

# Cabinet Agenda

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**Date:** Tuesday, 10th November, 2020

**Time:** 1.00 pm

**Venue:** Virtual Meeting

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

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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 - 14)

To approve the minutes of the meeting held on 6<sup>th</sup> October 2020.

6. **Covid-19 - Update on Response and Recovery** (Pages 15 - 46)

To consider a further update report on the Council's response to the Covid-19 pandemic.

7. **Medium Term Financial Strategy 2021/22 - 2024/25** (Pages 47 - 58)

To consider a report on the arrangements and timescale for consultation on the 2021/22 to 2024/25 Medium Term Financial Strategy.

8. **Cheshire East Council Corporate Plan Consultation** (Pages 59 - 96)

To consider a report on the arrangements in place for public consultation on the Council's draft Corporate Plan 2020-2024.

9. **Crewe Regeneration and Investment Programme** (Pages 97 - 112)

To consider a programme of interventions to support the regeneration of Crewe.

10. **Household Waste Recycling Centre New Contract Service Provision** (Pages 113 - 176)

To consider a report on proposed consultation to inform the future provision of Household Waste Recycling Centres.

11. **Cheshire East Social Value Policy** (Pages 177 - 210)

To consider a draft Social Value policy.

12. **Crowd Funding** (Pages 211 - 222)

To consider a draft Crowd Funding Policy.

**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

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**CHESHIRE EAST COUNCIL**

Minutes of a virtual meeting of the **Cabinet**  
held on Tuesday, 6th October, 2020

**PRESENT**

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

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

**Councillors in attendance**

Councillors R Bailey, M Beanland, M Benson, S Brookfield, C Bulman,  
J Clowes, T Dean, H Faddes, J P Findlow, R Fletcher, S Gardiner, M Houston,  
A Moran, B Murphy, J Nicholas, S Pochin, J Saunders, P Williams and  
N Wylie

**Officers in attendance**

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

**Apologies**

Councillor M Warren

**33 DECLARATIONS OF INTEREST**

There were no declarations of interest.

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

Sue Helliwell, speaking as an Alsager Town Councillor, referred to the Lodge Road Active Travel Scheme and its impact on surrounding roads. The Portfolio Holder for Highways and Waste responded that such temporary projects were aimed at encouraging people to become active and to cycle and walk more. They were experimental in nature and the Council was seeking feedback via its consultation website. The Council was aware of concerns about potential impacts on Pikemere Road and was monitoring traffic levels to assess the need for any measures.

Haf Barlow, Town Clerk of Poynton Town Council, spoke on behalf of the Town Council in relation to Item 9 on the agenda: Section 19 Flood Investigation Report. The Town Council felt that the report did not

accurately reflect the number of properties impacted by the flood and it asked Cheshire East Council to amend the report to categorise all flooding in the same way as Stockport Council had done. The Town Council was aware of significant issues with a number of culverted watercourses in Poynton and would be submitting a detailed list of questions to the Risk Management Authority.

David Rutley MP, speaking with regard to the same item, mentioned the lack of a comprehensive action plan in the report. He urged the Council to develop a plan covering all aspects of flood management, and to involve local councillors and flood action groups.

The Portfolio Holder for Highways and Waste responded that arising from consideration of the matter by the Environment and Regeneration Overview and Scrutiny Committee, a task and finish group was to be established to investigate the action plan and she encouraged local councillors and others to become involved.

Brian Silvester had asked a question about the A&E walk-in service but was not present at the meeting. The Leader indicated that a written response would be provided.

Gary Wilson, Henry Brooks, Elaine Mitchell, Peter Yates, Michael Burdekin, Derek Hough and Kevin Waite all spoke in connection with Item 8 on the agenda: Site Allocations and Development Policies Document - Revised Publication Draft. Mr Yates had also submitted two questions in writing for the Portfolio Holder for Planning. The Leader indicated that the matter would be debated further under Item 8 and that Mr Yates would receive a written response to his questions. The Portfolio Holder for Planning thanked the speakers for their comments and indicated that any concerns raised about specific sites would be dealt with at the planning application stage, but that this would only be as and when safeguarded sites were released for development.

### **35 QUESTIONS TO CABINET MEMBERS - VIRTUAL MEETINGS**

Councillor R Fletcher referred to a response given to a public question at the previous meeting regarding the decision to proceed with the trial active travel scheme on Lodge Road, Alsager. The Deputy Leader had been minuted as saying that the three ward councillors had been consulted by email on 4th August when in fact the email had stated that ward councillors were being advised in advance of public advertising. The Deputy Leader briefly reprised the timeline involved. He indicated that he would be proposing a minor amendment to the minutes to state that local ward members were advised of the scheme on 4<sup>th</sup> August rather than consulted on it, but he refuted any suggestion that the information he gave at the previous meeting had been incorrect. The Portfolio Holder for Highways and Waste added that whilst the word 'consultation' may not have been used, there had been an opportunity for ward members to feed back their comments.

Councillor P Williams sought clarification on claims that the Council aimed to remove bus subsidies on services around Congleton and Alsager. He also asked if the Deputy Leader had received a response to his representation to East Midlands Rail asking them to resume stopping services at Alsager station. The Deputy Leader responded that the bus services in question were being supported by the time limited Covid bus service support grant from central government which was in addition to the funding provided by this Council in supporting the local bus network, and the two should not be confused. With regard to Councillor Williams's second question, the Deputy Leader indicated that he had not as yet received a response to his letter.

Councillor S Pochin referred to the government's Covid policy of the 'rule of six' which was potentially in place until next March and asked if the Council would do everything it could to support the events industry in Cheshire East. The Portfolio Holder for Environment and Regeneration responded that since March the Council had been doing all that it could to support the entertainment, leisure and hospitality sector by providing grant funding to support local businesses and it had asked the government to make additional funding available to support the sector.

Councillor N Wylie asked if schools had been asked about the new winter gritting routes. The Portfolio Holder for Highways and Waste responded that the area highways groups would be meeting over the next couple of weeks and that local ward members had the opportunity to ensure that local residents and stakeholders were able to feed their comments into those meetings.

Councillor H Faddes referred to a proposed bid to the Next Steps fund to encourage the private rented sector to provide accommodation for those wishing to move on from emergency accommodation. She asked if this scheme would be cost-effective in comparison with the current arrangements for accommodating the homeless. The Portfolio Holder for Environment and Regeneration undertook to provide a written response.

Councillor Fletcher had submitted a second question regarding temporary speed restrictions. The Leader indicated that Councillor Fletcher would receive a written response.

## **36 MINUTES OF PREVIOUS MEETING**

### **RESOLVED**

That subject to the following amendment, the minutes of the meeting held on 8<sup>th</sup> September 2020 be approved as a correct record:

### **Minute 22 – Public Speaking**

With regard to a question by Jo Dale, the sentence:

“The Deputy Leader responded that the three ward councillors had been consulted on the scheme by email on 4<sup>th</sup> August”

is amended to:

“The Deputy Leader responded that the three ward councillors had been *advised of* the scheme by email on 4<sup>th</sup> August”.

### **37 COVID-19 - UPDATE ON RESPONSE AND RECOVERY**

Cabinet considered a further update report on the Council’s response to the Covid-19 pandemic.

Prior to consideration of the report, the Leader reported that a meeting of the Local Outbreak Engagement Board had been held last week in response to increasing levels of Covid-19 cases in Cheshire East. Last Thursday, Cheshire East, along with Cheshire West and Chester, had been placed on the Government’s watchlist. The Council had been working with its partners, neighbouring councils and the LEP to share with Government their assessment of the actions and resources needed to address the situation. The Council had written to the Secretary of State for Health on the matter and would be working with its partners to agree a plan to tackle the latest outbreak.

The Deputy Leader added that the Government had been asked to provide additional resources and accompanying measures for testing, contact tracing, support for vulnerable people, support for businesses, support to educate the public and to provide enforcement, and support to maintain essential public services. It was important to note that the Council and its partners were seeking this support in order to prevent the disease from spreading and to avoid a local lockdown.

#### **RESOLVED**

That Cabinet notes the issues outlined in the report.

### **38 MID-YEAR REVIEW (FINANCE) 2020/21**

Cabinet considered a report on the Mid-Year Review (FINANCE) 2020/21.

The report included an update on the financial impact of the pandemic on the Council.

Councillor J Clowes, as Chairman of the Corporate Overview and Scrutiny Committee, reported the Committee’s comments on the report and referred to a number of matters on which the Committee had sought further clarification. She requested a written response.



**RESOLVED**

That Cabinet

1. notes the contents of the report;
2. notes the contents of Annex 1 to the report, and the current financial impact of Covid-19, of up to £26m, being partially mitigated by non Covid-19 activity;
3. notes the mitigating actions under consideration in order to manage the financial impact of Covid-19 (Section 3 – Reasons for Recommendations);
4. notes the supplementary estimates approved to date in relation to Covid-19 activity (Appendix 2, Table 2);
5. approves the supplementary revenue estimates of £774,000 (155,000 received and £619,000 is pending) relating to the additional grants for Covid-19 Emergency Active Travel Fund (Appendix 2, Table 1);
6. approves the capital virement of £1,700,000 to increase the pothole and challenge funding (Appendix 4, Annex C);
7. notes the approved supplementary capital estimate of £6,855,000 relating to additional Department for Transport grant received (Appendix 4, Annex D); and
8. recommends to Council to approve a fully funded supplementary revenue estimate above £1,000,000 in accordance with Financial Procedure Rules as detailed in (Appendix 2 Table 1).

**39 SITE ALLOCATIONS AND DEVELOPMENT POLICIES DOCUMENT - REVISED PUBLICATION DRAFT**

Cabinet considered a report on the Site Allocations and Development Policies Document – Revised Publication Draft.

The Portfolio Holder for Planning gave a detailed introduction to the report.

Councillor S Gardiner, Vice-Chairman of the Strategic Planning Board, who chaired the meeting of the Board on 2<sup>nd</sup> October, thanked the Portfolio Holder for her detailed introduction to the report and asked if the text of her statement could be made available to all members of the Strategic Planning Board. Councillor Gardiner then reported the Board's recommendations to Cabinet as follows:

- (1) *The Revised Publication Draft version of the Site Allocations and Development Policies Document (Appendix 1), its Sustainability Appraisal (Appendices 2 and 2a) and Habitats Regulation*

*Assessment (Appendix 3) be approved for publication so that representations could be made about them over a period of six weeks.*

*(2) That alongside the documents listed in 2.1.1 of the report Cabinet be recommended to approve and publish the draft Plan's supporting evidence base (listed in Appendix 6), including the draft Statement of Common Ground (Appendix 8).*

*(3) That Cabinet consider the following matters:*

*(i) The 'soundness' of the housing land supply position: whether the evidence supporting the proposed change in the revised publication draft SADPD to remove the previously proposed allocation of housing sites at LSCs was robust;*

*(ii) The consistency of approach between the policies of Neighbourhood Plans and the SADPD to ensure there was no conflict, on matters such as settlement and town/village centre boundaries;*

*(iii) The need for safeguarded land in the SADPD, with reference to robust evidence, and with a particular focus on Bollington, Disley and Prestbury.*

## **RESOLVED**

That, having considered the views of the Strategic Planning Board, Cabinet

1. approves the Revised Publication Draft version of the Site Allocations and Development Policies Document (Appendix 1), its Sustainability Appraisal (Appendices 2 and 2a) and Habitats Regulation Assessment (Appendix 3) for publication so that representations can be made about them over a period of six weeks, and approve and publish the draft Plan's supporting evidence base;
2. approves for publication the draft Statement of Common Ground (Appendix 8); and
3. authorises the Head of Planning, in consultation with the Portfolio Holder for Planning, to make any additional non-material changes to the Plan documents or supporting information ahead of the period for representations and prepare any additional explanatory information to support this.

**40 SECTION 19 FLOOD INVESTIGATION REPORT - JULY 2019 FLOOD EVENT**

Cabinet considered a report which reviewed the flood event in the catchments of Poynton Brook, River Dean, River Bollin, Harrop Brook and tributary of Todd Brook in July 2019.

Councillor J P Findlow, as Chairman of the Environment and Regeneration Overview and Scrutiny Committee, reported the Committee's comments on the report, including a proposal by the Committee that a task and finish group be established to undertake an in-depth review of flooding and flood risk management in Cheshire East.

The Leader expressed his thanks to David Rutley MP for his efforts in attempting to recover from the government some of the £3m which the Council had spent in dealing with the flooding and its aftermath.

**RESOLVED**

That Cabinet

1. approves the Section 19 report as a factual report on the significant flood event that occurred in the catchments of Poynton Brook, River Dean, River Bollin, Harrop Brook and tributary of Todd Brook in July 2019; and
2. approves that the Section 19 report be published on the Council's website in compliance with the statutory requirements placed on the Council as Lead Local Flood Authority under the Flood and Water Management Act (2010).

**41 SPOTLIGHT REVIEW ON CHILDREN'S MENTAL HEALTH SERVICES**

Cabinet considered a report of the Children and Families Overview and Scrutiny Committee following its Spotlight Review on Children's Mental Health Services.

Councillor J Saunders introduced the report as Chairman of the Children and Families Overview and Scrutiny Committee.

**RESOLVED**

That Cabinet

1. receives the report of the Children and Families Overview and Scrutiny Committee; and
2. will respond to the recommendations in the report.

**42 DEVELOPMENT OF A YOUTH FACILITY IN CREWE**

Cabinet considered a report on a proposed youth facility in Crewe.

**RESOLVED**

That Cabinet

1. notes that an open market testing exercise will be undertaken to understand the ability of charitable organisations to become an effective partner of the Council for the purposes of submitting a funding bid to the Department of Culture, Media and Sport;
2. delegates authority to the Executive Director People in consultation with the Portfolio Holder for Children and Families to:
  - (a) evaluate the market testing and ensure an appropriate due process is undertaken to select a preferred partner in order to enter into a Partnership Agreement to deliver this scheme; and
  - (b) review a detailed options appraisal to be prepared by the Council's Assets Department on potential sites for the delivery of a Youth Zone in Crewe; and
3. notes that a further Cabinet report will be prepared to seek approval for:
  - (a) the final detailed proposal for the scheme;
  - (b) the business case, including any required capital and revenue contributions; and
  - (c) authority for the disposal and/or use of the Council's land to enable the delivery of the scheme.

**43 RE-PROCUREMENT OF CASE MANAGEMENT SYSTEMS: ADULT'S AND CHILDREN'S SOCIAL CARE**

Cabinet considered a report on the re-procurement of Case Management Systems: Adult's and Children's Social Care.

Councillor J Clowes, as Chairman of the Corporate Overview and Scrutiny Committee, reported that Committee's comments on the report.

**RESOLVED**

That Cabinet authorises the Executive Director of Corporate Services in consultation with the Portfolio Holder for Finance, ICT and Communication to award and enter into a contract to deliver Case Management Systems:

Adult's and Children's Social Care for Cheshire East Council, via GCloud11 framework, within the existing budget over a 4-year period.

**44 TENANCY STRATEGY 2020**

Cabinet considered a report on a revised draft tenancy strategy.

**RESOLVED**

That Cabinet

1. authorises Officers to consult formally on the draft Tenancy Strategy for a period of 12 weeks;
2. notes that the Environment and Regeneration Overview and Scrutiny Committee will consider the revised draft and result of consultation once that is completed; and
3. delegates authority to the Director of Growth and Enterprise in consultation with the Portfolio Holder for Environment and Regeneration to consider the results of the consultation and to approve the final version of the strategy.

**45 PUBLIC SPACE PROTECTION ORDERS (PSPOS) CONSULTATION RESULTS**

Cabinet considered a report which sought to extend the Public Space Protection Orders made in October 2017, relating to Dog Fouling and Dog Control, and to transfer the legal status of the previous gating schemes that required a "Gating Order" across the Borough to a consolidating Public Space Protection Order.

Councillor J P Findlow, as Chairman of the Environment and Regeneration Overview and Scrutiny Committee, reported that the Committee had endorsed the recommendations to Cabinet as set out in the report.

**RESOLVED**

That Cabinet approves the extension of the existing Public Space Protection Orders in accordance with s.60 (2) of the Anti-Social Behaviour Act 2014 for a further period of 3 years from 20<sup>th</sup> October 2020 relating to the Borough wide Dog Fouling and Dog Control, Carrs Park, Wilmslow, and the transfer of the legal status of the previous gating schemes that required a "Gating Order" (under the Cleaner Neighbourhoods and Environmental Act 2005) across the Borough to a consolidating Public Space Protection Order.

The meeting commenced at 1.00 pm and concluded at 4.25 pm

Councillor S Corcoran (Chairman)





*Working for a brighter future together*

Key Decision: Y Date First Published: 31/7/20
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## Cabinet

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**Date of Meeting:** 10 November 2020

**Report Title:** Covid-19 – Update on Response and Recovery

**Portfolio Holder:** Cllr Sam Corcoran - Leader of the Council

Cllr Craig Browne - Deputy Leader of the Council

**Senior Officer:** Lorraine O'Donnell - Chief Executive

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### 1. Report Summary

- 1.1. Cabinet have received reports in June, July, September and October on how the Council, working with its partners, continues to respond to the COVID-19 pandemic and plan for the recovery from it.
- 1.2. This report provides a further update of the work undertaken in response to this national and international public health emergency since the October report.
- 1.3. The report also summarises the latest information on infection rates and local measures instigated as a result. The recent assignment of Cheshire East as a Tier Two or high-level alert area is also described.
- 1.4. The financial impact of the pandemic on the council continues to be significant. The report provides a further update, which will also be of interest to the Corporate Overview and Scrutiny and the Audit and Governance Committees.
- 1.5. The most recent additional costs associated with the surge in infection rates, Tier Two measures, local contact tracing and free school meals for October half term are not yet included in the financial implications section.
- 1.6. It is important to note that there will be other new developments following the publication of this report. Verbal updates will be given at the meeting, as appropriate.

## **2. Recommendations**

2.1. That Cabinet note the issues outlined in the report.

## **3. Other Options Considered**

3.1. Not applicable.

## **4. Background**

- 4.1. Since the last WHO Weekly Epidemiological Update issued on 5 October, over 2.2 million new cases and 39,000 deaths of COVID-19 have been reported across all six WHO regions. This is the highest number of reported cases so far in a single week.
- 4.2. From 30 December 2019 through 11 October 2020, over 37 million COVID-19 cases and 1 million deaths have been reported globally. Nearly half of these cases (48%) and deaths (55%) continue to be reported in the Region of the Americas with the United States of America, Brazil and Argentina accounting for the greatest numbers of new cases and deaths in the region. (Source WHO)
- 4.3. The latest international, national and local statistics are available from the following data dashboards:
- 4.4. <https://covid19.who.int/>
- 4.5. <https://coronavirus.data.gov.uk/>
- 4.6. In England, the Department of Health and Social Care report that there has been an average of 12,545 new cases over the last seven-day period (as at 15 October) with a high number of cases in the North of England, particularly in Merseyside, Greater Manchester, Lancashire and the North East.
- 4.7. The UK Government has introduced a new scheme of measures to address the different rates of infection in different local authority areas. The three-tier rating escalates restrictions from medium to very high. Cheshire East has been initially assigned to Tier Two (High) whereas the Mersey City Region, Greater Manchester and now Warrington have been assigned to Tier Three (Very High). It is also influenced by the admission rate to local hospitals of patients with serious illness due to COVID-19. Details of the Government's new Tier ratings is available at:  
<https://www.gov.uk/guidance/local-covid-alert-levels-what-you-need-to-know>
- 4.8. The respective administrations of Northern Ireland, Scotland and Wales have or are introducing measures appropriate to their country's circumstances.



- 4.9. In terms of the daily confirmed cases, in the last full week of data, 626 people in Cheshire East have tested positive (as at 15 October 2020). This figure compares to the 95 people who in the last Cabinet report were recorded as testing positive. The local infection rate was recorded as 164.7 per 100,000 population. This compares to an average of 19.7 new cases per week for the month of July.
- 4.10. Within Cheshire East the current data indicate that the highest rises in infection rates continue to be within the younger adult population. Steeper rates are being seen within the 17-18 year old and the 19-21 cohorts however we continue to see infections amongst the 20-40 year old age group. Whilst we are seeing cases of COVID infection linked to schools, initial analysis appears to indicate that most transmission of infection has occurred in social or household settings. Care homes continue to be a focus for infection prevention and control and the weekly testing of staff continues and this is helping to detect potential sources of infection transmission at an earlier stage.
- 4.11. Since the last report to Cabinet national testing capacity has improved. This change is due to additional laboratory capacity coming on stream. Whilst access to testing is still controlled nationally our local monitoring of testing demand indicates that local residents are not experiencing the problems of accessing tests locally. A significant factor has been the deployment of a Local Testing site in Crewe that is open seven days a week from 8am-8pm. A second local testing site is under consideration for Macclesfield on the site of a former vehicle depot.
- 4.12. The Government has acknowledged that the national contact tracing system that is coordinated by Serco is not achieving the level of follow up required. Following the introduction of its new Tier system the Government has written to all Tier Two Local Authorities to advise them of the additional funding being made available to them to enhance the local Test and Trace Programme. For High Risk areas such as Cheshire East the allocation is £3 per head of population. This funding is a non-recurrent allocation.
- 4.13. Financial support for Local Authorities at Local COVID Alert Level Medium and High is to fund the following activities:
- a. Targeted testing for hard-to-reach groups out of scope of other testing programmes.
  - b. Additional contact tracing.
  - c. Enhanced communication and marketing e.g. towards hard-to-reach groups and other localised messaging.
  - d. Delivery of essentials for those in self-isolation.
  - e. Targeted interventions for specific sections of the local community and workplaces.

- f. Harnessing capacity within local sectors (voluntary, academic, commercial).
- g. Extension/introduction of specialist support (behavioural science, bespoke comms).
- h. Additional resource for compliance with, and enforcement of, restrictions and guidance.

## **5. Response**

### **5.1. Sub-regional**

- 5.1.1. The sub-regional response continues to be led by the Cheshire Local Resilience Forum (LRF), which includes Cheshire East, Cheshire West and Chester, Halton and Warrington Councils, Cheshire Constabulary, Cheshire Fire and Rescue, Public Health England and the NHS.
- 5.1.2. The Council is a major LRF partner and continues to play a significant role at all levels of response – participating in the strategic coordinating groups (SCG) and tactical coordinating groups (TCG) and resourcing all the multi-agency support cells established to manage the sub-regional response to the pandemic.
- 5.1.3. Owing to the latest position regarding the pandemic as outlined in section 4 above, the rhythm of these meetings has been adjusted with the two meetings taking place each week. This rhythm is reviewed each week in line with the nature and risks associated with the pandemic.

### **5.2. Council Actions**

- 5.2.1. Cheshire East Council continues to respond to the Coronavirus pandemic. At the same time the Council has continued to strive to:
  - deliver essential local services
  - protect our most vulnerable people
  - support our communities and local businesses.
- 5.2.2. The Council had been actively planning for potential second waves of the pandemic and/or localised outbreaks. A summary of the actions that have continued to be delivered by the Council is provided below.
- 5.2.3. *Test and Trace and Outbreak Management* – With the rise in infections within the region and locally, greater demand is being placed on the national contact tracing system and the joint Cheshire and Merseyside Response Hub. All local authorities are being asked to take on “Locally

Supported Contact Tracing”. Cheshire East officers are in contact with colleagues in areas where this approach has been adopted and have been advised of the significant burden that this role places on local teams. Whilst the national contact tracing service has indicated that it will transfer resources to enable local authorities to take on this new role, limited details have been provided regarding the financial and staff resources that will be allocated to each local authority. Planning is under way in preparation for the local authority being required to take on this additional role. This is likely to require the redeployment of existing resources.

- 5.2.4 Whilst an effective vaccine has yet to be manufactured for population usage local authorities are being asked to assist the NHS to develop their plans for conducting mass vaccination. Cheshire East Council staff are working closely with Clinical Commissioning Group and Cheshire West and Chester Council colleagues to identify possible locations for delivering the core programme and localised programmes for those unable to attend the core centres.
- 5.2.5 Cheshire East Staff continue to work with statutory sector partners in relation to infection prevention and control interventions and these activities are being updated in the light of the introduction of the Government’s new Three Tier measures.
- 5.2.6 *Communities - People Helping People* is a service created by Cheshire East Council which works collaboratively with new and existing Voluntary, Community, Faith and Social Enterprise (VCFSE) sector partners and local volunteers to channel community-based support to meet the needs of our residents. The service is delivered for the local community, by the local community. To date the service has provided support to over 3,700 residents with 250 active cases still receiving support. This service has been instrumental in reducing demands and work is now underway to embed this into the Communities Team recovery planning, fully utilising volunteers to support people to keep safe and well at home. Key activities within the Communities Team include:
  - New guidance for the Clinically Extremely Vulnerable (CEV) was published on 13 October. The guidance is linked to the Local COVID Alert Levels and provides advice at each Alert Level (Medium, High, Very High and if ‘Shielding’ were reintroduced). Contingency planning has been updated to reflect the new guidance for any required contact and additional support which will be

provided through People Helping People if shielding is re-introduced locally.

- leading on the 'high risk places, location and communities' and 'vulnerable people' workstreams of the Test, Trace, Contain and Enable plan.
- Social Action Partnership have developed 15 Volunteer Coordination Points (VCPs) which are providing that support.

5.2.7 The Covid-19 Community Response and Recovery Fund which was launched at the end of June 2020 has since provided funding to 47 successful applicants, totalling just over £208,000. This fund was also bolstered with an additional £246,000 with DEFRA funding to support vulnerable people around food poverty and accessing essential supplies.

5.2.8 *Adult Social Care* - The Commissioning Team have provided significant support for the Adults Social Care Market during the Covid-19 pandemic to ensure market stability and the safe service delivery and provision of care for the residents of Cheshire East. This includes Care Homes, Care at Home (Domiciliary Care), Complex Needs, Extra Care Housing and Supported Living schemes. Continued actions are set out below.

5.2.9 Infection Prevention Control training has now been delivered to all care providers in the Borough.

5.2.10 To date, care homes have received £3.8 million of funding from the Government's Infection Control Fund to support with workforce resilience and isolation measures. A further £378k has been distributed to Care at Home and complex care providers to ensure that staff are able to receive their full wages while sick or self-isolating due to Covid-19. Cheshire East received the first tranche of funding from Round 2 of the Infection Control fund on 2 October 2020. The total funding allocation (tranche 1 and 2) for the Borough is £4.71 million. In accordance with the guidance, 80% of the funding has been distributed to eligible care homes and community care providers in Cheshire East. With regard to the 20% discretionary element of the funding, the Council has decided to also pass this directly to local care homes and community care providers for infection control and workforce resilience, with a small percentage of this (5%) retained in the first instance for contingency purposes.

- 5.2.11 All care homes have an Infection Prevention Control Outbreak Plan supported by an Outbreak Management Toolkit issued by the Council. These can be quickly stepped up in the event of an outbreak and appropriate support put in place from the Infection Prevention and Control service and the Council's Quality Assurance team.
- 5.2.12 Officers are also working with care providers to ensure that their staff and care home residents are able to access flu vaccinations to ensure that there is resilience in the care workforce.
- 5.2.13 Monthly care home webinars have been set up in partnership with Cheshire CCG for care home providers with themed agendas such as Winter Planning, infection control, digital services etc. The first webinar was scheduled for Thursday 15<sup>th</sup> October and will focus on Infection Prevention Control and flu vaccination.
- 5.2.14 Weekly mutual aid calls have been reinstated for Care at Home providers. These now include guest expert speakers and offer an opportunity for providers to work together to develop collective solutions to common problems.
- 5.2.15 iPads are being made available to care homes who successfully apply to enable residents to stay in touch with their loved ones and facilitate GP consultations.
- 5.2.16 Whole home testing continues with care home residents and staff. This has proved effective in identifying asymptomatic staff members at an early stage enabling them to self-isolate to prevent onward transmission in the care home. Whole home testing is now being rolled out to local Extra Care Housing and Supported Living Schemes as part of a national pilot.
- 5.2.17 The Quality Assurance Team continue to undertake weekly contact calls to all care homes across the Borough. The purpose of this contact call is to seek assurance of the effective ongoing safe service delivery.
- 5.2.18 PPE support has been key to our Covid-19 response and recovery. The position changes rapidly but the current position at the time of writing is as follows:
- The Local Authority have been supplied with PPE via the Local Resilience Forum (LRF) and the Department for Health and Social Care (DHSC) since the 24 March 2020. The Council have distributed PPE to eligible organisations across Cheshire East.

We have been notified that this will be reviewed, and changes will be implemented in August and September period.

- All registered adult social care providers, opticians, pharmacists and urgent dental care have now been requested to register on to the government PPE Portal to continue to access free supplies. Orders are subject to limits according to capacity. Providers are asked to continue to develop their own supply chain. However, it is widely recognised that PPE market has not recovered from the impact of Covid-19.
- To ensure all agencies are supported and services are able to deliver safe care to local residents, as well as protecting the care workforce, we are currently reviewing various options and opportunities to support external Care Providers to access PPE in emergencies or when they have issues with their PPE supply chain.
- A stock has been locally purchased as part of the Council's recovery and outbreak planning, and we will continue to receive LRF PPE supplies on a fortnightly basis until March 2021 to support Local Authority, people in receipt of direct payment and all educational settings.
- A survey will be distributed to Care Providers to fully understand the impact of COVID-19 re PPE, current needs and issues.

5.2.19 *Adults and Children's Commissioning* - Commissioners have worked closely with our 'Early Intervention and Prevention,' 'Community Wellbeing' and 'Public Health' contracted providers which have adapted but continued to deliver effective services during the Covid-19 Pandemic. Contingency Plans were implemented straight away with recovery Plans in place, commissioners are working with providers to re-instate contingency plans were needed in line with local tier restrictions. Examples of recovery plans include: Substance Misuse Services, Healthy Child Programme, Social Action Partnership and the Carers Hub. The Social Action Partnership is a new service that went live on the 1<sup>st</sup> April 2020 during the Covid-19 pandemic.

5.2.20 *Children's Services* – At the time of writing, new legislation on the tier system had just come into force, along with new DfE guidance, and we were reviewing the implications of this for all our services.

5.2.21 *Children's Social Care* – We are now seeing the rise in contacts and referrals to Children's Social Care that we predicted as a result of Covid-19. This is resulting in social workers' caseloads being higher than we would want them to be, although we do have a clear plan in place to reduce this. We have asked the safeguarding partnership to

support with this by partner agencies leading cases that are able to step down to prevention and early help, to prevent families experiencing statutory intervention for longer than they need to. We are working closely with the partnership to ensure that key services are maintained should stricter restrictions be implemented, to ensure that children, young people and their parents/ carers can still access the support they need, and to avoid the increase in need we have seen as a result of the initial lockdown. We will be continuing to conduct face to face visits to family homes to ensure we are effectively safeguarding children and young people.

5.2.22 We expect to receive an inspection of local authority Children's Services (ILACS) very soon and are preparing for this new type of inspection, which will focus on the quality and impact of decision making for children and young people during the pandemic.

5.2.23 We launched our new fostering brand on 1<sup>st</sup> October – Together for Fostering. At the time of writing, less than two weeks since the launch, we have already received 12 enquiries which is very positive. A direct maildrop will be carried out to all households in Cheshire East – residents will receive a postcard on fostering and what to do if you want to become a foster carer. 12 potential carers are currently in assessment. New foster carers will enable us to meet more children and young people's needs closer to home, so they can stay connected with the people who are important to them and their communities. We would like everyone to promote our campaign and spread the word to the people they know who would make great carers for our children and young people.

5.2.24 My CWA, a partnership formed with Cheshire East Council which tackles domestic abuse in our borough, have won a national award for their fantastic work from the Centre for Social Justice.

5.2.25 *Prevention and Early Help* – As reported previously we are continuing to see the needs of families increasing, alongside an increase in referrals. We have brought in additional capacity to support the Family Service to meet this increase in demand on a temporary basis to ensure children and young people are safe, and where possible prevent families from needing to escalate into a statutory social care service. We are continuing to monitor this closely as we move forward with increased evidence of poor mental health, neglect and pressurised households emerging in terms of needs.



- 5.2.26 We have now achieved 99% of our early years settings opening after the initial lockdown period and 96% of Childminders open for business. However, there have been positive Covid cases within our early years settings (mainly relating to staff), and for some this has meant they have needed to close for the two week isolation period. A dedicated email support line and follow up calls are in place providing specific Public Health advice to effected settings which is working well.
- 5.2.27 We continue to be concerned about the opportunities for our young people as they move into adulthood. We ran a Not in Education, Employment or Training (NEET) summit at the end of September where training providers, colleges and young people who are NEET informed the development of our NEET offer going forward. Alongside a range of other actions, we agreed that services and providers will meet regularly to problem solve issues for complex cases and individual young people, which will support effective sharing of options available to move into training and employment – including kick start opportunities. We will also be working together with the Job Centre to hold a virtual job fair for NEET young people in January.
- 5.2.28 *Education and Skills* – Over 53,319 pupils (88%) are now attending our schools (as at 15 October). Our attendance has remained high and is above national, statistical neighbours, and the North West average, which demonstrates that the preparations we have made have been effective in gaining parental confidence. This is despite an increasing number of pupils isolating due to positive Covid test results in schools. We currently have 3,392 pupils not attending schools as they are isolating either due to Covid symptoms, testing positive for Covid or having been in close contact with a person who has tested positive. Attendance of pupils with an Education, Health and Care Plan and pupils with a social worker also remains good at 87% and 88% respectively.
- 5.2.29 We have seen an increase in parents expressing an interest in electively home educating their child which we expected and is being seen nationally. We have received 111 applications, which is high compared with previous years, but currently only 16 parents have deregistered following meetings with the school and local authority to understand what is expected if they home educate. This is compared with 18 applications last year when all 18 deregistered. A clear process is in place to ensure parents and carers are supported and the decision to electively home educate is in the best interest of the child or young person.



- 5.2.30 We are continuing to provide intensive support to schools around how to implement the DfE guidance to ensure we have a consistent and safe approach across all schools, including around the new changes as a result of the tier system.
- 5.2.31 We have worked with Public Health to produce guidance to support schools when children or staff develop Covid-19 symptoms, including additional guidance on school bubbles to keep the number of pupils required to isolate to a minimum. We have created a dedicated Education Covid Response Team which came into effect at the end of September. This Team runs a helpline from 8am to 8pm weekdays and weekend and responds to reports from schools on positive cases, and offers advice and guidance on the appropriate measures and pupil isolation. This is ensuring we are both supporting schools and have a consistent approach across Cheshire East. The helpline has received very positive feedback from schools. Workers within other services, such as Children's Social Care, the Family Service, and Special Educational Needs and Disabilities, are being notified when pupils are isolating so they are aware and can support families.
- 5.2.32 Since the beginning of September the Education Covid Response team has supported 111 settings with positive cases in 72 settings.
- 5.2.33 We are providing daily reports on cases to the DfE. As at 13 October, there were 44 settings with positive cases, affecting 3,392 pupils and 142 staff. We are tracking the Covid cases in schools. To date, transmissions have not been linked to schools and are linked to home or social mixing outside of school.
- 5.2.34 To increase safety for pupils, drivers and staff, we have now made wearing a face covering compulsory for all pupils aged 11 and over, and drivers, on school transport. We are also encouraging schools to ask parents and carers to wear face coverings when dropping off or collecting pupils from school to help to reduce transmission where there are larger numbers of people gathering. As we have moved into a High Local Covid Alert Level, DfE guidance has been updated for high schools that adults and pupils should wear face coverings when moving around the premises, outside of classrooms, such as in corridors and communal areas where social distancing cannot easily be maintained.

- 5.2.35 The Department of Health and Social Care will be providing free PPE for education settings up to March 2021. We are currently organising packs to go out to schools.
- 5.2.36 From 22 October, schools must provide immediate access to remote learning to any pupils who can't attend school due to Covid-19. This includes where a class, group or a small number of pupils need to self-isolate, or local restrictions require pupils to remain at home. The DfE has put funding in place to support schools to access and set up a digital online platform through Microsoft or Google. These platforms can help to connect teachers and pupils when access to face-to-face education is disrupted. We have circulated a summary of all learning and training opportunities on remote learning to schools.
- 5.2.37 Ed Tech have been commissioned by the DfE to support schools in use of technology. We have arranged briefings for our schools delivered by Ed Tech week commencing 19 October.
- 5.2.38 We have 22 schools who are eligible to access academic mentors to support vulnerable children. We organised training for these schools week commencing 12 October. The schools have now registered and will be allocated mentors through Teach First. Teach First deliver this programme on behalf of the DfE. In addition, we are about to launch a programme to support 40 schools focused of supporting disadvantaged pupils.
- 5.2.39 On 12 October, the Secretary of State for Education announced that the summer exam series will be delayed by three weeks, giving students more time to prepare for their exams. Exams will begin on 7 June and end on 2 July for almost all A and AS Levels and GCSEs. Further details are expected to be published later in autumn.
- 5.2.40 Ofsted commenced visits to schools (not inspections) from 28 September. The visits will usually last for one day. Ofsted are planning to visit 5% of schools this term. We organised two sessions for schools ran by Ofsted in September to explain the arrangements and scope for these visits, which over 90 schools attended. Two schools in Cheshire East that have received a visit have shared their experience with our other settings.
- 5.2.41 We are launching our Wellbeing in Education Programme which will start in November. Each school will receive two training sessions which aim to empower key staff with knowledge, understanding and clear

strategies, so that they can use these to influence school/college policy, procedures and responses in regard to supporting and enhancing wellbeing and resilience for all. This is a national training programme which we have tailored to meet our local needs.

5.2.42 *Homelessness and Rough Sleepers* – Cheshire East's Housing Options Team continue to work to prevent residents from becoming homeless and provide assistance to those who present as homeless. The number of rough sleepers varies between 3–10 some of which are transient and do not wish to stay in Cheshire East. The Rough Sleepers Team continue to work proactively with them where they wish to engage with services.

5.2.43 *Town Centres* - The Council is now receiving monthly data on visits to town centres in the Borough and indicates that the number of visits to the town centres has been impacted less severely than the UK benchmark.

5.2.44 Visits to centres in September range from -23% to +17% when compared to September last year. This is against a national benchmark of -35%. This indicates that the footfall levels overall are better than the national average and for some towns the number of visits have actually increased. The data company has confirmed that the upturn in footfall in some towns is by no means unique to the Borough. Changes in centres being visited may be a result of people travelling less and visiting centres more local to their homes.

5.2.45 Notwithstanding this comparable position with the national average we recognise the importance of continuing to support the hospitality, retail and leisure sectors in each of towns over the coming months. We will therefore continue to provide support and put out communications to remind people that the town centres are still open for business albeit with restrictions in place. Section 6.3 provides further information about the support we are providing to all local businesses during this time.

5.2.46 *Enforcement* – The Council is undertaking a range of compliance and enforcement activities to ensure local businesses are Covid-secure and complying with the relevant restrictions to control the spread of COVID-19, in particular within the hospitality industry. We have adopted an agreed and consistent approach with local authority partners and the Police across the Cheshire Resilience Forum, engaging, explaining and encouraging first, with enforcement the last resort for significant or regular breaches. The approach involves responding to complaints

from the public, intelligence from partners, or businesses seeking advice. A COVID-secure checklist is also completed when any business is contacted or visited as part of a regular inspection programme, such as Food Safety.

- 5.2.47 Council Officers have undertaken visits on Friday and Saturday evenings across a number of towns in partnership with the Police. There has been a good level of compliance and businesses have been reassured that they are doing the right things. Further visits are planned.
- 5.2.48 The Council has been allocated £158,572 of the £60m surge enforcement funding provided to local authorities and the Police to support additional compliance and enforcement activity to support communities to understand and comply with the local and national restrictions and regulations.
- 5.2.49 *Highways, Transport & Parking* – All highway maintenance operations and improvement projects continue to be delivered and are following Government COVID guidelines. Adjustments to working practices have been implemented and plans are in place for running this season's winter operation covering the same network as last year. There is a higher level of works activity than normal being managed on the highway network covering both the Council's maintenance programme and schemes of the utility companies. Most recently traffic flows have fallen back to around 80% of pre COVID levels. Usage levels have stabilised at mid September levels and data is awaited to see whether the recent news on the pandemic will start to affect use and duration of stays at council car parks.
- 5.2.50 The two phase programme of active travel measures continues to progress across the borough following considerable engagement from community groups, local ward councillors and town and parish councils. Phase one measures are due to complete by the mid November. A government funding decision is awaited for the commencement of phase two, with a slight delay announced to give consideration to the guidelines to local authorities.
- 5.2.51 The local bus network has sustained services at around 85% pre COVID and the Council's FlexiLink is still in operation. Both are running at patronage levels at around 30% of pre COVID levels, which means the services are still heavily dependent on the continued central and local funding support.

- 5.2.50 *Workforce and Workplace* - Those staff who can work from home were encouraged to do so when the lockdown was introduced in March. That has continued to be the case as the situation has evolved. We have made a significant investment in mobile IT to allow staff to operate as effectively remotely. However, to support services who need more flexibility to continue to deliver services while still working under COVID-19 restrictions, we have introduced team zones which allocated spaces within our buildings that will be carefully managed by heads of service. We continue to communicate with staff on a regular basis and have had positive feedback on this.
- 5.2.51 Frontline staff continue to deliver services with adjustments to working practices in line with the COVID guidelines to ensure they are protected from the virus as far as practicable. In some areas this has added to the cost of running the service, with the purchase of additional PPE and vehicles for example. Staff also continue to work flexibly and divert from their normal duties to support the Council's varied roles on COVID.
- 5.2.52 We are continuing to monitor COVID-19 related absences on a regular basis, including the numbers of staff self-isolating and/or off sick. As at 16 October 2020, there are currently 38 staff self-isolating, 99 off sick, 2210 staff working from home and 268 on leave. The enduring nature of the pandemic is leading to increased feedback from staff about fatigue. We are encouraging staff to take leave and making available a range of well-being support.
- 5.2.53 *Governance and Decision Making* - The Council moved quickly to facilitate remote meetings. All Members were provided with laptops and support to operate effectively. Formal meetings are taking place remotely as standard now, including our first remote Council meeting which was held on 21 October. A recent survey of Members, overseen by the Members Forum, has gathered helpful feedback on the use of the technology. Members have responded positively to the changes and the support they have received. Advice and guidance has been provided in terms of accessing office buildings, risk assessment and adapting to remote working on a longer term basis.

## **6 Recovery**

- 6.1 Cheshire East Council continues to lead and support the Local Resilience Forum in developing its future planning for the recovery from this pandemic. The Strategic Co-ordinating Group of the LRF has established a Strategic

Recovery Co-ordinating Group leading on this Recovery. This is chaired by the Chief Executive of Cheshire East Council and includes senior colleagues from local authorities, the NHS, Public Health, Police and Fire.

6.2 Since the last report the Strategic Recovery Co-ordinating Group has undertaken an exercise to support planning for the winter months with a particular focus on the potential cumulative impacts of Covid-19, Winter Pressures, Adverse Weather and EU Exit. Plans have therefore been developed to provide assurance regarding:

- Winter planning for health and social care
- Planning for potential future local outbreaks
- Contingency plans for relating to adverse weather including flood events so that the responses can be managed in a Covid secure manner and to provide resilience to key services such as education and health
- Impact assessments to inform contingency planning relating to EU exit including the potential impacts on local communities, households, the local economy, key infrastructure, supply of essential items including food, council services and its providers.

6.3 The Council continues to anticipate and prepare for the longer-term impacts of the Pandemic:

6.3.1 *Community* - the Council and its partners anticipate that there will be significant long-term impacts on communities in Cheshire East. For example, there is expected to be a significant increase in unemployment and reduction in household income. It is expected that services will see an increase in demand as referrals increase in relation to safeguarding, domestic abuse and social care support. The council, working with its partners will be ensuring that it continues to support vulnerable people as well providing appropriate support in relation skills, employability, mental health and personal resilience.

6.3.2 *Economy* - Cheshire East Council continues to work with local businesses and business organisations (including Chambers of Commerce, Cheshire and Warrington Local Enterprise Partnership, Federation of Small Businesses and National Farmers Union) to channel business-based support to meet local need and to enable businesses to support each other. The Council has established the Cheshire East Business Forum, which meets monthly and provides a useful platform for the exchange of information and discussion of key topics and issues for the Borough which will, in turn, help us to better

understand the impacts of Covid-19 on our business community, mobilise and direct resource as appropriate. The Council is re-launching our 'Business Helping Business' initiative so that businesses can outline how they can help with our economic, social, health and environmental recovery objectives. Other businesses that need help, can also use it to provide details of their support requirements and officers in the Economic Development service will connect businesses in need with those that can help.

- 6.3.3 In response to these issues the council and its partners have started to put measures in place to support people as they face unemployment. This includes a job matching service which sign post jobs that are available, the running of jobs fairs and the provision of skills training, work experience and apprenticeships.
- 6.3.4 The Council is working very closely with the Cheshire & Warrington LEP to plan and deliver a series of virtual jobs fairs – Cheshire Works4U – to give employers with vacancies a platform to promote these to a wide audience of potential future employees. The first of these events focussed on Crewe and Nantwich and attracted over 16,000 views, both live and on Demand. The next Cheshire Works4U jobs fair is scheduled for 28 October is expected to exceed this figure. The sub-regional Redundancy Action Support Team (RAST) has been stood-up again, which comprises Officers from all three Local Authorities, the Department for Work & Pensions and the National Careers Service. This team co-ordinates the provision of a rapid response to redundancy situations across the Cheshire and Warrington sub region, ensuring effectiveness in operational service delivery. Officers from the Economic Development Service are part of the RAST Team and have been coordinating support for employers such as Bentley, Senior Aerospace, Dairy Gold Foods and Manchester Airport Group. The Council is also promoting the Government's Kickstart Scheme to encourage local employers to provide high quality 6-month work placements aimed at those aged 16 to 24 who are on Universal Credit and are deemed to be at risk of long term unemployment.
- 6.3.5 The Council has also delivered four phases of funding through its Discretionary Business Grant Scheme since it launched on the 1 June. Circa 540 businesses that missed out on grant funding from the Government's Small Business Grant Scheme or Retail, Hospitality and Leisure Grant Scheme have received grants through this scheme. The Grant Scheme is now closed and all grant payments were made before 30th September.



6.3.6 Furthermore, the Council and its partners have developed plans for the longer term economic recovery of the Borough. This approach includes:

- Understanding the Impacts of the pandemic and EU exit on the economy and development in the Borough including the opportunities this presents for the Borough for future inward investment.
- Understanding the implication of these impacts on income for the council and on key strategic services such as Planning, Economic Development and Strategic Transport.
- Support to businesses in the Borough including a focus on the sectors most likely to be impacted by the pandemic such as the hospitality sector. In addition support will continue to be provided to the key businesses and key sectors in the local economy.
- Continuing to support our town centres and businesses that operate from them.
- Developing a future pipeline of development and regeneration projects that can stimulate the local economy
- Ensuring that the Borough has an effective place marketing approach so that it is able to promote itself for inward investment in the future.

## **7 Implications of the Recommendations**

### **7.1 Legal Implications**

7.1.1 The Coronavirus Act 2020 received Royal Assent on 25 March 2020. 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 of certain business premises, Test and Trace.

7.1.2 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.



