

# CHESHIRE EAST COUNCIL

## REPORT TO: Local Service Delivery Committee- Crewe

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<b>Date of Meeting:</b>	24 <sup>th</sup> November 2011
<b>Report of:</b>	Head of Performance, Customer Services and Capacity
<b>Subject/Title:</b>	Update on Local Service Delivery
<b>Portfolio Holder:</b>	Cllr Rachel Bailey Cllr David Brown Cllr Michael Jones

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### 1.0 Report Summary

- 1.1 The report and appendices are intended to provide members of the Committee with responses to the main issues raised at the previous meeting, provide further clarification on the most up to date financial issues and options for enhancing the market service delivery within the Crewe unparished area.
- 1.2 It is acknowledged that the role of the Committee encompasses the monitoring of performance and a forum for debate about those services. However, necessarily the focus for the next two meetings leading up to a recommendation to Cabinet needs to be the issues relating to special expenses and the agreed position of the Committee on enhancing any existing services through an additional charge.
- 1.3 Based on the information previously provided and the current position, members of the Committee alongside the views of Ward Members present, need to make an informed recommendation on those existing services that they wish to see provided in the currently unparished area of Crewe (consistent with those transferring to parished areas) and any enhanced services that may be provided by setting an appropriate Special Expenses Levy.

### 2.0 Decision Requested

- 2.1 The Committee is asked to agree a recommendation to Cabinet on the level of service and related budgets they wish to see continue to be provided in the unparished area of Crewe.

### **3.0 Reasons for Recommendation**

- 3.1 Crewe is currently an unparished area and as such has no local Council at present to represent the area. In order to ensure that the area of Crewe has similar opportunities and choices as the other parished areas and that all areas of Cheshire East are treated consistently, it has been necessary to set up a specific Committee to carry out the functions as outlined in the Terms of Reference.
- 3.2 A prime role of the Committee is to make a recommendation to Cabinet (and ultimately Council) on the level of service in the unparished area and any enhancements leading to a Special Expenses Levy. This is part of the overall framework for Council Tax setting and, will therefore be finally agreed in the February cycle of meetings alongside the Council's budget and Council Tax decisions. This Committee has an opportunity to influence that decision within the Crewe unparished area.
- 3.3 Previous meetings have given background information and financial analysis. This is a changing picture as financial assumptions are being made across the authority in all services in order to formulate the overall Cheshire East budget. It is important to position this Committee's work in the context of the overall business planning process and acknowledge that the draft budget is not yet finalised. Therefore, all figures are at this stage the most accurate position that can be provided but may be subject to changes in the context of the overall budget position. Clearly the Committee will be kept up to date on any necessary changes.

### **4.0 Wards Affected**

- 4.1 Crewe East
- 4.2 Crewe West
- 4.3 Crewe South
- 4.4 Crewe North
- 4.5 Crewe Central
- 4.6 Crewe St Barnabas.
- 4.7 Leighton

### **5.0 Local Ward Members**

- 5.1 All Crewe members

### **6.0 Policy Implications including – Carbon Reduction - Health**

- 6.1 This initiative aligns with the first priority of the Sustainable Community Strategy “nurturing strong communities” and is part of Cheshire East’s stated drive to ensure that working locally is at the heart of what we do.

- 6.2 National policy is designed to decentralise government and give communities power to make a difference in their area. This initiative clearly aligns with this national drive.

## **7.0 Financial Implications (Authorised by the Director of Finance)**

- 7.1 At the last meeting Members asked for a detailed explanation around a number of items. The up to date financial figures are still being considered and will be circulated prior to the meeting. The following points are in response to the specific queries raised and are those of the service leads:

### **7.1.1 Support Services Cost**

This will be provided to Members prior to the meeting as further work needs to be undertaken alongside the budget setting process.

### **7.1.2 Overtime and Agency Costs - Crewe Market**

Overtime cost are included in the 2012/13 budget figures as it is used to bridge the gap between contracted hours and the hours required to manage the market. This is partly because of the unsocial hours required and an appropriate officer will be present at the meeting to answer any further questions on this area.

Agency staff are used to cover unexpected absences and/or to deliver temporary increases in operational demands.

### **7.1.3 Rental Income on the Market**

The current market trading performance is in line with the National Trend. The market is suffering and in particular the Indoor Market is facing very challenging retail conditions. The financial setting of the market is clearly challenging, measures are being introduced to increase the vitality and visibility of Crewe Market and will help to improve financial performance.

One joint initiative being considered between officers and representatives of the trading committee is a trial street market. The Trading Committee feels that this will attract new traders to Crewe.

### **7.1.4 National Domestic Rates issue (Business Rates)**

In January this year the Valuation Office changed the responsibilities for business rate accountabilities from the Council to individual traders for the Indoor Market. The Council does not absolve all responsibility and would become liable for business rates on a stall vacant for 12 weeks, or more.

