Cautious / Modest Risk Appetite 3	Willing to accept / tolerate a degree of risk in certain circumstances when selecting which activities to undertake to achieve key objectives, deliverables or initiatives, where we have identified scope to achieve significant reward and/or opportunity. Activities undertaken may carry a high degree of inherent risk that is deemed controllable to a large extent.
Minimalist / Low Risk Appetite 2	Preference to undertake activities considered to be very safe in the achievement of key deliverables or initiatives. Activities will only be taken where they have a low degree of inherent risk. The associated potential for reward / pursuit of opportunity is not a key driver in selecting activities.
Averse / Zero Risk Appetite 1	Avoidance of risk and uncertainty in achievement of key deliverables or initiatives is paramount. The Council is not willing to accept risks under any circumstances and activities undertaken will only be those considered to carry virtually no inherent risk.



4. Risk Management Maturity

- 4.1. Cabinet previously assessed the risk maturity of the Council as between risk aware and risk defined with a target minimum standard of risk managed, which is defined as:

‘An enterprise approach to risk management developed and communicated, risk embedded in key processes. Active engagement and risk based decision making’.

- 4.2. The following table sets out definitions of risk maturity.

Risk Maturity

Risk Maturity		
 Where we are	Risk Naïve	No formal approach to processes developed for risk management, avoidance and lack of engagement
	Risk Aware	Scattered silo based approach to risk management using stand alone processes, reactive approach.
	Risk Defined	Risk appetite defined. Strategy and policies in place and communicated. Some understanding and application but passive acceptance and compliance with reliance on risk registers.
	Risk Managed	Enterprise approach to risk management developed and communicated, risk embedded in key processes. Active engagement in risk based decision making.
	Risk Enabled	Risk management and internal controls fully embedded into the operations. Regular review and improvement of risk processes, fully committed to risk management and confident risk taking.
		Where we want to be 

- 4.3. The priorities for 2020-2022 detailed in the Risk Management Strategy set out how we intend to work towards the risk maturity target of “risk aware”.

5. Risk Strategy 2020-2022

- 5.1. In order to move towards the Council’s target risk maturity, the following actions are priorities for the next 24 months.
- The detailed methodology for risk management including risk identification, evaluation, treatment and monitoring including a more refined, granular scoring matrix which is used as best practice by other local authorities and recommended by the public sector risk management association ALARM.
 - Introduction of risk management software which will enable the review of risks in different cross sections such as thematic, risk types, hierarchy of

risks. It will enable better monitoring of risk and risk profiling. This will greatly improve risk management across the Council.

- iii. Move to a “5 x 5” risk scoring matrix which will provide greater granularity which will aid the management of risk and improve our risk maturity.
- iv. To critically examine and challenge commissioning plans so that risk is being considered appropriately at the business planning stage to ensure risk activity is focused on the delivery of the key organisational objectives
- v. To review the strategic risks facing the Council, examining, challenging and supporting the risk assessment process to ensure consistency and gain assurance that strategic risks are being actively managed and monitored; including comprehensively revisiting and updating the Strategic Risk Register
- vi. Work with finance colleagues to develop the recognition of “total” risk exposure to the Council and quantify our likely risk exposure should several strategic risks occur at any one time.

6. Reporting and monitoring arrangements

- 6.1. Detailed guidance on the identification, evaluation, management and review of risks is set out in the Risk Management Practitioner guidance available on Centranet.
- 6.2. The regular monitoring of risks, and the recording and reporting of progress and change in the management and scoring of risks is a key stage in an effective risk management process. This includes establishing the points at which risks need to be either escalated or demoted between risk registers to ensure visibility of the risk and that ownership of the risk is sitting at the right level in the organisation.
- 6.3. Risk reporting is important to provide assurance to management, Members, and stakeholders, that the organisation understands its risk profile and responds to risk in an efficient manner that facilitates the effective, well managed achievement of objectives. It is integral to performance management. Risk reporting can guide positive behaviour as successes are recognised and lessons learnt, thus encouraging continuous improvement.
- 6.4. The Council's Strategic Risk Register is reviewed regularly by the individual risk owners and the Corporate Leadership Team collectively.
- 6.5. The minimum reporting arrangements for strategic risks for assurance

purposes through the Council's Corporate Leadership Team, Audit and Governance Committee, and Cabinet will be:

- An annual report on risk management activity;
- Interim update reports on risk management activity in line with the budget reporting cycle;
- An annual review and report on the overall effectiveness of risk management and internal control by the Head of Audit and Risk Management as Chief Audit Executive.

6.6. On a regular basis, risks on departmental, project or partnership registers should be monitored and progress reviewed by the relevant risk owners and teams to ensure they remain relevant. Team and directorate, department and service meetings will need to include regular monitoring of the status of risks and the treatment plans put in place to manage the risk. This risk tracking process is essential to managing risks effectively.

6.7. Risk monitoring is not just about practitioners convening on a monthly or quarterly basis to discuss their risks and risk registers, amending records and filing outcomes until the next meeting. Risk monitoring is about constantly applying the risk management techniques to drive performance on a 'business as usual' basis. The management of risk should be an enabling process focused on the achievement of objectives.

7. Update of the Strategy and Policy Statement

7.1. The Policy Statement and Strategy will be reviewed on an annual basis commencing March 2021.

This page is intentionally left blank