- 7.1.3 Any necessary urgent decisions have followed the process set out in the Constitution.
- 7.1.4 Local authority meetings - on Friday 31 July 2020, the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) (Amendment) Regulations 2020 came into force and will expire on 7 May 2021 unless extended. It removes the requirements to hold annual meetings; allows councils to hold all necessary meetings virtually, to alter the frequency and occurrence of meetings, without the requirement for further notice and to enable members, officers and the public to attend and access meetings and associated documents remotely. However, the amended regulations do not specifically mention 'hybrid' meetings.
- 7.1.5 The Health Protection (Coronavirus, Restrictions) (England) (No 3) Regulations 2020 came into force on 18 July 2020 and will expire at the end of 17 January 2021. They give local authorities (LA) power to give directions which impose prohibitions, requirements or restrictions relating to premises, events and public outdoor spaces, more commonly known as local lockdowns in order to tackle local coronavirus outbreaks. The LA must ensure the conditions set out in the Regulations are met before it can give such a Direction. It must also have regard to advice from its Director of Public Health when deciding whether or not to make a Direction. If a Direction is made, the Secretary of State (SoS) must be notified as soon as reasonably practicable, and the Direction must be reviewed at least once every seven days to ensure the conditions for making it are still met. Similarly, the SoS has the power to direct a LA to make a Direction under the Regulations, if the SoS considers the conditions for making a Direction are met.
- 7.1.6 Directions relating to premises may require closure of premises, restriction of entry or restrictions relating to the location of persons in the premises. A LA may not make a Direction relating to premises which form part of essential infrastructure.
- 7.1.7 Directions may be given in relation to specified events or events of a specified description.
- 7.1.8 If the LA gives a direction which imposes a prohibition, requirement or restriction on a person specified by name, the LA must give notice in writing to that person and also publish the notice to bring to the attention of persons who may be affected by it. Persons who are given a direction

under the Regulations have a right of appeal against the direction to a magistrate's court and also to make representations to the SoS.

7.1.9 LA designated officers and constables have enforcement powers. Persons who contravene directions under the Regulations or obstruct persons carrying out functions under the Regulations commit offences.

7.1.10 Officers continue to consider both formal Regulations and Guidance issued by Government which informs the Council's approach to the relevant subject matter. By way of example, the government's advice on COVID-19: Guidance for the safe use of council buildings was updated on the 9th September 2020. See link for full details;  
<https://www.gov.uk/government/publications/covid-19-guidance-for-the-safe-use-of-council-buildings/covid-19-guidance-for-the-safe-use-of-council-buildings>

7.1.11 Particular reference is drawn to section 3c 'Meetings' which states;  
"We continue to recommend that where meetings can take place digitally, without the need for face-to-face contact, they should do so. Where council buildings need to be used for physical meetings, these meetings must be managed within the social distancing guidance and principles set out above."

7.1.12 As referenced in para. 7.1.4 above, the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) (Amendment) Regulations 2020 enable remote meetings. The key question to consider in all cases would be, is it necessary to holding face to face meetings in council buildings? Such risk assessment would need to consider the availability of alternative methods, i.e. virtual meetings, the risk and data pertaining to infection rates both locally and nationally, any particular local considerations and vulnerabilities of those who may be impacted by a decision, and equality considerations when considering the necessity if it should hold in person meetings.

7.1.13 The Health Protection (Coronavirus, Restrictions) (No. 2) (England) (Amendment) (No. 4) Regulations 2020 which came into force on 14<sup>th</sup> September 2020, amended the Health Protection (Coronavirus, Restrictions) (No. 2) (England) Regulations 2020, so that people may not participate in social gatherings, in any place, in groups of more than 6, unless they are members of the same household, two linked households, or exceptions apply. The changes apply to England, in so

far as an area isn't subject to additional or enhanced restrictions by way of are specific regulations.

7.1.14 The Health Protection (Coronavirus, Restrictions) (Obligations of Hospitality Undertakings) (England) Regulations 2020, came into force on 18<sup>th</sup> September 2020 by way of emergency Regulations. The Regulations make provision for requirements for pubs, restaurants, cafes and other businesses involved in providing food for consumption on the premises to take reasonable steps or measures to limit customers to parties of six, and to keep tables an appropriate distance apart.

7.1.15 The Health Protection (Coronavirus, Collection of Contact Details etc and Related Requirements) Regulations 2020 came into force on 18 September 2020, again by way of emergency Regulations. The Regulations make provisions requiring designated venues to collect certain contact details mainly from customers, visitors and staff (as set out in the regulations), store this information for 21 days, and share it with NHS Test and Trace or local public health officials, if requested. This is with the purpose of enabling NHS Test and Trace and local public health officials to contact people who may have been exposed to coronavirus and give them appropriate public health advice to help stop the further spread of the virus.

7.1.16 The Health Protection (Coronavirus, Local COVID-19 Alert Level) (High) (England) Regulations 2020 were made on 12 October 2020 and came into force on 14 October 2020. Cheshire East Council fell within the area covered by these Regulations, known as Tier Two restricted areas. In general, these regulations make provision for local restrictions in the affected areas in terms of social interaction and operation of some businesses. People must not socialise with anybody outside of their household or support bubble in any indoor setting, whether at home or in a public place, nor must they socialise in a group of more than 6 outside, including in a garden or other space like beaches or parks. The Regulations make provision for certain lawful exceptions to these restrictions. Similarly, businesses and venues can continue to operate, in a COVID-Secure manner, other than those which remain closed in law. Certain businesses selling food or drink on their premises are required to close between 10pm and 5am. Businesses and venues selling food for consumption off the premises, can continue to do so after 10pm as long as this is through delivery service, click-and-collect or drive-thru. Schools, universities and places of worship remain open. Weddings and funerals can go ahead with restrictions on the number of attendees. People can continue to travel to venues or amenities which are open, for work or to access education, but should look to reduce the number of journeys they make where possible. There is also an expectation that any national guidance in place at the time will be

followed for example the wearing of face masks where mandated and maintaining social distancing. The Regulations make provision for a constable, a police community support officer or a person designated by a local authority, to enforce the regulations, with any offence/breach being punishable by a fixed penalty notice fine, which operates on an increasing scale should there be repeated breaches of the regulations. The fines can be levied against individual, or businesses who fail to adhere to the regulations.

## **7.2 Financial Implications**

- 7.2.1 The potential financial impacts of the COVID-19 pandemic have been reported to Cabinet each month since July with the October update including the additional link to the Council's underlying budget performance in 2020/21. Members outside of Cabinet have received briefings via the Audit & Governance and Corporate Overview and Scrutiny Committees or direct member briefing. This report presents the latest financial position and identifies Government funding already provided or claimed to date.
- 7.2.2 Significant levels of uncertainty remain over the potential financial implications for local authorities. The financial issues facing Cheshire East Council are just part of an ongoing national issue for public services, and the whole UK economy. Central Government continues to react with funding support packages for both general and specific purposes. The Council continues to support MHCLG in gathering evidence, on a monthly basis, of the potential costs and income losses for 2020/21 based on information and guidance available at the date of the government return. The information from the Council contributes to the ongoing negotiations between the LGA, MHCLG, HM Treasury and other government departments and sector led organisations such as the County Councils Network.
- 7.2.3 The nature of financial issues, and the approach to funding costs and income losses associated with the pandemic, has inevitably changed over time as the severity of the pandemic has changed. This creates issues with producing an accurate forecast of financial consequences compared to the Council's Medium-Term Financial Strategy which had been approved by Council on 20 February 2020.
- 7.2.4 In June the potential gross financial pressure for the Council was estimated at c.£70m. This represented both increased expenditure and reductions in income. At the time this figure was reported to MHCLG, conversations were already ongoing about how this could be mitigated, either through increased grant funding or by providing payments direct to businesses, suppliers or to individuals in the local area.

7.2.5 The positive response to control the virus and subsequent easing of national lockdown restrictions as well as the direction of funding to other local bodies or individuals has subsequently reduced the gross costs being accounted for by the Council. In addition, the Council has now also made a first claim for losses under the Income Compensation Scheme.

7.2.6 The returns to Central Government identify three main types of financial pressure:

(i) **Un-ringfenced Expenditure and Income Losses**

Appendix 1 provides an indication of the forecast financial pressures from COVID-19 on the Council's 2020/21 budget in early October. At that time potential financial impacts under this category equated to c.£32.8m. Although provided in the report for context and clarity, these figures are under monthly review and expenditure is expected to rise with the rising number of infection cases. Un-ringfenced grant funding to support expenditure and income losses is detailed in Table 1 below, in a format consistent with previous reports. £22.4m of Support Grant has been paid to date; £2.1m has also been claimed so far under the Income Compensation Scheme and is pending analysis before payment. On 12 October Government announced that an additional £1 billion will be provided to support councils in England to ensure they have the resources needed this winter. Cheshire East's allocation is £2.6m, announced on 22 October. Further analysis will be completed to understand how this new allocation can mitigate the issues identified within Appendix 1. Alongside this recent allocation, Government have also announced that £100m has been top sliced to provide support in keeping leisure centres open, and a claims process to access this funding will be announced shortly.

(ii) **Collection Fund**

Collection Fund potential losses relate to Council Tax and Business Rates income. At the time of writing, the Council expects to have to bear these losses. Latest guidance from government requires councils to spread the impact over the next three years. However, there is ongoing consideration from MHCLG and the LGA on this issue and further information will be provided when it is available. Cash shortfalls in-year are expected to be in the region of £9m. The Council will continue to recover late payments where practical, however some losses will be permanent; for example, where businesses have ceased trading, individuals are now entitled to Council Tax Support Payments, or where growth in the tax base has slowed down compared to forecasts.

(iii) **Ringfenced Expenditure**

Table 2 provides information about the activities the Council has been undertaking which have received specific government funding.

**Table 1: The approach to un-ringfenced funding has changed over time**

Announced	Funding for CEC	Notes
(England total)		
<b>19<sup>th</sup> March</b>	£9.150m (£1.6bn)	Adult Social Care based payment
<b>18<sup>th</sup> April</b>	£10.539m (£1.6bn)	Payment per capita to help reflect lost income
<b>Sub-Total</b>	<b>£19.689m (£3.2bn)</b>	
<b>2<sup>nd</sup> July</b>	£2.712m (£0.5bn)	Adult Social Care / deprivation based payment
<b>12<sup>th</sup> October</b>	£2.578m (£1bn)	To provide resources for winter. This tranche of funding has been used to equalise all payments using the same approach as the July payment.
<b>Total</b>	<b>£24.979m (of £4.7bn)</b>	
<b>2<sup>nd</sup> July</b>	<b>£6.1m</b> (£n/k) for Income Compensation	Estimated total – subject to claims process. £2.1m claimed so far, in 1 <sup>st</sup> of 3 data collection rounds  Compensation at 75p in £1 for losses above 5% of sales, fees and charges budgets
<b>2<sup>nd</sup> July</b>	£nil for Collection Fund	Defer Collection Fund Deficit over 3yrs

7.2.7 Un-ringfenced government funding received to date as detailed in Table 1 (above) is currently **£24.9m**, and the income compensation scheme is anticipated to bring in **£6.1m**, if settled in full. In October it was reported that current spending and income loss forecasts could see a shortfall for the Council of c. **£13.5m**. Although a fourth tranche of funding has been announced by the Government, the financial impact is increasing, due to increasing number of cases of COVID-19. At this point it is not clear

whether the previously forecast shortfall will change, but it will be subject to ongoing analysis and review.

7.2.8 Mindful of the possibility for further expenditure / net cost pressures going forward, it will be important to continue to review, understand and mitigate the potential shortfall between additional financial impacts and the funding provided by Government. The Council continues to engage in several activities:

1. Managing and reviewing the financial forecasts in response to guidance and the local response to the emergency and how this affects the Council's revenue budget.
2. Further analysing the Government proposals to compensate losses from Sales, Fees and Charges.
3. Analysing the level of Collection Fund losses across the three financial years 2021/22 to 2023/24.
4. Reviewing the consequences of funding shortfalls on the Council's capital programme and how this impacts on the Council's long-term funding of capital expenditure.

**Table 2: Specific Grants are valued at c.£176m**

Activity (National Total)	Spending forecast*	Funding	Variance
Test & Trace (£300m)	£1,533,331	£1,533,331	£0
Towns Fund (Capital £5bn)	£750,000	£750,000	£0
Dedicated Home to School and College Transport (£40m)	£294,536	£294,536	£0
Rough Sleeping (£3.2m + £105m)	£158,516	£6,000	£152,516
Active Travel (£225m)	£774,000	£774,000	£0
Re-Opening High Streets (£50m)	£339,533	£339,533	£0
Culture Recovery Fund (£1.57bn)	£180,000	£180,000	£0
Infection Control (£600m)	£5,320,292	£5,320,292	£0
Business Grants (£12.3bn)**	£87,445,000 (spending to	£95,514,000	Awaiting guidance



	date)		
Discretionary Business Grants (£617m)**	£4,357,000 (spending to date)	£4,372,250	
Tier Two Business Grants **	£n/k	£n/k	
Business Rate Holiday (£9.7bn)	£62,339,000	£58,785,655	£3,553,345
Council Tax Hardship (£500m)	£2,500,000	£2,062,635	£437,365
Local Bus Network (£167m)	£229,632	£229,632	£0
Emergency Assistance Food and basic necessities (£63m)	£326,293	£326,293	£0
Towns Fund Capital (£5bn)	£750,000	£750,000	£0
Additional Dedicated Home to School and College Transport (£40m)	£294,536	£294,536	£0
Wellbeing for Education Return (£8m)	£55,403	£55,403	£0
Compliance and Enforcement Grant (£60m)	£158,572	£158,572	£0
Bus Service Support Grant (CBSSG) Restart scheme (£254m)	£305,467	£299,634	(£5,833)
Self Isolation Test and Trace Support Payment (n/k)	£250,979	£250,979	£0
Infection Control in Care Homes (£546m) 2 <sup>nd</sup> Tranche	£4,712,872	£4,712,872	£0
Tier Two Payment (£3ph)	c.£1,100,000	£n/k	£n/k
Leisure Centres (£100m)	£n/k	£n/k (pending claims process)	£n/k



\*Note: where 'Spending Forecast' equals 'Funding' this does not necessarily indicate the full extent of spending but does demonstrate the expectation that funding will be fully utilised.

\*\*Business Grant scheme funding has been combined to date. Scheme totals can also vary if payments are subject to review or appeal

7.2.9 Further specific grants may become payable and require local administration in response to the emerging status of the pandemic response.

7.2.10 LGA and CCN collate returns from all member councils, though the types of financial pressure vary from council to council depending on their circumstances. For example, whether they provide social care, have a strong tourist economy or the extent of deprivation. The overall impacts are similar across councils and Cheshire East Council is not an outlier. The Council will continue to support lobbying by the LGA and CCN in their aim to ensure fair settlement of the financial pressures facing local authorities.

### **7.3 Policy Implications**

7.3.1 COVID-19 is having a wide-ranging impact on many policies. Any significant implications for the Council's policies are outlined in this report.

### **7.4 Equality Implications**

7.4.1 Implications of the changes will continue to be reviewed. We are carrying out individual risk assessments for staff with protected characteristics, particularly in relation to BAME colleagues and staff with a disability.

### **7.5 Human Resources Implications**

7.5.1 Paragraphs 5.2.51-5.2.52 provide information in relation to the Council's workforce and workplace. Throughout the pandemic, there has been regular communication with staff and good co-operation with the Trade Unions.

### **7.6 Risk Management Implications**

7.6.1 Risk registers have been maintained as part of the Council's response to date and the plans for recovery. Business Continuity Plans are being kept under review and plans have been tested against concurrent risks of EU Exit and winter pressures.

## **7.7 Rural Communities Implications**

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

## **7.8 Implications for Children & Young People/Cared for Children**

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

## **7.9 Public Health Implications**

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

## **7.10 Climate Change Implications**

7.10.1 There have been positive benefits of fewer cars on the road. This includes most staff who have been working from home. There has also been lower demand for heating/lighting offices. This is outlined in paragraph 6.5.14.

## **8 Ward Members Affected**

8.1 All Members.

## **9 Consultation & Engagement**

9.1 Formal consultation activities were initially paused due to the lockdown restrictions. We are reviewing on a case by case basis to ensure that we can continue to operate effectively.

## **10 Access to Information**

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

## **11 Contact Information**

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

Frank Jordan, Executive Director Place and Deputy Chief Executive

Mark Palethorpe, Executive Director People

Jane Burns, Executive Director Corporate Services

## Covid19 Financial Update by Directorate

## People Directorate

2020/21 Outturn Review	2020/21 Budget	Covid Financial Pressures		Forecast Over / (Underspend)
(GROSS Revenue Budget £647.2m)	(NET)	Expenditure	Income	
£000	£000	£000	£000	£000
Directorate	881	-	-	-
Children's Social Care	40,190	1,175	-	1,175
Education & 14-19 Skills - Revenue	15,068	215	187	402
Education & 14-19 Skills - Capital	-	2,000		2,000
Prevention & Early Help	8,351	69	41	110
Adult Social Care - Operations	28,077	-	-	-
Commissioning	88,778	3,656	734	4,390
Public Health	-	78		78
<b>People</b>	<b>181,345</b>	<b>7,193</b>	<b>962</b>	<b>8,155</b>

The most significant element of expenditure incurred by the Council involves financial support to the social care market, funding has already been provided to support care providers in dealing with increasing costs linked to demand, staffing shortages and PPE.

The loss of fees and charges and increased debt from Adult Social Care is expected to be in the region of £0.7m.

The cost of the shielding hub, as shown under Public Health, is estimated to be £78k, in addition to this there are additional staffing resources from across the Council services involved in shielding.

The increased cost of children's social care is £1.176m mainly due to the rise in agency placements.

Delays in the schools building programme are expected to lead to additional costs in the second part of the year.

## Place Directorate

2020/21 Outturn Review  (GROSS Revenue Budget £647.2m)	2020/21 Budget	Covid Financial Pressures		Forecast Over / (Underspend)
		Expenditure	Income	
	(NET)			
	£000	£000	£000	£000
Directorate	977	-	-	-
Environment & Neighbourhood Services	40,744	3,916	2,056	5,972
Environment & Neighbourhood - Capital	-	255		255
Growth & Enterprise	20,434	561	2,557	3,118
Highways & Infrastructure - Revenue	11,909	1,238	3,949	5,187
Highways & Infrastructure - Capital		3,730		3,730
Place	74,064	9,700	8,562	18,262

The Council's wholly owned company ANSA has experienced significant challenges in delivering waste and environmental services throughout this pandemic. The cost of employing additional agency staff, purchasing PPE and the increased tonnage from kerbside collections is estimated to be over £2m.

The bereavement service has incurred additional costs including a contribution to a body storage facility.

The loss of income from fees and charges is significant for the Place directorate, car parking income losses alone is estimated to be over £3m, income from cultural activities such as Tatton Park is expected to be down by £2m and income from planning fees is expected to have a shortfall £1.3m.

Additional costs relating to the running of the leisure centres and the loss of income is estimated to be in the region of £1.2m.

Delays in major highway construction schemes are expected to lead to additional costs in the second part of the year.

## Corporate Directorate

2020/21 Outturn Review	2020/21 Budget	Covid Financial Pressures		Forecast Over / (Underspend)
(GROSS Revenue Budget £647.2m)	(NET)	Expenditure	Income	
£000	£000	£000	£000	£000
Directorate	693	-	-	-
Finance & Customer Services	8,678	1,320	740	2,060
Governance & Compliance Services	9,984	61	824	885
Transformation - Revenue	-	759		759
Transformation - Capital	14,728	2,721		2,721
<b>Corporate</b>	<b>34,083</b>	<b>4,861</b>	<b>1,564</b>	<b>6,425</b>

The ICT service has accelerated and extended the deployment of Windows 10 mobile devices to enable council employees to work from home and elected Members to participate in remote meetings since the start of the pandemic has required. An increased number of devices have been purchased and the resources required to deliver this redeployment in a short space of time has placed significant pressure on the service.

ICT has also delivered a number of specific projects specifically to facilitate the remote working environment, these include e-signatures, virtual council meetings, virtual child protection conferences, virtual hearings for both internal and external participants, remote door solution etc.

The registration service is expecting a loss of income from marriage services in the region of £0.8m.

The loss of Housing Benefit overpayment recoveries and the loss of court cost income for Council Tax and Business Rates is also expected to be in the region of £0.7m.

Unachievable savings resulting from the delay in the implementation of Best4Business is in the region of £1m.

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*Working for a brighter future together*

Key Decision: N

Date First  
Published: N/A

## Cabinet

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**Date of Meeting:** 10 November 2020

**Report Title:** Medium Term Financial Strategy 2021/22 – 2024/25

**Portfolio Holder:** Cllr Amanda Stott Portfolio Holder for Finance, ICT and Communication

**Senior Officer:** Alex Thompson, Director of Finance and Customer Services

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### 1. Report Summary

- 1.1. The Council's Medium-Term Financial Strategy (MTFS) sets out the financial implications of the Council's Corporate Plan and how this can be funded over the period of 3-4yrs. The Council is required by law to approve a balanced budget, where gross expenditure is matched by available resources, on an annual basis as part of the MTFS.
- 1.2. The current MTFS, which included the approved 2020/21 budget, was agreed by Council in February 2020. Even without the implications of COVID the MTFS included a potential deficit of £12m for 2021/22. This forecast recognised the risk of further reductions in New Homes Bonus as well as growth in demand, particularly within Adult and Children's Services. Additional impacts were included for inflation such as staff pay and increasing premises costs (regarding utilities and business rates). Mitigating these rising costs was an estimated increase in Council Tax of 1.99%, in-line with target inflation rates.
- 1.3. Without the implications of COVID-19 the current MTFS would provide the starting point for the development of proposals to address the gap and to consider emerging pressures and demands such as demographic growth and pay and prices inflation over the next 3 years. However, the impact of COVID has been substantial and caused significant issues with forecasting and understanding the medium-term financial impacts.

- 1.4. Cheshire East Council is not alone in facing financial pressure from COVID-19. There has been regular reporting to Cabinet on the COVID-19 financial implications for all councils, including Cheshire East Council. Furthermore, it has exposed underlying weaknesses in the structure and sufficiency of the local government financial system and its ability to meet demand for services and to support local communities and the economy. Independent assessment from the Institute of Fiscal Studies for the LGA shows that the sector requires an additional £5.3bn to standstill and £10bn investment to rebuild and recover from COVID.  
<https://www.local.gov.uk/publications/re-thinking-public-finances>
- 1.5. There is clear evidence of the additional costs of direct expenditure and lost income related to the pandemic response. The latest position is summarised in the separate report on this agenda.
- 1.6. There is significant uncertainty at national level. The Chancellor of the Exchequer has cancelled this year's Autumn Budget due to the Coronavirus. Instead a Winter Economy Plan was announced. The Chancellor announced on 21 October that there will be a one-year Spending Review. <https://www.gov.uk/government/news/spending-review-to-conclude-late-november> . This will set budgets for all departments, except NHS, schools and major infrastructure projects. The pending review will conclude "in late November". It is not yet clear what that means for the local government financial settlement for 2021/22. It is clear, however, that all local authorities are legally required to set a budget by March 2021.
- 1.7. Planning for the MTFS is an ongoing process, and the Council has, in most years, followed a path of establishing the parameters for the planning process, then proposing variations to achieve a sustainable strategy and then consulting on the proposals. The launch of the consultation process has taken place in November in recent years.
- 1.8. Overview and Scrutiny Committees play an important role in scrutinising the draft proposals and providing feedback to the Cabinet to inform the final draft of the MTFS presented to Council. The final step is approval by Council in line with the Constitution and relevant legislation.
- 1.9. The impact of the COVID-19 pandemic has been significant and has created difficulties in achieving timescales for financial planning for several reasons. The shifting pattern of the financial implications on the Council's finances, delays to government announcements on future funding models and reduced capacity to manage the process will inevitably mean some differences in the timescales for developing the 2021/22 MTFS process.



- 1.10. This report sets out the activities to date and current estimated timescales. Work is ongoing to develop budget proposals, which will be subject to scrutiny and consultation before a final MTFS can be produced. This process of development and review will enable the robustness and feasibility of the proposals to be tested. The recommendation in this report is to publish financial proposals for consultation in December 2020.

## **2. Recommendations**

That Cabinet:

- 2.1. Note the Pre-COVID financial assumptions, contained within the Financial Implications of this report, that were originally included as part of the Medium Term Financial Strategy (Council - February 2020), and identified potential financial deficits beyond 2020/21.
- 2.2 Note the approach to consultation.
- 2.3 Approve the timescales for consultation on the 2021/22 to 2024/25 Medium Term Financial Strategy as identified in Appendix 1.

## **3. Reasons for Recommendations**

- 3.1. The Council is required to consult on the proposals within the annual budget. This is required in general terms with businesses but may also require consultation with service users on specific proposals, although where proposals relate to universal services the requirements can be covered through a single consultation document on the overall budget.
- 3.2. The Council must set a balanced budget for each financial year based on robust estimates and supported by adequate reserves. This requirement is significantly supported by meaningful consultation as this improves the assurance that proposals will be delivered within manageable levels of risk.
- 3.3. Establishing key dates for the consultation process manages expectations for stakeholders.
- 3.4. Appendix 1 sets out the target dates for the Medium-Term Financial Strategy process and expected key announcements from Government.
- 3.5 The above timescales may be subject to review by Cabinet depending on announcements and guidance from Central Government linked to the response to COVID-19 or associated fiscal events.

## **4 Other Options Considered**

- 4.5 Publishing the draft MTFS in October was considered but at this time the level of financial uncertainty associated with the pandemic meant that the proposals for the MTFS were not finalised. Consultation at this time would have therefore caused confusion and unnecessary uncertainty.
- 4.6 Delay publication until after the local government finance settlement has been confirmed, which is usually in late December leading to a minimum level of engagement with stakeholders. This is not desirable because it is not transparent.

## **5 Background**

- 5.5 Planning for the 2021/22 to 2024/25 Medium-Term Financial Strategy is underway but is being significantly interrupted by the ongoing response to the COVID-19 pandemic. Proposals to vary the current budget are being developed in line with the priorities included within the Draft Corporate Plan, currently under consultation, and subject to a separate report on this agenda.
- 5.6 The draft priorities within the Corporate Plan are provided at Appendix 2.
- 5.7 Proposals will recognise growth and savings requirements to ensure the published draft MTFS is both robust and transparent to enable members in making informed decisions.
- 5.8 The priorities listed in the Corporate Plan are subject to consultation and responses to the consultation will support Cabinet in determining the viability of budget proposals as they are being developed. The consultation on the draft Corporate Plan runs until 27 November 2020.
- 5.9 In the meantime, any clarity emerging from Government in relation to the parameters supporting the financial settlement will also provide evidence as to the level of change required to achieve financial stability.

## **6 Implications of the Recommendations**

### **6.5 Legal Implications**

- 6.5.1 The Medium-Term Financial Strategy is a part of the Council's Budget and Policy Framework and as such requires approval by Council.
- 6.5.2 The Council should have robust processes so that it can meet statutory requirements and fulfil its fiduciary duty.

- 6.5.3 Any legal implications arising from this report will be addressed through the budget setting process.

## **6.6 Finance Implications**

- 6.6.1 The current Medium-Term Financial Strategy highlighted a potential deficit of £12m in 2021/22, reducing to £6.1m and £4.5m in 2022/23 and 2023/24 respectively. These estimates were based on several financial assumptions, the most significant items are listed below:
- 6.6.1.1 Growth in ASC (+£4m pa) & CSC (+£1.3m pa)
  - 6.6.1.2 Growth in Waste Services (+£0.7 m pa)
  - 6.6.1.3 Growth in ICT Comms / IIP programmes (+£0.8 m pa)
  - 6.6.1.4 Growth from Pay inflation of 2% (+£4m pa)
  - 6.6.1.5 Growth in capital financing costs (+£2.5m pa)
  - 6.6.1.6 Grants continue for Better Care Fund, but New Homes Bonus reduces (£6m pa reduction in income)
  - 6.6.1.7 Income from Council Tax increases of 1.99%, including new homes (£7m pa increase in income)
- 6.6.2 The impact of COVID-19 was reported to Cabinet in October as part of the Mid-Year Review. This highlighted that Collection Fund losses and additional expenditure associated with the Capital Programme could be deferred to later years, which would also have an impact on the MTFS. The Council continues to support the government, in understanding the financial implications from COVID-19. Working with organisations such as the LGA and CCN, we are lobbying for a coherent and sustainable funding model which responds to the financial impact on the Council's MTFS from the pandemic and rebuilds our local communities and economy.
- 6.6.3 As mentioned above, a further impact from COVID-19 is that government has deferred decisions associated with local government financing, such as potential changes under the Fairer Funding and Business Rate Retention consultations. The local government settlement announced in 2019 was part of a spending round, that did not extend beyond 2020/21. This means estimates on the Local Government Settlement are currently based on significant uncertainty.

## **6.7 Policy Implications**

- 6.7.1 The draft Corporate Plan sets out a new vision, values, aims and priorities for Cheshire East. These are summarised in Appendix 2.

## **6.8 Equality Implications**

- 6.8.1 An Equality Impact Assessment will be completed to support the MTFS, setting out the implications and mitigation.

## **6.9 Human Resources Implications**

- 6.9.1 Consultation on the proposals will include staff. Any changes involving staff will be managed in consultation with staff and Trade Unions.

## **6.10 Risk Management Implications**

- 6.10.1 There are significant risks associated with the financial consequences of the pandemic, recovery and COVID-scarring. These are set out in more detail in the Strategic Risk Register.

## **6.11 Rural Communities Implications**

- 6.11.1 There are no direct implications for rural communities.

## **6.12 Implications for Children & Young People/Cared for Children**

- 6.12.1 There are no direct implications for children and young people.

## **6.13 Public Health Implications**

- 6.13.1 The Coronavirus pandemic has had a significant impact on public health.

## **6.14 Climate Change Implications**

- 6.14.1 The draft Corporate Plan has a very strong environmental thread throughout with a specific aim for the Council to be 'Greener'.
- 6.14.2 A number of priorities and activities are listed which will support the Council's commitment of being carbon neutral by 2025, including the delivery of an Environmental Strategy and a Carbon Action Plan.

## **7 Ward Members Affected**

7.5 All Members will be engaged in the engagement process.

## **8 Consultation & Engagement**

8.5 A proposed process is set out above.

## **9 Access to Information**

9.5 The Following are links to key documents and websites:

9.5.1 [Cheshire East Council MTFS](#)

9.5.2 [Local Government Association](#)

9.5.3 [Institute for Fiscal Studies](#)

## **10 Contact Information**

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

Name: Alex Thompson,

Job Title: Director of Finance and Customer Services

Email: [alex.thompson@cheshireeast.gov.uk](mailto:alex.thompson@cheshireeast.gov.uk)

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**Key dates leading to approval of the Medium-Term Financial Strategy**

<b>Date</b>	<b>By Who?</b>	<b>Activity</b>
<b>w/c 9<sup>th</sup> November</b>	PH for Finance	Member Briefings to articulate context and timescales
<b>10<sup>th</sup> Nov</b>	Cabinet	Report context and approve timescales for process and consultation
<b>Late Nov/early December</b>	Cabinet Members	Finalise proposals Engage Trade Unions as required
<b>Forecast</b> <b>- Late Nov</b>	Central Government	Financial Settlement: <b>- Headlines</b>
<b>23<sup>rd</sup> November</b>	Democratic Services	Publish Cabinet Agenda (inc Pre-Budget Report)
<b>26<sup>th</sup> November</b>	COSC	Receive Pre-Budget Report
<b>3<sup>rd</sup> December</b>	Cabinet	Approve Pre-Budget Report  Launch Consultation
<b>3<sup>rd</sup> December to mid-January</b>	Overview and Scrutiny Committees  Towns & Parish Councils  Partners  Local Businesses  Residents  Other Stakeholders	Respond to formal consultation via meetings or on-line survey
<b>Forecast</b> <b>- Late Dec</b>	Central Government	Financial Settlement:  <b>- Detail</b>

<b>Jan</b>	CEC Officers	Collate Consultation Responses
<b>Jan</b>	Cabinet Members	Finalise balanced budget proposals
<b>2<sup>nd</sup> Feb</b>	Cabinet	Recommend MTFS to Council
<b>17<sup>th</sup> Feb</b>	Council	Approve 2021/22 Budget, Council Tax and MTFS



## Draft Corporate Plan

# Our Vision **An open, fairer, greener Cheshire East**

## Open

We will provide strong community leadership and work transparently with our residents, businesses and partners to deliver our ambition in Cheshire East

## Fair

We aim to reduce inequalities, promote fairness and opportunity for all and support our most vulnerable residents

## Green

We will lead our communities to protect and enhance our environment, tackle the climate emergency and drive sustainable development

## Our Priorities

### An open and enabling organisation

- Ensure that there is transparency in all aspects of council decision making
- Listen, learn and respond to our residents, promoting opportunities for a two-way conversation
- Support a sustainable financial future for the council, through service development, improvement and transformation
- Maximise commercial opportunities for the council
- Support and develop our workforce to be confident, motivated, innovative, resilient and empowered
- Promote the services of the council through regular communication and engagement with all residents

### A council which empowers and cares about people

- Reduce health inequalities across the borough
- Reduce the reliance on long-term care by improving services closer to home and providing more extra care facilities, including dementia services
- A commitment to protect the most vulnerable people in our communities
- Safeguard our children from abuse, neglect and exploitation
- All children to have the best start in life with ongoing opportunities to maximise their potential
- Increase the life opportunities for young adults and adults with additional needs
- Be the best corporate parents and improve outcomes for vulnerable children and young people
- A collaborative way of working with partners to support communities to achieve their full potential

### A thriving and sustainable place

- A great place for people to live, work and visit
- Welcoming, safe and clean neighbourhoods
- Reduce impact on the environment
- A transport network that is safe and promotes active travel
- Thriving urban and rural economies with opportunities for all
- Be a carbon neutral council by 2025

## Our Values



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*Working for a brighter future together*

Key Decision: N

Date First  
Published: N/A

## Cabinet

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**Date of Meeting:** 10 November 2020

**Report Title:** Cheshire East Council Corporate Plan Consultation

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

**Senior Officer:** Jane Burns, Executive Director of Corporate Services

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### 1. Report Summary

- 1.1. The Corporate Plan is a key strategic document for the Council, setting the vision and objectives for the whole organisation. It is a vital part of the Council's performance management framework.
- 1.2. The draft 2020-2024 Cheshire East Council Corporate Plan has been developed by the Cabinet for wider consultation and engagement. The consultation draft is attached at Appendix 1.
- 1.3. Cheshire East Council has always been committed to listening to local people in shaping their area and the services they receive. Prior to finalising and adopting a new corporate plan, we are keen to seek the views of our residents, elected members, partners, staff and stakeholders.
- 1.4. A formal public consultation was launched on 1 October 2020 and will run for 8 weeks closing on 27 November. In light of COVID-19 restrictions that are in place, consultation activities will be primarily focussed on digital methods supported by the launch of a new 'engagement hub' as outlined in section 5 of this report.
- 1.5. There is a strong commitment for this consultation exercise to be robust and meaningful. All feedback received will be reviewed and considered, with any amendments and changes made as required. A final version of the Corporate Plan will be presented to Cabinet and then full Council in February 2021 for their approval, alongside the Medium-Term Financial Strategy.

## **2. Recommendations**

That Cabinet:

- 2.1** Note the content of this report, including the timeline and activities to be undertaken as part of a public consultation on the Council's draft Corporate Plan 2020-2024.
- 2.2** Note the content of Appendix 1.

## **3. Reasons for Recommendations**

- 3.1.** The draft Corporate Plan will drive and inform the Council's business over the next four years; therefore, it is important that robust consultation and engagement is carried out.

## **4. Other Options Considered**

- 4.1** There is no obligation for the Council to either to either produce a Corporate Plan or undertake a consultation exercise on it. However, it is good practice to do so. Openness is a key part of the Council's new vision. As a listening organisation, we wish to receive feedback on this important strategic document, as it will drive all Council activity over the next four years.

## **5. Background**

- 1.6.** In April 2020, the Council's Corporate Plan expired, and whilst work was well underway to produce a new one, it was agreed that due to the COVID-19 pandemic, the public consultation would be paused.
- 1.7.** Over the last few months, Cabinet members have taken the opportunity to reflect and refine the priorities for the organisation considering the impact of COVID-19.
- 1.8.** On the 1 October an eight-week public consultation was launched on the draft Corporate Plan.
- 1.9.** The primary aims of the consultation on the draft Corporate Plan are:
  - To present the draft vision, aims and priorities and seek views on whether these are the right ones and whether anything is missing.
  - To explore what these mean to residents, partners and stakeholders, Members and staff and what action would they like to see.
  - To provide early insight into activities and initiatives that the Council may undertake over the next four years.
  - To signal a desire for a longer-term conversation across the delivery of the Corporate Plan, linking into the Medium-Term Financial Strategy and budget setting.

- 1.10. Given COVID-19 restrictions, the consultation exercise will primarily be through digital methods, and will be promoted internally and externally, supported by a detailed communications strategy.
- 1.11. Resident consultation activities will utilise our 1600 digital influence panel members, an 'engagement hub', survey, and email drop box. There will be hard copies available within local libraries which will include a hard copy survey.
- 1.12. The approach to consultation with partners and stakeholders will include; virtual meetings and presentations, survey, email drop box and the engagement hub.
- 1.13. The approach to consultation with our staff will include utilising the role of our Workforce Champions and an engagement toolkit.
- 1.14. The approach to consultation with Elected Members will include briefings and surveys.
- 1.15. The consultation closes on the 27 November, after which all feedback will be analysed and considered in terms of producing a final version for consideration by both Cabinet and Council in February 2021

## **6. Implications of the Recommendations**

### **6.1. Legal Implications**

**6.1.1** The consultation on the draft Corporate Plan is not a statutory requirement but is good practice and something we would wish to do.

### **6.2. Finance Implications**

**6.2.1** Funding for a programme of consultation and engagement activity to support the finalisation of the Corporate Plan and Council priorities for 2020 – 2024 will be met from the existing Business Change service budget.

**6.2.2** Priorities and activities proposed in the draft Corporate Plan may have financial implications. These will be considered on a case by case basis and as part of the annual budget setting cycle and Medium-Term Financial Strategy.

### **6.3. Policy Implications**

**6.3.1** The draft Corporate Plan will drive and inform Council policy and priorities for service delivery. The priorities and actions listed may have direct policy implications will be considered on a case by case basis.

#### **6.4. Equality Implications**

- 6.4.1** An equality impact assessment has been completed for the consultation on the draft Corporate Plan and will be regularly reviewed as we monitor the response rates and feedback received. tackling equality is one of the key objectives in the draft Corporate Plan.

#### **6.5. Human Resources Implications**

- 6.5.1** We are undertaking engagement with staff on the draft Corporate Plan. Delivery of consultation and engagement activity will be delivered within the existing resources of the Business Change service.

#### **6.6. Risk Management Implications**

- 6.6.1** There is a risk to the council that a lack of engagement and insight from residents, will increase the risk of challenge to decision making. Efforts should be made to seek feedback from residents and customers in finalising the Corporate Plan and when undertaking activity to support the Council's priorities.
- 6.6.2** Valuable insight can be obtained from residents and customers, which can be used to not only inform the priority setting process but also to evaluate and measure the success of council priorities and strategic activity.
- 6.6.3** A detailed communications and consultation and engagement plan has been developed including pre and post activity narrative and publication.

#### **1.1. Rural Communities Implications**

- 6.7.1** The draft Corporate Plan, along with the 'Green' aim and supporting priorities will have direct and indirect implications for our rural communities across Cheshire East. These impacts will be considered and reported through individual work programmes as they are developed.

#### **1.2. Implications for Children & Young People/Cared for Children**

- 6.8.1** The draft Corporate Plan, along with the 'Fair' aim and supporting priorities will have direct and indirect implications for children and young people and cared for children which will be considered individually and in line with the actions required. These impacts will be considered and reported through individual work programmes as they are developed.

### **1.3. Public Health Implications**

**6.9.1** The draft Corporate Plan, along with the 'Fair' aim and supporting priorities will have direct and indirect implications for public health which will be considered individually and in line with the actions required. These impacts will be considered and reported through individual work programmes as they are developed.

### **1.4. Climate Change Implications**

**6.10.1** The draft Corporate Plan has a very strong environmental thread throughout with a specific aim for the Council to be 'Greener'.

**6.10.2** A number of priorities and activities are listed which will support the Council's commitment of being carbon neutral by 2025, including the delivery of an Environmental Strategy and a Carbon Action Plan.

## **2. Ward Members Affected**

**7.1** All wards and all members will be affected and impacted by the content of the draft Corporate Plan and the feedback received throughout the consultation. Elected members have been invited to briefings on the draft Corporate Plan.

## **3. Consultation & Engagement**

**3.1.** A consultation and engagement plan has been prepared, this clearly outlines the range of activities and provides the opportunity to log the level of reach and feedback received.

**8.2** Response levels are monitored on a week by week basis, this provides opportunity for tailored communications and promotion to under-represented groups.

## **4. Access to Information**

**4.1.** The draft Corporate Plan can be found in Appendix 1.

## **5. Contact Information**

**5.1.** 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](mailto:Natalie.robinson@cheshireeast.gov.uk)



**Cheshire East Council**

# Corporate Plan 2020-2024



Page 65

**Open**

**Fair**

**Green**

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# Our Vision **An open, fairer, greener Cheshire East**

## Open

We will provide strong community leadership and work transparently with our residents, businesses and partners to deliver our ambition in Cheshire East

## Fair

We aim to reduce inequalities, promote fairness and opportunity for all and support our most vulnerable residents

## Green

We will lead our communities to protect and enhance our environment, tackle the climate emergency and drive sustainable development

## Our Priorities

### An open and enabling organisation

- Ensure that there is transparency in all aspects of council decision making
- Listen, learn and respond to our residents, promoting opportunities for a two-way conversation
- Support a sustainable financial future for the council, through service development, improvement and transformation
- Maximise commercial opportunities for the council
- Support and develop our workforce to be confident, motivated, innovative, resilient and empowered
- Promote the services of the council through regular communication and engagement with all residents

### A council which empowers and cares about people

- Reduce health inequalities across the borough
- Reduce the reliance on long-term care by improving services closer to home and providing more extra care facilities, including dementia services
- A commitment to protect the most vulnerable people in our communities
- Safeguard our children from abuse, neglect and exploitation
- All children to have the best start in life with ongoing opportunities to maximise their potential
- Increase the life opportunities for young adults and adults with additional needs
- Be the best corporate parents and improve outcomes for vulnerable children and young people
- A collaborative way of working with partners to support communities to achieve their full potential

### A thriving and sustainable place

- A great place for people to live, work and visit
- Welcoming, safe and clean neighbourhoods
- Reduce impact on the environment
- A transport network that is safe and promotes active travel
- Thriving urban and rural economies with opportunities for all
- Be a carbon neutral council by 2025

## Our Values





# Foreword

Welcome to our new Corporate Plan for 2020-2024.

The Covid-19 pandemic has allowed us to re-think what is important for Cheshire East. We have seen great community spirit, people helping people, businesses helping businesses and our staff and partners going the extra mile in unprecedented circumstances.

We want to build positively on the changes we have seen in the last six months to how we live, learn, work and travel.

The Plan is based around a key vision of being **open, fair and green**, leading to the following strategic priorities:

- An open and enabling organisation
- A council which empowers and cares about people
- A thriving and sustainable place

In this Plan, we explain why we think these things are important and what we think the actions should be to deliver a more sustainable, happier and fairer borough over the next few years.

The new vision reinforces the council's commitment to meeting its equalities duties; promoting fairness and working openly for everyone. Cheshire East is a diverse place and we want to make sure that people are able to live, work and enjoy Cheshire East regardless of their background, needs or characteristics. We also recognise that the wellbeing of residents is vital to a thriving place and economy.

We want to build trusting and constructive relationships between the council and the voluntary sector, promoting community activities and great places to live. We want Cheshire East to be a place where everyone can thrive.



**Sam Corcoran**  
Leader  
Cheshire East Council

**Craig Browne**  
Deputy Leader  
Cheshire East Council



**Lorraine O'Donnell**  
Chief Executive  
Cheshire East Council



# About the Plan

The Corporate Plan is the council's overarching strategic document. It is the only plan which covers the full range of the council's responsibilities and is an important tool to help focus our effort and resources on the right things. This is even more important in the context of constrained budgets, increases in demand and rapid change.

By prioritising a clear set of commitments and actions, the Corporate Plan also helps residents to hold the council to account for its performance and challenge it to improve.

The Corporate Plan informs other key strategies and plans, whether council documents or those of our partners. These documents vary widely in purpose, scope, and Lifespan. The Corporate Plan does not replace these other documents, but it should shape them whenever they are being updated.

Good strategic planning also means aligning financial and service planning. **The council's day to day budget for services is £301m per year**, excluding schools funding. In addition, we are investing £500m in major projects such as roads, town centre regeneration, infrastructure and schools. This plan has been developed alongside the Medium Term Financial Strategy and will be agreed alongside the Budget by the full Council in February 2021. More detail can be found on page 30.



## Your views

We would now like to hear from residents, partners, councillors, staff and other interested people and groups.

- What do you think about our key vision being open, fairer and greener Cheshire East?
- What do you think about our strategic priorities of an open and enabling organisation, a council which empowers and cares about people and a thriving and sustainable place?
- How well will the proposed action plans deliver our priorities?
- What else would you like to see us focus on?
- Any other comments or suggestions you would like to make.

**Please see page 32 for more details.**



# Our Journey

Cheshire East is a great place, full of potential. We have strong employment opportunities, attractive places to live and standards of education are high. The challenge is how we maintain our position, continuing to create sustainable growth that will support the wellbeing of our residents and the economy on which that depends, whilst protecting existing residents and green spaces.

We are proud that the borough has one of the most successful and resilient economies in the UK which was valued at £14.4bn at December 2019 (Gross Value Added). Our economy includes successful multinational companies such as Bentley, Waters, Astra Zeneca, Barclays, Royal London, Mornflake as well as a buoyant range of small and medium size enterprises. Furthermore, the borough has a rich cultural, heritage and visitor economy which contributes more than £920m to the overall economic output of the borough.



Our borough is home to 380,800 residents and more than 175,000 households. It contains the major towns of Crewe, Macclesfield, Congleton and Wilmslow (with populations above 20,000). There are also a number of other significant centres of population (over 10,000) in Sandbach, Poynton, Nantwich, Middlewich, Knutsford and Alsager.

Whilst the population is predominantly White British (93.6%), Cheshire East is becoming an increasingly diverse borough due to its proximity and continually improving transport links to Manchester, Birmingham and London. It is also the home of choice for many migrant communities from across the world.

Whilst most residents enjoy a good standard of living, there are pockets of deprivation, which impact on the quality of life and opportunities for some people. Average life expectancy varies from 74 years in the most deprived areas to 83.3 years in the most affluent.

An ageing population comes with its own challenges and, following national trends, we see increasingly complex needs across all age ranges. Similarly, we have seen an increase over recent years of children coming into care, with 542 children (September 2020) currently being fostered or in other care arrangements.

Maximising our opportunities and overcoming our challenges will take time. We can't do everything at once, or without our partners and we know resources will remain constrained for the foreseeable future.

We are therefore setting a clear new vision for Cheshire East, one which sets out what we want both for the area, and for the council as an organisation.