Responsibility for business rate on the outdoor market remains with the Council. Further details are available from the service manager if required.

#### **7.1.5 Options to Assist and Improve the Market Position**

Members asked for potential options that could be funded through the special expense levy. The service manager has considered this issue and the activities below are for Members to consider and chose those that they may wish to fund. It is believed that maximum impact will be best achieved by carrying out a combination of activities. These points and further options will be expanded on by the Head of Environmental Services as part of the meeting.

- a) Advertising** - Increasing awareness of the market to residents and to market traders through local and trade mediums. For example approximately £400 would buy a half page advert in a monthly trade magazine. A similar advert in a local newspaper will cost approximately £400/500.
- b) Town Centre Event Management** - Currently this function is delivered in Crewe via the Town Centre Manager and approximately £500-1000 would fund an event promoting both the market and town centre in general.
- c) Town Centre Appearance** - Sight lines could be opened up with the removal/replacement of street furniture and bins to create clear sight lines to the market. This could be supplemented by floral features to create an attractive and visible street market - minimum costs would start around £5000-£7000.
- d) Local Signing and Advertising** - Prices start at around £200 for one large banner, and ultimate size and scope will determine cost.
- e) Rental Incentives** - Currently incentives are being considered for new traders which will be at no additional cost to the authority. Further incentives could be considered to support existing traders or to continue attracting new traders if trading conditions do not improve.

#### **7.1.6 Allotments**

Members commented that they were aware of a notification to increase to £50.00. The service is not aware of this increase and can confirm that the charges for the financial year were raised from £23.20 to £24.05 and that the income target for next financial year presented in the figures to the Local Service Delivery Committee took account of any increased fee.

Members also queried why water and sewerage is forecasting an overspend for current year and the estimate for next year is less than forecast.

Water costs have increased well above inflation over recent years and are set to continue to rise further. United Utilities have also started to charge for land drainage. They are calculating this charge based on the area of the sites. This has added a significant figure to annual water bills. This is also happening for parks and playing fields.

Appendix A gives Members further background information on the allotments in Crewe and is split into 3 parts:

- Illustrates tenancy & catchment area of tenants on site.
- A brief summary of charges.
- A summary of the breakdown of charges last year (2010/2011) and indicators of discounts given to tenants on our sites.

#### **7.1.7 Population Figures**

Appendix B provides details of both estimated population figures and number of electors for each of the wards affected. Information relating to the Macclesfield area has also been provided for comparison purposes.

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

- 8.1 The position on legal implications was provided at the first meeting of this Committee in recognition of the context for setting a Special Expenses Levy.
- 8.2 Since this advice was provided there is a further consideration which is the announcement of a Council Tax freeze. As any Special Expenses Levy is part of Council Tax legislation and conditions, we await the definitive view of the Department for Communities and Local Government (DCLG) on the detailed conditions for a Council Tax freeze and the consequent grant to fund the freeze. This may affect the Council's ability to set a Special Expenses Levy.

### **9.0 Risk Management**

- 9.1 There is a potential risk that inconsistencies could occur where there are parished and unparished areas within the authority. This Committee has been set up to ensure that consistency issues are properly considered and also to give the unparished area a voice given that there is no Town or Parish Council to provide this function. If these issues are not tackled there is a risk that parished areas could unfairly fund services that continue to be funded in unparished areas.

- 9.2 There is a risk that the DCLG guidance on the Council Tax freeze will prevent the setting of a Special Expenses Levy for 2012/13 and that any enhancements to services recommended by this Committee will become a further pressure on Cheshire East's overall budget. This will be closely monitored and we are awaiting clarity on this issue from DCLG.
- 9.3 There is a risk that any charge on the people of Crewe is unclear given the potential for a special expense and a Charter Trustee level as well as the usual Council Tax. This is part of the reason for setting up this Local Delivery Committee and communication of the agreed position will focus on giving clear information to residents.

## **10.0 Background and Options**

- 10.1 At the second meeting of Local Service Delivery Committee for Crewe, Members of the Committee asked for further detailed financial information on the services that will form the special expense payment.
- 10.2 As part of Cheshire East Council's initiative to transfer and devolve services to Town and Parish Councils, full Council agreed that Local Service Delivery Committees are required to represent the unparished areas in the Borough to determine the level of local services required by communities. This decision was taken in November 2010.
- 10.3 The list of such services in this area is as the report to Cabinet on 5<sup>th</sup> September 2011. (The report was circulated to members of the committee prior to the last meeting).
- 10.4 In order to be consistent with the overall Cheshire East policy unparished areas need an assessment of the cost of the relevant services and consideration by this Local Service Delivery Committee. This may result in a Special Expense Levy on the CEC Council Tax bill. This is designed to be an equivalent to a precept for local services provided by a Town or Parish Council.
- 10.5 If and when a Town or Parish Council is established in these areas, the Local Service Delivery Committee will no longer be required.

## **11.0 Access to Information**

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

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