# Opportunities and Challenges

## Opportunities

**A great location** – Cheshire East offers a range of attractive and vibrant towns that are well connected to the major centres in the UK including Birmingham, Manchester, Liverpool and London. These great connections will be further enhanced with the delivery of HS2 which will also act as a catalyst for sustainable and inclusive growth across the whole borough.

**Environment** – Cheshire East is home to some fantastic natural assets including part of the Peak District National Park, the Cheshire Plain, areas of outstanding natural beauty and a wealth of historic buildings. The borough is also leading the way in environmental management and clean growth and there are significant opportunities to deliver sustainable and inclusive economic growth.

**Economy and Inward Investment** – The borough is home to a number of thriving and successful sectors including life sciences, advanced manufacturing, digital and carbon zero industry. The combination of a vibrant economy operating within a beautiful environment with great connectivity is a significant asset that can attract more businesses to invest in the area which will provide more and better paid local jobs for residents.



**Learning and skills:** The area has a high proportion of good or outstanding schools (88% as of 2019), and excellent further and higher education colleges with a continual improvement in the percentage of students achieving A\*-C in A-levels and a very high overall pass rate of 98%. The performance of students that take broad vocational qualifications e.g. BTECs is also high with an average pass grade of Merit which is in line with the national results.

**Communities** – Cheshire East has a variety of different communities, ranging from large towns to villages and rural settlements. There is a network of formal and informal community groups which together provide an enormous range of activities, support and services.

**Digital revolution** – new and emerging technologies are bringing opportunities to rethink how services can be provided. We want to improve

connectivity for all our communities and help residents and business to benefit from the convenience and flexibility it can bring.

**Business investment** – attracting businesses to continue to invest in the area, to provide more and better paid local jobs, and promote sustainable growth in sectors like the green economy, food and drink and the visitor economy.

**Innovative staff** – our staff have shown great resilience and creativity to maintain quality services. Constrained resources will continue to spur innovation in how we manage demand and deliver and fund services.

**Partnerships** – we have good relationships with our partners across the public, private and third sectors. There are opportunities to work together even better to deliver our priorities.



## Challenges

**Resource constraints** – after a decade of unprecedented reductions in government funding, resources are expected to remain constrained throughout the time frame of this plan.

**Climate emergency** – The serious impact of global warming is already evident. Urgent action is needed to avoid temperatures increasing to dangerous levels leading to increased flooding and extreme weather events. We need to recognise the role our open spaces play in assisting carbon reduction.

**Housing** – Cheshire East has a buoyant housing market. The challenge is to create a housing market in the borough that delivers the right type of houses in the right locations at the right price to support the needs of all our residents – existing and new. Furthermore, delivering the right type of housing is a key component in attracting people with the required skills and talent to support our local businesses. All further development in the borough needs to balance effective protection of our countryside and natural environment, support for the regeneration of our town centres and enable new houses to be well designed, carbon and energy efficient.

**Fragile care market** – locally and nationally care providers are under pressure. Delays in national reform of social care funding compound issues of rising costs, difficulty in recruiting and retaining care staff and presents a serious risk to the financial viability of care providers with providers failing, exiting the market and handing back contracts for provision of care services.

**Local transport network** – despite good strategic links, some transport routes in and around Cheshire East by road or public transport are not always as easy due to congestion and a limited commercial bus network.

**Covid-19** – Our response to and recovery from the impact of the coronavirus pandemic which will be with us for some time to come and the full impacts of which are currently unclear.

**Demographic change** – Cheshire East's population is both growing and living longer. In many ways that is good news, but it does increase demand for health and social care services, school places and other services, and puts additional pressure on the demand for housing and on existing roads and infrastructure which are already over-stretched.

**Inequalities** – Cheshire East is a prosperous place, but it has pockets of deprivation in urban communities in income, health and life chances.



Patterns of inequality between areas have been persistent but are not inevitable. We want to tackle and reduce them.

**Together we will make Cheshire East a great place to be young** – reduced funding and increased number of children coming into care means we must ensure children are best supported within their families and their communities. All children should enjoy the best education which prepares them to thrive in adulthood. We will work with children and their families to understand what life is like for them, recognising their strengths and providing the right support at the earliest opportunity from the right people.

# Our vision is for a more open, fairer, greener Cheshire East

## Open

We will provide strong community leadership and work transparently with our residents, businesses and partners to deliver our ambition in Cheshire East

## Fair

We aim to reduce inequalities, promote fairness and opportunity for all and support our most vulnerable residents

## Green

We will lead our communities to protect and enhance our environment, tackle the climate emergency and drive sustainable development

### Aims and Priorities

**The vision is ambitious and long term and we want to start progressing towards it at once.**

To help focus on the right things we have set ourselves three broad aims, each with a set of priorities. Achieving these priorities will help us to realise our vision.

#### Our aims are:

- An open and enabling organisation
- A council which empowers and cares about people; and
- A thriving and sustainable place

For each aim we have identified a set of actions and projects which we will strive to deliver by 2024. We have also identified a set of success measures to monitor our progress. These will be included in the council's Key Performance Indicators and built into the performance management and reporting system.



# An open and enabling organisation

## Priorities

- Ensure that there is transparency in all aspects of council decision making
- Listen, learn and respond to our residents, promoting opportunities for a two-way conversation
- Support a sustainable financial future for the council, through service development, improvement and transformation
- Maximise commercial opportunities for the council
- Support and develop our workforce to be confident, motivated, innovative, resilient and empowered
- Promote the services of the council through regular communication and engagement with all residents

## Case Study

In August/September 2019 the council undertook its third public consultation on the draft site allocations and development policies document (SADPD). This resulted in over 2,700 responses, each of which was fully considered. As a direct result of the feedback received and having reviewed the latest housing figures, a number of significant revisions are now proposed to this document. Most notably, Green Belt sites in Local Service Centres that were to be released for immediate development are now proposed to be removed.

## Facts and figures



The council employs over 3500 people working across around 500 services.



The council consistently exceeds the response rates required by the Information Commissioner's Office to Freedom of Information requests, achieving 96% in 2019/20 against a target of 90%



For 2019/20 85% of customers were satisfied with the service received through our customer contact centre.

By 2024 we want:	Actions and Projects	Measures of success
Priority: Ensure that there is transparency in all aspects of council decision making		
The council to be seen as being a fair open and transparent organisation and able to demonstrate it	<ul style="list-style-type: none"> <li>• Design and development of a new committee system for consideration by council</li> <li>• Implementation of open data actions</li> </ul>	<ul style="list-style-type: none"> <li>• Number of remote meetings</li> <li>• Response to Freedom of Information requests performance indicators</li> <li>• Reduced numbers of Freedom of Information requests particularly from members</li> <li>• Proactive press statements</li> </ul>
To increase local democracy	<ul style="list-style-type: none"> <li>• Working in a more collaborative way with Town and Parish councils</li> <li>• Giving members more say in local decisions by consideration of a new approach</li> <li>• A programme of virtual meetings as the accepted way of working</li> </ul>	<ul style="list-style-type: none"> <li>• More efficient working</li> <li>• Increased attendance, especially by members of the public, let's make it easy to get involved with CEC</li> </ul>
Priority: Listen, learn and respond to our residents, promoting opportunities for a two-way conversation		
Our communities will be well informed about things they can do to prepare for emergencies	<ul style="list-style-type: none"> <li>• Our Joint Emergencies Planning Service to enhance and expand emergency preparedness in communities</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the number of community emergency plans with Town and Parish Councils</li> <li>• Lessons learned from Covid-19</li> </ul>
The council is seen by residents as responsive	<ul style="list-style-type: none"> <li>• Consultation on key plans and strategies</li> </ul>	<ul style="list-style-type: none"> <li>• Customer satisfaction surveys and findings</li> </ul>
Customer services to offer support and guidance and be accessible to people who need them	<ul style="list-style-type: none"> <li>• Review where and how technology can be used to facilitate routine tasks so that staff can focus on meeting customer needs</li> </ul>	<ul style="list-style-type: none"> <li>• Higher levels of online transactions.</li> <li>• Only complex issues need to be handled by officer interaction</li> </ul>
Receive the Ministry of Defence's (MoD) Employer Recognition Scheme Gold Award	<ul style="list-style-type: none"> <li>• Proactively demonstrate that service personnel/armed forces community are not unfairly disadvantaged as part of our recruiting and selection processes. develop relevant HR Policies to comply with the awards requirement</li> <li>• to continue to work with the Military Covenant</li> </ul>	<ul style="list-style-type: none"> <li>• Award of silver standard prior to award of gold standard</li> </ul>



By 2024 we want:	Actions and Projects	Measures of success
Priority: Support a sustainable financial future for the council, through service development, improvement and transformation		
A financially sustainable council which has increased levels of reserves	<ul style="list-style-type: none"> <li>• Work with officers to develop a 3-year plan</li> <li>• Lobby Government for a longer-term funding strategy</li> <li>• A realistic Medium Term Financial Strategy for 2021-24</li> <li>• A sustainable reserves strategy</li> <li>• Successful delivery of the transformation programme which deliver savings, service improvement and supports our culture</li> </ul>	<ul style="list-style-type: none"> <li>• Budget outturn revenue and capital</li> <li>• Underspending, however small, should be identified and added into general reserves</li> <li>• Demonstrate a level of reserves which reflects the ambition of the Authority</li> <li>• Increasing reserves to £15-£20m</li> <li>• External Audit opinion on annual statement of accounts</li> <li>• Rolling three-year plan detailing efficiencies and investment</li> <li>• 3-year forecast</li> <li>• Reduction in travel expenses of officers and members</li> <li>• Reduction in office space.</li> </ul>
Priority: Maximise commercial opportunities for the council		
Our Alternative Service Delivery Vehicles (ASDV) delivering for our residents and generating a profit (with shareholder dividend) from commercial activities, reducing financial pressures on the council	<ul style="list-style-type: none"> <li>• Comprehensive review of each existing ASDV including review of governance, management, business planning and performance management arrangements.</li> </ul>	<ul style="list-style-type: none"> <li>• Every ASDV will have a robust business plan scrutinised and endorsed by the council with advice of the Shareholder Committee</li> <li>• Every ASDV will report an annual profit and deliver a potential shareholder dividend.</li> </ul>
Priority: Support and develop our workforce to be confident, motivated, innovative, resilient and empowered		
<p>A committed and motivated workforce</p> <p>Cheshire East seen as an employer of choice</p>	<ul style="list-style-type: none"> <li>• Review levels of authority and delegation</li> <li>• To remove and streamline outdated processes (e.g. procurement) by reviewing levels of financial delegation and empowering staff</li> <li>• Implement Finance/HR/Payroll systems (Best for Business)</li> </ul>	<ul style="list-style-type: none"> <li>• Empowered staff and streamlined robust processes</li> <li>• Timely reporting which means timely decisions</li> <li>• Staff Survey and Pulse Survey results</li> <li>• Employee Satisfaction rates</li> </ul>

By 2024 we want:	Actions and Projects	Measures of success
A workforce that can work remotely and flexibly using the latest technology	<ul style="list-style-type: none"> <li>• A workplace fit for post Covid with clear guidance and support for staff and managers</li> <li>• Continue with the accelerated roll out of mobile working and upgraded equipment to support and facilitate effective home working</li> </ul>	<ul style="list-style-type: none"> <li>• Reduction in council-owned buildings</li> <li>• Remote working is built into the ethos and ways of working within the organisation so that we release council office space</li> <li>• Percentage of staff who are enabled to work remotely</li> </ul>
Priority: Promote the services of the council through regular communication and engagement with all residents		
Residents and staff to be aware of the council and the services we provide	<ul style="list-style-type: none"> <li>• A communications plan which is targeted at residents (especially those who are hard to reach) to include digital opportunities</li> <li>• Review the style of communications to give a contemporary and effective approach</li> </ul>	<ul style="list-style-type: none"> <li>• Residents, wherever possible, will have 'My Account' which has communications tailored for them</li> <li>• Maintain a high rate of publication for media releases</li> <li>• More open and honest communications even (especially) for negative news</li> </ul>
Resident satisfaction with the council to be in line with similar councils	<ul style="list-style-type: none"> <li>• Action plans to respond to the Residents Survey</li> <li>• Regular, proactive communications through all channels</li> <li>• Deliver the benefits of the Brighter Futures Transformation Programme customer experience workstream</li> <li>• Develop a new Customer Strategy</li> <li>• Implement the Corporate Peer Challenge action plans</li> </ul>	<ul style="list-style-type: none"> <li>• Findings and performance indicators from the residents' survey</li> <li>• Customer satisfaction performance indicators</li> <li>• Customer response performance indicators</li> <li>• Response rates on consultations and surveys</li> </ul>
The council to be regarded as a good partner	<ul style="list-style-type: none"> <li>• Review of partnership activity, in line with the CPC report</li> </ul>	<ul style="list-style-type: none"> <li>• Positive feedback from partners</li> </ul>

# A council which empowers and cares about people

## Priorities

- Reduce health inequalities across the borough
- Reduce the reliance on long term care by improving services closer to home and providing more extra care facilities, including dementia services.
- A commitment to protect the most vulnerable people in our communities
- Safeguard our children from abuse, neglect and exploitation
- All children to have the best start in life with ongoing opportunities to maximise their potential
- Increase the life opportunities for young adults and adults with additional needs
- Be the best Corporate Parents and improve outcomes for vulnerable children and young people
- A collaborative way of working with partners to support communities to achieve their full potential

## Case Study

Across children's services, we have focused on developing services together with children, young people and their families. As a result, we have changed how we work so it is based on what works best for families, and families have told us that this is making a difference to them. Some examples of this with services for children with special educational needs and/or disabilities include work around the Education, Health and Care assessment and plan process, including annual reviews, establishing what good looks like and our quality assessment framework and development of training around parent and carers perspectives.

"The commitment, effort and energy by everyone involved is very much appreciated - if I could rate this on a scale of 1 - 5 it would be 100."

## Facts and figures



60% of the council's net budget is spent on providing support for People based services



89% of Adult Social Care users say our services have made them feel safe and secure



Around eight out of ten (78%) working age adults in Cheshire East have a level 2 qualification and 42% with level 4, above the national average

By 2024 we want:	Actions and Projects	Measures of success
Priority: Reduce health inequalities across the borough		
Work with partners to address the issues of poor housing, poverty, employment and education opportunities across urban and rural areas	<ul style="list-style-type: none"> <li>• To fully implement the Cheshire East Partnership Five Year Plan utilising the Joint Strategic Needs Assessment and Tartan Rug</li> <li>• The Connected Communities programme will help and encourage people to take responsibility for their own health and wellbeing through regular exercise and diet</li> <li>• Introduce policies to address the issues of loneliness and isolation</li> <li>• Promote regular screening and take up of preventative health opportunities supporting residents to make healthier choices</li> <li>• Work to improve the Mental Health of all people working and living in Cheshire East</li> <li>• To continue to support the zero-suicide approach</li> <li>• New commission on health inequalities</li> </ul>	<ul style="list-style-type: none"> <li>• Longer life expectancy and reduced gap of health inequalities</li> <li>• Ensuring our actions are person centred</li> <li>• Our communities are enabled to support people</li> <li>• Goals of the five-year plan are implemented</li> <li>• Increased take up of activities to improve mental and physical health</li> <li>• People are supported by their communities to reduce loneliness</li> <li>• Smoking cessation programme reinstated</li> <li>• Medical conditions are identified early</li> <li>• Substance misuse is reduced (including alcohol misuse)</li> <li>• Diet and exercise programmes are increased</li> <li>• More people will make use of communities service participation in group</li> <li>• Increased level of social prescribing within communities</li> <li>• Increase awareness of Cheshire East Mental Health Partnership</li> <li>• Reduce stigma around mental health</li> </ul>
Priority: Reduce the reliance on long term care by improving services closer to home and providing more extra care facilities, including dementia services		
Vulnerable and older people live safely and maintain independence within community settings	<ul style="list-style-type: none"> <li>• Work with partners to develop appropriate accommodation and extra care housing models</li> </ul>	<ul style="list-style-type: none"> <li>• Number of extra care housing places to meet the needs of residents</li> </ul>
People are cared for and valued by a professional and caring workforce	<ul style="list-style-type: none"> <li>• Develop a quality trading company</li> <li>• Recruit and train a skilled and motivated workforce. Provide a professional pathway for progression</li> </ul>	<ul style="list-style-type: none"> <li>• Key performance indicators for Care4ce</li> <li>• Opportunities are explored for new business</li> </ul>
Care4ce to become an exemplar high quality trading company		



By 2024 we want:	Actions and Projects	Measures of success
To prioritise Home First for patients discharged from hospital. Where possible patients are discharged to a home of their choice	<p>Expand and develop the Home First service to support people to stay at home longer</p> <ul style="list-style-type: none"> <li>• Work to develop integrated health and social care teams</li> <li>• Carers Strategy to be implemented</li> <li>• Provide short breaks for carers</li> <li>• Develop the Shared Lives service</li> <li>• Increased use of technology to digitally enable people</li> </ul>	<ul style="list-style-type: none"> <li>• Hospital patients discharged home in a timely way</li> <li>• Health and social care integration is implemented</li> <li>• People stay in and cared for in their own home for longer</li> <li>• Carers feel valued and supported</li> <li>• To ensure value for money</li> </ul>
Adults receive quality assessments of need and support planning and good quality services to keep them safe and maintain their physical and mental wellbeing	<ul style="list-style-type: none"> <li>• Continued development Cheshire Adult Safeguarding Board</li> <li>• Fully implement social work practice within adult social care</li> <li>• To ensure that physical and mental wellbeing of all vulnerable people is paramount</li> <li>• Remain committed to maintaining and improving the quality of care and support services, ensuring that more people experience high-quality, person-centred care, now and in the future</li> </ul>	<ul style="list-style-type: none"> <li>• People are confident that they will be protected and free from exploitation</li> <li>• People are involved in all aspects of their assessment and care planning</li> <li>• Integrated assessment and care management teams based within care communities</li> <li>• People experience high standards of care</li> </ul>
Priority: A commitment to protect the most vulnerable people in our communities		
Cheshire East is a welcoming place, where equality, freedom, fairness and opportunities are available to all	<p>Identify a suitable location within the borough and develop a Traveller transit site</p> <p>Increase collaboration with marginalised groups</p> <p>Secure social value benefits through a revised social value policy, investments, commissioning and contracts approach</p>	<ul style="list-style-type: none"> <li>• Delivery of a transit site</li> <li>• Manage the number of unauthorised encampments and their impacts on the settled community</li> <li>• Increased engagement events with marginalised groups</li> <li>• Reduced number of reported hate crime incidents</li> <li>• Jobs, apprenticeships and work experience opportunities delivered through social value arrangements</li> </ul>

By 2024 we want:	Actions and Projects	Measures of success
Communities to be resilient and cohesive and support the early intervention and prevention	<ul style="list-style-type: none"> <li>Develop a strong local social impact structure through the Cheshire East Social Action Partnership, to underpin a thriving Voluntary Community Faith Social Enterprise (VCFSE) Sector</li> </ul>	<ul style="list-style-type: none"> <li>Better connected organisations and sector</li> <li>Increased capacity and sustainability for the VCFSE sector</li> </ul>
Priority: Safeguard our children from abuse, neglect and exploitation		
To keep children and young people safe from harm and neglect by working together to reduce the level of risk	<ul style="list-style-type: none"> <li>Continued investment in Early Help and Prevention services and use Signs of Safety model</li> <li>Consistently timely intervention for children at risk</li> <li>Increase digital help and guidance and where appropriate use more online engagement for children and vulnerable families</li> <li>Training and quality assurance for staff and social workers</li> <li>Implement Ofsted action plan</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in the number of children subject to a repeat child protection plan for neglect</li> <li>Fewer number of neglect cases</li> <li>Increase in the proportion of children's case audits graded good or outstanding</li> <li>An increase in the number of children and young people receiving effective early help to prevent escalation to children's social care</li> <li>Reduction in the number of children having a re-referral to children's social care</li> <li>Recognition of improvement from Ofsted</li> <li>Children and adults who need the most support consistently receive good quality services, which keep them safe and promote their wellbeing</li> <li>Integrated support for families of vulnerable and at-risk children</li> <li>Training for staff in innovative help/support strategies</li> <li>Reduced number of cared for children in Cheshire East and more children remain in family settings</li> </ul>

By 2024 we want:	Actions and Projects	Measures of success
Priority: All children to have the best start in life with ongoing opportunities to maximise their potential		
All children to enjoy access to high quality childcare and support programmes that maximises their development in terms of speech and language, resilience and ability to learn and play	<ul style="list-style-type: none"> <li>• Excellent Early Years services are targeted to maintain high quality support to children</li> <li>• Maintain the high numbers of children placed in high quality childcare settings</li> <li>• Promote and improve access to the parenting journey support with additional support offered to the most vulnerable families</li> </ul>	<ul style="list-style-type: none"> <li>• Pupils will be school ready and have a firm foundation for a good education at the end of Early Years Foundation stage</li> <li>• We maintain a high take up of free childcare</li> <li>• Extend the reach of parenting support in early years, maximising contact through Child Health Hubs and refocussed Children's Centre offer</li> </ul>
All children to have the best education experience, achieve their potential and develop their particular skills and talent	<ul style="list-style-type: none"> <li>• Ensure pupils with special educational needs have the right school placement</li> <li>• Deliver informal and out of hours learning activities in community buildings, such as libraries, to promote reading, literacy, digital and STEM skills</li> <li>• Work with local business and partners to provide quality apprenticeships and ensure young people have access to career advice services</li> <li>• Lobby government for better investment in schools</li> </ul>	<ul style="list-style-type: none"> <li>• All children have a good local school to attend</li> <li>• Academic achievement and employability will be outstanding in Cheshire East</li> <li>• Parents feel positive about their children's education</li> <li>• Children enjoy school and attendance is good</li> </ul>
Continued improvement in services to children and young people with SEND	<ul style="list-style-type: none"> <li>• Implement Action plan arising from Ofsted visit 2019</li> <li>• Improved quality and timeliness of Education, Health and Care Plans for SEND children</li> <li>• Streamlined and robust approach to quality assurance of plans</li> <li>• Development of training programme to include multi agency training across all areas of SEND</li> <li>• Work with partners and parent carer forum to ensure coproduction</li> <li>• Staffing restructure to secure permanent staff across the service to ensure consistency</li> </ul>	<ul style="list-style-type: none"> <li>• Recognition of improvement from Ofsted</li> <li>• Education, Health and Care Plans are produced more quickly, are fit for purpose and they improve outcomes for SEND children</li> </ul>

By 2024 we want:	Actions and Projects	Measures of success
Priority: Increase the life opportunities for young adults and adults with additional needs		
Provision for young adults to live independently within in the community	<ul style="list-style-type: none"> <li>• Supported accommodation and education opportunities</li> <li>• Leisure, life and meaningful employment opportunities are developed to improve life chances for young adults</li> <li>• Promote citizen engagement and participation</li> </ul>	<ul style="list-style-type: none"> <li>• Young adults return to the borough from outside placements</li> <li>• Young adults with additional needs are supported to live independently</li> <li>• Reduced dependency on external market</li> <li>• Plans are driven by service user</li> <li>• Families are supported</li> </ul>
Priority: Be the best Corporate Parents and improve outcomes for vulnerable children and young people		
Outcomes for care leavers are improved and young people who have been looked after are consistently well supported through to independence	<ul style="list-style-type: none"> <li>• Work with our partners and stakeholders to negotiate opportunities such as apprenticeships, work experience, and voluntary work placements</li> <li>• Develop relationships with local businesses to ensure opportunities are available to care leavers</li> </ul>	<ul style="list-style-type: none"> <li>• Care leavers are equipped to live independent, self-sufficient lives, and to realise their particular talents and abilities</li> </ul>
Increased placement stability for cared for children	<ul style="list-style-type: none"> <li>• Increase number of foster carers in Cheshire East</li> <li>• Improve foster carer support through training and carer forums</li> </ul>	<ul style="list-style-type: none"> <li>• Fewer cared for children are placed out of area</li> <li>• Carers feel supported and give good feedback</li> </ul>
Children and young people to feel involved in their own care strategies and plans for their future	<ul style="list-style-type: none"> <li>• Engage young people in designing strategies and services and give them a voice</li> <li>• Develop and implement 'TOGETHER' - a vision for children</li> </ul>	<ul style="list-style-type: none"> <li>• Vulnerable children and young people are supported to achieve their potential and increase aspirations</li> </ul>

By 2024 we want:	Actions and Projects	Measures of success
Increased and more stable permanent placements through adoption	<ul style="list-style-type: none"> <li>Recruitment campaign for new adopters, including encouraging more men to become adopters, through working with our Regional Adoption Agency, Adoption Counts</li> <li>Early engagement with adoptive families and ongoing support</li> <li>Continued investment into adoption psychology service</li> </ul>	<ul style="list-style-type: none"> <li>Greater proportion of children achieving permanent adoption placements</li> <li>Increased levels of satisfaction with services for adopters and young people</li> <li>Reduction in crisis intervention and placement breakdown</li> </ul>
Priority: A collaborative way of working with partners to support communities to achieve their full potential		
Work with partners for the benefit of our communities inspiring confidence in public services developing community cohesion and community resilience	<ul style="list-style-type: none"> <li>Deliver evidence based early intervention and prevention services through our 'Connected Communities' strategy</li> <li>Develop a co-ordinated partnership strategy to address and reduce loneliness and isolation</li> <li>Work alongside communities and Town &amp; Parish Councils to identify local needs</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in A&amp;E visits for falls in the over 70's</li> <li>Reduction in social isolation</li> <li>Our communities are enabled to support people</li> </ul>

# A thriving and sustainable place

## Priorities

- A great place for people to live, work and visit
- Welcoming, safe and clean neighbourhoods
- To reduce the impact on our environment
- A transport network that is safe and promotes active travel
- Thriving urban and rural economies with opportunities for all
- To be carbon neutral by 2025

## Case Study

We have committed to be carbon neutral by 2025 and to influence carbon reduction across the borough. Our Environment Strategy Carbon Action Plan, sets out how we will achieve this. This will affect every aspect of how we work and deliver services.

In an initial project with Storengy we are building a trial hydrogen plant to fuel bin lorries. We are also planting trees and developing green technologies such as solar power and heat networks in Cheshire East.

We can only achieve this with your help to tackle this urgent crisis and thank you for working with us.

## Facts and figures



To achieve carbon neutrality, we target to offset locally over 7,000 tonnes of CO2 per annum by 2025 through a mixture of projects such as energy generation and tree planting - the equivalent of 100 football pitches worth of trees plus a solar array the size of 15 football pitches.



Over the past 4 years, the council has provided over 2,200 affordable properties (against a target of 1,460), available to rent or buy, in partnership with over 25 registered housing providers.



The number of enterprises (businesses) in Cheshire East has increased by 21% from 2010 to 2019 (16,145 to 19,575).

By 2024 we want:	Actions and Projects	Measures of success
Priority: A great place for people to live, work and visit		
Enable access to well designed, affordable and safe homes for all our residents	<ul style="list-style-type: none"> <li>• Deliver housing to meet the needs of all residents including vulnerable and older people in the borough</li> <li>• Introduce a Landlord Registration Scheme and Review the HMO Registration scheme</li> </ul>	<ul style="list-style-type: none"> <li>• Increased levels of affordable housing delivered</li> <li>• Number of affordable rented properties offered by registered providers to Cheshire Homechoice applicants</li> <li>• Increase in percentage of homes managed by accredited landlords</li> </ul>
A high-quality accessible library service, that remains relevant to the changing needs of Cheshire East residents and delivers value for money	<ul style="list-style-type: none"> <li>• Improve and adapt our libraries to meet any changing needs which offer value for money</li> <li>• Update and refresh the Library Strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain high customer satisfaction levels</li> <li>• Maintain the high level of visitor numbers at our libraries</li> </ul>
High quality leisure and sports provision across the borough that delivers good value for money	<ul style="list-style-type: none"> <li>• Improve our leisure centres to encourage and support physical activity to help people live well and for longer</li> </ul>	<ul style="list-style-type: none"> <li>• Increased participation rates in sport, exercise and activity</li> <li>• Maintain high satisfaction in the borough's leisure centres</li> <li>• Improvements in public health of the borough's population</li> </ul>
To reduce the number of long-term empty dwellings	<ul style="list-style-type: none"> <li>• Establish baseline and review current strategy and policies</li> <li>• Agree action plans for longest vacant empty dwellings</li> <li>• Explore partnership approach with registered providers</li> </ul>	<ul style="list-style-type: none"> <li>• Reduction in percentage of housing stock empty for more than one year</li> <li>• Improvement in Cheshire East position relative to other authorities</li> </ul>

By 2024 we want:	Actions and Projects	Measures of success
New development to be appropriately controlled to protect and support our borough	<ul style="list-style-type: none"> <li>• Key planning documents progressed and implemented</li> </ul>	
	<ul style="list-style-type: none"> <li>• To keep the Local Plan Strategy under review to ensure that it is up to date, responds to changing local needs and meets the Government's requirements</li> </ul>	<ul style="list-style-type: none"> <li>• Local Plan Strategy reflects the needs of the borough and meets national requirements</li> <li>• Monitor delivery of housing to ensure our 5 year housing land supply is in place.</li> <li>• Improved customer satisfaction rates with planning</li> </ul>
	<ul style="list-style-type: none"> <li>• Adoption of the Site Allocation and Development Policies Document (SADPD)</li> </ul>	<ul style="list-style-type: none"> <li>• SADPD submitted for examination in Public 2021</li> <li>• SADPD Adopted in 2022</li> </ul>
	<ul style="list-style-type: none"> <li>• Crewe Hub Area Action Plan (CHAAP)</li> </ul>	<ul style="list-style-type: none"> <li>• Pre-submission engagement in 2021</li> <li>• Plan submitted for examination in public in 2021</li> <li>• CHAAP Adopted in 2022</li> </ul>
	<ul style="list-style-type: none"> <li>• Adoption of the Minerals and Waste Development Plan Document (MWDPD)</li> </ul>	<ul style="list-style-type: none"> <li>• Early engagement on draft plan 2021</li> <li>• Pre-submission engagement in 2022</li> <li>• Plan submitted for examination in public in 2022</li> <li>• MWDPD Adopted in 2023.</li> </ul>
To make best use of our surplus buildings and assets to support the borough and our partners	<ul style="list-style-type: none"> <li>• Review the community asset transfer policy and provide a clear framework to support effective transfer and further explore 'shared' use with our partners of town centre assets</li> </ul>	<ul style="list-style-type: none"> <li>• Numbers of successful community asset transfers</li> <li>• Reduction in total running cost of CEC estate</li> </ul>
Continue to grow the Cheshire East visitor economy	<ul style="list-style-type: none"> <li>• Deliver Cultural Strategy and Place Marketing Action Plan</li> <li>• Deliver Tatton Park business plan</li> <li>• Deliver capital projects that support cultural development including, for example, the History Centre and Lyceum Square</li> </ul>	<ul style="list-style-type: none"> <li>• Value of the Cheshire East visitor economy to exceed £1bn</li> <li>• Improved visitor numbers</li> <li>• Better visitor information</li> </ul>



By 2024 we want:	Actions and Projects	Measures of success
Priority: Welcoming, safe and clean neighbourhoods		
Crime and anti-social activity and anti-social behaviour to be reduced	<ul style="list-style-type: none"> <li>• Use our full range of education, engagement and enforcement tools to protect our communities. Take formal enforcement action as appropriate, to reduce offending and increase compliance with the law from individuals or businesses</li> <li>• Clear and integrated enforcement approach with relevant fit for purpose policies for each enforcement service</li> <li>• Investment in technology to enhance CCTV delivery</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced proportion of residents who feel anti-social behaviour is an issue in their area</li> <li>• Reduced crime and the fear of crime</li> <li>• Agreed enforcement plans with annual reporting on enforcement activities</li> <li>• Safe night-time economy</li> </ul>
Victims of crime and exploitation to be supported effectively by the council and partners through collaboration	<ul style="list-style-type: none"> <li>• Work with the police and partners to share intelligence and problem solve local issues</li> <li>• Refresh the Safer Cheshire East Partnership Plan for 2020-23</li> <li>• Raise awareness around safeguarding and community safety issues</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce the impact of 'County Lines' on young people</li> <li>• Effective reporting and recording of hate crime incidents by all partners</li> <li>• Raised awareness of and reduce incidents of scams and rogue trading</li> <li>• Residents know how to recognise and report abuse</li> </ul>
To protect residents and improve our environment	<ul style="list-style-type: none"> <li>• Review local air quality through our Annual Status Reports, taking action to respond to areas of poorer air quality</li> <li>• Delivery of the Cleaner Crewe project with the successful results rolled out across the borough</li> <li>• A regulatory service that balances advice and education with the need to take decisive action in response to issues that impact upon the local community, business and the environment</li> </ul>	<ul style="list-style-type: none"> <li>• All Air Quality Management Areas have an action plan outlining planned measures to improve air quality</li> <li>• A robust licensing regime for alcohol, gambling and hackney carriage private hire vehicles</li> <li>• Undertake a range of proactive inspection work to protect human health and the health of our farmed and companion animals</li> <li>• 100% of inspections carried out annually for specifically high-risk trading standards inspection</li> <li>• Number of food safety A-D inspections &amp; animal welfare visits carried out</li> <li>• Reduced littering and fly-tipping</li> </ul>

By 2024 we want:	Actions and Projects	Measures of success
Improved green spaces for all. Enabling people to exercise and socialise in our parks and open spaces	<ul style="list-style-type: none"> <li>• Review and improve our play areas and parks</li> <li>• Work with partners to provide a more welcoming environment</li> <li>• Secure funding for additional recreation provision along with improvements to the current provision</li> <li>• Increase the number of rewilded areas within our parks and open spaces</li> </ul>	<ul style="list-style-type: none"> <li>• Improved customer satisfaction rates for play areas</li> <li>• Improved play areas</li> <li>• Lower rates of littering or fly tipping in our public spaces</li> <li>• Improved biodiversity in our parks and open spaces</li> </ul>
Priority: To reduce our impact on our environment		
To have minimised overall waste generated in the borough and maximised our levels of recycling	<ul style="list-style-type: none"> <li>• Introduction of the Municipal Waste Strategy</li> </ul>	<ul style="list-style-type: none"> <li>• Improved recycling / reuse rates</li> <li>• Reduced excess waste per capita</li> </ul>
To improve biodiversity and natural habitats in the borough	<ul style="list-style-type: none"> <li>• Increased rewilding – introduce a policy on Highways land and introduce a borough wide tree policy</li> <li>• Embed bio-diversity, including off-setting, across Cheshire East Council estate</li> <li>• Deliver the tree planting programme</li> </ul>	<ul style="list-style-type: none"> <li>• Delivery of tree planting programme</li> <li>• More areas of the borough left to wild flowers / greenery rather than mown grass</li> </ul>
Priority: A transport network that is safe and promotes active travel		
Improvements in the strategic infrastructure that support sustainable and inclusive growth across the borough	<ul style="list-style-type: none"> <li>• The funding and delivery programme agreed with government for strategic rail including HS2, Crewe Hub Station and the Crewe North Connection</li> <li>• Delivery of the strategic infrastructure programme (A500 dualling, Poynton Relief Road, Middlewich Eastern Bypass)</li> </ul>	<ul style="list-style-type: none"> <li>• Successful delivery of the major infrastructure programme</li> </ul>

By 2024 we want:	Actions and Projects	Measures of success
Safer and well-maintained roads	<ul style="list-style-type: none"> <li>• Deliver planned investment to maintain the highway network</li> <li>• Review of appropriate strategies, such as speed management</li> </ul>	<ul style="list-style-type: none"> <li>• Improved customer satisfaction with highways</li> <li>• Improved condition of the highway</li> <li>• Improved response times to customer enquiries</li> <li>• Reduced levels of those killed and seriously injured on our roads</li> </ul>
Investment in electric vehicle infrastructure in our key service centres	<ul style="list-style-type: none"> <li>• Secure supplier and install charging points in Cheshire East car parks</li> </ul>	<ul style="list-style-type: none"> <li>• All CEC owned car parks in key service centres have a least one EV charging point</li> </ul>
To increase parking provision close to local transport hubs	<ul style="list-style-type: none"> <li>• Broadway Meadow multi-storey car park (MSCP)</li> <li>• Complete Local Transport Plan parking reviews</li> </ul>	<ul style="list-style-type: none"> <li>• Secure planning approval and commence development of Broadway Meadow MSCP</li> <li>• Town by town parking needs identified and plans progressed to match identified need</li> </ul>
To promote uptake of cycling in our local service centres	<ul style="list-style-type: none"> <li>• Installation of cycle storage facilities in Cheshire East car parks</li> <li>• Invest in new cycle routes and improve existing ones</li> <li>• Prohibit parking in existing cycle lanes</li> </ul>	<ul style="list-style-type: none"> <li>• All 13 local service centres have at least one new cycle storage facility (cycle shelter)</li> <li>• KM of new cycle routes created</li> <li>• Number of traffic reduction orders introduced specific to supporting cycling</li> </ul>
To improve the speed and efficiency of public transport and encourage more residents to make fewer car journeys	<ul style="list-style-type: none"> <li>• Feasibility studies into the creation of rapid transit routes connecting existing infrastructure with key employment site</li> </ul>	<ul style="list-style-type: none"> <li>• Plans brought forward for rapid transit routes: <ul style="list-style-type: none"> <li>- Macclesfield to Bollington</li> <li>- Handforth to Wilmslow</li> <li>- Wilmslow to Alderley Park</li> </ul> </li> </ul>
To reduce areas of the borough not served by public transport	<ul style="list-style-type: none"> <li>• Submit proposals to Rural Transport Fund</li> <li>• Quality bus partnerships with operators and town councils</li> </ul>	<ul style="list-style-type: none"> <li>• At least one new public transport scheme introduced</li> <li>• At least eight new services introduced or extended</li> </ul>

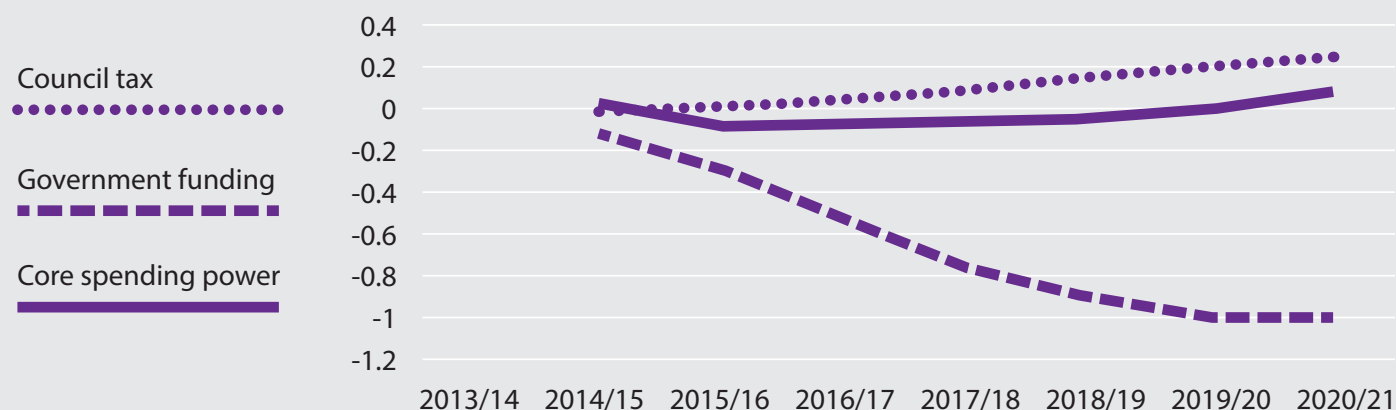
By 2024 we want:	Actions and Projects	Measures of success
To encourage an increase in the use of public transport (especially buses)	<ul style="list-style-type: none"> <li>Operators work together to share real time information</li> <li>Bus routes planned to provide multi-modal connectivity</li> </ul>	<ul style="list-style-type: none"> <li>Cheshire East bus app developed</li> <li>Number of routes connecting with rail or tram services</li> </ul>
More residents to use walking routes	<ul style="list-style-type: none"> <li>Promote existing routes and nature trails</li> <li>Create new walking routes between service centres</li> </ul>	<ul style="list-style-type: none"> <li>Information/promotion campaigns implemented</li> <li>KM of new walking routes created</li> </ul>
Priority: Thriving urban and rural economies with opportunities for all		
Delivery of a strategic regeneration plan for Crewe	Successful delivery of the regeneration programme including: <ul style="list-style-type: none"> <li>Crewe Hub Station</li> <li>Royal Arcade, Crewe Bus Station and Public Realm</li> <li>Crewe Market Hall</li> <li>Crewe Heat Network</li> <li>Delivery of FHSF and Towns Fund</li> <li>Town Centre Housing</li> </ul>	<ul style="list-style-type: none"> <li>Footfall</li> <li>Vacancy rates</li> <li>Inward investment rates</li> <li>Projects delivered</li> <li>Supported and enabled successful partnership arrangements</li> </ul>
Delivery of a strategic regeneration plan for Macclesfield	Successful delivery of the regeneration programme including: <ul style="list-style-type: none"> <li>Macclesfield Station Campus</li> <li>Town Centre Housing</li> <li>Public Realm</li> </ul>	<ul style="list-style-type: none"> <li>Footfall</li> <li>Vacancy rates</li> <li>Inward investment rates</li> <li>Projects delivered</li> <li>Supported and enabled successful partnership arrangement</li> </ul>
Successful town centres in our other key towns	<ul style="list-style-type: none"> <li>Work with our partners and key stakeholders to understand what is important to our towns</li> </ul>	<ul style="list-style-type: none"> <li>Town recovery plans produced</li> </ul>

By 2024 we want:	Actions and Projects	Measures of success
Maximise the commercial and regeneration opportunities associated with HS2 for the whole borough	<ul style="list-style-type: none"> <li>Secured delivery and funding agreement for the HS2 Growth Corridor.</li> <li>To contribute to the Sustainable Growth Commission, working with the Cheshire and Warrington Local Enterprise Partnership</li> </ul>	<ul style="list-style-type: none"> <li>Commercial space generated</li> <li>Level of inward investment</li> <li>Increased level of jobs created</li> </ul>
Thriving and active rural communities	<ul style="list-style-type: none"> <li>Rural action plan</li> <li>Digital connectivity programme</li> <li>As part of bus review, deliver improved accessibility to services and employment opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Growth in rural business/National Non-Domestic Rates</li> <li>100% superfast broad band access</li> <li>Access to services in local centres</li> </ul>
Priority: To be carbon neutral by 2025		
To have delivered the milestones in becoming a carbon neutral council	<ul style="list-style-type: none"> <li>Deliver actions in the Cheshire East Council Carbon Action Plan</li> <li>Introduction of green vehicles across the fleet (both waste and highways)</li> <li>Promote carbon neutrality and carbon zero development across Cheshire East, providing information, advice and guidance for householders and businesses to reduce their carbon use</li> </ul>	<ul style="list-style-type: none"> <li>Cheshire East Council (CEC) carbon neutrality achieved by 2025</li> <li>Percentage tonnes reduced (CEC)</li> <li>Percentage tonnes insetted (CEC)</li> <li>Percentage tonnes reduced in Cheshire East</li> </ul>

# Government funding and local spending

There has been a sustained reduction in government grants over the last decade, only partially mitigated by permission to raise more money locally, through Council Tax and other sources.

## Cheshire East Council - Revenue Spending Power, Government Funding and Council Tax



Between 2013/14 and 2019/20, central government grants to Cheshire East Council fell from £55.9 million to £0. Between 2010/11 and 2017/18, the net 'spending power' of Cheshire East Council fell by 6%.

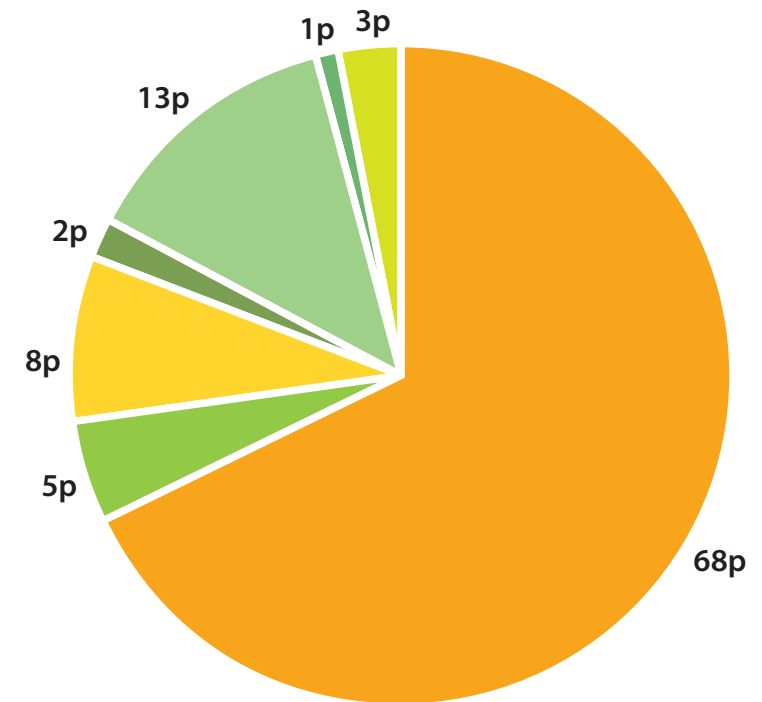
In order to meet this pressure, whilst meeting the needs of a growing population and unavoidable costs e.g. the national minimum wage, the council continues to drive savings and deliver efficiencies.

Against this background it is unsurprising that there are significant strains on capacity and budgets. Apart from adult social care, some of the biggest pressures are in children's services, particularly placements for looked after children and services for children with special educational needs, including home to school transport. New legal responsibilities in terms of special educational needs together with radical changes in the educational landscape, with more academies and a diminished role for the local authority have added to these pressures.

The government was expected to publish a four-year spending review in 2019, together with proposals for a new approach to funding social care. Instead, only a one-year spending settlement was announced. Whilst this provided increases in funding for 2020/21, it does not provide a sound basis for long term planning.

# How is £1 of your council tax spent?

Social care services	68p
Waste management and street cleaning	13p
Education support like home to school transport	8p
Highways and public transport	5p
Museums, parks, libraries	3p
Homelessness and planning	2p
Licensing, elections, trading standards	1p
<b>Total</b>	<b>£1</b>



\* The cost of overheads such as premises/finance/legal services are included within the figures in the table.

## Consultation and Engagement

This corporate plan will be used to guide our policies, budget planning, decision-making and service delivery over the next four years.

We would now like to hear from residents, partners, Councillors, staff and other interested people and groups.

- What do you think about our key vision being open, fairer and greener Cheshire East?
- What do you think about our strategic priorities of a thriving and sustainable place, a council which empowers and cares about people and an open and enabling organisation?
- How well will the proposed action plans deliver our priorities?
- What else would you like to see us focus on?
- Any other comments or suggestions you would like to make.

The consultation runs from **1 October to 27 November**, to get involved and give us your views please complete the short survey at **<https://surveys.cheshireeast.gov.uk/s/CorporatePlan/>**

## Feedback

Be involved in decision making in Cheshire East...

If you would like to be involved in consultations undertaken by Cheshire East Council, you can do so by registering for updates on the consultation pages or joining the Digital Influence Panel.

Please visit **[www.cheshireeast.gov.uk/consultations](http://www.cheshireeast.gov.uk/consultations)**  
**[www.cheshireeast.gov.uk](http://www.cheshireeast.gov.uk)**





*Working for a brighter future together*

Key Decision: Yes

Date First Published:  
23/4/20

## Cabinet

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**Date of Meeting:** 10th November 2020

**Report Title:** Crewe Regeneration and Investment Programme

**Portfolio Holder:** Cllr Nick Mannion, Portfolio Holder for Environment & Regeneration  
Cllr Craig Browne, Deputy Leader

**Senior Officer:** Frank Jordan, Executive Director Place

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### 1. Report Summary

- 1.1. Cheshire East Council is committed to the regeneration of Crewe to improve its economic performance but more crucially to enable local residents to lead successful, healthy and happy lives.
- 1.2. The programme of interventions outlined in this report supports this aim and will capitalise on key opportunities for the town including HS2, Towns Fund and Future High Streets Fund to support town centre regeneration, new commercial and employment opportunities, new homes helping to tackle housing supply issues and an enhanced first-class leisure offer for the town.
- 1.3. This report is seeking approval to enable the delivery of these interventions which includes:
  - 1.3.1. An opportunity to secure up to £25m from the Government's Towns Fund.
  - 1.3.2. Proposed schemes to deliver further town centre regeneration which have been included in a £20.5m bid to the Government's Future High Streets Fund
  - 1.3.3. Delivery of the Crewe HS2 hub station programme in consideration of the impacts of the COVID-19 pandemic. It outlines the additional challenges and risks to the project arising

from the pandemic and the revisions to the proposals to minimise these.

- 1.3.4. The delivery of this programme is being supported through engagement with the Crewe Town Board which was established earlier this year and includes representation from Cheshire East Council.
- 1.3.5. It is to be noted that the projects outlined in this report are in addition to other proposed investments in the Crewe including the Royal Arcade, Crewe Market, History Centre and the dualling of the A500.

## **2. Recommendations**

That Cabinet:

- 2.1. Note that the Council is the Accountable Body for the Crewe Town Board with the Portfolio Holder for Environment and Regeneration being the Council's representative on it.
- 2.2. Delegate authority to Portfolio Holder for Environment and Regeneration, in consultation with the Executive Director Place and with the approval of the Crewe Town Board, to
  - 2.2.1. Submit a Town Investment Plan to Government
  - 2.2.2. Submit a bid for the Towns Fund to Government
- 2.3. Delegate authority to the Executive Director – Place, in consultation with the Director of Governance & Compliance, the Director of Finance & Customer Service, the Portfolio Holder for Environment & Regeneration and the Portfolio Holder for Finance, IT & Communications to:
  - 2.3.1. Accept a government grant (Towns Fund – Accelerated project funding) and the associated conditions, to support the proposed Ly<sup>2</sup> project
  - 2.3.2. Accept a government grant (Future High Streets Fund), and the associated conditions, to support a range of measures to support the regeneration of Crewe town centre
  - 2.3.3. Approve Supplementary Capital Estimates up to the value of the grants accepted under 2.3.1 & 2.3.2 above, to facilitate expenditure within the associated conditions.

- 2.3.4. Approve capital and revenue budgets associated with co-funding delivery of the measures proposed
- 2.3.5. Take all necessary actions to implement the proposals.
- 2.4. Note the review has been undertaken for the Crewe hub station scheme taking account of the impact of Covid-19;
- 2.5. Approve the proposed revisions to the Crewe hub station scheme.
- 2.6. Authorise the Executive Director Place to:
  - 2.6.1. Commission the detailed design for Crewe Hub Station
  - 2.6.2. Agree terms with Network Rail and Avanti West Coast for the release of land necessary to deliver the scheme;
  - 2.6.3. Negotiate and agree a funding deal with Government and Avanti West Coast to secure the necessary funding to deliver the Revised Initial Scheme;
- 2.7. Note that further approvals will be sought from Cabinet to approve a preferred Crewe Hub Station Scheme and seek any powers of compulsory purchase required to deliver the preferred scheme.

### **3. Reasons for Recommendations**

- 3.1. The recommendations sought in this report are to enable the development and delivery of a coordinated programme of interventions to support the regeneration of Crewe and unlock economic, environmental and social benefits to the town's communities as well elsewhere in the Borough.
- 3.2. Delivery of this programme is critical in kick starting the local economy following the economic impacts of the Covid-19 pandemic and in addressing the levelling up agenda for Crewe. It is important that this programme is progressed now to ensure that the town can capitalise on key opportunities including HS2, Future High Streets Fund and Towns Fund.

### **4. Other Options Considered**

#### ***Crewe Town Board, Towns Fund and Town Investment Plan***

- 4.1. The Council could determine not to support the Crewe Town Board and its role in developing a Town Investment Plan, however, this would be almost certain to result in a failure to receive a grant due to non-compliance with the guidance issued by Government.
- 4.2. The Council could also consider not 'passporting' authorities through the Portfolio Holder to act on the decisions of the Board. In this case, it would

be likely to create a significant delay to decision-making processes which will have a consequential impact on project delivery.

#### ***Future High Streets Fund***

- 4.3. The Council could, instead of delegating authority to progress with projects proposed as part of the bid, determine to consider the grant offer and the associated conditions at a future meeting of Cabinet. This would be likely to be February 2021. This would, however, impact on project deliverability, as all grant funding must be defrayed by March 2024.

#### ***Crewe HS2 Hub Station***

- 4.4. The Council could choose to continue to progress the original pre-Covid scheme. However, the economic impacts of the Covid-19 pandemic and uncertainties about the future commercial development market mean that this scheme would not be viable as business rate revenues would likely be realised much later. In addition, the original scheme would require significant upfront borrowing by the Council and therefore it would need to service the debt out of existing budgets until the business rate revenues were sufficient to cover it.
- 4.5. The Council could not progress a scheme at all meaning that Government would revert to a baseline solution which will have minimal investment in the station and environs. The baseline solution would not deliver the same growth and regeneration benefits to Crewe and the surrounding area. As a result, this growth is likely to be accommodated elsewhere and Crewe could easily fall further behind its competitors.
- 4.6. The Council could choose to pause the work for a period of time however, the HS2 delivery timetable for Crewe remains fixed with much of the infrastructure being delivered in 2025. This provides a small window of opportunity to do much of the work in a cost effective way through aligning with this 'core' HS2 programme. A slippage in programme would mean that these programmes would no longer be aligned and the opportunities for costs and programme efficiencies would be lost.

## **5. Background**

#### ***Crewe Town Board, Towns Fund and Town Investment Plan***

- 5.1. The Government has selected Crewe as one of 101 towns, each to be awarded around £25m of funding from its Towns Fund to support their long-term aspirations to support economic regeneration.
- 5.2. Crewe Town Board (CTB) has been established to oversee the development of a town investment plan (TIP) and subsequent submission to the Towns Fund.

- 5.3. The board is an advisory board with a strategic focus and Government requires Cheshire East Council to act as the Accountable Body for it. This includes ensuring the appropriate processes around procurement, contract management and audit are undertaken.
- 5.4. The TIP needs to be submitted in January 2021, following which Government will engage with the Town Board and the Council is agreeing a 'deal' which includes the funding. Once agreed, this will then trigger further work in developing detailed business cases for the agreed interventions. Funding is expected to be made available from 2022 up to 2026.
- 5.5. To facilitate the delivery of the TIP to the Portfolio Holder for Environment and Regeneration are sought to enable the programme to be delivered effectively
- 5.6. As part of the Towns Fund initiative, earlier this year the Government invited proposals for up to £750k to support projects that could be accelerated for delivery within the 2020/21 financial year. In consultation with Crewe Town Board, the Council submitted the proposal for a project called **Ly<sup>2</sup>** which was developed to create a vibrant community hub at Lyceum Square in Crewe town centre. In September the council and partners received confirmation that it had been successful in being awarded funding for this project. The Council will need to accept any associated grant conditions and approve a supplementary capital estimate.

#### ***Future High Streets Fund***

- 5.7. In June this year the Council submitted the 'Revitalising Crewe' business case to Government seeking £20.568m capital funding to support projects which will stimulate the regeneration of Crewe town centre.
- 5.8. Ten projects are included in the programme as summarised in Table 1 below.

Table1: Revitalising Crewe FHSF proposed workstreams and projects	
Workstream	Projects
Accessibility & Permeability	<p>Four new projects to improve accessibility and permeability into and around Crewe town centre:</p> <ol style="list-style-type: none"> <li>1) Earle St bridge: a new pedestrian/cycle bridge/link from the Grand Junction Retail Park (east of the town centre) over the railway line.</li> <li>2) Southern Gateway: A new pedestrian/cycle link from Mill Street (south of the town centre) to the Civic &amp; Cultural Quarter (Lifestyle Centre/Christ Church / Memorial Square).</li> <li>3) Flag Lane link: A new highway link from Dunwoody Way (west of the town centre) to Flag Lane.</li> <li>4) Smart parking &amp; movement: New investment in digital infrastructure to support incorporation of adaptive signals and smart parking measures to improve traffic flow.</li> </ol>
In-Town Living	<p>The potential future use of existing Council car park sites to deliver new residential developments that meet the needs of local people.</p> <p>N.B. Car park capacity will be replaced with planned new MSCP and interim measures as required to ensure sufficient car parking provision is available</p>
History Centre	<p>Building upon existing proposals for the History Centre by extending its physical footprint to create a more appropriate town centre setting by demolishing the existing Civic Centre (incl. undercroft car park and decking) and providing higher quality public realm and ancillary car parking and improved connectivity to other town centre destinations.</p>
Technology and Digital Innovation Campus	<p>Technology and Digital Innovation Campus. The creation of two new workspaces to help new/early-stage technology businesses to establish and grow, responding to locally evidenced demand for appropriate accommodation and support. This could include the vacant Christ Church in order to bring it back into economic use (currently owned by the Diocese of Chester).</p>
Sustainable Energy Network	<p>The creation of a new energy network, initially linking public buildings to improve energy performance and drive down its cost, to the point that it becomes attractive for commercial operators to join.</p>

5.9. Due to Covid-19 the timescales for the announcement of successful bids has been delayed until late autumn. Given that most of the component projects were scheduled to commence the detailed planning and delivery phase in autumn, any further delay in securing Cabinet approval after Government announcements will impact on project deliverability, as all grant funding must be defrayed by March 2024. Delegated authority is therefore sought to accept this funding so that the projects can be progressed.

5.10. If successful in securing all the £20.568m grant funding sought, £22.599m of co-funding will need to be committed through Council and other external funding sources. Some of these budgetary allocations are already in place (e.g. History Centre, Sustainable Energy Network, Local Transport Plan) with most others relating to existing Council revenue budgets or external sources (e.g. Heritage Lottery, Homes England). In addition, the Council will be required to dispose or lease some sites and premises in its

ownership at less than best consideration. This match funding is already identified within the council's capital budget and revenue budgets.

### ***Crewe HS2 Hub Station***

5.11. The arrival of HS2 to Crewe is an important component of delivering our future ambitions for Crewe and the surrounding area. However, the arrival of the trains alone will not unlock the potential for the town or the region. Getting the right station solution for Crewe is critical to unlocking the economic, social and environmental potential of the Town.

5.12. This will require the following:

- 5.12.1. The right rail infrastructure solution to be delivered at Crewe station to enable up to 7 HS2 trains per hour, in each direction, to call at Crewe;
- 5.12.2. A new rail junction known as the Crewe North Connection that would link the HS2 Phase 2b line and the existing West Coast Main Line. This would enable HS2 to call at Crewe Station to and from the north;
- 5.12.3. The delivery of critical enhancements to Crewe railway station to bring it closer in line with the other HS2 stations being delivered elsewhere.. This includes a new centrally located transfer deck to improve the passenger environment and experience, enhanced car parking facilities, enhancements to Nantwich Road entrance, and improved connectivity by walking, cycling and public transport- particularly to Crewe Town Centre.;

5.13. In consideration of the impacts of the COVID-19 pandemic the Council has undertaken a comprehensive impact assessment on the proposed Crewe hub station scheme as presented to Cabinet in March 2020.

5.14. It is important that any future Council investment such as that proposed in and around Crewe station reflects the latest risks and challenges that could impact on its affordability, viability and/or deliverability. The revised scheme for the Crewe hub will see the full vision delivered over several phases of development rather than delivered in its entirety upfront ahead of the arrival of HS2. Therefore, the Council will firstly focus on an Initial Scheme to be delivered alongside the construction of Phase 2a.

5.15. This Revised Initial Scheme will focus on the area immediately surrounding the Crewe hub station and include:

- 5.15.1. Enhancements to Nantwich Road Bridge including the delivery of new pedestrian and cycle bridge decks to improve links between the station and town centre and promotion of active travel;

- 5.15.2. Delivery of a new interchange on Weston Road to provide enhanced facilities for taxis, pick-up and drop off and with the potential to incorporate buses;
  - 5.15.3. Delivery of a new multi-storey car park on Weston Road to replace the existing surface level car park and cater for HS2 passenger growth at Crewe;
  - 5.15.4. Delivery of highway access improvements comprising of a series of junction improvements around the hub.
- 5.16. Future phases are to include:
- 5.16.1. New transfer deck and Weston Road entrance (DfT/NR funded) Crewe Southern Link Road Bridge; and
  - 5.16.2. Potential future multi-storey car park phases.
- 5.17. Whilst a phased approach is likely to add additional cost to the overall scheme, it enables the Council to limit its maximum financial exposure and prudential borrowing over time. However, in the development of the scheme going forward, opportunities for passive provision of future interventions to minimise further rail possession requirements, will be explored subject to affordability.
- 5.18. The Revised Initial Scheme seeks to minimise third party land requirements where possible. The Council intends to acquire this through negotiation but a CPO will be progressed as a means of last resort. A report will be presented to Cabinet to seek authority to undertake a CPO if this is required.
- 5.19. As outlined to Cabinet in March 2020, the Council are seeking a funding and financing agreement with Government to fund the initial phase of the Crewe hub scheme. This will include a combination of local and central government funding including government grants and prudential borrowing.
- 5.20. The Council alongside Cheshire & Warrington Local Enterprise Partnership (CWLEP) continue to explore with Government the opportunity for a new business rates retention scheme, known as Tax Increment Financing (TIF).
- 5.21. A TIF model would operate in a similar manner to an Enterprise Zone. Here upfront Council borrowing would be used to directly unlock development sites by funding key enabling infrastructure and funding development viability gaps. In return, 100% of the growth in business rates across the TIF would be retained locally over a 25-year period.
- 5.22. In the proposed 'Growth Corridor' TIF model, retained business rate revenues would service the upfront debt as well as unlocking further sites. Surplus revenues could also be used to fund any local contribution to the Crewe hub station to bring forward the critical station enhancements.



- 5.23. A revised outline TIF proposition has been included within the Council's and CWLEP's Comprehensive Spending Review response to seek policy support for the proposition. Cabinet approval will be sought ahead of any full business case submission to Government for a new TIF model.
- 5.24. In line with the design work, the Crewe Area Action Plan is currently being reviewed in consideration of Covid-19 and the revised phased scheme to ensure that the most appropriate planning policy framework for the initial phase is progressed whilst ensuring that the future phases aren't impeded by alternative development.

## **6. Implications of the Recommendations**

### **6.1. Legal Implications**

#### ***Crewe Town Board, Towns Fund and Town Investment Plan***

- 6.1.1. A Town Deal is an agreement in principle between Government, the lead authority and the Town Deal Board, confirmed in a Heads of Terms document. It will set out a vision and strategy for the town and what each party agrees to do to achieve this vision. It will cover a period of up to 5 years
- 6.1.2. In accordance with the government's Guidance on the Towns Fund there are two phases with a decision gateway at the end of each. Following the development of the Town Investment Plan, the Chair of the Towns Board and either the Council's Chief Executive or Leader will need to sign the Memorandum of Understanding containing the Heads of Terms for the funding deal with Government prior to business cases and fully costed delivery plans being developed. The business cases need to go through an assurance process by the accountable body prior to being submitted to Government before the funding is released. Legal advice will need to be sought on the conditions relating to any funding deal and on the terms of the Memorandum of Understanding with Government.
- 6.1.3. There is a need for appropriate and robust governance arrangements to be put in place in relation to the Towns Board and in light of the Council's role as accountable body.
- 6.1.4. The Guidance sets out the following as being the responsibility of the lead authority :-
- Upholding the Seven Principles of Public Life (the Nolan Principles)

- Developing a delivery team, delivery arrangements and agreements
- Ensuring that decisions are made by the board in accordance with good governance principles
- Ensuring transparency requirements are met – through publication of information on their website or a Town Deal specific website
- Developing agreed projects in detail and undertaking any necessary feasibility studies
- Undertaking any required Environmental Impact Assessments or Public Sector Equalities Duties
- Helping develop detailed business cases
- Liaising with potential private investors in identified local projects and schemes
- Signing the Head of Terms Agreement with government
- Monitoring and evaluating the delivery of individual Towns Fund projects
- Submitting regular monitoring reports to Towns Hub
- Receiving and accounting for the Town's funding allocation

6.1.5. The Council will also need to have regard to its duties in relation to consultation and engagement with stakeholders and residents and develop an Engagement and Communications Strategy as interventions supported through the Towns Fund should be developed with input from the community.

6.1.6. It is anticipated that ongoing legal advice will be needed as the programme proceeds to the delivery stage to ensure that projects are properly anchored in planning policy; advice is sought on land assembly and any use of the Council's CPO powers together with considerations relating to procurement and state aid implications of any project.

#### ***Future High Streets Fund***

6.1.7. Any grant funding agreement that the Council is required to enter into before funding is made available will require review to ensure that the Council acts in compliance with its terms.

***Crewe HS2 Hub Station***

- 6.1.8. Implementing a project of the scale and complexity of the Crewe HS2 Hub Station programme will have a number of legal implications for the Council.
- 6.1.9. It is anticipated that the Council may need to enter into a series of contractual arrangements with key stakeholders including Network Rail and the Avanti West Coast Partnership in line with the Council's Constitution taking into account any financial constraints.
- 6.1.10. Should the Council proceed to procure a design and build contract for any element of the Revised Initial Scheme this will need to be done in accordance with the Constitution, the Council's Contract Procedure Rules and the Public Contracts Regulations 2015.
- 6.1.11. It is anticipated that ongoing legal advice will be needed as this scheme is further developed and delivered in relation to project risks since TIF arrangements hinge on anticipated cash flow in the form of business rates that will have been ringfenced for the development project, certainty that the project will be completed and then occupied will be critical. Issues around allocation of risk as between the Council and any developers will need to be considered carefully. Further advice will also be required on the designation of the TIF Zone and governance arrangements with the CWLEP similar to those in place for current Enterprise Zones.

**6.2. Financial Implications**

- 6.2.1. Many of the schemes that are referred to within the various initiatives are largely contingent on the outcome of multiple funding applications only some of which may be successful. Thus, it has to be accepted that as with any capital programme there is a risk that any spend will be abortive if the scheme does not proceed.
- 6.2.2. Successful funding bids will require supplementary capital estimates to be approved.

***Crewe Town Board, Towns Fund and Town Investment Plan***

- 6.2.3. It should be noted that the recommendations are designed to facilitate prompt decision making and not be a substitute for the necessary decision making and appraisal of each and every component of any resulting Town Investment Plan should the application be successful.
- 6.2.4. Any offer of funding will be subject to tight defrayal deadlines otherwise it could be lost. Additionally, any funding agreement will come with conditions which will need to be adhered to.

- 6.2.5. It is anticipated that ongoing Finance support will be required in order to align a successful Town Investment Plan with the wider Medium-Term Financial Strategy and the mechanisms for doing this are currently being put in place. The broad aspirations for the projects that the Towns Fund bid is seeking to support would appear to align with the aims of the Council's Capital Strategy in seeking to deliver sustainable and inclusive economic growth.

***Future High Streets Fund***

- 6.2.6. As with the Towns Fund the main implications of the decisions being taken are to enhance the efficiency and speed with which the Authority can act and respond to any resulting offer of financial support from the Future High Streets Fund. It does not in itself make the financial decision or commit the Council to particular schemes in the absence of further detailed financial due diligence and approvals.
- 6.2.7. Whilst much of the content of the submitted Future High Streets Fund bid is already in the Council's 2020-2024 Capital Programme or Addendum there will need to be ongoing reviews to ensure that schemes will still deliver value for money as circumstances and assumptions may have altered since inclusion in the Capital Programme.
- 6.2.8. Finance will be required to provide ongoing support and comfort is provided by the comprehensive Programme Management structure that has been put in place to support each of these workstreams which Finance will feed into.

***Crewe HS2 Hub Station***

- 6.2.9. In order to arrive at a fully costed and credible investment decision for the initial phase of the Crewe HS2 Hub Station programme, which will be presented to Full Council at a later date, it is necessary to progress detailed development work to deliver a design solution and an outline finance and funding proposition to form the basis of a Strategic Outline Business Case.
- 6.2.10. A future Full Council investment decision to approve any local contribution towards the Crewe Hub Station and supporting investment could see the Council committing to forward fund a substantial investment as identified in the outline proposition. However, any local contribution would be predicated on securing the necessary commitments from Government, as outlined in the outline proposition, in advance of any investment decision.

### **6.3. Policy Implications**

- 6.3.1. The proposals relating to Future High Streets Fund align with the Council's existing Crewe Town Centre Regeneration Delivery Framework, as well as the Economic Development Strategy, Housing Strategy and Local Transport Plan.
- 6.3.2. The Local Plan Strategy identifies the need for improvements to Crewe Railway Station to make it a national hub.
- 6.3.3. The Local Plan Strategy does not include any HS2 related development and therefore does not provide a policy for the full ambitions for the wider station area. The Local Plan does however reference that HS2 will have implications on the Local Plan and that there may be a need for an Area Action Plan for the area around the Crewe HS2 hub station
- 6.3.4. The planning policy framework, including the draft Area Action Plan, are being reviewed with consideration of the phased scheme and wider impacts of Covid-19 to determine the most appropriate planning policy to bring forward the initial phase.

### **6.4. Equality Implications**

- 6.4.1. An Equality Impact Assessment has not been undertaken at this stage but will form part of the detailed business planning for each of the projects to be taken forward whether relating to the Future High Streets Fund, Towns Fund or Crewe hub station scheme.

### **6.5. Human Resources Implications**

- 6.5.1. None identified at this stage.

### **6.6. Risk Management Implications**

- 6.6.1. Initial risk registers have been produced for each of the projects proposed in the Future High Streets Fund business case. These will be updated and considered as part of the decision-making by those with authority delegated in this report.

#### ***Crewe HS2 Hub Station***

- 6.6.2. Government's existing proposals for Crewe remain only for 2 HS2 trains per hour. Whilst the Council has gained significant announcements and decisions from Government that would support an enhanced HS2 service solution at Crewe over recent years; the key rail infrastructure requirements, including a revised track layout and Crewe North Connection, remain unfunded and

uncommitted. Government may still not commit to any further services than the 2 HS2 trains per hour already planned. In this case, there would not be the step-change in connectivity at Crewe to support the level of regeneration and growth within the Council's ambitious plans. Consequently, the future business rate revenues may be lower than forecast. In this scenario the Council would unlikely be able to afford a local contribution towards the station resulting in Government delivering a sub-optimal solution for Crewe. If this is the case, the Council may need to fund a level of abortive costs of project development work to date.

- 6.6.3. There is a risk that there is no agreed funding and financing package for the station and as a result a sub-optimal station is delivered. This could result in the need for the Council to expense the project development work to date. In this instance, in recognition the government imposed restrictions on Council capital financing and having to balance annual budgets.
- 6.6.4. The Council would consider a number of options, including any or all of the following strategies, and relative to spending on particular aspects of the scheme to date:
  - 6.6.4.1. Develop a revised and self-funded business case to deliver a reduced regeneration and transport access scheme for the area on which to capitalise the costs and deliver a much smaller proportion of economic benefits;
  - 6.6.4.2. Develop no alternative scheme and write-off costs to date but pursue a special dispensation from Government to enable these to be written off within the capital budget and not transferred to revenue and subsequently re-prioritise the Place Capital Programme; or
  - 6.6.4.3. Develop no alternative scheme and write-off costs directly to the revenue account. These costs to be met by significant reprioritising the Place Budget to identify necessary savings and investment opportunities to minimise exposure of Reserves at a future point in time
- 6.6.5. The Council, in partnership with C&W LEP, is seeking to develop the case for a Tax Increment Financing mechanism for Crewe, regardless of HS2. If this were successful, it would enable capital investment in and around Crewe Railway Station area and allow the project development costs incurred to date to be supported by new assets. Equally, some of the schemes identified through the work to date have merit and alternative funding mechanisms would

be sought to deliver them as part of an investment programme for Crewe which again would enable project development costs to date to be capitalised against an asset.

- 6.6.6. There is a risk that the West Coast Partnership do not agree to take the car parking at Crewe station out of the franchise. In this case, the Council would need to forego future car parking revenue streams that could help to support any local contribution. In this scenario, the Council would need to either fund these costs from other Council budgets or reduce the potential contribution which may result in the Council's plans being unaffordable

## **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. The Town Investment Plan is expected to identify how climate considerations are addressed.
- 6.10.2. The Future High Streets Fund proposals include projects that will address carbon reduction (Sustainable Energy Network) and enhance connectivity for pedestrians and cyclists around the town centre.
- 6.10.3. The hub station design and masterplan solution includes a series of proposals to encourage more sustainable travel across the area. This includes enhanced cycle and pedestrian links between the station and town centre and a new multimodal interchange alongside the new primary entrance on Weston Road.

## **7. Ward Members Affected**

- 7.1.1. All Crewe wards, particularly Crewe Central (Cllr Anthony Critchley), Crewe South (Cllrs Steven Hogben and Laura Smith) and Crewe East (Cllrs Joy Bratherton, Suzanne Brookfield and Hazel Faddes).
- 7.1.2. All Crewe members will receive a separate briefing prior to publication of the Cabinet report.

## 8. Consultation & Engagement

- 8.1. The proposals to be submitted for the Towns Fund will form part of a Town Investment Plan which will require extensive engagement with key stakeholders and public. This will be undertaken by consultants working to the Town Board and with Cheshire East officer inputs. Local Members will be engaged regularly as part of this.
- 8.2. The projects proposed as part of the Future High Streets Fund were developed with the engagement of local members and Crewe stakeholders. As projects move into delivery phase, each project will have its own consultation and engagement programme.
- 8.3. In relation to the Crewe Hub, engagement with local ward members and communities and key stakeholders will be undertaken as the programme progresses to detailed design and as key projects move forward. A full consultation plan will be presented to Full Council as part of an investment decision.

## 9. Access to Information

- 9.1. For access to any further information, contact the report authors as listed below

## 10. Contact Information

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

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*Working for a brighter future together*

Key Decision: Y

Date First  
Published: 13/8/20

## Cabinet

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**Date of Meeting:** 10<sup>th</sup> November 2020

**Report Title:** Household Waste Recycling Centre New Contract Service Provision

**Portfolio Holder:** Cllr Laura Crane – Highways and Waste

**Senior Officer:** Frank Jordan – Executive Director Place and Deputy Chief Executive

---

### 1. Report Summary

- 1.1. Councils are required to provide Household Waste Recycling Centres, and these provide an important service to enable householders to dispose of and recycle their waste responsibly.
- 1.2. The current contract for the delivery of these services ends in 2023. In anticipation of this, the Council has commissioned a review of the current service provision in the Borough (Appendix 1 and 2).
- 1.3. In developing the future model for the delivery of these services the national and international changes in the waste sector have been considered. The volatility of the recycling market has severely affected the planned income from these materials, and therefore future contracts are expected to incur higher costs. These are anticipated to be in the region of £800,000 – £1million above current annual contract costs in the financial year 2023-24.
- 1.4. The review has made it clear that the present provision compares favourably with neighbouring and similar authorities. However, with the contract due for renewal there is a need to ensure that the service is fit for purpose and delivers value for money and to seek to minimise the future cost of providing these services.
- 1.5. This report therefore seeks approval to commence a consultation exercise to inform the future service provision pattern.

## **2. Recommendations**

### **2.1. That Cabinet**

- 2.1.1. Note the contents of this report and Authorises the Executive Director - Place, in consultation with the Portfolio Holder for Highways and Waste, to take all necessary actions to consult on the future service provision of household waste recycling centres, including the four options outlined in the appended report.
- 2.1.2. Note that a further report will be presented to Cabinet to outline the results of the consultation and to seek approval for the preferred model, and also to seek approval to commence procurement for a new contract.

## **3. Reasons for Recommendations**

- 3.1. It is important that a full consultation exercise is undertaken to inform the future service provision for household waste and recycling centres in the Borough.
- 3.2. Once service provision has been determined then soft market testing, of all the available options, will guide the procurement process to then enable the council to secure a contract provider that will deliver value for money for the Council.

## **4. Other Options Considered**

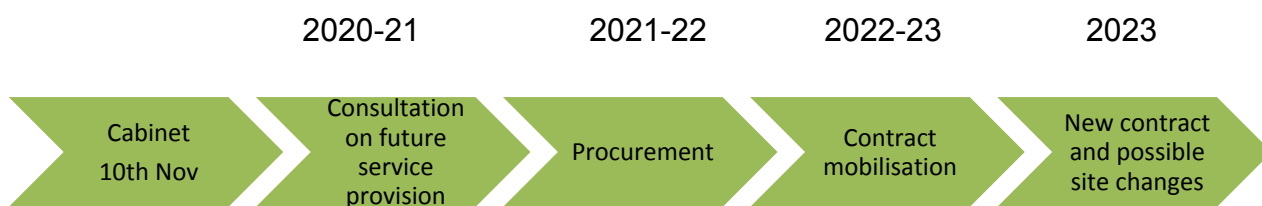
- 4.1. No other options were considered as it is important that the Council consults on the future service provision of the household waste recycling centres and that we prepare for contract procurement.
- 4.2. The option for an in-house service provision has not been discounted but will be assessed as part of soft market testing of all available options.

## **5. Background**

- 5.1. The household waste recycling centre contract will end in 2023. A 5-year extension was actioned in 2018 and therefore there is no option to extend further.
- 5.2. An extensive review of the service in 2016 led to measures that improved the efficiency of the service through the closure of a site, a reduction in the opening hours, the introduction of a charge for disposing of rubble/construction waste and the opportunity for small traders to use our sites.
- 5.3. In order to prepare for the procurement process the Council has engaged specialists who have:
  - Reviewed the existing service, comparing it with neighbouring and similar authorities
  - Review the wider waste management market to examine existing contracts and delivery arrangements

- Model a range of scenarios that examined the possibility of a new contract functioning with fewer sites. See Appendix 1
- 5.4. The review clearly shows that the service compares favourably with neighbouring and similar authorities.
- 5.5. The attached report considers four scenarios. Scenario 4 represents the least impact option. It should be noted however, the savings associated with this option are unlikely to cover the anticipated increase in contract costs and investment is still likely to be required in the remaining sites to maintain them over the next contract period. Scenarios 1, 2 or 3 may therefore offer better value, while maintaining an acceptable level of service under national guidelines. Therefore, a consultation exercise on these four scenarios will be undertaken to inform the decision regarding the future service provision pattern for HWRCs. Any changes would not be implemented until the new contract is in place in 2023.

The diagram below outlines the anticipated key milestones in taking this review forward.



## 6. Implications of the Recommendations

### 6.1. Legal Implications

- 6.1.1. A public consultation will allow the Council to canvas a range of views and make an informed decision on the future service provision of household waste recycling centres.
- 6.1.2. Councils have to provide Household Waste Recycling Centres. Under [Section 51 of the Environmental Protection Act 1990](#).. it shall be the duty of each waste disposal authority to arrange ... for places to be provided at which *persons resident in its area* may deposit *their* household waste (1) (b).
- They must be reasonably accessible to persons resident in its area (2) (a), open at reasonable times, including Saturday and available *free of charge by persons resident in the area* (2) (c)
- 6.1.3. Although there are no statutory levels of Household Waste Recycling Centre provision, national guidance recommends that the maximum number of inhabitants per Household Waste Recycling Centre is 120,000 and the maximum number of households per Household Waste Recycling Centre is 50,000.

## **6.2. Finance Implications**

6.2.1. It is anticipated that the current contract value will not be replicated, due to the significant changes in waste management nationally and globally. It is estimated that any new contract let on the same basis may incur a cost increase of between £800,000 – £1million and hence the review will seek to reduce costs. The Councils medium term financial strategy will need to reflect the anticipated increase in costs for 2023 but will be updated in the next financial cycle once service provision has been finalised.

6.2.2. If all eight centres were to remain open there is a need for significant investment in the infrastructure,

- The Congleton site is not owned by the authority and the landlord has only agreed a short lease. Early work has suggested a cost of around £4 million for a new purpose-built site, not including land purchase
- Each site has planned works for their improvement, this £1 million investment has been delayed due to the contractor going into administration. These works are anticipated in 2021
- In addition there is significant, as yet un-costed, works required at the Macclesfield site.

## **6.3. Policy Implications**

6.3.1. By preparing thoroughly for this contract we are ensuring that we take decisions for the long-term, investing in the future and responding to changing circumstances.

## **6.4. Equality Implications**

6.4.1. The potential of site reduction will impact those residents that were nearer the closed sites, but this will not be dependent on any specific characteristics.

## **6.5. Human Resources Implications**

6.5.1. The introduction of a new contract will have TUPE implications for site staff who will be transferred to the new operator.

## **6.6. Risk Management Implications**

6.6.1. There is always the risk that following soft market testing that an open market procurement will not deliver the quality of contractor that we are seeking but we will address this through a thorough procurement process that will ensure a quality service.

## **6.7. Rural Communities Implications**

6.7.1. Although travel times may be increased the review still considers them acceptable in line with national guidance.

**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. We are aware that a small minority of residents will be making longer journeys but anticipate that because of the greater distances that residents will make fewer journeys and think more carefully about their travelling.

6.10.2. Given the significant change in recycling since the previous contract was procured, we anticipate that site performance will be improved and the opportunity to reuse and recycle enhanced.

**7. Ward Members Affected**

7.1. Wards affected dependent on the preferred scenario.

**8. Consultation & Engagement**

8.1. A full borough wide consultation will be carried out with regard to the proposed scenarios.

**9. Access to Information**

9.1. Full report is available in Appendix 2 of this document.

**10. Contact Information**

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

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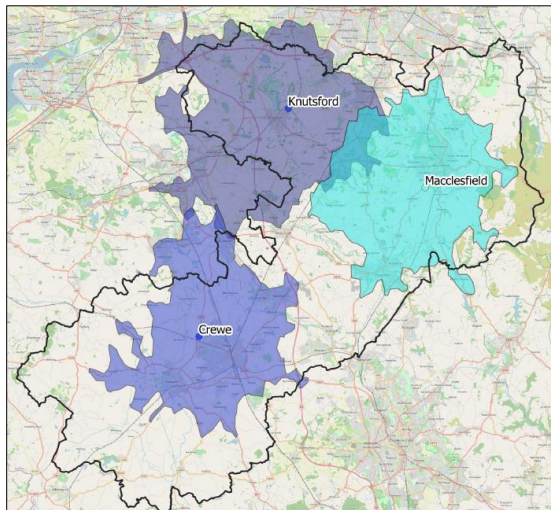
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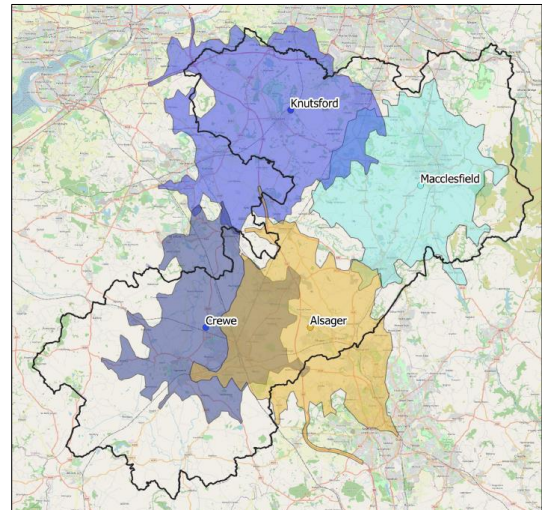
Appendix 1 Scenarios with 15-minute travel time from each site

Site	Current	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Alsager	✓		✓	✓	✓
Bollington	✓			✓	✓
Congleton	✓				
Crewe	✓	✓	✓	✓	✓
Knutsford	✓	✓	✓	✓	✓
Macclesfield	✓	✓	✓	✓	✓
Middlewich	✓				✓
Poynton	✓				

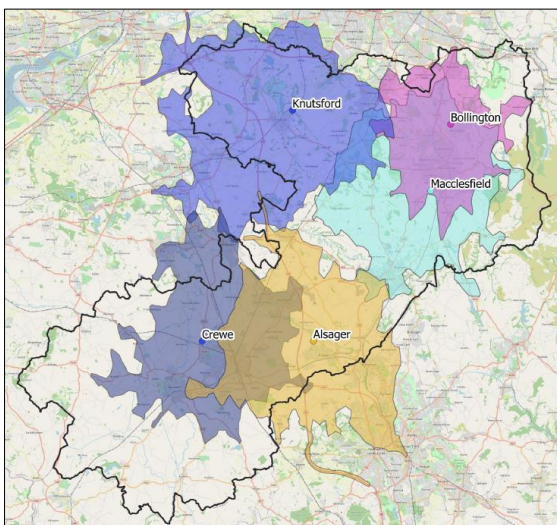
Scenario 1 - 5 sites closing



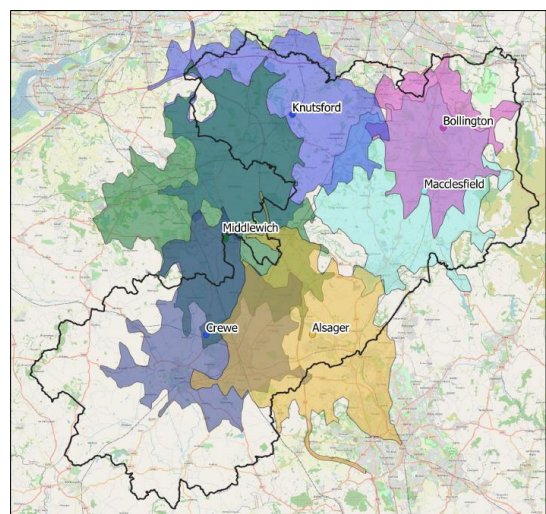
Scenario 2 - 4 sites closing



Scenario 3 - 3 sites closing

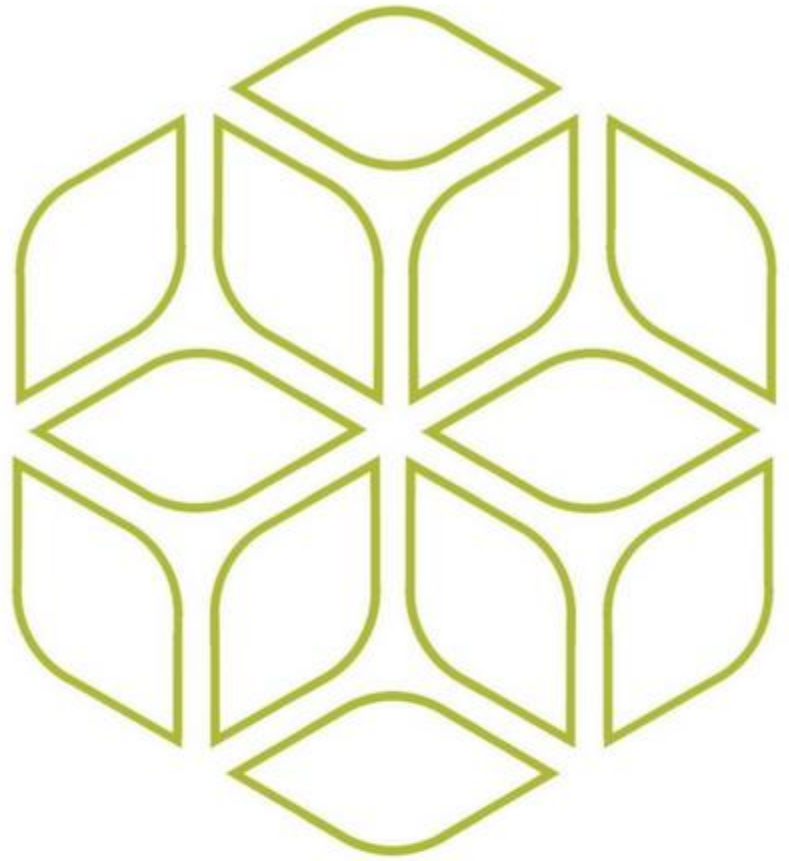


Scenario 4 - 2 sites closing



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## Review of Cheshire East Council HWRC network

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**Cheshire East Council**  
**July 2020**

**Document prepared for**

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**Limitations**

This report has been produced by Resource Futures on behalf of Cheshire East Council. Whilst Resource Futures has taken all due care to interpret and collate the information presented within the report, any third party relying on the results of the analysis shall do so at their own risk and neither Resource Futures nor Cheshire East Council shall be liable for any loss or damages arising there from.

## Executive Summary

### Introduction

Resource Futures was commissioned to carry out an update to a previous review and consider the options available to the Council for the future shape of the household waste recycling centre contract. With the contract ending in early 2023 the Council sought independent expert advice on the ways forward. CEC is aware that the current contract cannot simply be replicated and that national and international changes in the waste sector need to be considered. The volatility of the recycling market has severely impacted the planned income from these materials, and therefore future contracts may incur higher costs. The Council is seeking to understand the best contract model.

### Contract procurement options

A comparison of the performance of the current contract alongside neighbouring and similar authorities recognised the range of contracts that are available; an evaluation of some working options was carried out. It is important to acknowledge that any contract options are going to be affected by the recent government Resources and Waste Strategy and the legislation which will result from it. The legislative environment means that the conditions within the waste management sector will be uncertain until at least 2023, when the majority of the initiatives are due to be implemented. Additionally, the situation on the international material markets means that the prices of materials are currently low. This suggests that the contractors bidding for any HWRC contract will be cautious while Local Authorities will need to build flexibility into contracts, which is likely to result in additional costs to operate services.

The analysis of the options available to the Council reveals that there are a number of key points that officers will need to consider before commencing the procurement process including appetite for risk, utilising the LA owned company, partnership work with the neighbouring authorities and the investment in infrastructure needed. The different operating models all have pros and cons so it is not possible to recommend one over another. In any case, it will be crucial to ensure that any future procurement exercise and contract documents (specification, payment mechanisms and incentives/penalties) are clearly set out to ensure best value is achieved for the Council.

### Comparing the current service

To provide an informed understanding of the current service provision and its performance, a comparison was made with neighbouring authority sites and authorities that are similar to Cheshire East. On many of the measures used the provision is clearly highly rated and compares favourably, however with the contract due for renewal there is a need to ensure that the service is fit for purpose. The previous review revealed that the service provision was generous and therefore in order to determine the most efficient combinations of sites, Resource Futures was tasked with modelling four different scenarios that involved the closure of some sites. Could the Council operate more effectively by operating fewer improved sites and still deliver the same level of service?

Table E 1 below shows the scenarios modelled.

Table E 1 Network options scenarios

Site	Current	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Alsager	✓		✓	✓	✓
Bollington	✓			✓	✓
Congleton	✓				
Crewe	✓	✓	✓	✓	✓
Knutsford	✓	✓	✓	✓	✓
Macclesfield	✓	✓	✓	✓	✓
Middlewich	✓				✓
Poynton	✓				

### Impact on distance and travel times

The current provision offers the best coverage in terms of the shortest drive times for residents, as indicated in the table below, however both scenario 3 and 4 offer 96% of all properties less than a 20-minute drive to their nearest HWRC. In scenario 3 and 4, only 4% of households are required to drive for more than 20 minutes to reach their nearest site and in scenario 4, the majority (96%) are able to reach their nearest HWRC within 20 minutes by car.

Table E 2 Proportion of households in each of the drive time bands for each scenario

Scenario	Proportion of Households				
	Less than 5 minutes	Less than 10 minutes	Less than 15 minutes	Less than 20 minutes	More than 20 minutes
Current	22%	63%	91%	98%	2%
Scenario 1	11%	37%	68%	88%	12%
Scenario 2	13%	43%	78%	93%	7%
Scenario 3	15%	48%	82%	96%	4%
Scenario 4	17%	52%	86%	96%	4%

The analysis shows that a reduction in the number of sites, whilst having a localised impact, does not present a problem for the vast majority of residents. This understanding informs the preparation of the contract procurement since there may need to be flexibility within the contract to accommodate a reduction in sites if this is shown to be the most effective means of delivering a high-quality service. It is unlikely that the number of sites is a factor in how attractive the contract is to the market. The key considerations in the short term will be connected to the material markets and how this will impact the affordability of the contract.

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## 1 Introduction

### 1.1 Cheshire East HWRC network

Cheshire East Council (CEC) is a unitary Authority with a population of 370,100 and an area of 116,638 hectares. The Borough was created in April 2009 when Cheshire County Council and all borough councils within the County ceased to exist and was replaced by Cheshire East and Cheshire West and Chester Unitary authorities.

The Council operates 8 Household Waste Recycling Centres (HWRC). The delivery of the HWRC service is currently managed on behalf of Cheshire East Council by ANSA Environmental Services, a company wholly owned by Cheshire East Council, with site operations being undertaken under contract by HW Martin Ltd and the subcontracted Site Managers. The Site Managers are responsible for employing and managing site staff, provision of adequate Certificate of Technical Competence cover on site, site security and site cleanliness. The individual site managers are also responsible for the provision of suitable containers for the collection and storage of non-ferrous metal and reusable bric-a-brac, and a significant part of their payment for operating the sub contract comes from the right to remove and sell this non-ferrous material and bric-a-brac. HW Martin retain responsibility for ensuring the HWRC are operated in line with contract requirements, and for providing outlets for all material deposited at the site, bar the aforementioned reusable material, non-ferrous metal, and non-recyclable material, (which HW Martin are paid to haul to disposal sites operating under the Council's primary waste disposal contract). This contract is in place until March 2023.

In 2016 Resource Futures was commissioned to carry out a review of the service and as a result of this work the Council implemented the following changes to the service provision:

- Site closure (Arclid)
- Reducing hours at all sites from an average of 10 to 8 hours per day
- Introducing a rubble/construction waste charge that has resulted in total throughput at sites dropping by 25%
- The opportunity for smaller traders to deposit rubble at the Council's sites

### 1.2 Cheshire East Municipal Waste Management Strategy

In 2014 CEC published a Municipal Waste Management Strategy, identifying how it plans to manage waste up to 2030. The Strategy included a recommendation to undertake a review of the HWRC network and identified that less than 20% of the borough's household waste is taken to the HWRCs. An objective of the Strategy was to maintain the role of HWRCs in collecting bulkier wastes and maximising the recycling and re-use of these items. It also indicated that CEC *"will examine the use of Third Sector Organisations as potential off takers for the re-use of bulky waste and WEEE collected at HWRCs"*. The Strategy also suggested that CEC investigates the management of commercial and industrial waste through provision of a dedicated commercial waste recycling centre in order to meet CEC's aspirations of serving the business community and improving overall waste management. Re-use and commercial waste were therefore considered within the 2016 review resulting in the acceptance of rubble/construction waste from small traders at all sites. This was deemed to be a more cost effective action than creating a single site dedicated to trade.

In 2020 the Council carried out a review of the Waste Management Strategy, taking into account the Government's Resources and Waste Strategy. The review was due to be consulted with the public, but this is currently put on hold due to the Covid-19 pandemic.

The review included two updated targets which are particularly pertinent to HWRCs:

- *Having exceeded the national targets for recycling of 50% by 2020, to work towards the new national target of 65% by 2035.* HWRCs will need to contribute to achieving this target.
- *To utilise waste that cannot be reused or recycled as a resource for energy generation.* The sites are separating the residual material delivered by the residents to ensure that the bulky waste items can be shredded and sent for energy recovery.

### 1.3 Aims and objectives of this review

Resource Futures was commissioned to carry out an update to the previous review and consider the options that are available to the Council for the future shape of the HWRC contract. With the contract ending in early 2023 the Council sought independent expert advice on the ways forward. CEC is aware that the current model has been superseded by others, whose contracts are not based on the income from commodities as a key element. This is an important change as the volatility of the recycling market has severely impacted the planned income from these materials, and therefore future contracts are likely to incur higher costs. The Council is seeking to understand the best contract model based on the scenarios below.

Key objectives are therefore:

1. Modelling the scenarios identified by Cheshire East Council. The scenarios include:

- Scenario 1 - Keeping 3 key sites open. Crewe, Macclesfield and Knutsford and therefore closing Congleton, Poynton, Bollington, Alsager and Middlewich
- Scenario 2 – Keeping 4 sites open. Crewe, Macclesfield, Knutsford and Alsager
- Scenario 3 - Keeping 5 sites open. Crewe, Macclesfield, Knutsford, Bollington and Alsager
- Scenario 4 – Keeping 6 sites open, closing Poynton and Congleton

The analysis of the scenarios will help the Council understand the impact on the remaining sites in terms of throughput and traffic, the impact on residents in terms of site provision and drive times as well as any legislative or statutory implications.

Additionally, the review will help the Council understand how the services compare with the geographic and demographic neighbours. The review will identify how services could be improved and the potential for increased income.

2. Determining viable contract options from the analysis included in the review. This will assist the Council in assessing the future market and legislative situation and the impact of these on services as well as the contracts and procurement options.

## 2 Baseline

### 2.1 Current HWRC provision levels

The Council has a statutory duty to provide sites at which residents can deposit their household waste free of charge and that are reasonably accessible to residents. The legislation does not specify how many sites



an authority should provide and therefore the responsible authority is able to determine what is reasonably accessible based on local circumstances.

The Waste and Resources Action Partnership (WRAP) published an HWRC Guide in 2012, which identified guidance for the level of provision of HWRCs, these were:

- Maximum catchment for a large proportion of the population of 3-5 miles (7 miles in very rural areas)
- Maximum driving times for the great majority of residents in good traffic conditions of twenty minutes (30 minutes in very rural areas)
- Maximum number of inhabitants per HWRC of 120,000
- Maximum number of households per HWRC of 50,000

In Cheshire East, there are currently eight sites at Alsager, Bollington, Congleton, Crewe, Knutsford, Macclesfield, Middlewich and Poynton. This equates to one site for approximately 24,000 households and one site for every 47,600 inhabitants. 76% of residents are within 5 miles of an HWRC and over 98% can reach a site within 20 minutes in normal traffic. Taking account of the guidelines above, CEC currently has a sufficient provision of HWRCs to fulfil its statutory duty.

## 2.2 Current performance

The following Figure 1 shows the performance of the HWRC network between 2017 and 2020. The impact of the introduction of the rubble charges in January 2018 can be clearly seen in the significant decrease in the quantity of the material presented at the HWRC network. This therefore led to a decrease in the recycling rate (incl. rubble). However further analysis of the data (removing rubble from the calculation as shown by the dark blue line) shows a more general decline in the recycling rates across the network from 65% in 2016/17 to 61% in 2019/20.

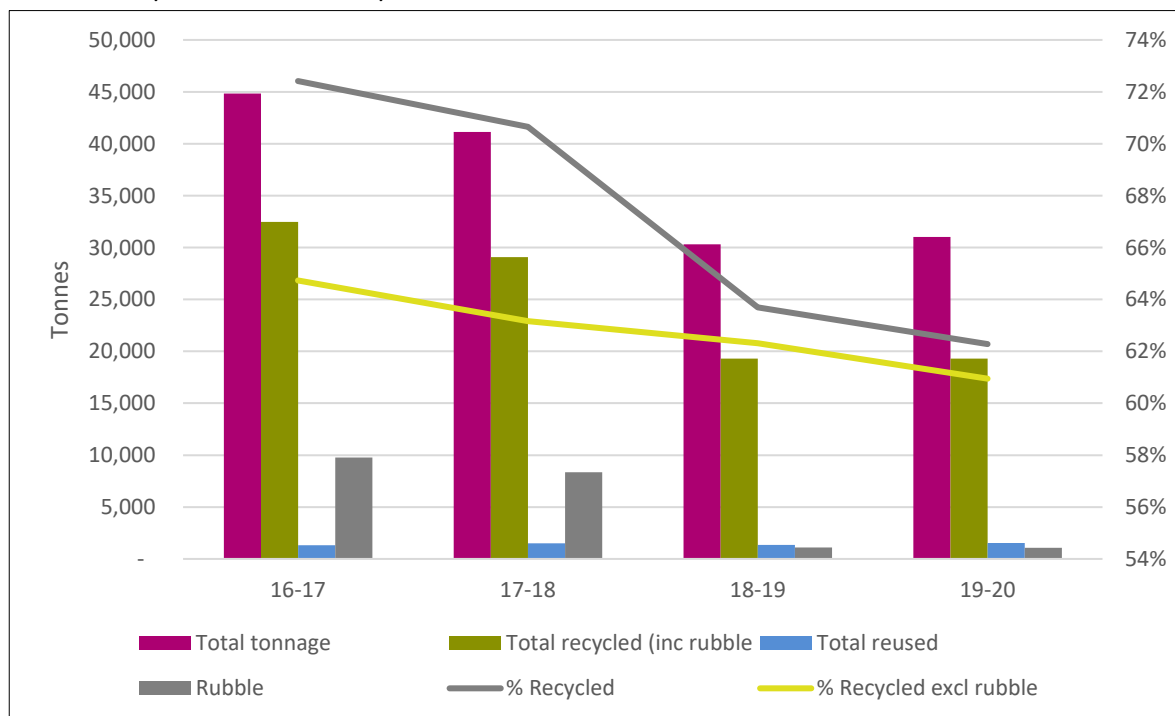


Figure 1 HWRC network performance between 2016/17 and 2019/20

## 2.3 Users

A user count was carried out in May and June 2020 following the reopening of sites, after the pandemic restrictions had been lifted. The results are shown in Table 1 below. Crewe, Knutsford, Macclesfield and Alsager had the highest footfall.

*Table 1 Average users per day per site*

Site	Average no of users per day
Alsager	304
Bollington	175
Congleton	186
Crewe	419
Knutsford	325
Macclesfield	303
Middlewich	172
Poynton	206
<b>Total</b>	<b>2,090</b>

## 3 Benchmarking

CEC was benchmarked with both neighbouring and similar authorities with the results provided below. Further detail is referenced in the following section and provided in Appendix A.

### 3.1 Neighbouring authorities

HWRC sites in six neighbouring local authorities were selected for benchmarking based on their proximity to the border with CEC. The neighbouring authorities are:

- Cheshire West and Chester
- Warrington Borough Council
- Greater Manchester WDA (incl. Manchester, Stockport, Trafford)
- Derbyshire County Council (incl. High Peak Borough Council)
- Staffordshire County Council (incl. Staffordshire Moorlands, Newcastle-under-Lyme Borough Council)
- Shropshire

According to the 2018/19 national HWRC directory CEC has the second highest HWRC recycling rate excluding rubble (66.7%), following Warrington (71.0%). In terms of throughput, CEC has the second lowest annual tonnage, coinciding with a 25% drop from the previous year. Throughput per household is middle of the range (180kg/hh/yr.); with Shropshire and Greater Manchester residents producing the most HWRC waste (276 kg/hh/yr.). Both CEC and Cheshire West and Chester have the highest number of sites per 100,000 population (2.1 sites), when compared with the neighbouring authorities.

A summary of key policies and opening times are detailed in Table 2. All authorities enforce vehicle restrictions, largely related to vehicle payload and length. Shropshire enforces a similar permit scheme to CEC for vans or larger vehicles, while Warrington issues permits either for vans with large amounts of

household waste, or where non-household waste is being disposed of. Both Greater Manchester and Warrington allow only a certain number of visits per year, with the former restricting frequency based on vehicle type. Only Staffordshire requires residents to pay for disposal of rubble, plasterboard and soil type wastes, though most authorities state that only small DIY projects can be accepted. Greater Manchester and some sites in Staffordshire cannot accept plasterboard and asbestos.

HWRC opening times are varied across the authorities. Cheshire West and Chester, Warrington, Greater Manchester, and Derbyshire all provide at least one site with opening times similar to or greater than CEC. The Chester, Ellesmere Port and Winsford recycling centres, within Cheshire West, provide 12-hour opening times during weekdays in the summer months.

Table 2 HWRC policies and opening times of neighbouring authorities

Authority	Vehicle restrictions	Residents Permit	Limits on non-household waste	Opening Times	Trade Waste Accepted?	DIY Charges
Cheshire East	Yes	Yes, for vans or trailers	Small DIY projects only, charges applicable. No gas cylinders or tyres. Asbestos at Pym's Lane Crewe or Danes Moss Macclesfield only.	Seven days a week; 8:30am-5pm April-September, 8:30am-4pm October-March.	Yes, limited quantities of rubble from small traders	Hardcore/rubble/soil/ceramic/glass & plasterboard = £3.60 per bag, per sheet or individual item.
Cheshire West & Chester	Yes	No except for Neston, due to location near council boundary.	Cannot accept asbestos, gas cylinders, tyres.	3x sites open seven days a week: Summer months 8am-8pm weekdays, 8am-6pm weekends. Winter months 8am-4pm every day. 4x sites open five days a week (midweek closing). Summer months 9am-5pm. Winter months 8am-4pm.	No – separate centre allocated for trade waste next to Chester Site.	No
Warrington Borough Council	Yes	Yes, for non-household waste, or when using van for large amounts of household waste.	Requires permit with list of items, regardless of vehicle. Up to three visits in 12-month period. Can't accept car tyres or vehicle parts, fire extinguishers, gas bottles, hazardous or flammable liquids or chemicals, pallets.	Gatewarth: Seven days a week; 8am-6pm Stockton Heath / Woolston: Seven days a week; 10am-4pm weekdays, 8am-6pm weekends (Stockton Heath: 8am-4pm weekends in winter months).	No	No
Greater Manchester WDA	Yes	No	No asbestos, plasterboard (both to be taken to waste transfer facility) or food waste.	Seven days a week; 8am-6pm	No	No
Derbyshire County Council	Yes	No	No car parts except tyres (max 4), large tree branches, large items of fitted furniture, greenhouses, sheds, fencing, decking, Christmas cards or wrapping paper. Plasterboard – max. 50kg per visit per week, whole sheets not accepted. Asbestos – 2x roofing sheets or 2m downpipe.	Seven days a week; 8:30am-6pm	No	No

Authority	Vehicle restrictions	Residents Permit	Limits on non-household waste	Opening Times	Trade Waste Accepted?	DIY Charges
Staffordshire County Council	Yes	No	DIY only. Charges applicable to some items. No car parts (except tyres/batteries), animal carcasses, petrol or diesel. No plasterboard at Cheadle or Newcastle. No engine oil at Newcastle.  Although usually accepted at Leek, asbestos is not currently permitted. Restricted to 4 sheets or 4 bags per household every six months.	Newcastle-under-Lyme: Five days a week (midweek closing), 9am-5pm. In summer months, 9am-6pm weekdays.  Staffordshire Moorlands - Biddulph: Five days a week (Mon/Tue closed), 9am-6pm. In winter months, 9am-4:30pm. Leek: Seven days a week, 9am-5pm (in summer months, 9am-6pm weekdays). Cheadle: Five days a week (midweek closing), 9am-5pm (in summer months, 9am-6pm weekdays).	No	Rubble/bricks/concrete/glass/gravel/ceramic/sand/slate/soil/stone/tarmac/turf/tiles & fibreglass - £3 per bag or large item.  Plasterboard - £4 per bag or sheet.  Tyres - £4 per tyre.
Shropshire	Yes	Yes, for cars with large trailers, vans and 4x4s with goods body, long-term hire commercial vehicles.	Small DIY only. Asbestos requires notification prior to visit.	Seven days a week; 9am-5pm	No	No

### 3.2 Similar authorities

In order to benchmark the current CEC HWRC operation we have identified five target authorities using Office of National Statistics (ONS) area classification data which uses 59 key variables of demographic and socio-economic factors to rank the similarity of local authorities across the UK. The most similar authorities to CEC are identified as:

- Cheshire West & Chester
- Tewkesbury
- Stroud
- Stafford
- Monmouth

For authorities that are waste collection authorities only (Tewkesbury, Stroud and Stafford), HWRC data for the disposal authorities (Gloucestershire and Staffordshire) has been used.

According to the 2018/19 National HWRC Directory, CEC has the highest HWRC recycling rate excluding rubble when compared to the similar authorities. CEC's throughput per household is second lowest amongst the group (180kg/hh/yr.), following Staffordshire (175kg/hh/yr.). Monmouthshire in comparison, had a throughput per household of 492kg/hh/yr., and provides double the amount of sites per 100,000 population (4.2.) when compared to CEC (2.1 sites).

A summary of key policies and opening times are detailed in Table 3. Gloucestershire and Monmouthshire normally use a similar permit scheme to CEC for vans and trailers, though both are currently enforcing a pre-booking system in light of Covid-19 restrictions. Both Gloucestershire and Staffordshire will accept tyres and batteries but not car parts, and also mention that they will not accept petrol or diesel. All authorities accept plasterboard, rubble and soil, as long as it is for DIY only and not trade waste, with only Staffordshire charging for the disposal of these items. Monmouthshire explicitly states that DIY waste is restricted to five bags or one small car boot load per visit, with a maximum of two visits per month.

The majority of sites have shorter opening times compared to CEC, with Gloucestershire, Monmouthshire and some Cheshire West sites opening for five or six days per week.

Table 3 HWRC policies and opening times of similar authorities

Authority	Vehicle restrictions	Residents Permit	Limits on non-household waste	Opening Times	Trade Waste Accepted?	DIY Charges
Cheshire East	Yes	Yes, for vans or trailers	Small DIY projects only, charges applicable. No gas cylinders or tyres. Asbestos at Pym's Lane Crewe or Danes Moss Macclesfield only.	Seven days a week; 8:30am-5pm. April-September, 8:30am-4pm October-March.	Yes, limited quantities of rubble from small traders	Hardcore/rubble/soil/ceramic/glass & plasterboard = £3.60 per bag, per sheet or individual item.
Cheshire West & Chester	Yes	No except for Neston, due to location near council boundary.	Cannot accept asbestos, gas cylinders, tyres.	3x sites open seven days a week: Summer months 8am-8pm weekdays, 8am-6pm weekends. Winter months 8am-4pm every day. 4x sites open five days a week (midweek closing). Summer months 9am-5pm. Winter months 8am-4pm.	No – separate centre allocated for trade waste next to Chester Site.	No
Gloucestershire County Council (Tewkesbury, Stroud)	Yes	Normally for vans. Booking system now in force for all visits due to Covid-19.	Cannot accept ammunition, flares, animal carcasses, car parts (except tyres/batteries), clinical waste, petrol or diesel, invasive or poisonous plant species, large items such as septic or heating tanks. Asbestos must be pre-booked.	Six days a week (mid-week closing). 9am-5pm.	No	No
Staffordshire County Council (Stafford)	Yes	No	DIY only. Charges applicable to some items. No car parts (except tyres/batteries), animal carcasses, petrol or diesel. Although usually accepted, asbestos is not currently permitted due to Covid-19. Restricted to 4 sheets or 4 bags per household every six months.	Seven days a week; 9am-5pm. In summer months, 9am-6pm weekdays.	No	Rubble/bricks/concrete/glass/gravel/ceramic/sand/slate/soil/stone/tarmac/turf/tiles & fibreglass - £3 per bag or large item. Plasterboard - £4 per bag or sheet. Tyres - £4 per tyre.
Monmouthshire County Council	Yes	Normally for vans. Booking system now in force for all visits due to Covid-19.	DIY waste restricted to five bags or small car boot load per visit, with maximum of two visits per month. No asbestos.	Six days a week (midweek closing); 8am-5pm. Covid: Key worker times: 8am-9am.	No	No

### 3.3 Benchmarking findings

The findings of the benchmarking with neighbouring and similar authorities suggest that:

- In terms of rubble/construction type wastes, only Staffordshire charges residents for disposal similar to CEC. Monmouthshire and Derbyshire do provide limits on the amount of waste that can be disposed, but most authorities are less explicit, asking only that small DIY wastes be brought to recycling centres.
- Most of the comparable authorities require some form of residential permit for vans, but not all.
- The majority of authorities accept asbestos but impose either limit to the amount that can be disposed or ask that site visits are pre-booked. Safe handling and bagging or wrapping of materials is advised in all cases.
- CEC is amongst the authorities which provide longer opening times. There are however three sites within Cheshire West which are open for 12 hours each weekday during the summer.

## 4 Scenario spatial analysis showing drive times and distances for residents

Spatial analysis has been completed to understand the distance residents need to travel to the nearest HWRC and the drive times for residents within Cheshire East. A number of scenarios were modelled to consider the impact of closing two or more sites. All calculations assume that residents are likely to visit their closest site in Cheshire East. The analysis does not include HWRCs outside the Cheshire East boundary.

*Table 4 Sites included within each scenario (✓ denotes site remains open in the scenario)*

Site	Current	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Alsager	✓		✓	✓	✓
Bollington	✓			✓	✓
Congleton	✓				
Crewe	✓	✓	✓	✓	✓
Knutsford	✓	✓	✓	✓	✓
Macclesfield	✓	✓	✓	✓	✓
Middlewich	✓				✓
Poynton	✓				

The scenarios were chosen by CEC to represent different levels of HWRC provision, ranging from just two site closures in scenario 4, to a network of only three sites. Detailed results of the spatial analysis are included in Appendix B with the key points discussed below.

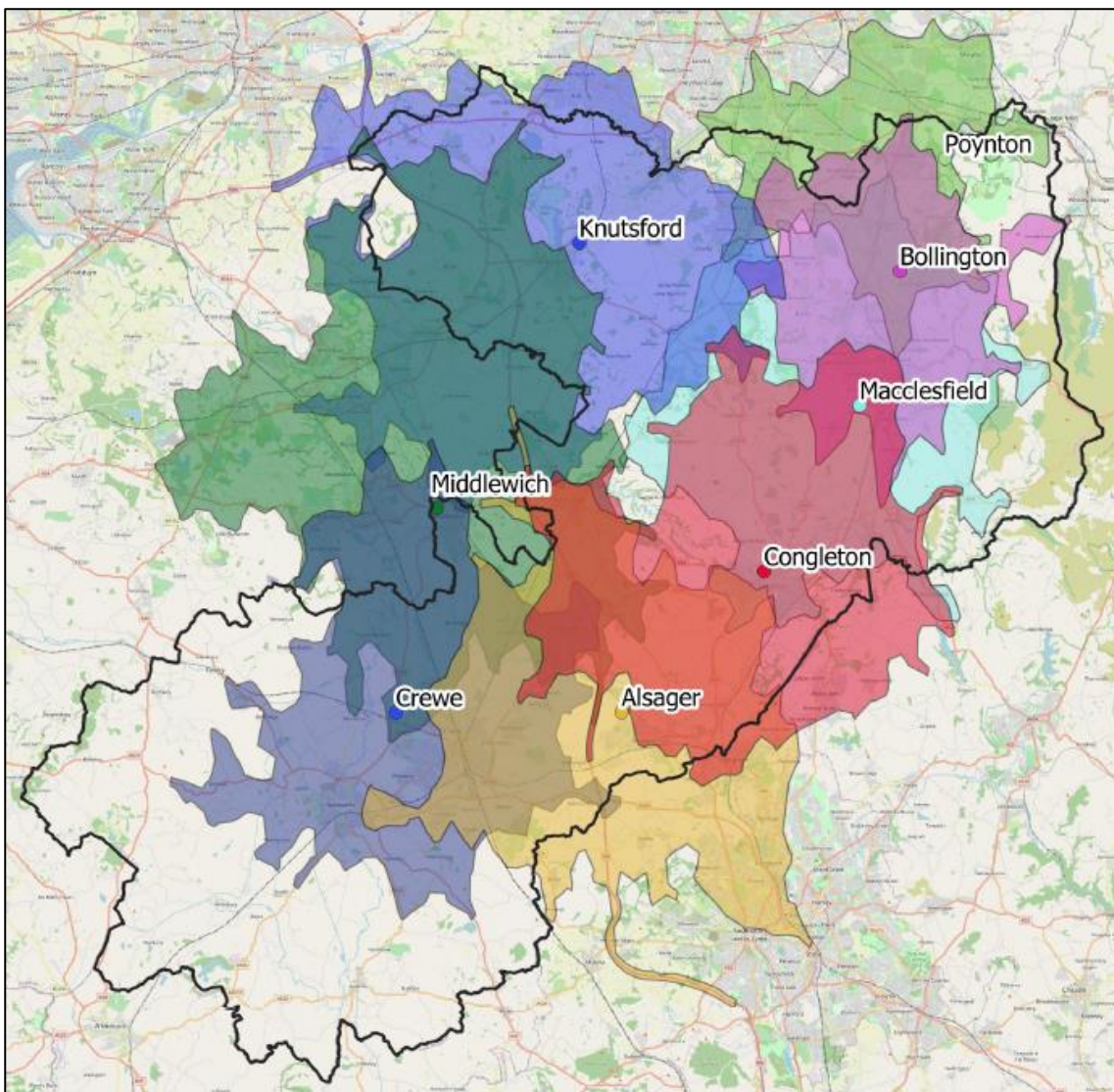
At present, with eight HWRCs, 98% of householders can reach a site within twenty minutes. Analysis indicates that more than 78% of all households could drive to an HWRC in less than fifteen minutes in all of the scenarios modelled, (with the exception of the scenario whereby only the core sites of Crewe, Knutsford and Macclesfield remain open). This suggests that there is a potential over provision of sites



within the authority and closure of up to three sites would not have a significant impact upon the majority of the population. Reducing the number of HWRCs to only three sites would mean that approximately 12% of households would have to drive more than 20 minutes to reach a HWRC. CEC may deem this to be acceptable given the WRAP guidance suggest that the great majority of residents are twenty minutes (30 minutes in very rural areas) away.

Drive time analysis has been used as a proxy for which sites a householder is most likely to use. Of course, convenience and preference will also play a role. However, assuming householders use their nearest sites, 67% of CEC households use Alsager, Crewe, Knutsford or Macclesfield. 7% of households use Poynton HWRC, 8% use Middlewich HWRC and both Bollington and Congleton are used by 9% of households.

Previous analysis has shown that the proximity of sites within neighbouring authorities means that approximately 8% of households are closer to a site outside of CEC. The map below shows the locations of the HWRCs and the current overlap of 15-minute drive times.



*Figure 2 Current HWRC network and 15-minute drive times*

#### 4.1 Scenario 1 – Macclesfield, Crewe and Knutsford open

If five of the eight sites were to close, Macclesfield would be the closest site for another 21% of the population. Crewe would be the closest site of another 16% of the population. Therefore, both sites would require redevelopment or renewal to accommodate this additional throughput of site users and tonnage. Indeed, all three sites would also require investment to ensure they could accommodate the additional throughput whilst maintaining high recycling rates.

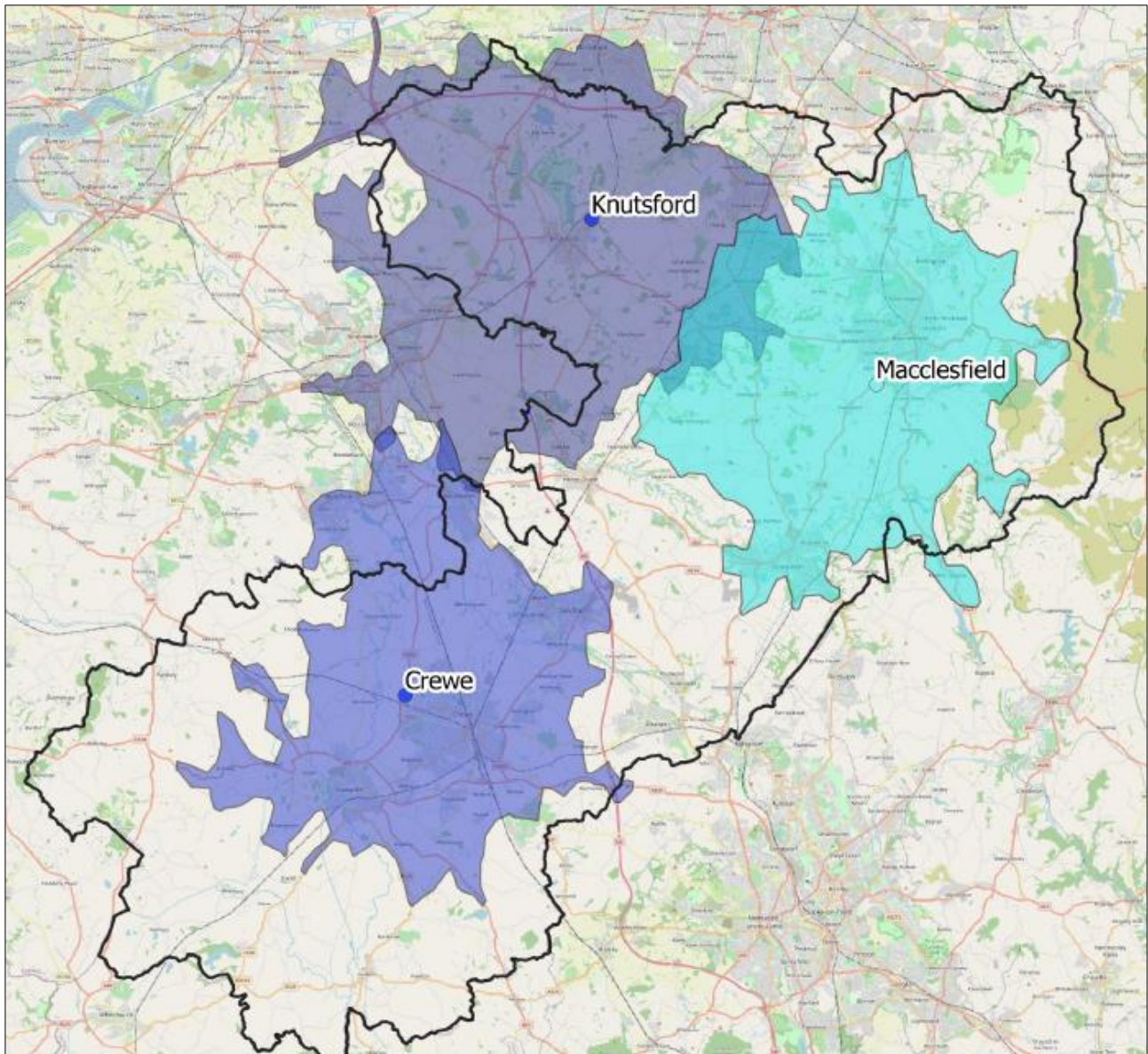


Figure 3 Scenario 1 and 15-minute drive times



#### 4.2 Scenario 2 – Macclesfield, Crewe, Knutsford and Alsager open

A scenario that sees Bollington, Congleton, Middlewich and Poynton close (as the four sites with the smallest throughput) would minimise the overlap of HWRC catchments in the centre of the authority. There would be areas in the north around Colshaw Farm and Poynton and in the South in Wrenbury and Audlem where residents would be expected to drive for more than 15 minutes to reach their nearest HWRC within Cheshire East. However, based on WRAP guidelines, 93% of households would still receive acceptable levels of provision because they could reach a site within twenty minutes. In this scenario there would be a noticeable impact on Macclesfield HWRC with 37,000 more properties in the Macclesfield catchment area, compared with the current provision.

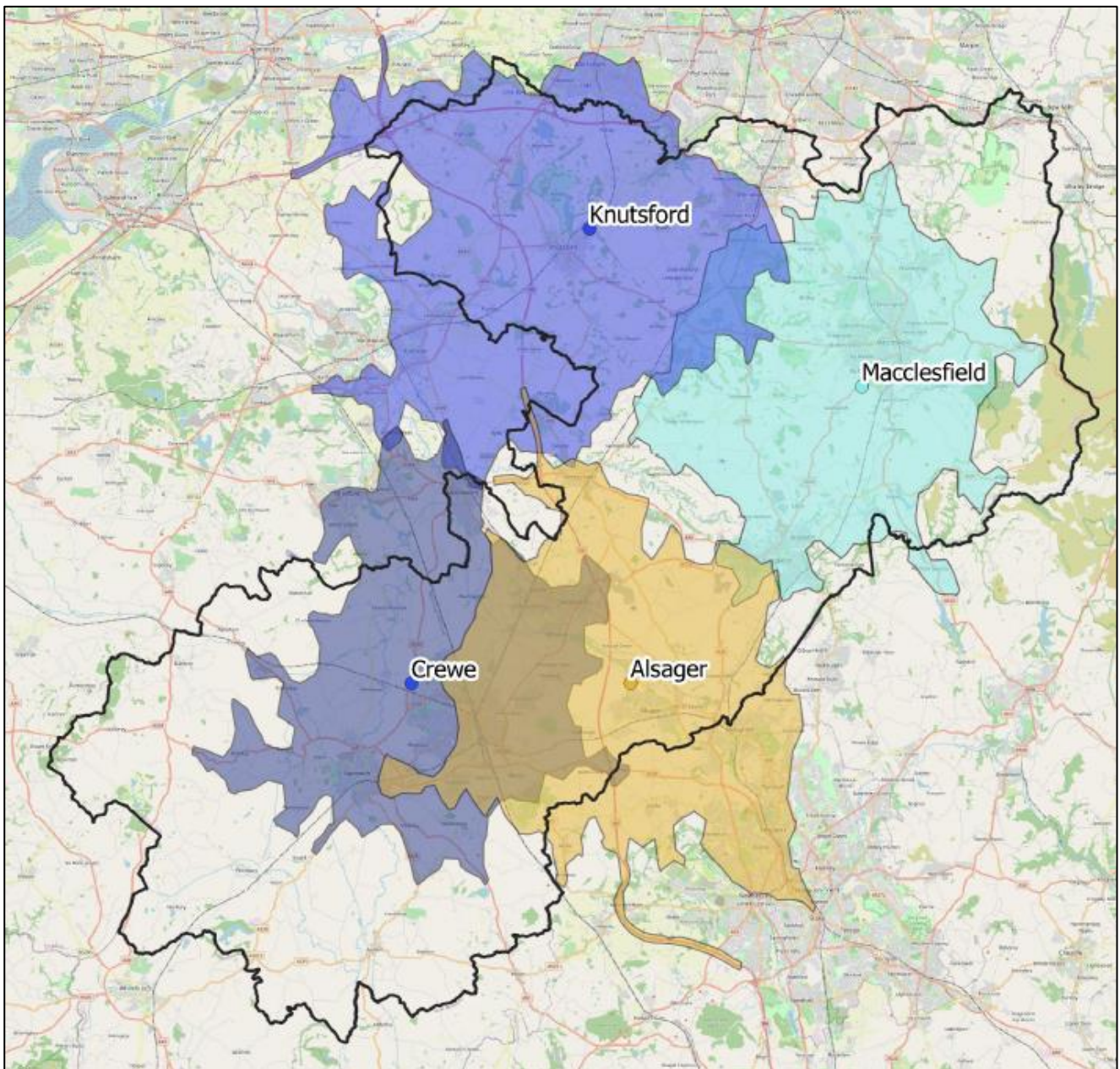


Figure 4 Scenario 2 and 15-minute drive times



### 4.3 Scenario 3 – Macclesfield, Crewe, Knutsford, Alsager and Bollington open

If Congleton, Middlewich and Poynton close, and assuming they are not replaced, the spatial analysis forecasts that Macclesfield and Bollington will see increased use. 9% more households will go to Macclesfield and 7% more households will go to Bollington. 96% of households will still receive acceptable levels of provision because they could reach a site within twenty minutes.

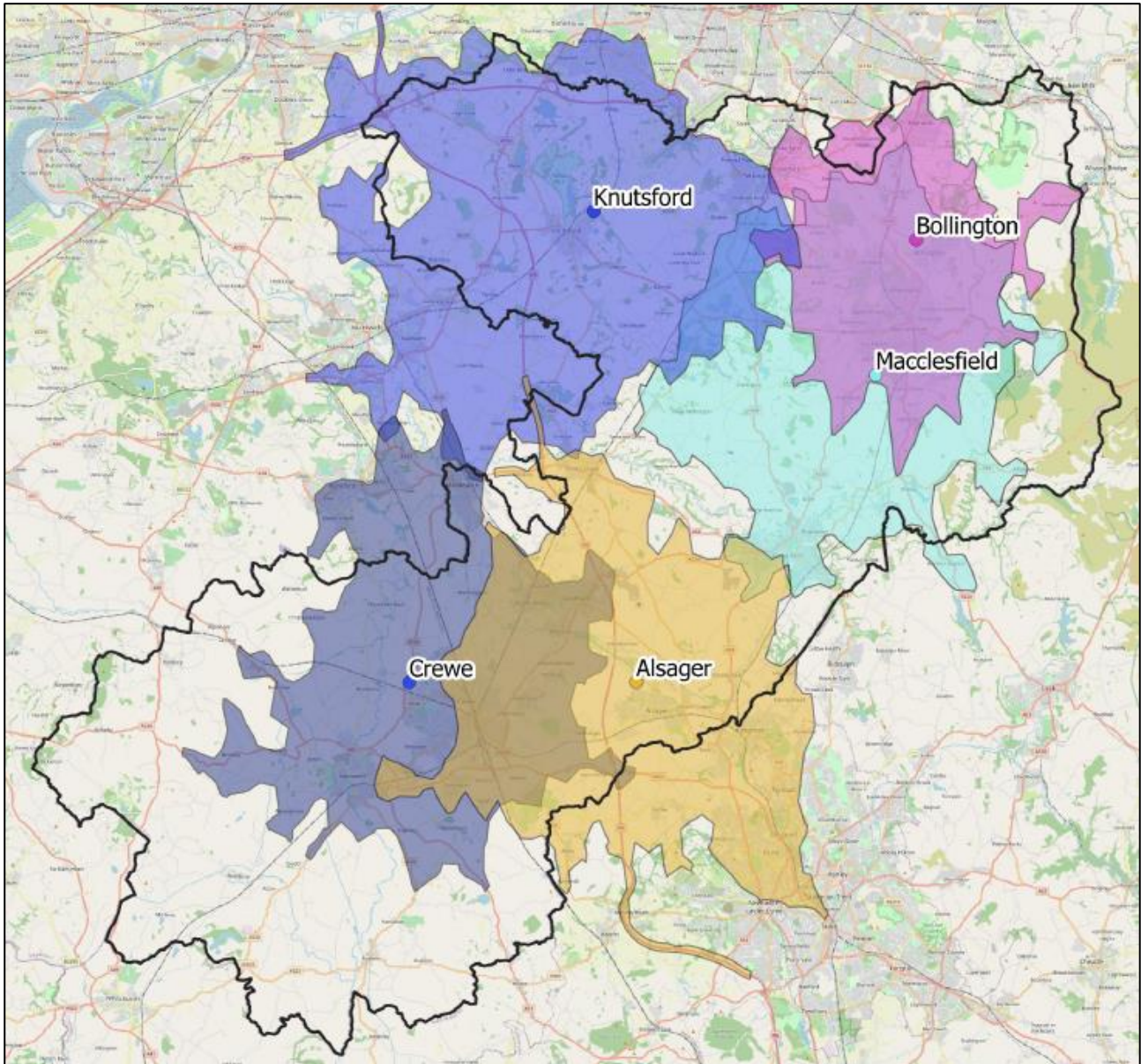


Figure 5 Scenario 3 and 15-minute drive times



#### 4.4 Scenario 4 – Macclesfield, Crewe, Knutsford, Alsager, Bollington and Middlewich open

If Congleton and Poynton close, and assuming they are not replaced, the spatial analysis forecasts that Bollington and Macclesfield will see similarly increased use as in scenario 3. Middlewich will have the same number of households closest to it. As in scenario 3, 96% of households would still receive acceptable levels of provision because they could reach a site within twenty minutes.

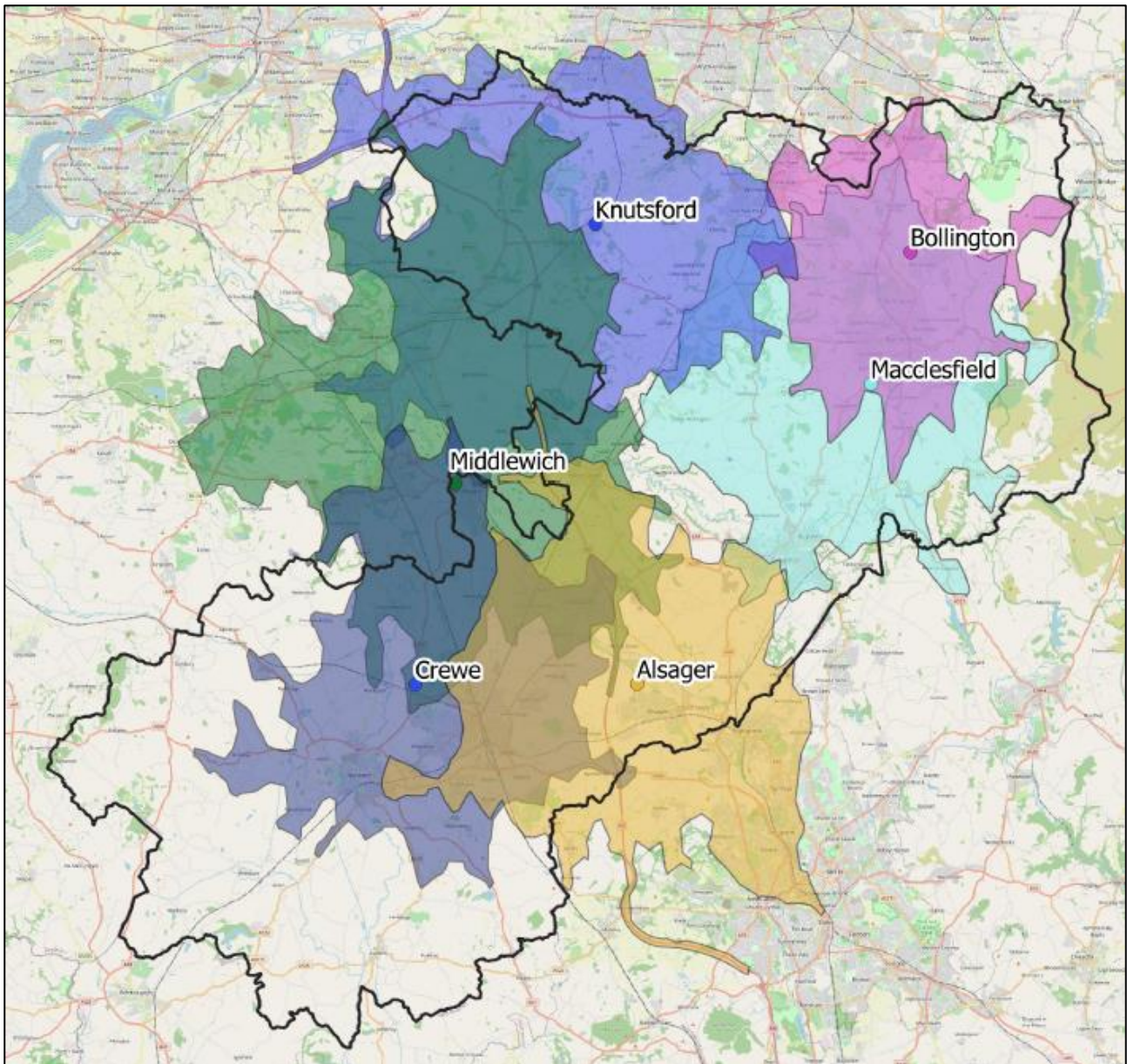


Figure 6 Scenario 4 and 15-minute drive times

## 5 Network Options

Cheshire East Council, with its responsibility to manage public finances in a sustainable manner, is reviewing the HWRC network to ensure the operation of the service is the best it can be.

CEC designed a range of scenarios to assess the associated impact on the residents. The analysis was based on current costs and tonnages with key assumptions including:

- A small decrease in tonnages of 4% for closure of Congleton and Poynton. This was based on the decrease in tonnages year on year in the three months Arclid was closed before rubble charges were introduced.
- The remaining tonnages are unlikely to decrease with the effect of tonnage reductions stopping after the two small sites are closed.
- An allocation of management fee proportional to current tonnage throughput on sites
- Reduction of management fees by 50% for each site closure with the rest having to be reallocated (in terms of staff, equipment and contractor overheads across the network)

Table 5 below shows the scenarios and the associated savings alongside estimated annual contract cost.

*Table 5 Theoretical savings and network cost in the first year (without indexation) for the four scenarios*

Scenario	Sites to close	Potential savings in the first year (without indexation)	Estimated annual cost of network in the first year (without indexation)
Scenario 1	Congleton, Poynton, Bollington, Alsager and Middlewich	£406,025	£2,057,958
Scenario 2	Congleton, Poynton, Bollington and Middlewich	£287,634	£2,176,349
Scenario 3	Congleton, Poynton and Middlewich	£213,131	£2,250,852
Scenario 4	Congleton and Poynton	£143,138	£2,320,845

The savings modelled for site closures are very similar to those reported in the 2016 study with the network cost dropping to just over £2million should only three sites remain open. However, as the estimates are based on the terms of the current contract which comes to term in 2023 it is difficult to say how the savings associated with site closures will translate to actual savings for the new contract. The material market conditions and the new contract specifications (including the material prices, the risks and income sharing mechanisms and the employment situation for example the minimum wage) will have a significant effect on the future costs of the HWRC network. It is therefore important to take the figures with caution and treat them as a way to offset any increases in the costs as opposed to a significant cost saving opportunity.

The analysis of the redistribution of the tonnages across the network for the different scenarios used the spatial analysis and assumed that the residents would use the site closest to them in terms of drive times. The results of this analysis should be treated with caution as this is not always the residents' main motivation for using a particular site. This is particularly well demonstrated by the analysis of current tonnages and the closest sites to households which is considerably different for some of the sites

(including Crewe and Macclesfield which are to remain open in all scenarios). This analysis however is at this current time the best approximation available. It is recommended that the Council considers on site user surveys with a question about the residents' postcode (even just partial) to collect better data on the users and where they travel from in the County. Table 6 below shows the results.

*Table 6 Tonnage redistribution based on drive time analysis and current tonnages for the four scenarios*

Site	Total throughput 19/20	Total throughput apportioned by closest site by drive time	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Alsager	3,906	3,567		4,576	4,576	3,941
Bollington	2,664	2,942			4,875	4,874
Congleton	2,783	2,913				
Crewe	8,183	9,787	14,696	10,921	10,921	9,722
Knutsford	3,948	3,544	5,745	5,427	4,096	3,572
Macclesfield	4,918	3,886	10,367	9,884	6,341	6,304
Middlewich	2,350	2,354				2,394
Poynton	2,256	2,017				
<b>Total</b>	<b>31,009</b>	<b>31,009</b>	<b>30,808</b>	<b>30,808</b>	<b>30,808</b>	<b>30,808</b>

The increase in tonnages across the three sites in Scenario 1 are significant with all of the sites having to accept around double the material they are currently accepting. This would require significant improvements including a potential redevelopment of the sites and considering how the sites would be accessed by increased numbers of residents as well as the need to service these sites (number of haulage vehicles etc.). We note from the site plans that this would require the extension of the site into the adjoining land (with potential purchase of industrial or farmland required). In Knutsford this may be difficult due to the proximity of residential properties. We also note that this increase in throughput would result in significant increases in vehicle movements both of residents visiting the site and service vehicles. It appears from previous site plans and assessments that there is limited space for queuing and the queues could end up on public highways.

It is difficult to estimate the cost of site redevelopment with a wide range of costs reported across the industry. However, the recently redeveloped Chester site cost in the region of £900,000<sup>1</sup>.

Early estimates of site options for a potential new replacement for Congleton (due to the fact that the site is leased, and the landlord has indicated they may shortly require vacant possession), would be around £4m.

Scenario 4 (providing the least number of site closures) shows an estimated increase in throughput ranging from 1% for Alsager to 28% in Macclesfield. In this scenario Bollington is likely to experience an increased

<sup>1</sup> <https://www.hwmartin.com/news/chester-residents-and-businesses-get-new-recycling-centres/>

throughput (almost doubling) because most of the tonnage from Poynton would be absorbed there. However, we cannot be sure how much of an outlier this may be. It would be important to survey the residents in the nearest site in Poynton to understand the split between Bollington and Macclesfield. In either case, both sites would require some improvement works. Bollington is surrounded by farmland and has an extended access road. Macclesfield is adjacent to the Council waste site so the potential for redevelopment could be carefully considered.

The savings associated with land sale could be used to fund site development and improvement. Table 7 shows the estimated land sale value based on 2017 Government estimated land values<sup>2</sup> of industrial land (which is the most recent available data set). The example costs have been calculated as an average for the two data points in the proximity to Cheshire East (Warrington and Chester) but the high and low estimate based on the highest and lowest estimated land value is also provided for interest and to demonstrate the range.

Scenario 4 would result in only small savings due to Congleton site being leased so the income would only be generated through the closure of Poynton.

*Table 7 Estimated revenues from sale of land for the four scenarios*

Site	Site size (SqM)	Potential revenue from sale of land	Comments	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Alsager	6,240	£397,800		£397,800			
Bollington	4,701	£299,670		£299,670	£299,670		
Congleton	1,642	£0	Land leased	£0	£0	£0	£0
Middlewich	1,587	£101,171		£101,171	£101,171	£101,171	
Poynton	1,858	£118,422		£118,422	£118,422	£118,422	£118,422
<b>Total estimated potential income</b>				<b>£917,063</b>	<b>£519,263</b>	<b>£219,593</b>	<b>£118,422</b>
High				£1,442,421	£880,821	£457,758	£167,184
Low				£601,009	£367,009	£190,733	£69,660

## 5.1 Impact on recommended site provision levels

Although there are no statutory levels of HWRC provision, WRAP HWRC guidance recommends that the maximum number of inhabitants per HWRC is 120,000 and the maximum number of households per HWRC is 50,000. The following table shows the levels for the scenarios considered alongside the current situation.

The analysis shows that all but Scenario 1 would provide the recommended level of HWRC provision by households and inhabitants.

<sup>2</sup> <https://www.gov.uk/government/collections/land-value-estimates>



*Table 8 Household and inhabitants per site for the four scenarios*

Scenario	Households per site	Inhabitants per site
WRAP recommended	50,000	120,000
Current	23,979	47,599
Scenario 1	63,943	126,930
Scenario 2	47,958	95,198
Scenario 3	38,366	76,158
Scenario 4	31,972	63,465

## 6 Other service efficiency and cost improvement measures

Cheshire East Council has already implemented several best practice initiatives across the HWRC network including bag splitting (currently suspended due to Covid-19 pandemic) or accepting trade waste rubble on sites. The following section summarises additional measures that could be considered.

### 6.1 Improving the user experience and site aesthetics

It is well established that site performance is influenced by site aesthetics and user experience. This includes signage, site cleanliness and how the traffic is managed.

*Following the 2016 HWRC review, the Council planned and costed a wide range of improvements for the sites.*

Table 9 shows the breakdown of the measures and costs. Note that no improvements to Congleton site were planned.

*Table 9 Planned site improvements and the associated costs*

Site improvements	Signage	Traffic	Infrastructure	Welfare	Re-use	Total
Alsager	£17,100	£1,500	£21,600	£25,500	£0	£65,700
Bollington	£11,740	£0	£8,150	£45,000	£0	£64,890
Crewe	£17,100	£14,000	£20,400	£55,500	£0	£107,000
Knutsford	£8,610	£0	£53,850	£66,000	£0	£128,460
Middlewich	£11,365	£0	£28,500	£30,000	£0	£69,865
Macclesfield	£15,240	£1,935	£33,715	£27,000	£25,500	£103,390
Poynton	£9,945	£0	£35,625	£25,500	£0	£71,070

However, the work is currently on hold and there is potentially a saving associated with prioritising the improvements to sites that are earmarked for staying open indefinitely. Table 10 shows the potential savings for the four scenarios considered in this report.

Table 10 Potential savings from site improvements works for the four scenarios

Scenario	Sites to close	Potential savings
Scenario 1	Congleton, Poynton, Bollington, Alsager and Middlewich	£271,525
Scenario 2	Congleton, Poynton, Bollington and Middlewich	£205,825
Scenario 3	Congleton, Poynton and Middlewich	£174,460
Scenario 4	Congleton and Poynton	£71,070

## 7 Resources and Waste Legislation and Policy Impacts

A range of environmental measures have been proposed in recent years that could have far reaching impacts, such as the Drinks Return Scheme (DRS), consistency framework for household waste collections, and reform of the Extended Producer Responsibility (EPR) requirements. The measures are in different stages of development, consultation and implementation and key aspects are currently being debated for many of these policies. Three landmark policy and strategy documents outline the key policies and are analysed below for their potential impact on HWRCs:

- The Resources and Waste Strategy, 2018<sup>3</sup>
- The Environment Bill, Draft 2018<sup>4</sup>
- EU Ecodesign Implementing Regulations, 2019<sup>5</sup>

The measures in these three documents are discussed in the sections below. Based on this analysis, Table 11 lists key policies and indicates the nature of their impact on HWRCs. The table illustrates the large number of policies recently announced that have the potential to significantly impact operations at HWRCs.

The predominant impacts are expected to be on the quantity of the waste received and the nature of the waste, e.g. by diverting specific waste streams or products to other waste management systems or altering the products placed on market in terms of their design, materials, durability and repairability. The waste treatment options available are also likely to change. For example, EPR reform could incentivise recycling of difficult to recycle products such as carpets and mattresses. At a national level, economies of scale could be gained enabling new facilities to be opened to process these waste streams. EPR and DRS are anticipated to present funding opportunities if producers engage with Councils and HWRC services and pay for treatment of their waste products, and Councils could be reimbursed for handling deposit-bearing items not captured by the DRS return points and arriving as waste at the HWRC.

Interestingly, many of the policies could require more sophisticated data monitoring and reporting. Such data systems would allow Councils to interface with emerging waste systems such as EPR and DRS and

<sup>3</sup> HM Government (2018), *Our waste, our resources: a strategy for England*, [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/765914/resources-waste-strategy-dec-2018.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/765914/resources-waste-strategy-dec-2018.pdf)

<sup>4</sup> Environment Bill, Bill 003 2019-20 (as introduced), <https://publications.parliament.uk/pa/bills/cbill/2019-2020/0003/20003.pdf>

<sup>5</sup> Regulation laying down ecodesign requirements 1 October 2019, <https://ec.europa.eu/energy/en/regulation-laying-down-ecodesign-requirements-1-october-2019>

access the associated funding mechanisms. Several of the policies also imply the need for improved performance in waste management, and HWRCs are likely to have a pivotal role in delivering this.

*Table 11: Summary of key policies and their impacts on HWRCs*

	Quantity of waste	Nature of waste	Waste treatment options	Funding	Data and reporting	Performance requirements
Extended Producer Responsibility	✓	✓	✓	✓	✓	✓
Drinks Return Scheme	✓	✓		✓	✓	
Ecodesign	✓	✓	?			
Right to repair	✓	✓	✓			
Addressing barriers to re-use at HWRCs					✓	✓
Tackling waste crime			✓			
Single-use plastics bans	✓	✓				
Single-use plastics charge	✓	✓		?		
Waste collection consistency	✓	✓				
Net-zero carbon emissions by 2050	✓	✓	✓		✓	✓
Mandatory electronic tracking of waste					✓	

✓ = Yes, ? = Impact is less certain

## 7.1 Potential future changes

The policy landscape is fast developing, and it is worth considering further measures that may be brought in to support those discussed above. We highlight two specific policy topics below.

The UK recycling rate has flat-lined in recent years. The 2020 municipal recycling rate target is likely to be missed, and subsequent targets will prove even more challenging. It is conceivable that individual targets will be set for local authorities and perhaps even targets for HWRCs. The emphasis and planned systems for waste data collection and reporting would support targets for re-use, recycling and waste reduction, and the new Office for Environmental Protection would be set to monitor progress and intervene where deemed necessary. Meeting higher targets will be bound with the funding impact of EPR and objectives around the collection and processing of food waste. Government has consistently said it will support local authorities with costs attached to these higher objectives and ensure that industry pays the full cost of EPR for packaging and that this accrues to councils in line with the desire for efficient, high-quality packaging collections. While the impact of EPR for packaging may not be the biggest factor in the evolution of HWRCs

it is still a factor to account for and may well lead to funding support for well collected packaging. The EPR for other items and especially for bulky items ending up in HWRC, such as furniture and mattresses, has not yet been discussed but will be an important consideration and an issue many organisations from the public sector and producers will need to be aware of.

To meet the environmental objectives, including carbon impacts, it is likely that further measures will be taken to influence the full product life cycle including design, production, supply, use and disposal. The initial focus could look to improve primary, secondary and tertiary packaging and transport of goods.

Beyond this, there may be potential impacts from other areas of policy development, outside the resources and waste arena that need to be considered in the development of new HWRCs and modernisation of existing sites. For example, growing demand for active travel and safe cycling is forecast. As infrastructure improves and demand increases, the opportunity to incorporate safe access to HWRCs by bicycles (including cargo bikes) may provide an innovative and timely accessibility improvement to the service that would prove popular and chime with Climate Emergency actions. Government has recently announced new funds<sup>6</sup> for safe cycling infrastructure and access to these funds should be monitored and prove especially relevant for new site developments.

Further analysis of the implications of the new legislation and national strategy can be found in Appendix C.

## 8 Innovation within the HWRC sector

Local Authorities across the UK are looking at ways to run the services more efficiently while improving the recycling, reuse and diversion rates. The innovative ideas recently employed within the HWRC sector can be grouped into the following categories:

- Site operations
- Site design
- Contracts

### 8.1 Site operations

#### 8.1.1 ANPR and CCTV

ANPR and CCTV have recently been used and requested in contracts by LA. The technology can be used for administering the permit systems, managing trade abuse and in some places, limiting the number of visits on a “fair usage” case (for example in Herefordshire County Council there is 12 fair usage visits per annum). The systems could also be used to monitor traffic flows, collecting data on numbers of visitors and using this to potentially communicate live updates to residents. This has been successfully employed by Bristol Waste Company where live CCTV footage of the HWRC queues can be accessed via their website<sup>7</sup>.

<sup>6</sup> <https://www.sustrans.org.uk/our-blog/news/2020/february/government-pledges-5bn-to-improve-bus-and-cycling-services-our-response/>

<sup>7</sup> <https://www.bristolwastecompany.co.uk/hrrc-queue-camera/>

### 8.1.2 Further material separation

Further steps can be made to separate materials for recycling where multi-material furniture (e.g. sofas, beds, mattresses) are unsuitable for re-use. A site in Wales has set up a system where the items are stripped down by hand on site and then separated into various components. Initially only the wood and metal were recycled, but negotiations are ongoing with reprocessors to recycle additional materials such as flock and foam. Existing site staff are utilised to undertake the work which is carried out on a rotational basis depending on how busy the site is. Material stripping activities are attributed to an estimated 2-3% increase in the recycling rate. Cost benefits include increased revenue from the sale of recyclate and savings in landfill tax and gate fees. Additionally, staff motivation and happiness increase as targets are met and staff efficiency is maximised by utilising 'down time' to strip materials. An additional staff member is employed using revenue generated by the process.

### 8.1.3 Community recycling centres

With cuts to resources some local authorities have considered site closures and network rationalisation. One creative way to limit the site closures while at the same time realising savings is changing the function of the waste and recycling centres to recycling and reuse. In Lancashire one of the smaller sites was renamed as a Community Reuse and Recycling Centre and accepts a limited range of materials excluding residual waste, wood, rubble, chemicals and asbestos while retaining the reuse shop onsite.<sup>8</sup> The Centre, which operates in a different way from the other sites, has a focus on selling recycled items, alongside a limited waste and recycling service.

There are also several innovative operations internationally where the recycling sites' focus has shifted further up the waste hierarchy. An example of this recently has been the Reuse centre in Ljubljana<sup>9</sup> which operates as a reuse or resource hub where items are repaired and upcycled.

## 8.2 Site design

Whilst requiring a considerable amount of engineering work, a move from a more traditional site design to the introduction of modular and flexible solutions has been a key innovative design solution. A modular design allows the site to be reconfigured as needed with the minimum of difficulty and expense. One construction firm comments<sup>10</sup>:

*We offer a prefab concrete modular system for the construction of split-level household waste recycling centres that helps achieving higher recycling rates enhances safety and customer satisfaction and is future proof because of its flexibility. The modular construction can easily be expanded or adapted and could even be relocated. Construction time is very short; only 1-2 weeks, depending on the size of the platform.*

Figure 7 below shows the modular HWRC design used in Cardiff. The infrastructure is constructed from prefabricated blocks. Visitors drive up the ramp, park next to the waste bays and deposit materials into skips on the lower level. The site can be expanded by placing additional prefab blocks, or even moved

<sup>8</sup> <https://www.lancashire.gov.uk/waste-and-recycling/recycling-centres/garstang/>

<sup>9</sup> <https://www.vokasnaga.si/en/reuse-centre>

<sup>10</sup> <https://governmentbusiness.co.uk/company-focus/modulo-beton-modular-hwrc%E2%80%99s-%E2%80%93-construction-conscience>

and/or combined with other sites. The space under the platform can be used for storage; a re-use shop, offices, a tool library, repair shop etc. and the red bins on the top level are linked via chutes to the space below allowing for safe disposal of small waste streams such as batteries.

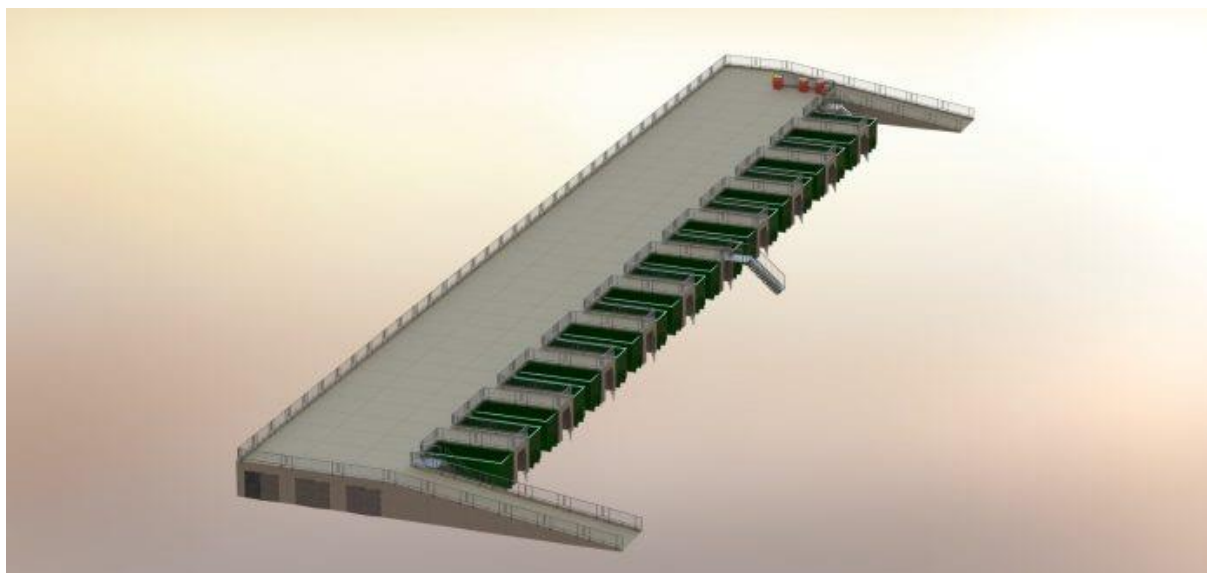


Figure 7: Plan of modular design in Cardiff HWRC<sup>11</sup>

### 8.3 Contracts

There are several methods that contracts for operating HWRC sites and networks can be set up to drive efficiency and performance. This includes contract length and size, risk and income sharing, contract incentives and penalties.

Similarly, there are a number of options that the LA can consider in terms of the contract characteristics but the factors behind these decisions are likely to include:

- whether other waste and recycling services are included within the same contract;
- the number of sites within the network and whether they are to be managed as one contract or several;
- investment requirements;
- the local authority's attitude to risk;
- the strategy for contracting with local businesses and third-sector organisations;
- the level of flexibility required.

#### 8.3.1 Contract length and size

The overall contract cost and the structure will often be dependent on the length of the contract. Traditionally the length of the contract would align with the life span of equipment or assets so between 5 and 11 years. This is still common practice in the industry. However, some LAs are entering into much longer-term contracts for example where significant investment is required. For example, Somerset Waste

<sup>11</sup> <https://www.modulo-beton-environment.com/realization/uk-united-kingdom/>

Partnership is currently under contract with Viridor which had the initial term of 16 years, recently (2019) extended by 9 years to 2031.

There are a number of options where the contract for operating the HWRC networks have been included within a wider service provision making it a more integral part of the overall waste management solutions within the LA are and generating some potential savings through the economies of scale. This however has to be carefully considered to ensure that all elements of a contract are delivered to the required quality. Drafting of the specification would require significant time and expertise and a transparent way of evaluating the financial viability of the contract would be required during the procurement process. The potential bidders for such a contract would include the large, national and multinational waste management companies.

On the other hand splitting the contract into smaller lots (by location or function such as haulage, site operation, material brokering etc.) may be beneficial if specialist services are required and the LA has a clear procurement strategy that encourages participation of smaller businesses or local third sector organisations. In such instances it would be important to consider the contract interfaces (for example vehicles operated by one contractor needing access to sites that are operated by another contractor) and how the contracts will be coordinated day to day.

### 8.3.2 Income and risk sharing

The material markets have been significantly affected by international events in recent times, with the likes of China imposing very tight controls on the materials that can enter their economy from abroad and the price of oil falling. Additionally, national policy decisions have a direct impact on how material is traded. For example, the Environment Agency is investigating waste wood to determine whether the material is hazardous or not. The methods will have an impact on the overall wood recyclers market and ultimately price for disposing of the material. Furthermore, there is continuing uncertainty associated with the Resources and Waste Strategy with its risks and opportunities for market development.

It is therefore important for the LA to consider how much risk it is willing to take on the price of the materials as any risk the contractor will need to take will be costed in to the proposed contract during the tender stage.

There are a number of mechanisms that the LA can choose to include during the procurement process these would be up for discussion during the competitive dialogue sessions. These could include: a percentage split of income or cost, additional limits on the maximum costs of income the contractor can claim, open book contracting<sup>12</sup> or set review periods. Such mechanisms should be considered in detail with qualified legal and accounting advisors and should take into account the additional costs and required expertise associated with managing more complex contracting arrangements.<sup>13</sup>

<sup>12</sup> *Open Book Contract Management (OBCM) is a structured process for the sharing and management of charges & costs and operational and performance data between the supplier and the client. The aim is to promote collaborative behaviour between client and supplier through financial transparency. The outcomes should be a fair price for the supplier, value for money for the client and performance improvement for both over the contract life.*

<sup>13</sup> <https://www.nao.org.uk/naoblog/open-book-contracting/>

### 8.3.3 Incentives and penalties

There are specific incentives and penalties associated with recycling, diversion and reuse or waste prevention targets. These can generally be described as:

- Specific bonuses or financial penalties for meeting or not meeting specified target or stretch targets or banding
- Incentives or penalties associated with the saving or incurring costs for disposal of the material. It is important to note that if the contractor is responsible for disposal costs any savings are likely to be retained by the contractor
- Specific mechanisms for managing performance and the delivery against Key Performance Indicators (for example the delivery of regular reports and the consequences of non-delivery)

The LA will need to consider the key metrics for the contracts whether that would be focused on the recycling targets, diversion from residual waste or customer service and design the mechanisms to ensure these are met. The design of such mechanisms would require expertise from legal and financial advisors and the complexity of managing such mechanisms would need to be considered for the life of the contract. Specific examples of incentives and penalties focussed on recycling and diversion used by LAs can be found in Appendix D.

## 9 Assessment of procurement options

CEC's HWRC network is currently operated by HW Martin under a contract which finishes its term in 2023. The contract is managed on behalf of the Council by ANSA Environmental Services, a company wholly owned and controlled by the Council (a Teckal company<sup>14</sup>). Additionally, the sites are managed by individual site managers subcontracted to HW Martin. The Council is currently considering the options available to it for how a new contract could be operated. The contract would need to provide improved performance control and flexibility because of the impact, in the medium term, of the Government's Resources and Waste Strategy. The following table explores the issues and questions the Council will need to consider in greater detail ahead of any procurement exercise. This qualitative analysis provides an assessment of the potential impact on the costs of the service and operations of the HWRC network and highlights where each of the service delivery and contracting models has particular benefits or drawbacks. The assessment is based on our broad experience of working with the local authorities and waste operators.

<sup>14</sup> <https://www.cipfa.org/policy-and-guidance/articles/teckal-the-basics-explained>



Table 12 Legend for Table 13



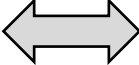





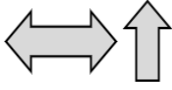









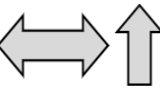
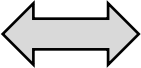


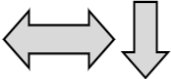


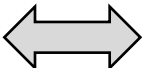


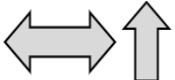
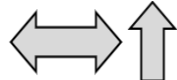
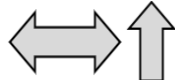
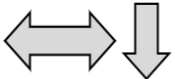


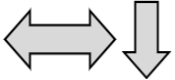





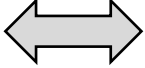





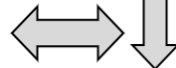


Change	Impact level
Negative impact/ cost increase	
Greater negative impact/ cost increase	
Status quo	
No immediate negative impact/ costs but potential over time	
No immediate positive impact but potential over time	
Positive impact/ reduced costs	
Greater positive impact/ reduced costs	




Table 13 HWRC operating models and the potential benefits and disbenefits

Risk/ Opportunity	Current contract HW Martin and subcontracted site managers	In house operated by ANSA, the Teckal company	Outsourced to a single private contractor	Commentary/ evidence
<b>Emerging policy – local</b>				The current service has limited flexibility to respond to local issues, with ANSA potentially being able to build this into a co-ordinated approach that prioritises local needs. In order to respond to local issues an In house service will need to ensure that it is tuned in to issues locally and can respond accordingly. There may be a danger that out-sourced contracts are less likely to be able to change and adapt.
<b>Emerging policy national</b> –				Reduced ability to respond to the opportunities and impacts posed by EPR/ DRS without an integrated approach and in the bounds of the current contract. A Council owned company would be able to respond to policy requirements as required by the Council. Contract drafting of out-sourced delivery is key to maintaining the ability to respond over time.
<b>Fleet management (vehicles, grapple vehicles etc.)</b>				Benefits of buying in-house potentially balanced by private sector access to wider purchasing agreements – if CEC owns the HWRC service vehicles this is less of an issue.
<b>Vehicle maintenance</b>				Some positive impact likely from integration with the other waste services operated by ANSA. As long as the contracts clearly specify responsibilities the right contractor may benefit from some buying power.

Risk/ Opportunity	Current contract HW Martin and subcontracted site managers	In house operated by ANSA, the Teckal company	Outsourced to a single private contractor	Commentary/ evidence
<b>Infrastructure</b>				The current contractor has access to a well-located waste transfer station which serves CEC and the nearest neighbours. It is unlikely the LA would be able to procure a WTS meaning there may be a need to invest or use the services from the contractor who was not awarded the contract. Any other contractor would have to consider this issue in the response, and it would depend on the local presence and infrastructure they already have in the area. This would be expected to add costs to the contract.
<b>Flexibility and resilience in service delivery</b>				Individual site managers driven only by managing their site with limited involvement in the wider issues and services. Flexibility enhanced by integration. However, the current contractor managed all streams and is able to respond to the demands because of that. In house and outsourced similar on balance – internal flexibility due to greater control balanced against support available from other private-sector contracts / national agreements.
<b>Service consistency</b>				The ability for the in-house company to respond to the priorities of the Council ensuing that these are applied consistently. As long as the specification is well drawn out a private contractor is likely to apply the same approach across the contract. Greater control over staff as opposed to sole agents site managers

Risk/ Opportunity	Current contract HW Martin and subcontracted site managers	In house operated by ANSA, the Teckal company	Outsourced to a single private contractor	Commentary/ evidence
<b>Rationalisation of the HWRC network</b>				Previous rationalisation of the network aligned with the renegotiation of terms which meant the savings were not realised as estimated. A contract that is operating less sites and less waste should theoretically result in savings. However, should radical changes (such as Scenario 1 and 2 in section above) be made capital investment will be required. This would be expected to include significant redevelopment of sites or building of new sites. The less radical scenarios 3 and 4 would require less investment. All site closures may generate income from land sale.
<b>Staffing costs and management costs</b>				The current contract has issues with staffing partially funded by the material sales. Due to market collapse this has been difficult. Potential greater saving with outsourced due to regional/ national management and support functions and potentially reduced pension liability.
<b>Materials value</b>				Private sector service providers are likely to have greater experience in material marketing & greater access to markets. ANSA could already have the skills and staff capable of managing the material to extract the best value.

Risk/ Opportunity	Current contract HW Martin and subcontracted site managers	In house operated by ANSA, the Teckal company	Outsourced to a single private contractor	Commentary/ evidence
<b>Procurement costs</b>				Extension of the current contract could save CEC some costs and resources which would be required to go out to open tender. The LA could choose to appoint their wholly owned company to take the contract on with limited procurement costs required. However legal advice would be required and the company is still subject to EU Procurement Regulation.
<b>Buying power</b>				Both in house (due to integration with other CEC waste services) and outsourced could have greater buying power - subject to potential market saturation.
<b>Responding to growth</b>				Limited flexibility in the current contract. An in-house service would enable a cohesive internal response to growth. With an out-sourced service model the contract drafting would be critical.
<b>Commercial waste/ non-HH waste</b>				Potential incentive for ANSA to generate more income for the company and support other services. Potentially competitive pricing as the company is Council owned and not profit driven. Out-sourced – contract drafting is important in order to provide incentivisation to grow service.

Risk/ Opportunity	Current contract HW Martin and subcontracted site managers	In house operated by ANSA, the Teckal company	Outsourced to a single private contractor	Commentary/ evidence
<b>Reputation</b>				In-house service has greater ability to enhance reputation through communicating savings and responding to local needs. With out-sourcing careful contract drafting would be required to maintain service standards and good control of communications/ public interface would be required. Protecting CEC's reputation through ensuring any service transfer is as good as possible is very important.

The key consideration throughout this assessment was the balancing of cost savings and the Council's appetite for risk and significantly improving the service alongside retaining the flexibility to accommodate any changes resulting from the 2018 Strategy. One of the first important steps is to start a conversation with ANSA about this contract, as the option to take the service in house would mean significant growth which may or not be within the strategic plan for the company.

Should the outsourced model be preferable, the drafting of the specification and careful negotiation would require concerted effort from Council officers.

### 9.1 Attractiveness of the contract

The market conditions are an important consideration when tendering any services. Although it is difficult to assess how the waste management market will respond to any contract there are some key elements which may help with understanding the market situation.

It is important to note that the response of the market is dynamic. The response of the market will depend on who is operating other contracts in the region, and when they are up for retendering, the waste management companies and their strategic priorities, waste management companies bidding capacity and how the market perceives the current contract (for example if it is well known that the incumbent has competitive advantages or is a preferred bidder for the services). It is unlikely that the number of sites is a factor in how attractive the contract is to the market. The key considerations now will be connected to the material markets and how this will impact the affordability of the contract. As the prices of the materials are currently lower and are fluctuating the contractor will have to price in the risk associated with trading materials in uncertain conditions. As HWRC contracts tend to be procured through the competitive dialogue process the risk and income sharing mechanisms, as well as any incentives or penalties, will be the key issues discussed. Should the Council wish to close sites, redevelop sites or build new sites during the term of the contract this would have to be clearly stated in the invitation to tender documents and discussed at length during dialogue.

The following table shows the contractors and expected contract terms of the benchmarked authorities which sheds some light on the state of the HWRC contract market.

*Table 14 Benchmarked LA and the contract arrangement*

Local Authority	Contractor	End of term
Cheshire West and Chester	HW Martin	2023
Staffordshire	Amey	2022
Derbyshire	Renewi	2021
Greater Manchester	Suez	2026
Warrington	EWC	Unknown (last known extension request to Jan 2020)
Shropshire	Veolia	2034
Gloucestershire	Ubico	2026
Monmouthshire	Dragon Waste, contracted through Viridor	under renegotiation as permanent closure of Usk was intended for 31 March

The geographic and demographic neighbours' services are operated by a number of different waste management companies with the major players represented in this sample. It is particularly interesting that CECs closest neighbour, Cheshire West and Chester will be considering its options at the same time. It may be prudent to initiate conversations about partnership working which may result in savings to the operating costs of the contract for both authorities.

It is recommended that the council carries out a soft market testing exercise well in advance of any procurement document being prepared (at least two years in advance of the contract award). This will allow the market to express their views on the attractions of the contract in the comfort of private meetings with Council officers.

## 10 Concluding remarks

The review presented within this document analyses the current HWRC network provision as well as the potential impacts of the four scenarios for network rationalisation identified by Cheshire East Council.

The analysis shows that any site closures are anticipated to provide some savings in revenue costs associated with the operation of the sites. It will be important to ensure that these are reflected once the contract is retendered. However, the savings are not guaranteed as the contract price will ultimately depend on the conditions on the materials markets and the risks the Council will be willing to take for this contract. As the situation is currently very uncertain (with the prices of the material low and additional uncertainties associated with the changes in the legislation, the UK leaving the EU and Covid-19) the contractors are likely to price these risks in their costs to ensure affordability. It is also clear that in all of the scenarios some improvements will have to be considered to accommodate the redistributed tonnages from the sites. The north east sites, Macclesfield and Bollington, are the ones most likely to be affected by this change.

Table 15 Summary details

Scenario	Proportion of households less than 20 minutes from a site	Potential savings	Investment required	Estimated capital receipt from sale of land
Scenario 1	88%	£406,025	Substantial	£917,063
Scenario 2	93%	£287,634	Substantial	£519,263
Scenario 3	96%	£213,131	Moderate	£219,593
Scenario 4	96%	£143,138	Moderate	£118,422

The analysis identified potential savings through sale of land and the rationalisation of the planned improvement works but for the scenarios with fewer sites remaining, where considerable increases in tonnages are anticipated, there may be a need for the Council to make substantial capital investment in terms of increasing site footprints (purchase of land) and redevelopments. Such major works would need to be carefully planned to manage the impact on site users.

The impact on the residents is considered through the drive time analysis. Currently the residents are enjoying a network which minimises the driving times for them. The rationalisation will have some impact on the drive times to the nearest HWRC however these are not substantial, even for the most radical Scenario 1, with 88% of residents driving less than 20 minutes to the nearest site.

As the Council is considering the opportunities and risks associated with a new contract it will be crucial to build in flexibility to manage the impacts of the changing legislative and government strategy landscape. Drafting contract specification that ensures that the contractor can respond to the changes will be important. Another key consideration will be the situation on the material markets and managing the risks of the commodity price fluctuations. At the time of writing the values of the materials are low, and any contractor would be looking to buffer themselves from the fluctuations, passing these costs onto the Council. However, this may change once the government policies are implemented to develop national material markets and advance the circular economy.

We note from our analysis that limited data on site users is available and we would recommend an on-site user survey to understand the footfall and where the users travel from to access sites. A question to assess the sites the residents would prefer to use, following site closures, could be added to collect further insight. This would enable refinement of the tonnage redistribution analysis as well as the assessment of impact on residents.

Our review includes an assessment of the contract terms and current HWRC operators in neighbouring authorities which will help the Council understand the current market situation. We recommend that the Council carries out soft market testing well in advance of any specification drafting to help inform the decisions.



## Appendix A Benchmarking details

### A.1 Neighbouring authorities

Warrington Borough Council has three HWRCs in close proximity to Cheshire East; Stockton Heath, Gatewarth and Woolston. Greater Manchester also has three HWRCs close to Cheshire East; Altrincham, Longley Lane and Adswold Road. Staffordshire has two; Biddulph and Newcastle. Cheshire West, Shropshire and Derbyshire all have one HWRC in close proximity to Cheshire East; these are Northwich, Whitchurch and Waterswallows.

#### Vans and Permits

Most authorities specify a gross vehicle weight limit of 3.5 tonnes and height restriction of 2 metres. Greater Manchester limits the amount of visits allowed to site per year by the type of vehicle; 52 visits for cars and cars with single axle trailers, 18 visits for cars with a double axle trailer or vans under 3.5 tonnes, and any larger vehicles to 12 visits per year. Staffordshire also requires all trailers to be single axle but adds that specifically adapted vehicles for blue badge holders will be accommodated for. Shropshire requires a permit for vans, 4x4s with a goods body or for cars with trailers, while a residents' permit is required for Neston recycling centre in Cheshire West due to its location near the county border.

Warrington's permit system is unlike the others, in that permits are required if residents need to visit more than once in a van to dispose of a larger amount of household waste, or for non-household waste regardless of vehicle. Non-household waste must be listed on the permit prior to visiting, and visits are limited to three per year.

#### Restrictions on rubble/construction waste

In most cases, authorities do not restrict the number of items or amount of non-household waste but advise that small DIY only will be accepted. All authorities state that they cannot accept trade waste, with Cheshire West and Greater Manchester providing directions to nearby waste transfer stations for these items. Staffordshire is the only other authority to charge per item. This includes a £3 charge per bag or large item of rubble, bricks, soil, concrete, stone, fibreglass and ceramics, and £4 per bag or sheet of plasterboard. Warrington does not issue charges for non-household waste, but items must be listed on a permit prior to the visit. Derbyshire includes a restriction of 50kg plasterboard per visit per week (no whole sheets), 50kg of rubble, concrete or soil.

Asbestos is accepted at Warrington, Derbyshire, the Leek site at Staffordshire, and with prior notice at Shropshire sites. Plasterboard is not accepted at Greater Manchester, or at Cheadle or Newcastle sites in Staffordshire. Derbyshire permits a maximum of either 2x roofing sheets or 2m downpipe of asbestos, while Staffordshire permits either 4 sheets or 4 bags per household every six months.

#### Opening hours

All authorities provide at least one site which is open seven days a week, and it is only Cheshire West and Staffordshire where the majority of sites are open five days per week. Greater Manchester, Derbyshire, and Shropshire do not state any seasonal variation, with Derbyshire providing the longest opening hours of 8:30am-6pm. The largest seasonal variation can be seen at the Chester, Ellesmere Port and Winsford recycling centres, within Cheshire West, which are open 8am-8pm on weekdays and 8am-6pm on weekends in the summer months, compared to opening hours of 8am-4pm throughout the week in winter.

**Materials accepted**

Cheshire West and Warrington do not accept gas cylinders or tyres, similarly to CEC; however the other neighbouring authorities seem to do so. Staffordshire accept tyres but implement a charge of £4 each, to a maximum of four. Derbyshire does not accept large items of furniture, nor does it accept any waste resulting from the demolition or replacement of gardens sheds, greenhouses, fencing, or decking, and recommend hiring a skip for garden renovations. Greater Manchester also states that food waste cannot be accepted.

**Coronavirus restrictions**

Each authority includes detailed information on their website regarding specific site rules due to Coronavirus. In the main, this includes adhering to social distancing measures, avoiding the site for all but essential journeys and having a maximum of one passenger per car. All authority websites state that staff members cannot help to unload vehicles and reminds visitors to behave respectfully and appropriately on site. Derbyshire and Greater Manchester introduced a number plate system to restrict traffic flow on site; however, Greater Manchester has since relaxed this measure. Some materials that are normally accepted have been temporarily suspended, such as asbestos at Staffordshire and Shropshire sites, and clothing, textiles and shoes in Greater Manchester.

Warrington has temporarily closed its Stockton Heath site, while vans are only permitted at its Gatewarth site with 48 hours' notice. A valid form of I.D. is also required at each site.

Table 16 Neighbouring authorities HWRC data from the 2018/19 National HWRC Directory<sup>15</sup>

Authority	Authority type	No. HWRCs 2018/19	No. HWRCs per 100,000 population	Land area per HWRC, sq. miles	Average site catchment radius, miles	Total HWRC tonnage throughput		HWRC arisings, kg/hh/yr.			HWRC Recycling Rate including rubble		HWRC Recycling Rate excluding rubble	
						2018/19	Difference with previous year	All HWRC throughput	HWRC residual	HWRC recycling, excluding rubble	2018/19	Difference with previous year	2018/19	Difference with previous year
Cheshire East	UA	8	2.1	56	4.2	30,073	-10,895	180	58	116	67.9%	-6.4%	66.7%	-1.0%
Cheshire West and Chester	UA	7	2.1	51	4.0	39,001	-23	268	83	125	68.8%	-0.1%	60.0%	-0.5%
Warrington Borough Council	UA	3	1.4	23	2.7	15,202	-1,153	166	45	110	73.0%	1.8%	71.0%	2.3%
Greater Manchester WDA (MBC)	WDA	20	0.8	21	2.6	291,653	29,917	276	131	96	52.6%	8.2%	42.3%	2.2%
Derbyshire County Council	WDA	9	1.1	109	5.9	68,309	1,933	196	80	103	59.2%	-6.2%	56.3%	-6.3%
Staffordshire County Council	WDA	14	1.6	72	4.8	65,109	2,810	175	89	78	49.1%	3.8%	46.7%	4.0%
Shropshire	UA	5	1.6	247	8.9	37,950	3,002	276	94	127	66.1%	1.4%	57.5%	1.4%

<sup>15</sup> WRAPs national HWRC directory compiled by Resource Futures and updated in 2020 as part of their series of HWRC guidance documents. Figures used in this data set were returned from Waste Data Flow.

## A.2 Similar authorities

Five local authorities were selected for benchmarking based upon their similarity to CEC in terms of certain demographic data. To measure similarity between authorities, ONS uses the squared Euclidean distance (SED), which is based on 59 variables used in the area classification of local authorities. Variables include statistics based on demographic structure, household composition, housing, socio-economic factors and employment. The five authorities chosen were Cheshire West and Chester, Tewkesbury, Stroud, Stafford and Monmouth.

### Vans and Permits

Similar to CEC, both Gloucestershire and Monmouthshire require permits for vans. Staffordshire specify small single axle trailers of no more than 6ft x 4ft in size, while Cheshire West and Chester require trailers of fewer than 3.5 metres in length. Monmouthshire do not permit double-axle trailers, and ask that residents only bring what they can unload within a 15 minute period. Gloucestershire specify that vans or pick-ups pulling a trailer may only present waste in either the van or trailer, but not both. All authorities, except for Monmouthshire, impose a 3.5 tonne gross vehicle weight limit.

### Restrictions on rubble/construction waste

Rubble and construction waste is accepted at all sites, provided it is not trade waste, but Staffordshire is the only other authority to charge per item. This includes a £3 charge per bag or large item of rubble, bricks, soil, concrete, stone, fibreglass and ceramics, and £4 per bag or sheet of plasterboard. Only Monmouthshire provides an explicit limit on the amount of non-household waste that will be accepted; either five bags or one small car boot load per visit, and no more than two visits per month.

As with CEC, Cheshire West and Monmouthshire do not accept asbestos. Staffordshire restricts the amount to four sheets or bags per household every six months, while Gloucestershire asks that residents pre-book any asbestos disposal.

### Opening hours

Opening hours are varied amongst the authorities, but CEC is among those which offer the longest opening periods. Cheshire West has three sites open for seven days a week and four sites open five days a week. Of the sites that are open for seven days, opening hours extend to 8am-8pm during summer weekdays. In winter, all sites are open 8am-4pm. The Stafford site in Staffordshire is open seven days a week between 9am-5pm, with an extra hour added during summer weekdays. Gloucestershire and Monmouthshire sites are open six days per week, with midweek closing, and are open from 9am-5pm and 8am-5pm respectively.

### Materials accepted

Gloucestershire and Staffordshire will accept a maximum of four tyres, with the latter charging £4 per tyre. Both authorities include a more comprehensive list of what cannot be brought to site on their websites, including animal carcasses, petrol and diesel. Gloucestershire also specifies that invasive or poisonous plant species are not brought to site. Only Cheshire West and Chester will not accept gas cylinders, similar to CEC. Monmouthshire mention that black bags will not be accepted with food waste or recyclables inside, as these items are covered in the kerbside collection service.

### Coronavirus restrictions

Each authority includes detailed information on their website regarding specific site rules due to Coronavirus. These include keeping to social distancing measures, avoiding the site if you or a household

member has symptoms, and practicing good hygiene measures such as washing hands or wearing gloves. Monmouthshire sites at Mitchel Troy and Usk remain closed, while its remaining two sites have an online booking system in place, limiting visits to one per week. Trailers will only be accepted within the 4pm-4:30pm booking slot due space restrictions, while the first hour of each day is reserved for key workers. Gloucestershire also has a pre-book system in place on their website, but limits residents to one visit per day. Staff are unable to help unload cars, except for blue badge holders in Gloucestershire, and there are limits to the number of people in cars, one or driver plus one. Staffordshire and Monmouthshire ask that only one person leave the vehicle to unload, and therefore remind residents that only items that can be carried by a sole person should be brought to site.

Table 17 Similar authorities HWRC data from the 2018/19 National HWRC Directory<sup>16</sup>

Authority	Authority type	No. HWRCs 2018/19	No. HWRCs per 100,000 population	Land area per HWRC, sq. miles	Average site catchment radius, miles	Total HWRC tonnage throughput		HWRC arisings, kg/hh/yr.			HWRC Recycling Rate including rubble		HWRC Recycling Rate excluding rubble	
						2018/19	Difference with previous year	All HWRC throughput	HWRC residual	HWRC recycling, excluding rubble	2018/19	Difference with previous year	2018/19	Difference with previous year
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Cheshire West and Chester	UA	7	2.1	51	4.0	39,001	-23	268	83	125	68.8%	-0.1%	60.0%	-0.5%
Gloucestershire County Council (Tewkesbury, Stroud)	WDA	5	1.0	201	8.0	56,233	-5,616	256	112	131	56.3%	-11.4%	54.0%	-9.2%
Staffordshire County Council (Stafford)	WDA	14	1.6	72	4.8	65,109	2,810	175	89	78	49.1%	3.8%	46.7%	4.0%
Monmouthshire County Council	UA Wales	4	4.2	82	5.1	19,534	171	492	184	240	62.6%	0.5%	56.5%	0.9%

<sup>16</sup> WRAPs national HWRC directory compiled by Resource Futures and updated in 2020 as part of their series of HWRC guidance documents. Figures used in this data set were returned from Waste Data Flow.

## Appendix B Spatial analysis

The current provision offers the best coverage in terms of the shortest drive times for residents, as indicated in Table 18, however both scenario 3 and 4 offer 96% of all properties less than a 20-minute drive to their nearest HWRC. In scenario 3 and 4, only 4% of households are required to drive for more than 20 minutes to reach their nearest site and in scenario 4, the majority (86%) are able to reach their nearest HWRC within 15 minutes by car.

*Table 18 Proportion of households in each of the drive time bands for each scenario*

	Proportion of Households				
Scenario	Less than 5 minutes	Less than 10 minutes	Less than 15 minutes	Less than 20 minutes	More than 20 minutes
<b>Current</b>	22%	63%	91%	98%	2%
<b>Scenario 1</b>	11%	37%	68%	88%	12%
<b>Scenario 2</b>	13%	43%	78%	93%	7%
<b>Scenario 3</b>	15%	48%	82%	96%	4%
<b>Scenario 4</b>	17%	52%	86%	96%	4%

The figure below presents the modelled data in terms of cumulative coverage, whereby the proportion of the population served is plotted with each minute driving time from their closest site. The scenario with the left-most cumulative percentage offers the best provision to households and the right-most the least preferable, in terms of drive time. However, it should be noted that the analysis does not account for road works or areas of peak-time congestion.

As can be seen from the graph, the current scenario offers the best provision, followed by scenario 4 and scenario 3. Scenario 1 offers the least provision

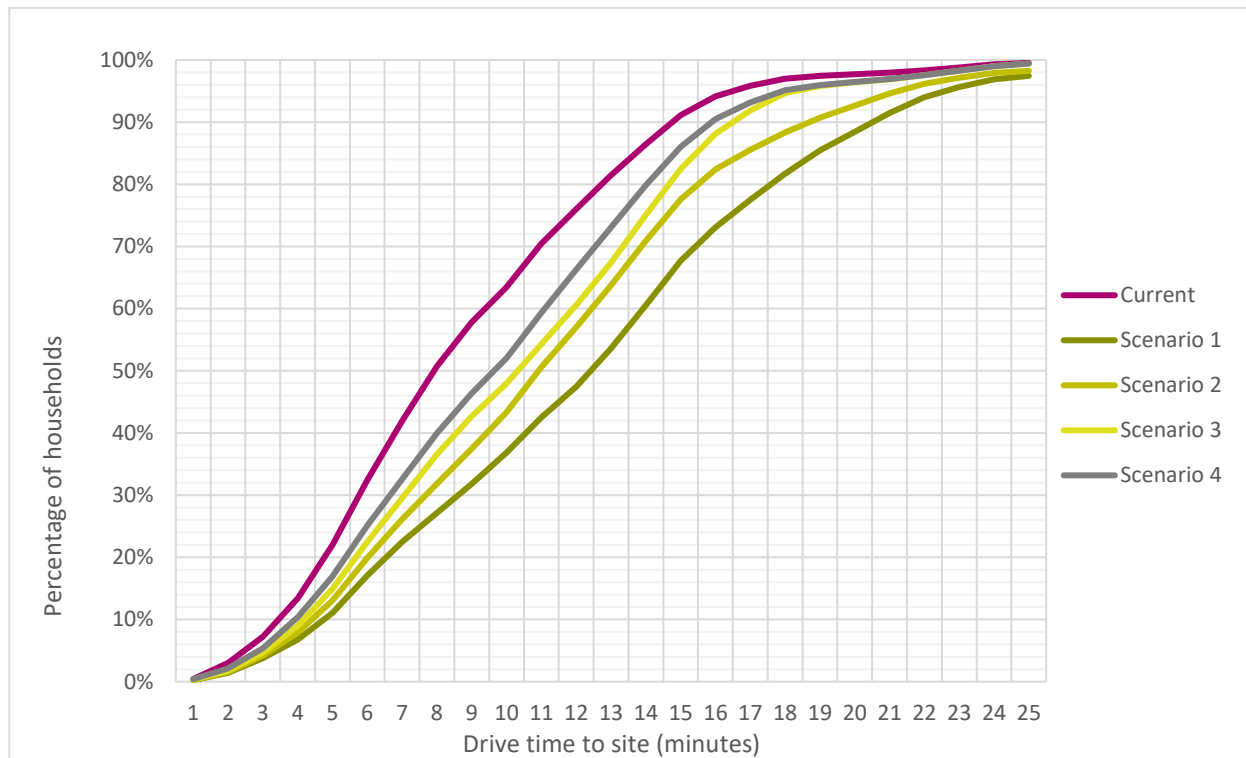


Figure 8 Cumulative drive time for HWRC scenarios

The following table shows the analysis of the distance between residents and their nearest HWRC site. It can be seen that the distance for the majority of residents is less than 8km (equivalent to 5 miles) for three of the four scenarios.

Table 19 Distance from the nearest HWRC

Scenario	Proportion of Households				
	Less than 2 km	2 to 4 km	4 to 6 km	6 to 8 km	More than 8 km
	Zone 1	Zone 2	Zone 3	Zone 4	Zone 5
Current	15%	32%	15%	14%	24%
Scenario 1	7%	18%	13%	8%	54%
Scenario 2	7%	21%	15%	12%	45%
Scenario 3	9%	23%	15%	11%	42%
Scenario 4	11%	25%	15%	13%	36%

## Appendix C Detailed legislation assessment

### C.1 The Resources and Waste Strategy

The Resources and Waste Strategy (RWS) sets out a broad range of measures that will affect HWRCs and the waste sector in general. The overarching expectation is for a shift to full alignment with the waste hierarchy through prevention and re-use.

The means to deliver this evolution described in the RWS include revised and expanded EPR and minimum requirements through Ecodesign and are expected to fundamentally alter the amount of waste generated, the nature of that waste, and how waste management systems are operated and funded.



Five priority areas are outlined for EPR, three of which will have direct impacts upon HWRCs:

- **Textiles** – Including at least all clothing, as well as other household and commercial textiles such as bed linens;
- **Bulky waste** – Including mattresses, furniture and carpets; and
- **Vehicle tyres** – Including tyres from cars, motorcycles, commercial and goods vehicles, and heavy machinery.

The EU Circular Economy Package sets minimum requirements for EPR schemes specifying, amongst other things, that producers must bear at least 80% of the costs of separate waste collection, transport and treatment necessary to meet EU targets<sup>17</sup>. Furthermore, EPR fees will be modulated to incentivise improvements to product durability, reparability, re-usability and recyclability and the presence of hazardous substances, thereby encouraging a life-cycle approach to production. The RWS goes further with regards to packaging, ensuring that producers pay the full net cost of managing the waste at end of life, i.e. 100% of the cost, and that full net cost recovery will underpin the Government framework for EPR as applied to other products. With regards to EPR, the RWS states that the Government will ensure that local authorities are resourced to meet new net costs arising from the policies in the RWS, including upfront transition costs and ongoing operational costs.

While EPR in the forms being debated for consultation and eventual implementation have derived from the EU Circular Economy Package, there may be questions about the likelihood of the UK Government maintaining regulatory alignment with the EU on packaging legislation now that the UK has left the European Union. At this moment, it is envisaged that packaging legislation may well stay aligned (or very closely aligned) as pan-European and global packaging producers operating across the EU will seek this assurance, and UK Ministers have repeatedly indicated their desire to even deliver stronger policy than that of the EU. This will need monitoring throughout the passage of the Environment Bill and in the subsequent detailed consultation on EPR options, expected in the autumn.

EPR reform is likely to:

- Change the amount of waste entering HWRCs vs. other waste systems;
- Create new waste management systems, e.g. takeback schemes, re-use networks, remanufacturing and repair centres, and specialist recycling centres;
- Change the design of products to enable longer product lifetimes, re-use, repair, modularity, and recyclability;
- Change the nature of waste entering HWRCs as product design changes and some end of life products are diverted to new waste management systems;
- Change how waste management is funded as producers will be liable to pay for waste management, presenting a revenue opportunity for Councils managing EPR product waste; and
- Require detailed data management for reporting and cost-recovery purposes on the part of actors managing EPR product waste.

The waste streams relevant to HWRCs that are most likely to be affected first are:

- Textiles
- Bulky waste
- Vehicle tyres
- Packaging

<sup>17</sup> Different rules apply to EPR schemes for ELV, Batteries and WEEE. <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018L0851&from=EN>

- WEEE
- Batteries and accumulators

These changes are expected to be implemented by 2023.

Carbon-based targets and natural capital accounting are proposed, moving away from weight-based targets, and inevitably driving different waste management choices. This will undoubtedly be used to support the Government commitment to reach net zero emissions by 2050, outlined in the Environment Bill below.

The RWS dedicates Chapter 2 to “Helping consumers take more considered action”, addressing consumption and disposal behaviour with aims to:

- Incentivise consumers to purchase sustainably
- Provide consumers with better information on the sustainability of their purchases
- Ban plastic products where there is a clear case for it and alternatives exist
- Address barriers to re-use
- Support the market for remanufactured goods
- Encourage appropriate disposal of used products
- Lead by example through procurement and the Greening Government Commitments

Specific actions include:

- Addressing barriers to re-use at Household Waste Recycling Centres and consulting on further measures to boost re-use, including reporting and re-use targets;
- Investigating amending the recycling credit system used by two-tier authorities;
- Reviewing the Controlled Waste Regulations and Household Waste Recycling Centres to ensure they are delivering value for money;
- Extending product lifetimes through warranties and disclosure;
- Supporting the market for remanufactured goods, including by developing quality assurance schemes to boost consumer confidence;
- Supporting large-scale re-use and repair through national planning policy;
- Introducing a DRS for single-use drinks containers, subject to consultation;
- Banning the most problematic plastic products, such as plastic drink straws, where there is a clear case for it and alternatives exist; and
- Producing consumer guidance for the recycling, resale, re-use and disposal of consumer internet-connected devices.

These actions reflect the emphasis on re-use, repair and waste prevention that runs throughout the RWS.

The DRS may also provide a potential funding stream for deposit-bearing items collected at HWRCs.

Furthermore, Chapter 4 of the RWS sets out measures to tackle waste crime, which will be supported by sophisticated digital waste tracking systems as mandated in the Environment Bill described below. Recent media exposés of illegal waste sites abroad treating UK exports of municipal waste have caused public outcry. Stricter monitoring of exports and waste supply chains is likely to improve environmental outcomes, potentially closing some treatment routes or increasing costs as a result of avoiding malpractice.

Ecodesign legislation is also discussed, with ambition to exceed the EU’s Ecodesign standards where economically practicable, expanding the scope to cover more resource intensive product groups such as textiles and furniture. The availability of spare parts to facilitate repair, and the presence of harmful chemicals and their impact on recycling are highlighted as key issues.

## C.2 The Environment Bill

The Environment Bill<sup>18</sup> currently in Parliament, but temporarily delayed as a result of the COVID-19 emergency, will be subject to scrutiny and amendment at Committee Stage<sup>19</sup> and Third Reading, noting that the Committee Stage was suspended but is now scheduled to report by 29<sup>th</sup> of September. No further information on scheduling the bill is available at the time of writing but it is important to remember that this flagship legislation will need to be approved by the end of 2020 when the UK leaves the European Union.

It is the legislation that will enact many of the measures outlined in the RWS above. In addition, it sets out:

- A commitment to net zero greenhouse gas emissions by 2050;
- Charges to minimise the use and impacts of single use plastics;
- Mandatory electronic tracking of waste; and
- A new public body, the Office for Environmental Protection, to be an independent watchdog to hold government and other public bodies to account on fulfilling their obligations on the environment.

Waste will be a key policy area in environmental legislation going forwards, particularly in relation to carbon targets due to the considerable amount of emissions associated with waste management and the opportunity to cut emissions through waste prevention, re-use and recycling. The Environment Bill also addresses air quality, which may influence decisions around waste treatment methods, waste transport distances and even HWRC site design and traffic, particularly when sited in urban areas.

## C.3 EU Ecodesign implementing Regulations

EU regulations, published on the 1<sup>st</sup> of October 2019, set out Ecodesign requirements for the following product groups<sup>20</sup>:

- Household refrigerators
- Light sources
- Electronic displays
- Dishwashers
- Washing machines and washer-driers
- Motors
- External power supplies
- Refrigerators with a direct sales function
- Power transformers
- Welding equipment

A key component of the Ecodesign requirements centres on the 'right to repair'. Specific requirements are set out under resource efficiency detailing spare parts and repair and maintenance information that must be made available to professional repairers and end-users. The regulations intend to support prolonged

<sup>18</sup> <https://www.gov.uk/government/publications/environment-bill-2020/30-january-2020-environment-bill-2020-policy-statement>

<sup>19</sup> Environment Bill 2020 Second Reading, Hansard 26 February 2020 <https://hansard.parliament.uk/commons/2020-02-26/debates/684530F9-0440-45F3-8768-E0E208082739/EnvironmentBill>

<sup>20</sup> Regulation laying down ecodesign requirements 1 October 2019, <https://ec.europa.eu/energy/en/regulation-laying-down-ecodesign-requirements-1-october-2019>

product lifetimes, repair and re-use, thereby reducing consumption and waste. If the market responds accordingly, it may also present opportunities for sale of spare parts from products brought to HWRCs. The new regulations also include requirements for repairability and recyclability, contributing to circular economy objectives by improving the life span, maintenance, re-use, upgrade, recyclability and waste handling of appliances<sup>21</sup>.

#### C.4 Impact of Covid-19

Local authorities and their waste contractors have responded to the pandemic in creative ways, with very few negative news stories about waste management. The industry's profile has been enhanced and the fact that it is designated "key" has been such an important recognition.

Waste Disposal Authorities and their contractors have managed to respond to varying demands; they have been flexible in the face of staffing shortages, assisting collection authorities through staff re-deployment from Household Waste Recycling Centres (HWRCs); incorporated the changing health and safety guidance into safe systems of work and responded to the change in public expectation of service provision; opening as many services as possible as quickly as possible.

##### Priorities and planning

The length of time from most HWRCs being closed to most being re-opened has been around a month. Discussions with local authority waste managers have shown that some authorities managed to re-open some HWRC sites *in less than a week from the decision being made*. Those that have managed to re-open in such a short time had been working on plans with their contractors for two or three weeks beforehand and had kept a watching brief on developments at all times.

There are a multitude of aspects to be considered before re-opening, not least the management of demand; so, whilst not discounting the importance of off-take, markets for recyclables and disposal the measures and systems that local authorities have put in place to manage demand effectively whilst also adhering to social distancing guidelines. Examples have included:

1. Prioritising the opening of larger sites, where social distancing can be maintained.
2. Implementing booking systems, with access being through Council websites, call centres and phone apps.
3. Managed queueing systems, with increased communication between site staff and site users.

##### Booking systems

Authorities have implemented booking systems that can be accessed on-line only or by 'phone and other systems as well. Many authorities have focussed on only allowing domestic vehicles to be booked in, at least initially, to cope with the domestic demand and because they take less time to empty than larger vans and trailers. The booking slots have varied in length, from 15 minutes to an hour. Some allow a longer "window" so that, if the site user is delayed for any reason, they will still have chance to use the site; others are more time-specific. Authorities allow differing number of vehicles on site during those slots depending on the size of the site and the number of site staff. This booking slot can easily be changed to allow increases or decreases in numbers depending on staff availability and even fluctuations in the local severity of the pandemic. Using booking systems, means greater restrictions and control can be applied should

<sup>21</sup> [https://ec.europa.eu/commission/presscorner/detail/en/IP\\_19\\_5895](https://ec.europa.eu/commission/presscorner/detail/en/IP_19_5895)

there be upsurges in Covid-19 which could affect site users, those operating the site and associated off-takers and sub-contractors.

The implementation of booking systems has improved the flow of site users within the sites and helped them to use the sites more effectively; this has also prevented site-staff being inundated at peak periods and has enabled much greater communication between the site staff and site users. The add-on benefits have been increased sorting of materials for recycling and re-use and some reported decrease in residual waste. The booking system can also help to reduce abuse of the site from unauthorised use, such as commercial vehicles, and there is less likelihood of abuse towards site staff if users have to register to use the site.

Most authorities spoken to are intending to keep their booking system going forwards, with adaptations made to numbers on site as lockdown lifts, with additional expansion of the booking categories to allow more vans and trailers, giving those vehicles with larger loads to deposit, a longer time slot or having fewer vans and trailers within each time slot.

It has been reported by HWRC staff, both site staff and council officers, that site users have also been positive about the introduction of booking systems, as queueing is reduced and more assistance is available; they seem to be in favour of the system continuing post-Covid.

### **Limiting the types of materials accepted**

Some authorities, at least initially, limited the types of materials they were accepting; firstly allowing excess black bag waste and then expanding the range/size of materials as throughput decreased following the initial rush - some authorities not allowing larger items, such as furniture and white goods or DIY waste, until recently.

The initial control of the type of waste accepted, often in combination with booking systems and other site access systems, has helped authorities to manage off-take and has allowed the off-takers themselves time to restart their own processes. It has been apparent that a difficult area to re-start has been that of re-use, with site re-use facilities and shops and charity off-takers being hard-hit by the pandemic. This has included schemes like Community RePaint, the paint drop-off and collect re-use system. However, recently, re-use has gradually re-started at HWRCs<sup>22</sup>.

Furloughing has affected all parts of the waste management system and infrastructure, yet careful, staged re-opening has helped local authorities source destinations for all the waste and material streams.

Limiting the types of materials accepted on site may be another control measure that could be quickly adapted should there be any resurgence of the pandemic; priority materials could still be accepted, always taking into account the impact on the waste and recycling chain downstream, such has been the case, with the knock-on effects on supply of wood-waste to biomass and off-take of WEEE.

### **Controlled queueing**

Some authorities were unable to implement booking systems for various reasons. This included those where reciprocal agreements between neighbouring authorities were in place - for allowing each other's residents on site - but where they had different systems, or different demands and where other authorities' sites weren't re-opening. Cross-border site use had to be considered. Others found it difficult to set up a

<sup>22</sup> <https://www.letsrecycle.com/news/latest-news/councils-tentative-steps-open-reuse-shops/>

booking system in the time available as they didn't have any existing system in place that they could adapt or add to.

In these cases, queueing systems have been well-managed by local authorities, with few reported incidents of frustration leading to aggression. Authorities have employed traffic control experts and have liaised with local police forces and highway authorities to enable traffic signs, cones and routes to be clearly laid out and well-managed.

Site staff have been only allowing an agreed number of vehicles on site at any one time and have been ensuring good and regular communication along the queue of vehicles – telling people how long they are going to have to wait. At an agreed time prior to site closure, staff or traffic managers have been warning those queueing that they might not have time to access the site and that it's their choice whether to risk staying in the queue and the site closing or leaving and visiting another day.

Now that local authorities have tried and tested ways of introducing managed queueing at sites, this is another form of control that could be re-implemented if necessary.

### **Benefits of the measures for dealing with the Covid-19 pandemic at HWRCs**

The measures implemented to manage HWRC may have many positive aspects, including:

- It allows local authorities and their contractors to control site demand and have a smoother flow of inputs and outputs from the sites.
- It has potential to reduce abuse of staff on site and at access points.
- It has created tried and tested systems to control site use, for if there is a resurgence of the pandemic or other emergency situations.
- It has enabled the collation of increased information and data on site use.
- It is helping with increased segregation of materials for recycling and reuse and reduced residual waste.
- It promotes increased interaction between site staff and site users and can enable increased education opportunities, helping to inform the public, with positive behaviour-change as a result.

Ultimately, users of HWRCs, who have a positive, well-managed experience, might take the time to think more about the stuff they bring and that it might have a value.

## **Appendix D    Contract incentives and penalties examples**

**Devon County Council:** Devon County Council created a residual waste diversion target-based contract with their waste contractor. The contractor is not obliged to meet the target, but a bonus is given when it is achieved, and a penalty awarded if not. The target was introduced around 15 years ago and was increased by a percentage every year (by 0.25%) to boost performance. Once the sites achieved a high-performance level (70-80%) continued increases became unsustainable. At this point the diversion rate was set at 80%, with only 20% going to disposal.

Bonus payments replicated the avoided disposal costs (£100 per tonne). Bonuses were originally based on recycling performance alone but now include recycling and recovery to focus on residual waste reduction. The target is more difficult now as the EA is more restrictive on recycling activities. For example, many uses of recycled wood, such as animal bedding, are no longer permitted and so the only viable option for poor quality wood is biomass. Penalties were set higher at £120 per tonne and provide an important measure to

prevent poor performance. Use of this system rather than a contractual minimum performance targets helps prevent contract breaks and renegotiation or an expensive re-procurement exercise.

A separate re-use target is also written into the waste contract to incentivise re-use. This is set at 0.75% of total site throughput. Re-use revenue is shared evenly between DCC and the contractor. The bonus equates to equally shared revenue from re-use between DCC and Suez. The penalty for not meeting the target is set at £200 per tonne.

**Dorset Waste Partnership:** A target and bonus system is in place to minimise waste whilst promoting better segregation of materials, based around those material streams the Council pays for (green waste, wood and residual). Where targets are met the Partnership shares 30% of the avoided gate fees as a bonus. The contract also includes a clause that ensures the payment is shared with site staff as further incentive. Whilst this results in a relatively small loss to the contractor it translates to a good incentive for individual members of staff.

If performance falls 5% below the target a contract-default situation is triggered, so that the Partnership is protected if expectations are not met. A default escalator is applied to the recycling target each year to year to drive continued performance. However, targets are agreed annually together to remain realistic.

The two-part incentive system drives high performance, reduced costs and avoids unintended consequences. A recycling rate target alone may not incentivise a contractor to strictly enforce charging for non-household waste streams such as plasterboard that would otherwise inflate recycling figures. The system has flexibility to adapt to external influences that affect waste arisings and recycling rates such as unexpected weather patterns. A recycling target of 71.5% is set across whole HWRC network.

**Durham County Council:** Durham has 12 HWRCs with an additional one mobile site for rural Upper Weardale. The high-performance rates achieved on these HWRCs are attributed mainly to having had a well-defined and executed procurement process. It ensured that written into the specifications of the contract was a minimum of 70% recycling rate and 90% total diversion of waste from landfill.

The total diversion rate currently sits at 82% including rubble and material sent to RDF. The total recycling rate across all sites excluding rubble was 66% in 2017/18. The diversion rate had been higher but due to the loss of mattress and carpet recycling facilities it has declined in recent years and a new target of 80% (including rubble) was agreed. The effectiveness of the council's relationship with their contractor means that despite these challenges HWRCs are still able to maintain strong recycling rates.

**Luton Borough Council:** The current contract here is managed through a public-private partnership with a waste contractor until 2021. The partnership is based on a 'unitary' rate, with financial rewards for recycling performance to ensure recycling rates on site continue to increase. A 60% minimum recycling rate is specified in the contract with contractual conditions in place to penalise the waste contractor if the target is not achieved. The target is continually increased and initially started at 45%. The minimum contracted rate has resulted in reduced complaints from the public and a general improvement in recycling rates, with a recycling rate of over 70% currently being achieved.

**Merseyside Recycling and Waste Authority:** Merseyside is under a Waste Management and Recycling Contract which includes operation of 14 HWRCs and two Material Recovery Facilities. The contract recycling rate target is 53%, which due to use continuous improvements and positive incentive mechanisms has been exceeded (70%). The lower contract target reflected the HWRC performance at the time of contracting in 2009. There is a commitment to improve recycling performance and move up the waste hierarchy wherever possible, however it is acknowledged that this becomes more challenging as the easy



wins have been achieved, and due to financial constraints. Waste disposal costs are levied (under the EPA powers) from the Waste Collection Authorities. Levy costs are based on tonnage and population in each council area. An additional 24,000 tonnes were recycled above target in 2017/18, giving savings of circa £150,000 due to cost-effectiveness improvements. 2017/18 was the highest performing year since 2009 despite the highest tonnage throughput.

**Nottingham City Council:** Nottingham City Council has one HWRC, with an additional four HWRCs run by Nottingham County Council. The City Council currently has the highest HWRC recycling rate in England. The existing contract includes a target and bonus system with financial rewards available where the contractor exceeds an 85% recycling and diversion rate, meaning no more than 15% can be landfilled. Bonuses are linked to the avoided landfill cost currently equating to £69/tonne. The contract includes a bonus scheme to incentivise the contractor and their staff.





*Working for a brighter future together*

Key Decision: Y
Date First Published: 21/08/20

## Cabinet

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**Date of Meeting:** 10 November 2020

**Report Title:** Cheshire East Social Value Policy

**Portfolio Holder:** Cllr Sam Corcoran: Leader of the Council

**Senior Officer:** Mark Palethorpe (Executive Director People – Director of Children’s Services & Director of Adults Social Services)

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### 1. Report Summary

- 1.1. Social Value is a developing national and local priority, given the growing evidence that effectively embedding and delivering Social Value can have a huge impact in terms of driving innovation, improving health inequalities and securing improvements in social, economic and environmental outcomes for local communities.
- 1.2. This is now even more important than ever given the devastating impact that COVID-19 is having on health inequalities and the local economy.
- 1.3. The development of Social Value will contribute to achieving the priorities and outcomes identified within key local strategies, including:
  - Cheshire East Corporate Plan 2020-2024 (subject to consultation)
  - Cheshire East Council Environmental Strategy;
  - Cheshire East Partnership 5 Year Plan;
  - Cheshire East Joint Health and Wellbeing Strategy;
  - Cheshire East Draft Economic Strategy and Economic Recovery Plan.
- 1.4. The development of Social Value with our partners across Cheshire East therefore supports our strategic objectives and our approach to recovery from the Pandemic.

## **2. Recommendations**

That Cabinet:

- 2.1** Adopt the draft Social Value Policy as outlined at Appendix 1.
- 2.2** Agree that all future Executive Decisions relating to the commissioning and procurement of goods and services should outline the contribution they will make to delivery of social value.

## **3. Reasons for Recommendations**

- 3.1.** Embedding Social Value will support the delivery of a number of the council's priorities. For example, it provides the opportunity to specify, evaluate, monitor and enforce environmental targets with our suppliers and their supply chain to support the delivery of our Environmental Strategy and Carbon Action Plan.
- 3.2.** Furthermore, the delivery of social value will support sustainable and inclusive economic development in the Borough and provides an opportunity as a call to action to support local economic recovery following the impact of Covid-19. Our ambition is to achieve this through the maximisation of Social Value within the Council's supply chain as well as working with local business and industry to create opportunities through building the links between Public, Business and Voluntary Community Faith and Social Enterprise sectors.
- 3.3.** Evidence shows that the social impacts that can be achieved through Social Value are underpinned by the Marmot Principles in terms of the wider determinants of health and wellbeing, and health inequalities. This therefore supports the Council's priorities in relation to supporting the health and wellbeing of our residents
- 3.4.** In addition, there is also an opportunity to improve mental wellbeing outcomes which is a key priority for the Council and our partners as set out in the Cheshire East Partnership 5 Year Plan and the 10 Year NHS Plan.
- 3.5.** Research suggests strong evidence that engagement in delivering Social Value has mental health benefit in itself and this can be further optimised if the activity drives mental health outcomes, for example good quality employment opportunities, community development, transport, housing and environmental planning.

- 3.6. The draft Social Value Policy has been developed as a joint policy with NHS Cheshire Clinical Commissioning Group (CCG) which has been approved through their governance arrangements.
- 3.7. This supports our ambitions for integrated commissioning across the Council and the CCG. This also provides clarity for suppliers in terms of joined up priorities and objectives such as economic recovery, climate change and carbon neutral ambitions.
- 3.8. There is a growing national agenda in terms of the role of 'Anchor Institutions'. Local Authorities are identified as 'Anchor Institutions' in terms of organisations that are embedded within local communities as key 'purchasers, providers and employers', with the potential to have a huge impact on the local health, wellbeing, the environment and the economy.
- 3.9. The Council spends approximately £350million each year with suppliers through commissioning and procurement of goods and services. Social Value also supports the 'spend local' agenda, which can be achieved through embedding Social Value within the commissioning and procurement of goods and services. As part of their Social Value it is expected that suppliers will reinvest income locally for example, through the employment of local people, building skills and training locally, the use of local supply chains, or investing in local projects.

#### **4. Other Options Considered**

- 4.1. The Council's Social Value practice and policy must continue to meet the statutory requirements as set out within the Public Services (Social Value) Act 2012. Those requirements are dynamic and in meeting them the Council must not only maximise the potential opportunities of Social Value but also address the opportunities and challenges presented by climate change, environmental degradation and the UK's future relationship with the European Union. As the lead for the Cheshire and Merseyside Social Value Accelerator site, the Council will be in a position to provide leadership and develop/demonstrate best practice in meeting these opportunities and challenges.

#### **5. Background**

- 5.1. The Public Services (Social Value) Act 2012 requires public bodies to consider not only how the goods and services to be procured might in themselves improve the economic, social and environmental well-being of the area, but also how the procurement process itself might secure such improvement.

- 5.2.** A focus of the Social Value Policy and supporting resources will be to ensure that Social Value is considered early and across the ‘whole’ commissioning cycle. This includes embedding economic, social and environmental value during the planning, purchasing and monitoring processes. We need to ask questions which challenge potential suppliers, drive improvement and innovation and are more specific for each individual commissioning activity. Local insight and need should inform early planning, with specific performance measures and outcomes that can be effectively monitored through the contract management process.
- 5.3.** Following a successful bid the Cheshire and Merseyside Health and Care Partnership have developed an agreement with NHS England/Improvement to embed Social Value at scale across the footprint. Cheshire East Council were identified as the local lead for the Social Value Accelerator site programme. This has provided an opportunity for the Council to review our Social Value policy in line with best practice from other Local Authorities and partners.
- 5.4.** There is a huge amount of literature and information available to support Social Value practice, including various definitions of Social Value. However, our local definition and understanding of Social Value was coproduced collaboratively with partners and local residents across Cheshire and Merseyside, including residents across Cheshire East.

Social Value is:

- the good that we can achieve within our communities, related to ***environmental, economic and social factors***;
- our approach to building capabilities, strengths and assets and enabling people to live a valued and dignified life;
- an enabler for the growth of ‘Social Innovation’ and helps to reduce avoidable inequalities – linked to the Marmot Principles;
- a requirement of the public sector as ‘Anchor Organisations’ to use their purchasing power to build capabilities, strengths and assets within our communities, ensuring that Cheshire East is a great ‘Place’ to live and work
- Supports organisations’ delivery of their Corporate Social Responsibility (CSR) and can be seen as the ethical activities of Suppliers, Business and Industry which are not a direct response to a procurement/tender process, but the wider ethical practices of an organisation that impact on people and communities. Public bodies are also becoming more aware of their own CSR and their own ethical practices in terms of employment, environmental impact/influence, and community buildings/assets etc.

- 5.5.** The Social Value Policy is underpinned by a number of supporting resources which have now been developed locally:
- Social Value Charter
  - Social Value Framework
  - Cheshire East Social Value 2020
  - Social Value Guide
  - Social Value Award (Kite Mark)
  - Social Value Training – This will become a standard training unit as part of the Cheshire East Commissioning Academy
  - Cheshire East Social Value Steering Group
  - Cheshire and Merseyside Social Value Champions
  - Cheshire and Merseyside Social Value Website – access to wider Social Value resources
- 5.6.** As a joint Policy with NHS Cheshire CCG this supports our ambition for integration and joint commissioning across the Council and the CCG. The Policy has been developed in partnership across the Council and the CCG and the CCG will also access joint training delivered by the Council to ensure a consistent approach to embedding the Policy locally. A joint Social Value policy will enable the Council and the CCG to develop and measure shared Social Value measure to achieve a greater impact and outcomes for local people. NHS Cheshire CCG are also part of the Cheshire and Merseyside Social Value Network established by the Council, to enable us to share learning and good practice across Health and the Local Authority.
- 5.7.** Taking a best practice approach, as part of our Social Value Policy we are also proposing the development of our wider organisational CSR and social accounting activities. This includes the need to maximise our social, environment and economic impact over and above, and in addition to the commissioning and procurement of goods and services in terms of the Council as an ethical organisation and ‘Anchor Institution’. This means that as a large local employer, with buildings, facilities and assets within our communities, as well as being a provider of services ourselves, we have the potential to have a huge local social, economic and environmental impact. Examples include the Council’s ethical activities to reduce our plastic use, equal opportunities for employment, and our connected community developments.
- 5.8.** The Council recently distributed a survey to the Council’s top 50 suppliers, based on the value and supplier status. The survey aims to identify Social Value activities that have been delivered through our contracts. The development of annual supplier surveys is part of our longer-term ambition

as we develop our existing processes for Social Calculating in terms of contract monitoring to provide an annual overview. The questions within the survey included:

- The level of spend with our top suppliers;
- Level of spend is with our local suppliers;
- Level of spend with SMEs or VCFSE organisations;
- The re-spend of suppliers back into the local economy in terms of employees and their supply chain;
- Number of jobs/employment opportunities created;
- Number of jobs/employment opportunities created for 'hard to reach' individuals;
- Number of apprenticeships;
- Number of voluntary and community hours contributed by suppliers;

**5.9.** Social Accounting developments will also include the Council's own CSR activities e.g. the Council's Carbon Neutral ambitions; and also employment policies such as the 'Leave and Time Off Policy' which enables employees to take 2 days paid leave per year to undertake volunteering opportunities. With approximately 3,500 employees this could equate to 7000 days of volunteering activities within Cheshire East communities, we also need to understand more about the additional social, economic, and environmental impacts and outcomes of the Council's volunteering policy for local people and VCFSE organisations across Cheshire East.

**5.10.** A key requirement of the Cheshire and Merseyside Social Value Programme is to engage Hospital Provider Trusts, CCGs, Local Authorities and the Voluntary, Community, Faith and Social Enterprise sector (VCFSE) as Anchor Institutions. However, we have expanded the scope of our local definition of Anchor Institutions to include local Suppliers, Business and Industry. National guidance is due to be published in terms of Anchor Institutions, and we are in the process of developing a Social Value Award/Kite Mark approach to recognise best practice, through simple set of criteria. The Social Value Award will be delivered through a partnership approach in Cheshire East, supported by the Cheshire East Social Action Partnership, Chamber of Commerce, Social Value Business and Cheshire Connects.

## **6. Implications of the Recommendations**

### **6.1. Legal Implications**

**6.1.1.** The Public Services (Social Value) Act 2012 came into force on 31st January 2013. It is a legal obligation for Local Authorities and other public bodies to consider the social economic and environmental good that could come from the procurement of services.

### **6.2. Finance Implications**

**6.2.1.** There are no changes to the Medium-Term Financial Strategy as a result of the recommendations in this report.

**6.2.2.** The commissioning and procurement of goods and services will continue to be undertaken in line with the budgets available while also considering opportunities for efficiency savings and meeting our duty of Best Value. Under the duty of Best Value local authorities also need to consider overall value of contracts. Whilst this includes economic, environmental and social value, the duty also requires public bodies to secure continuous improvement in the way in which its functions are carried out and consider the combination of economy, efficiency and effectiveness. Therefore, whilst looking at Social Value the Best Value duty remains throughout and is an important factor for public bodies in the weighting and evaluation of bids.

**6.2.3.** A longer-term ambition for Cheshire East Council to be able to develop 'Social Accounting' activities in terms of monitoring and evidencing the social, economic and environmental impact at an organisational and service/contract level, which includes our social return on investment.

### **6.3. Policy Implications**

**6.3.1.** The Council's Social Value Policy will be reviewed as a result of embedding the sub-regional learning and best practice approach.

**6.3.2.** Social Value has been identified as a priority within the Cheshire and Warrington Local Industrial Strategy.

### **6.4. Equality Implications**

**6.4.1.** An Equality Impact Assessment has been undertaken for the review of the Council's Social Value Policy.

## **6.5. Human Resources Implications**

**6.5.1.** Individuals who have the responsibility of achieving Social Value for the Council i.e. commissioners, contract managers and procurement should be obliged to deliver Social Value, which should be business as usual.

**6.5.2.** The Cheshire and Warrington LIS makes recommendations for a 'fair living wage' which should be driven forward through Social Value activities within the Council. This is also reflected within the Council's Social Value Policy.

## **6.6. Risk Management Implications**

**6.6.1.** The development of a robust Social Value Policy, supporting resources and training, to ensure that the Council fulfils our legal obligation in terms of The Public Services (Social Value) Act 2012.

## **6.7. Rural Communities Implications**

**6.7.1.** Maximising on the opportunities for Social Value and CSR will have a social, environmental and economic impact on the outcomes people living in rural communities related to the Marmot Principles.

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

**6.8.1** Maximising on the opportunities for Social Value and CSR will have an impact on outcomes for children and young people related to the Marmot Principles.

## **6.9. Public Health Implications**

**6.9.1.** Evidence suggests that there is a strong link between maximising on the opportunities for Social Value and CSR Public Health outcomes related to the Marmot Principles, in terms of reducing avoidable health inequalities through social, economic and environmental impacts.

## **6.10. Climate Change Implications**

**6.10.1.** A key priority for Council is the environment, with the development of an Environmental Strategy and an ambition to become carbon neutral by 2025. Social Value provides the opportunity to increase the impact that we have from a purchasing perspective on climate change. Social Value provides the opportunity, structure, policy and processes to enable us to specify, evaluate, monitor and enforce environmental targets with our suppliers and their supply chain. This programme will also focus on the



Council's own CSR activities in terms of our organisational environmental impact.

## **7. Ward Members Affected**

- 7.1. All Wards will be affected.

## **8. Consultation & Engagement**

- 8.1. The Council's Communities Team supported the coproduction of our Social Value 2020 challenge with our local community networks. A set of 20 local examples of how organisations can practically deliver Social Value activities in Cheshire East. The Cheshire East Social Value 2020 challenge therefore highlights a number of local priorities for Social Value.
- 8.2. One of the principles of our Social Value approach across Cheshire and Merseyside is that we need to ensure that we take a community, grass roots, assets-based approach. The 'recipe for a good life' coproduction project was initiated through the Cheshire and Merseyside Social Value site programme. The aim of the project was to ensure a grass roots, community approach to the development of our priorities. Community workshops were undertaken across Cheshire and Merseyside including Crewe. This has supported the development of the Charter and the Framework.
- 8.3. A coproduction workshop was undertaken with the Council's Brighter Futures Champions to support the development of the Social Value policy. Brighter Future Champions are keen to be involved in the continued development of Social Value in Cheshire East.
- 8.4. The Social Value Policy has been jointly developed with NHS Cheshire CCG as a joint policy across the Council and the CCG.

## **9. Access to Information**

- 9.1. Cheshire East Council Social Value Policy and supporting resources.
- 9.2. Cheshire East Council Corporate Plan 2020-2024 (subject to consultation).
- 9.3. Ambition for All: Cheshire East Sustainable Community Strategy.
- 9.4. Cheshire East Council Environmental Strategy.
- 9.5. Cheshire East Council Economic Strategy.

## **10. Contact Information**

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

Name: Shelley Brough

Job Title: Head of Integrated Commissioning

Email: [shelley.brough@cheshireeast.gov.uk](mailto:shelley.brough@cheshireeast.gov.uk)



# Cheshire East Social Value Policy

## 1. Purpose

This policy provides the context for social value within Cheshire East Council and NHS Cheshire Clinical Commissioning Group (CCG). It sets out our commitment to ensuring a high standard of ethical practices through embedding social value at an organisational wide level in terms of our social accounting, corporate social responsibility (CSR), and at a commissioning level across the 'whole' commissioning cycle. This includes internal service delivery, the external procurement of goods and services and contract management process. The policy provides details of our local social value priorities and our core principles for social value.

In addition, the social value policy is also underpinned by a suit of resources, tools and guidance to support the practical implementation and embedding of social value.

The policy and supporting resources are particularly useful for officers involved in some or all elements of the commissioning cycle:

- Strategic Commissioning (Planning)
- Procurement (Purchasing)
- Contract Management (Monitoring)

The Social Value Policy and supporting resources (particularly the Social Value Framework) is also available to support market engagement activities, in terms of informing suppliers of goods and services of our local social value priorities across the Cheshire East Place.

It is recognised that under this policy, individual organisations may have their own set of operating procedures and practices that they need to adhere to in their commissioning and procurement activity.

## 2. Background and Scope

The Public Services (Social Value) Act 2012 ("the Act") makes it a legal obligation for public bodies to 'consider' the social good that could come from the 'procurement' of services before they embark upon it. However, it is important to highlight that in addition to embedding social value within our commissioning and procurement practice, this policy provides a wider focus of social value at an organisational level as 'Anchor Institutions'<sup>1</sup> in terms of our social accounting and CSR. Anchor institutions are organisations rooted within our communities, with the potential to have a huge impact on the health and wellbeing of the community as local employers, purchasers and deliverers of goods and services, with assets and buildings based within the community, this includes hospitals, councils, universities, voluntary community and faith sector organisations, and local businesses. It is our intention to build on best practice through the development of social value from an organisational social accounting and CSR perspective as anchor institutions.

In terms of commissioning, the aim of the Act is not to alter the procurement processes, but to ensure that as part of these processes, public bodies give

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<sup>1</sup> The Health Foundation (2019) The NHS as an Anchor Institution [https://www.health.org.uk/news-and-comment/charts-and-infographics/the-nhs-as-an-anchor-institution?gclid=EALaIQobChMI8erM3qCI5gIVDUPTCh3-jAnmEAAYASAAEgJAiPD\\_BwE](https://www.health.org.uk/news-and-comment/charts-and-infographics/the-nhs-as-an-anchor-institution?gclid=EALaIQobChMI8erM3qCI5gIVDUPTCh3-jAnmEAAYASAAEgJAiPD_BwE)

consideration to the wider impact of the service's delivery. It allows public bodies to, for example, choose a supplier under a tendering process who 'not only' provides the most economically advantageous service, but one which goes beyond the basic contract terms and secures wider benefits for the community in terms of 'social, environmental and economic' impacts and outcomes. The social value that we can achieve from the commissioning process, is over and above what we ask for within a service specification e.g. if we are commissioning and procuring office chairs, we may want to achieve a wider environmental impact as a result of the process.

The statutory requirements of the Act only apply to the 'procurement' of public service contracts above EU threshold. However, in order to incorporate the good practice associated with social value into the 'whole' commissioning cycle, it is the intention of Cheshire East Council and NHS Cheshire CCG to embed this policy and framework within all commissioning activity 'wherever proportionate and practicable'.

This policy statement and supporting resources sets out our aims and it seeks to:

- Provide a local definition and set of principles for social value;
- Sets out the policy context and application for social value in Cheshire East;
- Provide a local Social Value Framework and set out our priorities for social value;
- Provide guidance and support to officers to embed social value within our practice.

The Cheshire East Social Value Policy is supported by the Cheshire and Merseyside Health and Care Partnership Social Value Accelerator site<sup>2</sup>. Cheshire East Council and NHS Cheshire CCG have signed up to the Cheshire and Merseyside Social Value Charter, with the aim of achieving our ambition for social value across Cheshire East.

The Cheshire East Social Value policy and supporting resources should evolve and develop over time in line with national and local policy and priority setting.

### 3. Defining Social Value

The Act itself does not define what is meant by 'social value' but offers a broad definition of social value. Therefore, Cheshire East Council and NHS Cheshire CCG will adopt the definition of social value which has been coproduced via the Cheshire and Merseyside Health and Care Partnership Social Value Accelerator programme.

When we talk about social value, we mean:

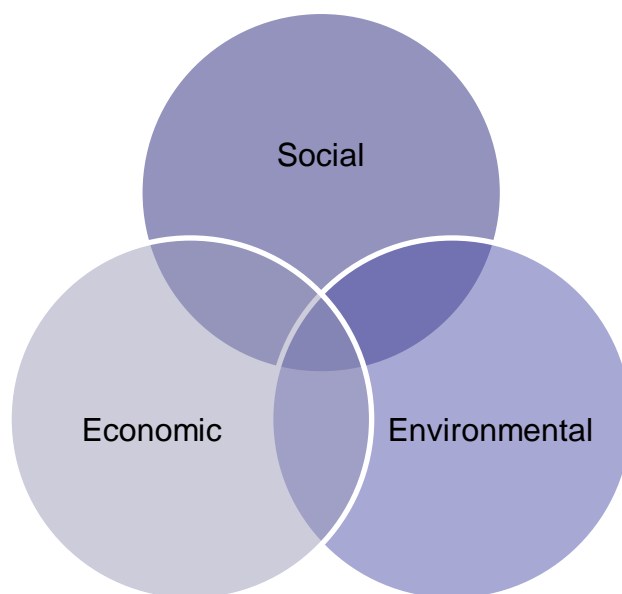
- the good that we can achieve within our communities through the purchasing (commissioning and procurement) of goods and service related to **environmental, economic and social factors**;
- our approach for enabling communities to live a 'good life' through improved outcomes as a result of the added value that we achieve through our commissioning and procurement activities;

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<sup>2</sup> Cheshire and Merseyside Social Value Accelerator Site  
<https://www.cheshireandmerseysidepartnership.co.uk/our-work/social-value>

- an enabler for the growth of ‘Social Innovation’ (SI)<sup>3</sup> and in the reduction of ‘avoidable’ inequalities within our communities – linked to the Marmot Principles<sup>4</sup>;
- a requirement of the public sector as ‘Anchor Institutions’<sup>1</sup> to use our purchasing power to enable local people to live a good life, and to ensure that Cheshire East is a great ‘Place’ to live and work

*NB - Corporate Social Responsibility (CSR) can be seen as the ethical activities of Suppliers, Business and Industry which are not a direct response to a procurement/tender process, but the wider ethical practices of an organisation that impact on people and communities. Public bodies are also becoming more aware of their own CSR and their own ethical practices in terms of employment, environmental impact/influence, and community buildings/assets etc.*



Social value essentially asks the question of public bodies “if £1 is spent on the delivery of goods and services, can the same £1 also be used to produce a wider benefit, impact or improved outcomes to the community in terms of social, economic and environmental factors”. It is the additional benefit to the community from a commissioning process over and above the direct purchasing of the goods and services. This recognises that every time the public sector spends money, it should do so in a way that achieves as many of its overall objectives as possible. See further information in terms of examples of social value within the Social Value Framework (see supporting resources.)

<sup>3</sup> Supporting Social Innovation in your Local Area (2019)  
<https://www.cheshireandmerseysidepartnership.co.uk/news-and-publications/publications/54-social-innovation-guide-digital/file>

<sup>4</sup> Marmot Review <https://www.local.gov.uk/marmot-review-report-fair-society-healthy-lives>

#### 4. Policy Context and Application

The core principles of social value are underpinned by the 6 priorities of **the Marmot Review 2010 (Health Inequalities, Fair Society, Healthy Lives)**<sup>4</sup> which seek to:

- Give every child the best start in life;
- Enable all children, young people and adults to maximise their capabilities and have control over their lives;
- Create fair employment and good work for all;
- Ensure a healthy standard of living for all;
- Create and develop healthy and sustainable places and communities;
- Strengthen the role and impact of ill health prevention

Social value is therefore clearly aligned to the **Cheshire East Council Corporate Plan (2020-2024)** (subject to consultation), which consists of priority areas:

- **Open** - We will provide strong community leadership and work transparently with our residents, businesses and partners to deliver our ambition in Cheshire East.
- **Fair** - We aim to reduce inequalities, promote fairness and opportunity for all and support our most vulnerable residents.
- **Green** - We will lead our communities to protect and enhance our environment, tackle the climate emergency and drive sustainable development.

Social value has been highlighted as a priority within the overarching **Cheshire East Partnership 5 Year Plan**<sup>5</sup> and the Cheshire and Warrington Local Industry Strategy. The Cheshire East Social Value Policy also supports the delivery of the following strategies and priorities:

The **Cheshire East Sustainable Community Strategy 'Ambition for All'**<sup>6</sup> sets out our vision and priorities for action to improve the quality of life of all the people of Cheshire East and to contribute to the achievement of sustainable development through action to improve **economic, social and environmental** wellbeing across the Cheshire East Place.

The **NHS Cheshire Clinical Commissioning Group (CCG) Commissioning Intentions** includes priorities that are aligned to the Cheshire East Partnership 5 Year Plan.

The Cheshire East **Connected Community Strategy**<sup>7</sup> and the **Social Action Charter** as part of the **Cheshire East Social Action Partnership**<sup>8</sup>, aim to build the connections between public, private and the Voluntary, Community, Faith and Social

<sup>5</sup> Cheshire East 5 Year Plan <https://healthwatchcheshireeast.org.uk/wp-content/uploads/2019/07/Cheshire-East-5-year-plan-v8c.pdf>

<sup>6</sup> Cheshire East Sustainable Community Strategy 'Ambition for All' [https://www.cheshireeast.gov.uk/council\\_and\\_democracy/connected-communities/sustainable\\_community\\_strategy.aspx](https://www.cheshireeast.gov.uk/council_and_democracy/connected-communities/sustainable_community_strategy.aspx)

<sup>7</sup> Connected Communities Strategy [https://www.cheshireeast.gov.uk/council\\_and\\_democracy/connected-communities/connected-communities.aspx](https://www.cheshireeast.gov.uk/council_and_democracy/connected-communities/connected-communities.aspx)

<sup>8</sup> Cheshire East Social Action Partnership <https://www.cesap.org.uk/>

Enterprise (VCFSE) sectors to achieve social action and therefore social impact. This is part of our ambition to build on our existing community strengths and assets. This is also supported by the CCG **Framework for Care Communities** which details how Care Communities will develop and operate across Cheshire.

The Cheshire East Council **Environment Strategy** highlights our commitment to become Carbon Neutral by 2025. This includes our wider influence through the commissioning and procurement of goods and services to encourage organisations, businesses, and residents in Cheshire East to reduce their carbon footprint, by reducing energy consumption and promoting healthy lifestyles.

These strategic priorities are highlighted within the Cheshire East Social Value Framework (see appendix 1).

Each year the Council and the CCG spend millions of pounds commissioning, procuring and contracting a wide range of goods and services, and it is recognised that there can be no “one size fits all”. This policy will therefore need to be applied in a proportionate manner and be tailored to reflect what is being contracted and/or procured and how. Commissioning practices may differ within the organisations for example the Council will consider a number of options for commissioning, which could include in house delivery, the development of Local Authority Trading Companies, or procurement and tender activities for the outsourcing of goods and services. The CCG predominantly manages large recurring contracts with large NHS providers. It is the role of commissioners, procurement leads and contract managers to consider, on a contract by contract basis, what social value opportunities and outcomes may be relevant to that contract, and to consider how the application of social value helps to secure the most valuable benefits for our area. Social value should therefore be embedded across the whole commissioning cycle (see appendix 1).

The Act specifically applies to service contract and contracts above the EU threshold which combine service with the purchase or hire of goods, but not work and supply contracts. However, Cheshire East Council has for many years considered social, economic and environmental issues when procuring goods and services. Therefore, social value outcomes will be considered in the procurement of all contracts over a value of £5,000 (i.e. both below and above the EU threshold set out in the Act), where it can be shown that it is **relevant and proportionate** and is compliant with EU and national public contract regulations.

For CCGs, Social value is an integral element within existing NHS Standard Contracts: Service Condition 18 of the contract titled ‘sustainable development’. A consist approach is needed by CCGs for development of existing rolling contracts with NHS providers in relation to embedding and monitoring social value outcomes.

During the planning stage of the commissioning process, we will undertake activities to identify the possible social value opportunities and outcomes. This will be developed using the Social Value Framework (see supporting resources) alongside any consultation, engagement and coproduction with stakeholders (e.g. suppliers and service users). This will enable commissioners to understand how we can improve the economic, social and environmental wellbeing of the area to deliver outcomes relevant to our local priorities.



Social value can be addressed through a number of levers in the commissioning and contracting process for example:

- Asking relevant, targeted questions at the **Pre-Qualification Questionnaire** stage of major procurements – seeking to ensure that the shortlist of bidders is made up of suppliers with a strong track record on delivering social value.
- Asking specific, **target-setting** questions at the **Invitation to Tender** stage of relevant procurements – allowing bidders to propose specific targets and delivery plans to reduce emissions, create local employment opportunities, and provide other sustainable outcomes.
- The development of **Social Value Outcomes and KPIs** within the Service Specification, Contract, Service Level Agreement (SLA), Performance Management Framework (PMF), and or Service Improvement/Development Plan. This can be achieved through procurement processes, service reviews, service improvement/development, contract management, contract modifications, and contract negotiations.
- Taking steps to improve the **accessibility** of the procurement process itself, allowing a diverse range of bidders to participate. For example:
  - ✓ Removing or reducing financial turnover thresholds, where financial risk is not high, to enable small firms or start-ups are not excluded;
  - ✓ Dividing larger contracts into **lots** so that small organisations with limited capacity can bid for part of the contract;
  - ✓ Ensuring the procurement process is accessible to bids from **consortia** or partnerships;
  - ✓ Engaging in **supplier engagement** with the market, prior to major tender exercises, to ensure local bidders understand the process.

If a procurement is carried out in emergency circumstances, not due to any delay on our part, making it impractical to comply with the Act, then we may need to disregard the requirements. This is as set out in the Act.

Under the duty of Best Value public bodies also need to consider overall value of contracts. Whilst this includes economic, environmental and social value, the duty also requires public bodies to secure continuous improvement in the way in which its functions are carried out and consider the combination of economy, efficiency and effectiveness. It should be noted that the Best Value duty has not been replaced by the Act. Therefore, whilst looking at social value the Best Value duty remains throughout and is an important factor for public bodies in the weighting and evaluation of bids.

## 5. Commissioning Principles

As we face increasing pressure on resources and an increased demand on public services, it is essential that we achieve the maximum value from each pound we spend. When we commission services, we need to be outcomes focussed in addition to concentrating on outputs, by doing this we will ensure that the greatest impact **and** the best value for money for the residents of the borough are achieved. When undertaking Social Value activities, there will be opportunities to identify potential outcomes that are not specified in the Commissioning service specification, but could very well be highly valued outcomes by other Council or NHS departments and priorities.

The Social Value Framework (see supporting resources) will support the achievement of social value outcomes by ensuring that social, economic and environmental outcomes are embedded at an organisational level in terms of our CSR and where appropriate into our commissioning processes. Not only will the Social Value Framework support commissioners to achieve greater impact from our contracts, it will also support mechanism to enable true consideration by commissioners across the 'whole commissioning cycle' (see appendix 1). This includes strategic commissioning, procurement and contract management activities. As organisations with significant contracts in terms of value and impact, it is important to ensure that social value is embedded with all planning and spending decisions that have a local impact. This can be achieved through the Social Value Framework with the alignment of social value and our commissioning intentions, plans, strategies and partnership planning. The Social Value Framework can be used as an enabling tool to support the achievement of our local priorities.

Cheshire East Council and NHS Cheshire CCG are committed to and expect that our providers and suppliers are also committed to:

- Supporting the local economy including SME's and voluntary community and social enterprise (VCSE) sector;
- Including measurable clauses in contracts to demonstrate **both** social value **and** value for money;
- Supporting the business and voluntary, community, faith and social enterprise (VCFSE) sector through transparent and proportionate procurement processes and contracts;
- Ensuring robust contract management is in place to monitor and measure social value outcomes in partnership with our providers and suppliers;
- Paying our suppliers promptly;
- Not engaging in criminal conduct or activity;
- Complying with labour and environmental laws;
- Adopting the Cheshire and Merseyside Social Value Charter and apply to the Cheshire and Merseyside Social Value Award;
- The prevention of Modern Slavery;
- Ensuring that workers are aware they may join a trade union and are not to be treated unfairly for belonging to one;
- Not engaging in human rights abuses;
- Not engaging in environmental abuses;
- Providing fair payment for supplies, works and services through the supply chain;

- Providing workers with fair wages;
- Act ethically and sustainably in how they manage and operate their business,

## 6. Cheshire East Social Value Principles and Objectives

Our commitment to social value is to adhere to the following principles:

- Enabling local people and communities to see what a 'good life' could be.
- Understanding why social value is important to Cheshire East in making it a better 'Place' to live.
- Working together across sectors to achieve social value outcomes, foster innovation and reduce avoidable inequalities – linked to the Marmot Principles<sup>4</sup>.
- Protecting health and social care services for future generations.
- Taking a strengths and assets based rather than needs or deficits-based approach.
- Giving a voice to local communities – social value is our social model for good health, a chance to re-imagine a new future 'dreaming with communities' through listening and involving the community in leading the way in decisions that affect their lives.
- Social value will be embedded as core practice, behaviours and the way that we operate.
- Social value will be embedded across the whole commissioning cycle, underpinned by the principles of good commissioning.
- Making every penny count, growing local wealth, health and our environment.
- Creating opportunities for 'Social Innovation' – The Social Innovation<sup>3</sup> is our model for the acceleration of social innovation processes to deliver social value across Cheshire East.
- Our work is connected to Cheshire East strategic priorities: 5 Year Plan, Local Sustainable Communities Strategy and the Local Industry Strategy.
- We are inclusive in our approach so that social value is for everyone.
- We will create a lasting impact and legacy for local people through delivering our social value approach.
- We are part of the Cheshire and Merseyside Social Value Network and will facilitate shared learning, encouraging innovation and best practice in exploring social value

The following objectives reflect the definition of social value (see section 3):

- **Promote employment and economic sustainability** – tackle unemployment and facilitate the development of skills.
- **Raise the living standards of local residents** – working towards living wage, maximise employee access to entitlements such as childcare and encourage suppliers to source labour from within Cheshire East.
- **Promote coproduction, participation and citizen engagement** – encourage resident participation and promote active citizenship.

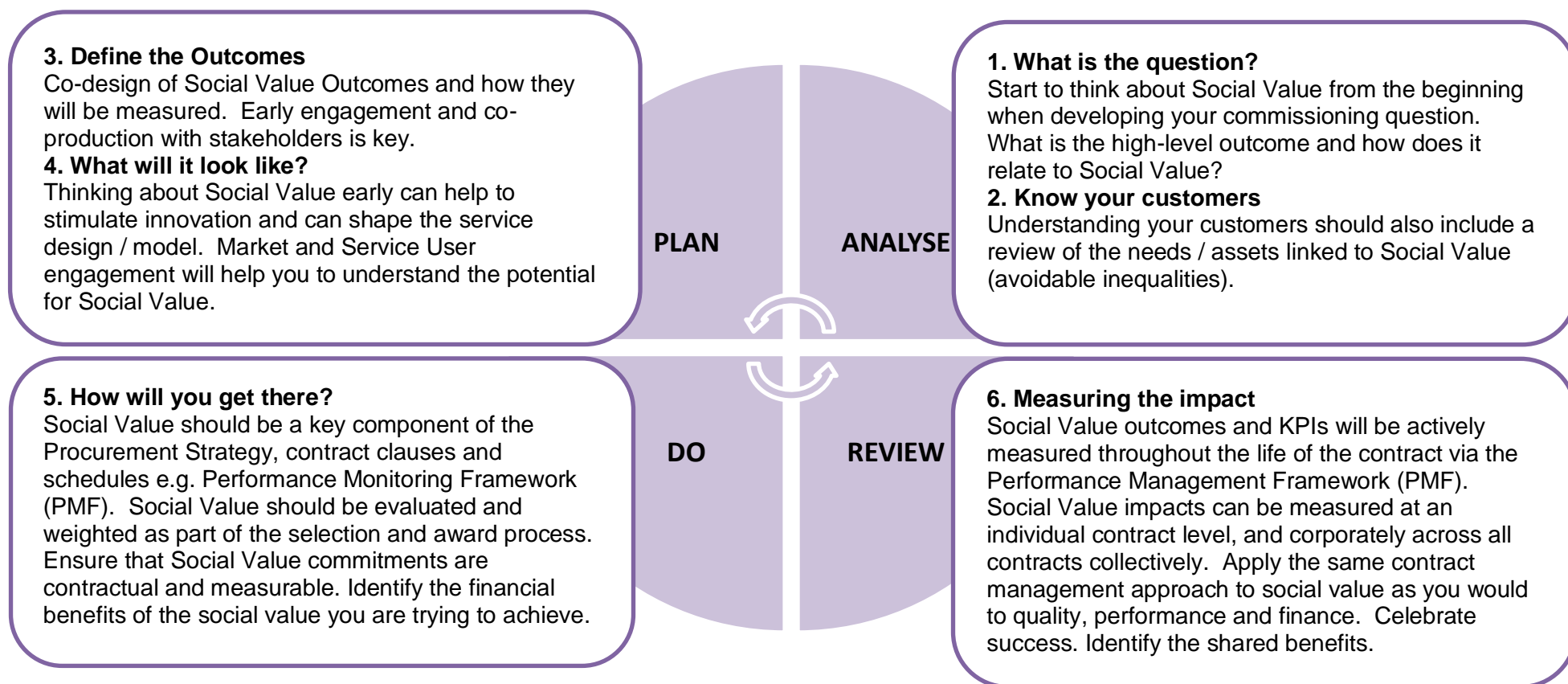
- **Build the capacity and sustainability of the voluntary and community sector**– practical support for local voluntary and community groups
- **Promote equity and fairness** – target effort towards those in the greatest need or facing the greatest disadvantage and tackle deprivation across the borough
- **Promote environmental sustainability** – reduce wastage, limit energy consumption and procure materials from sustainable sources

## 7. Supporting Resources, Tools and Guidance

A number of resources have been developed to underpin the Cheshire East Social Value Policy and to support commissioners to maximise social value opportunities with contracted suppliers. The resources also support the achievement of social value outcomes at an organisation level in terms of CSR and Social Accounting. Supporting resources include:

- **Cheshire East Social Value Framework**
- **Cheshire and Merseyside Social Value Charter**
- **Cheshire and Merseyside ‘Recipe for a Good Life’ Coproduction report**
- **Cheshire and Merseyside Social Value Guidance**
- **Cheshire and Merseyside Social Value Award**
- **Cheshire and Merseyside Social Innovation Guide**
- **Cheshire East Commissioning Academy:** There are specific training units available including - Commissioning, Procurement, Contract Management and Social Value.
- **Commissioning Templates and Guidance** e.g. Commissioning Project Plan, Service Specification Template, Performance Management Framework (PMF) Template
- **Standard Procurement Templates** e.g. Pre-Qualifying Questionnaire, and Invitation to Tender.
- **Social Value Case Studies**
- **Example Social Value Tender Questions**

## Appendix 1 - Embedding social value across the whole commissioning cycle



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# Cheshire East Social Value Framework

The Cheshire East Social Value Framework should be used in conjunction with the Cheshire East Social Value Policy and supporting resources. The Framework provides a number of social value indicators, which are aligned to the 3 high level social value outcome areas: Social, Economic and Environmental, as well as an additional theme for Innovation, to ensure additional flexibility. The Framework enables commissioners to identify possible indicators that can be used to measure social value, which are aligned to the relevant Marmot priorities<sup>1</sup> (in terms of the wider determinants of health), local priorities, and outcomes.

This Framework should be used by commissioners at each stage of the commissioning cycle (also see the Cheshire East Commissioning Framework, Tools and Guidance):

- **Strategic Commissioning (Planning):** Commissioners should undertake an initial review to identify the possible social value outcomes that could be achieved through the commissioning and procurement process. The social value outcomes / priorities will not necessarily be directly related to the goods/services being commissioning/procured e.g. the commissioning and procurement of:
  - ICT hardware could specifically focus homelessness outcomes in Crewe;
  - Domiciliary care at home services could specifically focus on local employment opportunities and apprenticeships for Care Leavers across the borough;
  - Highways services could focus on a number of priorities including specific plans to offset their carbon footprint, and targets for the recruitment of local people.
  - The majority of our commissioning and procurement activities have the potential to have an impact on environmental outcomes, which is a key priority for the Council, particularly our ambition to become carbon neutral by 2025.
- **Relevant Social Value Key Performance Indicators (KPIs) and Outcomes** should be included within the development of Service Specifications, Contracts, Service Level Agreements (SLAs), and Performance Management Frameworks (PMFs) for procurement activities (outsourcing); the development of Local Authority Trading Companies; ongoing service development by CCGs with large rolling contracts with NHS providers; or in house service delivery.
- **Procurement (Purchasing):** The Framework can be used to support the development of specific and targeted tender questions aligned to the priorities already identified within the planning stage of the commissioning process.
- **Contract Management (Monitoring):** Following a procurement process, or as part of service development/improvement activities, service reviews, or ongoing contract management, contract modification and contract negotiations, Social Value KPIs and Outcomes within Service Specifications, Contracts, SLAs, and PMFs can then be refined using the Framework.

A key part of achieving our ambition to become carbon neutral by 2025 will be through developing our social value activities during the commissioning process. Therefore, carbon reduction outcomes should be a key factor in terms of our organisational Corporate Social Responsibility (CSR) and Social Accounting activities, as well as all commissioning activities to ensure that our supply chain also fulfil our objectives in this area. The key measures to

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<sup>1</sup> Marmot Review report: Fair Society, Healthy Lives (2010) <https://www.local.gov.uk/marmot-review-report-fair-society-healthy-lives>

support our ambition to become carbon neutral by 2025 includes diesel / petrol fuel use, heating, lighting and power of buildings, office waste and business mileage. Any commissioning activities to consider how they will offset carbon not reduced in these areas. We therefore we need to ensure that tender evaluation weighting assist us in achieving our ambition and influencing the reduction of carbon generally. The Council's Carbon Project team will be happy to advise in this area led by the Head of Environmental Services.

The Framework is also a useful tool to support the wider development and monitoring of CSR and Social Accounting activities outside of commissioning and procurement activities.

*NB – Training, support and advice is available to support officers to use the Social Value Calculator<sup>2</sup> and / or the National TOMS Framework<sup>3</sup>*

Social Value Theme	Marmot Priorities	Outcomes	Example Indicators / Measures / Initiatives - Social Value Calculator <sup>2</sup> & National TOMS Framework <sup>3</sup>
<b>Social</b>  Creating Healthier, more Sustainable and more Resilient Places and Communities.	Fair employment and good work.	People are supported to have control over their lives.	Initiatives to promote independent living, particularly for people with long-term conditions i.e. money advice, befriending schemes, practical healthy lifestyles advice, digital inclusion support.
	Best Start in Life.	The role and impact of ill-health prevention is strengthened.	Initiatives that tackle homelessness (i.e. supporting temporary housing schemes, etc.).
	Ensure a Healthy Standard of Living for all.	Mental health is promoted.	Initiatives that tackle alcohol abuse targeted to higher risk drinkers, delivered in addition to core services.
	Prevention of Ill Health.	Carers' quality of life is improved.	Additional drug misuse programmes delivered – Professional and comprehensive programmes that tackle drug misuse to reduce dependency, delivered in addition to core services.
	All People can Maximise their potential and or capabilities.	Health literacy is improved.	Initiatives that tackle smoking to reduce dependency, delivered in addition to core services.
		Children are given the best start in life.	Initiatives that promote healthy eating, drinking and exercise to tackle obesity
		Awareness of Adverse Childhood Experiences (ACE) and other vulnerabilities is	Initiatives or interventions taken to promote good mental health.
			Initiatives that increase access to mental health support.
			Initiatives to support carers to feel less isolated and develop new social and peer support networks.
			Time volunteered by Health Champions in your workforce (or other volunteering initiatives).

<sup>2</sup> Social Value Calculator <https://www.sduhealth.org.uk/areas-of-focus/social-value/social-value-calculator.aspx>

<sup>3</sup> National TOMS Framework <https://socialvalueportal.com/national-toms/>



Social Value Theme	Marmot Priorities	Outcomes	Example Indicators / Measures / Initiatives - Social Value Calculator <sup>2</sup> & National TOMS Framework <sup>3</sup>
		<p>promoted.</p> <p>Community asset building and community health services are promoted. A healthy standard of living for all.</p> <p>More job opportunities for people with long-term conditions.</p> <p>More local people in employment.</p> <p>More job opportunities for disadvantaged people.</p> <p>Employment promotes equal opportunities.</p> <p>People are supported to maximise their capabilities.</p>	<p>Volunteering time dedicated to talks in school or the community on substance misuse, healthy eating, sexual health and physical wellbeing (or support existing campaigns such as Change4life, Start4life, RiseAbove and Frank).</p> <p>Active participation with local crime prevention projects and support to policing campaigns (e.g. alcohol/drugs misuse campaigns, domestic abuse)</p> <p>Demonstration of organisational ACE-awareness/ trauma informed approach for service users beyond the scope of the core service provided.</p> <p>Time volunteered to engage with community groups, for example to give talks or share information and offer practical health awareness support.</p> <p>Time volunteered to engage with community groups, for example to give talks or share information and offer practical support relevant to the wider determinants of health (e.g. debt advice, fuel poverty advice).</p> <p>Job (FTE) opportunities or supported internships for people with protected characteristics:</p> <ul style="list-style-type: none"> <li>• % of people employed are carers</li> <li>• % of people employed are care leavers</li> <li>• % of people employed who are disabled</li> <li>• % of people employed over 50</li> <li>• % of people employed from a BME group</li> <li>• % of people employed women returners</li> <li>• Single parents, ex armed forces etc.</li> </ul> <p>No. of local people (FTE) employed on contract for one year or the whole duration of the contract, whichever is shorter.</p> <p>% of local people employed on contract (FTE).</p> <p>No. of employees (FTE) taken on who are long term unemployed (unemployed for a year or longer).</p> <p>No. of employees (FTE) taken on who are rehabilitating young offenders (18-24 y.o.).</p> <p>The number of people (including as a %) in your workforce and supply chain that are paid at least the real Living Wage.</p> <p>Diversity training provided for employees, contractors and subcontractors.</p>

Social Value Theme	Marmot Priorities	Outcomes	Example Indicators / Measures / Initiatives - Social Value Calculator <sup>2</sup> & National TOMS Framework <sup>3</sup>
			<p>Initiatives to support women back into the workplace who are returning from career breaks or long-term parental leave</p> <p>Flexible working initiatives - travel time saved for employees</p> <p>Opportunities created for more equal distribution of care among household members.</p> <p>No. of weeks spent on training opportunities on contract (BTEC, City &amp; Guilds, NVQ, HNC) that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+.</p> <p>No. of weeks of apprenticeships on the contract that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+</p> <p>No. of weeks spent on meaningful work placements or pre-employment course; 1-6 weeks student placements (unpaid and accessible to all young people under 24 yrs old).</p> <p>Meaningful work placements that pay Minimum or National Living Wage according to eligibility - 6 weeks or more (internships that are accessible to all young people under 24 yrs old).</p>
<p><b>What local people say is important to them:</b></p> <p>“Everyone has the resources and support to take care of their family”</p> <p>“Children and young people have a good start in life”</p> <p>“All people can enjoy simple pleasures in life”</p> <p>“Feeling safe and secure in one’s own surroundings”</p> <p>“Feeling close to other people; having someone to talk with”</p> <p>“Help to change one’s lifestyle for the better; feeling supported to make simple changes”</p> <p>“Everyone can visit places in their community that help them feel good”</p> <p>“Having someone to reach out to for support”</p> <p>“People are supported to learn practical skills to cope with the ups and downs of life”</p> <p>This insight has been identified via the ‘recipe for a good life’ engagement activities with local people. The full report is available on the Cheshire and Merseyside Health and Care Partnership website: <a href="https://www.cheshireandmerseysidepartnership.co.uk/our-work/social-value">https://www.cheshireandmerseysidepartnership.co.uk/our-work/social-value</a></p>			
<p><b>Local Priorities</b></p> <p>See the <b>Cheshire East Social Value 2020 Challenge</b> for practical examples of Social Value activities and priorities that have been identified through local engagement.</p> <p><b>Cheshire East Sustainable Community Strategy ‘Ambition for All’</b> <a href="https://www.cheshireeast.gov.uk/council_and_democracy/connected-communities/sustainable_community_strategy.aspx">https://www.cheshireeast.gov.uk/council_and_democracy/connected-communities/sustainable_community_strategy.aspx</a></p> <ul style="list-style-type: none"> <li>- Nurture strong communities</li> <li>- Create conditions for business growth</li> <li>- Unlock the potential of our towns</li> </ul>			

Social Value Theme	Marmot Priorities	Outcomes	Example Indicators / Measures / Initiatives - Social Value Calculator <sup>2</sup> & National TOMS Framework <sup>3</sup>
<ul style="list-style-type: none"> <li>- Support our children and young people</li> <li>- Ensure a sustainable future</li> <li>- Prepare for an increasingly older population</li> <li>- Drive out the causes of poor health</li> </ul> <p><b>Cheshire East Partnership 5 year plan</b> <a href="https://www.cheshireeast.gov.uk/livewell/care-and-support-for-adults/working-in-partnership/cheshire-east-partnership.aspx">https://www.cheshireeast.gov.uk/livewell/care-and-support-for-adults/working-in-partnership/cheshire-east-partnership.aspx</a></p> <p>High level outcomes:</p> <ul style="list-style-type: none"> <li>- Create a place that supports health and wellbeing for everyone living in Cheshire East</li> <li>- Improve the mental health and wellbeing of people living and working in Cheshire East</li> <li>- Enable more people to Live Well for Longer in Cheshire East</li> <li>- Ensure that children and young people are happy and experience good physical and mental health and wellbeing</li> </ul> <p>Priorities:</p> <ul style="list-style-type: none"> <li>- Mental health and wellbeing</li> <li>- Alcohol and substance misuse</li> <li>- High blood pressure</li> <li>- The impact of smoking</li> <li>- Obesity</li> <li>- Looked After Children and Care Leavers</li> </ul> <p><b>NHS Cheshire CCG Commissioning Intentions</b> <a href="https://www.cheshireccg.nhs.uk/media/1782/cheshire-commissioning-and-contracting-intentions-2020-21.pdf">https://www.cheshireccg.nhs.uk/media/1782/cheshire-commissioning-and-contracting-intentions-2020-21.pdf</a></p>			
<b>Economic</b>  Growth - Supporting Inclusive, Diverse and Responsible Business	Ensure a Healthy standard of living.  Fair Employment and Good work.  Prevention of Ill Health.	A healthy standard of living for all.  More job opportunities for people with long-term conditions.  More local people in employment.  More job opportunities for disadvantaged people. Employment promotes equal opportunities.  People are supported to maximise their	No. of jobs (FTE) created for people with disabilities.  No. of local people (FTE) employed on contract for one year or the whole duration of the contract, whichever is shorter.  % of local people employed on contract (FTE).  No. of employees (FTE) taken on who are long term unemployed (unemployed for a year or longer).  No. of employees (FTE) taken on who are rehabilitating young offenders (18-24 y.o.) The number of people (including as a %) in your workforce and supply chain that are paid at least the real Living Wage.  Diversity training provided for employees, contractors and subcontractors Initiatives to support women back into the workplace who are returning from career breaks or long-term parental leave.  Flexible working initiatives - travel time saved for employees.

Social Value Theme	Marmot Priorities	Outcomes	Example Indicators / Measures / Initiatives - Social Value Calculator <sup>2</sup> & National TOMS Framework <sup>3</sup>
		<p>capabilities.</p> <p>Employee wellbeing is supported and incentivised.</p> <p>Partnerships with VCSEs are developed or improved.</p> <p>Businesses operate in a friendly environment to all.</p> <p>Existing resources are used to deliver social value.</p> <p>Ethical Procurement is promoted.</p> <p>Social Value embedded in the supply chain.</p> <p>Service users are engaged.</p>	<p>Opportunities created for more equal distribution of care among household members.</p> <p>No. of weeks spent on training opportunities on contract (BTEC, City &amp; Guilds, NVQ, HNC) that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+.</p> <p>No. of weeks of apprenticeships on the contract that have either been completed during the year, or that will be supported by the organisation to completion in the following years - Level 2,3, or 4+.</p> <p>No. of weeks spent on meaningful work placements or pre-employment course; 1-6 weeks student placements (unpaid and accessible to all young people under 24 yrs old).</p> <p>Meaningful work placements that pay Minimum or National Living Wage according to eligibility - 6 weeks or more (internships that are accessible to all young people under 24 yrs old).</p> <p>Demonstrate commitment to work practices that improve staff wellbeing, recognise mental health as an issue and reduce absenteeism due to ill health. Identify time dedicated for wellbeing courses.</p> <p>The number of people (including as a %) in your workforce that are mental health first aid trained.</p> <p>Have you signed up to Time to Change pledge? If Yes, please upload your Employer's Pledge.</p> <p>Total amount (£) spent with VCSEs within your supply chain.</p> <p>Provision of expert business advice to VCSEs and SMEs that support people's health and wellbeing (e.g. financial advice / legal advice / HR advice/HSE).</p> <p>Equipment or resources donated to VCSEs (£ equivalent value).</p> <p>Total amount (£) spent in local supply chain through the contract.</p> <p>Evidence of supplies/provisions procured from local producers/suppliers</p> <p>Number of contracts reserved for sheltered workshops and economic operators whose main aim is the social and professional integration of disabled or disadvantaged persons (as defined within Public Contracts Regulations 2015).</p> <p>Sheltered workshops and social enterprises that pay their workers the national minimum wage or above.</p>

Social Value Theme	Marmot Priorities	Outcomes	Example Indicators / Measures / Initiatives - Social Value Calculator <sup>2</sup> & National TOMS Framework <sup>3</sup>
			<p>Total spend on contracts reserved for sheltered workshops and economic operators whose main aim is the social and professional integration of disabled or disadvantaged persons (as defined within Public Contracts Regulations 2015)</p> <p>Initiatives to create dementia-friendly environments.</p> <p>Hours of pro bono room usage dedicated for other services to provide health and wellbeing activities (e.g. voluntary groups, informal patient-led activities).</p> <p>Number of procurement contracts that include commitments to ethical procurement.</p> <p>Total spend on procurement contracts that include commitments to ethical procurement.</p> <p>Are you legally required to have a Modern Slavery and Human Trafficking Statement, as outlined in the Transparency of Supply Chain clause of the UK Modern Slavery Act 2015?</p> <p>Number of contracts with the supply chain on which Social Value commitments, measurement and monitoring are required.</p> <p>Total spend with the supply chain on contracts where Social Value commitments, measurement and monitoring are required.</p> <p>Number of contracts where services users have been involved in the design and development services</p> <p>Active participation in local chamber of commerce e.g. supporting new business start ups in the area.</p> <p>Sponsorship of local arts, culture, schools and sports programmes?</p>
<p><b>What local people say is important to them:</b></p> <p>“Everyone has the resources and support to take care of their family”</p> <p>“People are supported to learn practical skills to cope with the ups and downs of life”</p> <p>This insight has been identified via the ‘recipe for a good life’ engagement activities with local people. The full report is available on the Cheshire and Merseyside Health and Care Partnership website: <a href="https://www.cheshireandmerseysidepartnership.co.uk/our-work/social-value">https://www.cheshireandmerseysidepartnership.co.uk/our-work/social-value</a></p>			
<p><b>Local Priorities:</b></p> <p>See the <b>Cheshire East Social Value 2020 Challenge</b> for practical examples of Social Value activities and priorities that have been identified through local engagement.</p> <p><b>Cheshire East Sustainable Community Strategy ‘Ambition for All’</b> <a href="https://www.cheshireeast.gov.uk/council_and_democracy/connected-communities/sustainable_community_strategy.aspx">https://www.cheshireeast.gov.uk/council_and_democracy/connected-communities/sustainable_community_strategy.aspx</a></p> <p>- Nurture strong communities</p>			

Social Value Theme	Marmot Priorities	Outcomes	Example Indicators / Measures / Initiatives - Social Value Calculator <sup>2</sup> & National TOMS Framework <sup>3</sup>
<ul style="list-style-type: none"> <li>- Create conditions for business growth</li> <li>- Unlock the potential of our towns</li> <li>- Support our children and young people</li> <li>- Ensure a sustainable future</li> <li>- Prepare for an increasingly older population</li> <li>- Drive out the causes of poor health</li> </ul> <p><b>Cheshire East Partnership 5 year plan</b> <a href="https://www.cheshireeast.gov.uk/livewell/care-and-support-for-adults/working-in-partnership/cheshire-east-partnership.aspx">https://www.cheshireeast.gov.uk/livewell/care-and-support-for-adults/working-in-partnership/cheshire-east-partnership.aspx</a></p> <p>High level outcomes:</p> <ul style="list-style-type: none"> <li>- Create a place that supports health and wellbeing for everyone living in Cheshire East</li> <li>- Improve the mental health and wellbeing of people living and working in Cheshire East</li> <li>- Enable more people to Live Well for Longer in Cheshire East</li> <li>- Ensure that children and young people are happy and experience good physical and mental health and wellbeing</li> </ul> <p>Priorities:</p> <ul style="list-style-type: none"> <li>- Enabling people to be well in work by directly supporting their mental wellbeing</li> <li>- Removing complex barriers to employment and financial independence through our 'In To Work' support programmes</li> <li>- Ensuring that the skills strategy opportunities extend to people who are currently not in work and face the greatest challenges</li> <li>- Promoting employment and economic sustainability</li> <li>- Building the capacity and sustainability of the voluntary and community sector</li> <li>- Reducing Fuel Poverty</li> </ul> <p><b>NHS Cheshire CCG Commissioning Intentions</b> <a href="https://www.cheshireccg.nhs.uk/media/1782/cheshire-commissioning-and-contracting-intentions-2020-21.pdf">https://www.cheshireccg.nhs.uk/media/1782/cheshire-commissioning-and-contracting-intentions-2020-21.pdf</a></p>			
<b>Environmental</b>		<p>Environmental Impacts are reduced.</p> <p>Air pollution is reduced.</p> <p>Sustainable travel is promoted.</p> <p>"Care Miles" are reduced.</p> <p>Better places to live.</p> <p>Sustainable and ethical governance is</p>	<p>Savings in Greenhouse Gas (GHG) emissions on a contract not from transport (specify how these are to be achieved).</p> <p>Initiatives to provide advice to local residents to reduce energy consumption such as advice around energy savings and fuel switching - specifically targeting groups that struggle with fuel poverty.</p> <p>Reduction in waste generated (kg) on your care pathway module, compared to previous year (including as a %).</p> <p>Waste avoided by donating medical devices or pharmaceuticals no longer needed to charities, non-profit organisations or other industries.</p> <p>Initiatives to reduce or replace the use of single use plastics.</p> <p>Savings in Greenhouse Gas (GHG) emissions on the contract from transport.</p> <p>Savings in NOx emissions on the contract from transport.</p> <p>Savings in PM2.5 emissions (fine particles with a size (diameter) generally less than 2.5 micrometres emitted directly</p>

Social Value Theme	Marmot Priorities	Outcomes	Example Indicators / Measures / Initiatives - Social Value Calculator <sup>2</sup> & National TOMS Framework <sup>3</sup>
		promoted.	<p>into the atmosphere) on the contract.</p> <p>Car miles saved on the project.</p> <p>Number of low or no emission staff vehicles included on project (miles driven).</p> <p>Initiatives to promote flexible working, including working from home, to reduce unnecessary staff travel.</p> <p>Support the development of services that promote care to be delivered more locally through the digitisation of services.</p> <p>Voluntary time dedicated to the creation or management of green infrastructure, to increase biodiversity, or to keep green spaces clean.</p> <p>Initiatives to ensure that the positive impact on local green space as a result of the contract will be maximised.</p> <p>Number of procurement contracts that include sustainable procurement commitments or other relevant requirements and certifications (e.g. to use local produce, reduce food waste, and keep resources in circulation longer).</p> <p>Total spend on procurement contracts that include sustainable procurement commitments or other relevant requirements and certifications (e.g. to use local produce, reduce food waste, and keep resources in circulation longer).</p> <p>Ethical procurement of goods re limited use of plastic packaging and single-use plastics.</p>
<p><b>What local people say is important to them:</b></p> <p>“All people can enjoy simple pleasures in life”</p> <p>“Feeling safe and secure in one’s own surroundings”</p> <p>“Help to change one’s lifestyle for the better; feeling supported to make simple changes”</p> <p>“Everyone can visit places in their community that help them feel good”</p> <p>This insight has been identified via the ‘recipe for a good life’ engagement activities with local people. The full report is available on the Cheshire and Merseyside Health and Care Partnership website: <a href="https://www.cheshireandmerseysidepartnership.co.uk/our-work/social-value">https://www.cheshireandmerseysidepartnership.co.uk/our-work/social-value</a></p>			
<p><b>Local Priorities</b></p> <p>See the <b>Cheshire East Social Value 2020 Challenge</b> for practical examples of Social Value activities and priorities that have been identified through local engagement.</p>			

Social Value Theme	Marmot Priorities	Outcomes	Example Indicators / Measures / Initiatives - Social Value Calculator <sup>2</sup> & National TOMS Framework <sup>3</sup>
<p><b>Cheshire East Sustainable Community Strategy 'Ambition for All'</b> <a href="https://www.cheshireeast.gov.uk/council_and_democracy/connected-communities/sustainable_community_strategy.aspx">https://www.cheshireeast.gov.uk/council_and_democracy/connected-communities/sustainable_community_strategy.aspx</a></p> <ul style="list-style-type: none"> <li>- Nurture strong communities</li> <li>- Create conditions for business growth</li> <li>- Unlock the potential of our towns</li> <li>- Support our children and young people</li> <li>- Ensure a sustainable future</li> <li>- Prepare for an increasingly older population</li> <li>- Drive out the causes of poor health</li> </ul> <p><b>Cheshire East Partnership 5 year plan</b> <a href="https://www.cheshireeast.gov.uk/livewell/care-and-support-for-adults/working-in-partnership/cheshire-east-partnership.aspx">https://www.cheshireeast.gov.uk/livewell/care-and-support-for-adults/working-in-partnership/cheshire-east-partnership.aspx</a></p> <p>High level outcomes:</p> <ul style="list-style-type: none"> <li>- Create a place that supports health and wellbeing for everyone living in Cheshire East</li> <li>- Improve the mental health and wellbeing of people living and working in Cheshire East</li> <li>- Enable more people to Live Well for Longer in Cheshire East</li> <li>- Ensure that children and young people are happy and experience good physical and mental health and wellbeing</li> </ul> <p>Priorities:</p> <ul style="list-style-type: none"> <li>- Promoting environmental sustainability</li> <li>- Reducing Fuel Poverty</li> <li>- Air pollution</li> </ul> <p><b>Environment Strategy</b></p> <p>Becoming carbon neutral by 2025 and reducing our carbon footprint, including our supply chain. There are four priority areas that the project is focused on</p> <ul style="list-style-type: none"> <li>- Making buildings more efficient - such as heating, lighting and IT equipment</li> <li>- The use of vehicles – such as pool cars, waste and street cleaning vehicles</li> <li>- Business travel – such as public transport, cycling and teleconferencing</li> <li>- Reducing the use of resource use – such as reducing waste, water and plastic use</li> </ul> <p><b>NHS Cheshire CCG Commissioning Intentions</b> <a href="https://www.cheshireccg.nhs.uk/media/1782/cheshire-commissioning-and-contracting-intentions-2020-21.pdf">https://www.cheshireccg.nhs.uk/media/1782/cheshire-commissioning-and-contracting-intentions-2020-21.pdf</a></p>			
<b>Social Innovation</b>		<p>Service user quality of life is improved (beyond the scope of the service).</p> <p>Non-clinical treatment is promoted.</p> <p>Engagement in test</p>	<p>Arts and Culture initiatives in care facilities to improve the user experience of the care environment.</p> <p>Investment in social prescribing schemes as a treatment.</p> <p>Number of innovative approaches to healthcare delivery that your organisation is participating in, including pilots and test beds.</p> <p>Evidence of positive commitment to innovative solutions which impact on the red areas of the Cheshire East Tartan rug: <a href="https://www.cheshireeast.gov.uk/council_and_democracy/council_information/jsna/jsna.aspx">https://www.cheshireeast.gov.uk/council_and_democracy/council_information/jsna/jsna.aspx</a></p>



Social Value Theme	Marmot Priorities	Outcomes	Example Indicators / Measures / Initiatives - Social Value Calculator <sup>2</sup> & National TOMS Framework <sup>3</sup>
		beds or pilots is encouraged.	

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*Working for a brighter future together*

Key Decision: No

Date First  
Published: N/A

## Cabinet

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**Date of Meeting:** 10<sup>th</sup> November 2020

**Report Title:** Crowd Funding

**Portfolio Holder:** Cllr Nick Mannion, Portfolio Holder for Environment and Regeneration

Cllr Mick Warren Portfolio Holder for Communities

**Senior Officer:** Mark Palethorpe – Executive Director People

Frank Jordan –Executive Director Place

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### 1. Report Summary

- 1.1. Crowd funding has the potential to allow the Council to target and deliver social value in public sector contracts towards local need, influencing local corporate social responsibility to have the greatest impact on the needs of the borough and give a unified approach to grant funding across the Council by providing a centralised platform for locally generated project ideas.
- 1.2. Crowd funding is the process of allowing projects to advertise for funding, usually through an online platform. This allows large groups of people to make small individual financial contributions to the project and also is a platform that potential investors and grant providers can access to review proposed projects for suitability for larger funding contributions.
- 1.3. A new policy will be required to provide a transparent basis for the use of crowd funding in accordance with the requirements of the Corporate Grants Policy and there it is proposed that this would be amended accordingly as outlined in Appendix A.
- 1.4. It will be necessary to procure a provider to work with Cheshire East Council to set up and manage a facility. The provider will bring both the technical expertise and the experience of crowd funding in a local authority context.

From research it will estimate for every £1 the council invests into community projects through Crowdfunding it will result in an additional £3 providing a 300% expected return on investment.

## **2. Recommendations**

### **2.1. That Cabinet**

1. Approve the draft Crowd Funding Policy as a sub-policy document to the Grant Policy as set out in appendix A.
2. Delegate authority to the Executive Director People to procure a platform provider to enable the authority to implement a crowd funding solution.

## **3. Reasons for Recommendations**

- 3.1. The Council wants to support the local community as it recovers from the effects of the COVID pandemic and provide opportunities for locally conceived projects to benefit local priorities.
- 3.2. The Council needs to remain current with the technologies it makes use of in order to carry out its varied functions in the best way for the people of Cheshire East.
- 3.3. The Council is responsible for disseminating grants from various sources to assist with community projects. Having a central platform for these projects to be registered will provide a more streamlined process to assist with this.
- 3.4. The Council will need to work with a provider with experience in order to ensure a smooth and usable process with built in safeguards and experience within the field. The provider will be contractually obliged to provide a robust due diligence process and will be an intermediary independent of the local authority and the project owners.
- 3.5. The Council is required by its existing policies to create clear processes and parameters for the distribution of discretionary schemes. A Crowd Funding Policy has been created and is attached to this report in Appendix A.

## **4. Other Options Considered**

- 4.1. The option to create and manage the platform directly within the council has been considered. This option is not considered to be preferable as a procured partner would bring expertise, experience and tested software saving time and money for the authority.
- 4.2. The option to do nothing has been considered. This would deny the authority the benefits of a crowd funding platform and so is not considered to be preferable.

## 5. Background

- 5.1. Many local authorities, including those in the Liverpool City Region and West Sussex County Council are using crowd funding as a mechanism for funding their own local projects and also for giving a platform to other local projects that are seeking funding solutions.
- 5.2. While the Council must give financial priority to core services there are many other aspects of local life that the Council needs to concern itself with. Accessing crowd funding allows the authority to initiate projects which the community can be invited to participate in.
- 5.3. Examples of Council led projects that could benefit from crowd funding as an enabling income source are those referenced within the Carbon Neutral Action Plan and the Environment Strategy including green infrastructure and sequestration projects to reduce carbon and improve local amenity. Crowdfunding will also attract and enable conversations in communities to be had and to think how residents individually and collectively can contribute towards Carbon Neutrality.
- 5.4. The local authority is charged with disseminating various grants for specific purposes within the Borough. Having a centralised platform for the projects able to use these grants would provide added efficiency to the authority.
- 5.5. Enabling community groups to add their projects to a central platform provides those projects with exposure and the ability to raise funds and other assistance that they would not otherwise have had.
- 5.6. A council led platform provides a level of security and assurance to residents who are considering providing contributions to these projects. The need therefore for all projects to go through a robust system of due diligence is required and will form a central part of the procurement of a partner provider. Additionally, the partner will need to demonstrate their commitment to IT security as part of the procurement process.
- 5.7. As noted within our Social Value Procurement Policy (Approved 2016) we are requiring recipients of public contracts to make a contribution to social value within the area. A single platform of local projects provides an outlet for this social value funding. This has not had the impact locally across the public sector that it was intended too, to date. Recent training delivered to public sector staff across Cheshire and Merseyside highlighted issues that providers of public sector contracts did not understand how they could contribute resource or inward invest into projects that would demonstrate social value. This policy and platform will allow this take place across Cheshire East.

- 5.8. It is not anticipated that all of the projects on the platform will be in receipt of funding from Cheshire East. However, the platform will provide good exposure and strong income potential for projects.
- 5.9. The selected provider will have a contractual relationship with Cheshire East Council and will therefore be held to appropriate standards of performance and practice throughout the life of the contract.
- 5.10. The Cheshire East Council Corporate Grants Policy requires that a Policy must be created for each discretionary scheme. A Crowd Funding policy has therefore been created and is included in Appendix A to this paper.
- 5.11. This report was presented on 1<sup>st</sup> October at the Corporate Overview and Scrutiny Committee with the policy and proposal to be noted. A summary of comments and things to consider when taking this forward were outlined below:
- whether any potential excess funds could be used to support councils and partners in neighbouring areas, to support the wider green agenda;
  - whether the council would need to consult with residents about this new policy, in the same way that they are with annual council tax setting;
  - how sustainable this approach to raising funds and supporting local projects was;
  - what the specific costs the council and other organisations would need to pay to support this approach in the longer-term;
  - what kind of mechanism would be used to monitor unused monies coming back to the council; and
  - concern that the £100k outset fee required to be paid by the council could potentially be used elsewhere to support the Covid-19 response.
- 5.12. In summary, it is recognised that members would want regular briefings including reporting back to Corporate Overview and Scrutiny if recommendations are approved along with a set of commonly asked questions and answers. It is also noted further engagement will be required with the Voluntary, Community and Faith Sector.

## **6. Implications of the Recommendations**

### **6.1. Legal Implications**

- 6.1.1. If the recommendations are approved there are risks that need to be managed. In addressing these it is recommended that:
- 6.1.1.1. the policy identifies which projects are not to be considered suitable for Council support.
- 6.1.1.2. the role of the platform provider be carefully considered in terms of the responsibilities of the provider to vet projects and the due diligence that is to be undertaken for any given project.

6.1.1.3. a suitably robust contract is put in place with the platform provider identifying the obligations of the platform provider.

6.1.1.4. the policy ensures that project promoters are aware that if funding targets are not achieved the Council is not in any way obliged to make up the difference.

6.1.1.5. that projects in receipt of Crowd Funding are appropriately monitored to ensure that funds paid over are expended in support of the project's goals and not otherwise dissipated.

## 6.2. Finance Implications

6.2.1. The expenditure required for this project will be £100,000 and this will be a revenue spend across three years; the spend for year 1 will be £40,000 and years 2 and 3 will be £30,000 in each year. The financial benefits of the project will come in the form of efficiency savings, leverage against projects and social value payments from public sector contracts.

6.2.2. No payment will be committed until such time as contracts are completed therefore the only sum to be spent at risk is the cost of carrying out the procurement.

6.2.3. The revenue funds will come from existing budgets and no additional approval is required within this financial year. The budgets to be used are the Carbon revenue budget, the Communities revenue budget and the Brighter Futures Transformation Programme Commercial Workstream budget. The breakdown from each budget is shown below.

	Year 1 – (2020-21)	Year 2 – (2021-22)	Year 3 – (2022-23)
BFTP	£20,000	£10,000	£10,000
Carbon	£10,000	£10,000	£10,000
Communities	£10,000	£10,000	£10,000

## 6.3. Policy Implications

6.3.1. The Crowd Funding policy will be implemented if agreed by Cabinet.

## 6.4. Equality Implications

6.4.1. An Equality Impact assessment is in the process of being completed.

#### **6.5. Human Resources Implications**

6.5.1. A new policy is being introduced which will have a minor impact on human resources.

#### **6.6. Risk Management Implications**

6.6.1. There will be some additional risks to manage due to the council having a new platform as noted in 6.1.

6.6.2. The policy in Appendix A provides detailed parameters for projects that will and will not be suitable for crowd funding on our platform and this will reduce risks.

6.6.3. The Crowdfunding platform will be procured, any associated risks will be mitigated through a robust procurement process.

#### **6.7. Rural Communities Implications**

6.7.1. Rural communities will be able to access the platform for their projects and rural grants will be able to be disseminated through the platform.

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

6.8.1. Projects associated with these groups will be able to access the platform and grants will be able to be disseminated through the platform.

#### **6.9. Public Health Implications**

6.9.1. There will be various projects that will be expected to be proposed that will have a positive impact on Public Health. We will take a targeted approach to ensure we are receiving community applications that have the greatest impact on our areas most prevalent to health inequalities

#### **6.10. Climate Change Implications**

6.10.1. It is anticipated that a significant number of low carbon projects will use this platform to access funding.

### **7. Ward Members Affected**

7.1. The implications of this decision will apply across the borough.

### **8. Access to Information**

8.1. The draft Crowd Funding Policy is appended to this report in appendix A.



## 9. Contact Information

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

Name: Dan Coyne

Job Title: Community Development Manager

Email: [Daniel.coyne@cheshireeast.gov.uk](mailto:Daniel.coyne@cheshireeast.gov.uk)

Name: Nichola Thompson

Job Title: Director of Commissioning

Email: [Nichola.Thompson@cheshireeast.gov.uk](mailto:Nichola.Thompson@cheshireeast.gov.uk)

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## **CROWDFUNDING POLICY**

### **SCOPE**

Cheshire East Council is committed to working for a brighter future together to build strong and resilient communities within the Borough and to maximise social wellbeing for all residents. One way of achieving these goals is to promote projects that have at their heart community well-being through the use and promotion of crowdfunding.

### **POLICY STATEMENT**

The purpose of this policy is to provide guidance on the basis on which the Council may choose to crowdfund any given project and the procedures and safeguards that are to be applied. This policy also applies to any crowdfunding undertaken or endorsed/facilitated by Cheshire East Council.

This policy aims to:

- Confirm the purposes for which crowdfunding will be an acceptable means of finance;
- Clarify the rules that the council has adopted to regulate its use of crowdfunding;
- Detail the due diligence required for external projects promoted and assisted through the Council's crowdfunding platform.

### **PURPOSE OF CROWDFUNDING**

Cheshire East Council **will** support the use crowdfunding for the following general purposes:

1. To encourage community participation and ownership of non-statutory service Council projects (i.e. community orchards, local small energy generation projects).
2. To provide Council support and potentially Council part funding for selected community initiatives and projects.
3. To facilitate community funding for community initiatives and investment in non-profit making community enterprises.
4. To provide a platform for the community to suggest projects or initiatives they would like to take forward and source the funding from within the community.

Cheshire East Council **will not** directly or indirectly support the use of crowdfunding for the following non-exhaustive purposes:

1. To fund or part fund statutory Council services.
2. To support raising of investment for private, profit making businesses unless the businesses are properly structured Community interest partnerships or co-operatives (these exceptions to be considered on their individual circumstances).
3. Initiatives intended to destabilise markets or distort competition.

### **RULES TO BE OBSERVED**

Cheshire East Council commits itself to observing the following rules in respect of crowdfunding:

1. All directly and indirectly supported projects will need to have had due diligence before being added to the approved Crowdfunding site
2. All supported projects must be assessed in respect of value for money, social value and risks to investment, which should be clearly stated in project information.
3. Dividend returning community funded schemes will be considered where there is demonstrable public benefit coupled with proven market failure and not-for-profit structure, i.e. CiC or cooperative.
4. The Council will use the most economically advantageous platform to ensure value for public money
5. The Council will publish a full list of live crowdfunding initiatives on its website
6. The Council will publish an annual report detailing the projects crowdfunded through the platform, their costs and performance – including projects that did not directly receive Council funding.
7. The project sponsor will detail at the outset the target for the crowdfunding and the Council will confirm where applicable the maximum total of part funding the authority is able to commit.
8. Projects supported by way of crowdfunding will be monitored to ensure that they achieve their aims and that all funds are properly applied towards achieving the stated goals of any project..

### **DUE DILIGENCE REQUIREMENTS**

Cheshire East Council will confirm that appropriate due diligence has taken place before endorsing or promoting or match/part funding any projects initiated by outside organisations and before creating, promoting and utilising crowdfunding for its own projects.

This due diligence does not in any way absolve any outside organisation from their own liabilities in respect of promises or assurances made to members of the public.

All projects will require documentation to be provided to the authority to include commentary from finance and legal advisors in addition to communities advisors.

The approval will consider whether projects are legally and financially appropriate for Council endorsement and whether the social and community aims of the project are aligned to the priorities and values of Cheshire East Council.

If the project involves community ownership of a venture or business Cheshire East Council will require full details of projected costs, secured customers/offtakers and predicted cashflows for independent verification. A full risk analysis will also be required and must be publically available.

Cheshire East Council will reserve the right to withdraw financial support and endorsement if factors that should have been disclosed at the outset are brought to light at a later stage.

### **MONITORING AND REVIEW**

The Council will monitor this policy to ensure that it is operating fairly, consistently and effectively. The policy will also be reviewed in the light of operating experience and/or changes in legislation.

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Prepared by:

Date:

Review date:

Other considerations – does the policy need to reference the type of site it needs to procure and broad specification

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