

CHESHIRE EAST COUNCIL

REPORT TO: CABINET

Date of Meeting: 15 October 2012
Report of: Kim Ryley, Interim Chief Executive
Subject/Title: 3 Year Council Plan 2013-16
Portfolio Holder: Leader of the Council

1.0 Report Summary

- 1.1 This report sets out how the Council will develop a detailed new 3 Year Council Plan for 2013-16 and provides an initial framework for the Plan, to enable wide dialogue with local partners, interested community groups, businesses, and the public on the proposed outcomes and priorities for the Plan, before it is finalised.

2.0 Decision Requested

- 2.1 To approve the proposed framework of a new 3 Year Council Plan based on the purpose, outcomes, priorities and budget principles set out in this report.
- 2.2 To agree that the priorities for spending review and investment set out in this report are developed into more detailed business cases and action plans for projects, for further consideration by elected Members.
- 2.3 To agree the process for developing the 3 Year Council Plan, in parallel with the Council's supporting Medium Term Financial Strategy, in particular applying the proposed principles for budget decisions set out in this report.

3.0 Reasons for Recommendations

- 3.1 We are in a time of unprecedented change and uncertainty in local government where we are facing further, significant funding reductions for the foreseeable future, rising demand for some local services, and increasing expectations from residents over providing value for money. This requires the Council – Members and staff – to have a fresh dialogue with our local communities, and with partner organisations, where we re-examine our role and purpose, our priorities for action and investment, and the desired outcomes for local people, on the basis of what will be sustainable in the long term.
- 3.2 There is a growing recognition across local government that the sector must move away from the direct delivery of many services, to more of an enabling and commissioning role. This means that the shape of individual councils will look very different in 3-5 years' time, including Cheshire East, with many

moving to implement new models of delivery now, because the status quo will soon become financially unsustainable.

- 3.3 As we consider the next phase of development for Cheshire East Council, it is vital that we have an open, honest and robust dialogue with our local communities, businesses and other public services. We must identify how we can form more effective partnerships and alliances to pool resources and expertise, to achieve the outcomes we all want to see in our communities, in terms of a better quality of life for all local people.
- 3.4 We are no strangers to change in Cheshire East, with our current journey beginning with local government reorganisation 3 years ago. But we need to be sure that we have both the capacity and capabilities to put in place the major programmes of change and improvement now needed over the next 3 years. It is vital that we quickly face the challenge of reduced funding and increasing demand, and develop a clear plan of action to respond to these competing pressures. That is what the new 3 Year Council Plan will provide. Supported by our new Medium Term Financial Strategy, it will ensure our key priorities are properly resourced and that we are financially stable. As much as reduced funding is a major challenge, it is also an opportunity - to re-examine what we do, and ensure that how we work across the whole local public service network provides excellent value for money for local people.
- 3.5 The next phase of progress and development for Cheshire East Council will have implications for elected Members, both in their individual role as community leaders, and the Council's collective role as decision maker about the allocation of limited public resources. Without doubt, we will need to be a more productive organisation in 3 years' time, getting more from less with fewer staff, and it is important that this change is delivered in a clear and managed way, that does not put at risk the quality of those services most valued by local people.
- 3.6 This report sets out the path for developing our new 3 Year Council Plan between now and February 2013, with a focus on ensuring that elected Members, staff, residents and partners are clear how they can all contribute to the detail of its content and to putting it in place when it has been agreed.

4.0 Wards Affected

- 4.1 All wards.

5.0 Local Ward Members

- 5.1 All ward Members.

6.0 Policy Implications including - Carbon reduction and Health

- 6.1 The Council's purpose and outcomes set out in this report have strong links with the Council's objectives around carbon reduction and health improvement.

The development of the 3 Year Council Plan will ensure that these issues remain priorities and that there are clear plans in place to address them.

7.0 Financial Implications (Authorised by the Director of Finance and Business Services)

- 7.1 The purpose of developing a new 3 Year Plan for the Council is to guide all the activities of the Council, with residents and partners, to ensure that our shared priorities continue to be met, despite the financial challenges we collectively face. There is no doubt that funding for local government will reduce significantly over the next 5 years, and is likely to continue to reduce beyond this timeframe to 2020. Developing a clear, resourced, longer-term plan, where we agree our purpose, the sort of Council we want to be, the outcomes we want to achieve for local people in Cheshire East, and our priorities for action and investment, will maximise our ability to remain financially resilient and effective, despite undergoing significant change.

8.0 Legal Implications (Authorised by the Borough Solicitor)

- 8.1 The development of the 3 Year Council Plan will require Constitutional changes which are currently being discussed by the Council; in particular, development of Policy Development Groups, the establishment of an Executive Monitoring Board, and the development of the Health and Wellbeing Board. Other Constitutional changes may emerge over the coming months.
- 8.2 Other legal issues, such as (but not limited to) major staffing changes, or compliance with statutory duties, may emerge, but at this time it is not possible to identify with any certainty what these might be.

9.0 Risk Management

- 9.1 Developing a 3 Year Plan which clearly states the Council's priorities and major change projects, and developing our financial strategy to support these agreed priorities, will enable the Council to mitigate its corporate risks related to financial management and service non-delivery. The stronger our plan, the better able we are to manage risk and uncertainties, as well as to seize new opportunities to do things better. This is critical to building a strong reputation for effective community leadership in a turbulent period of major change.
- 9.2 In addition, developing a clear set of outcomes enables the Council to clearly identify, assess and manage risks at both the corporate and service level. This approach provides a strong framework for the next 3 years which will be reflected in business plans for individual Council service areas.
- 9.3 It is important to note that, as the Council faces significant challenges in achieving the desired outcomes with much reduced funding, it will need to identify its risk appetite for different courses of action, particularly in relation to introducing new, innovative models of service delivery, and a different range of service providers. A revised approach to risk appetite and management will be

further considered by Cabinet and Council as the 3 Year Plan and budget are developed over the next 4 months.

10.0 Background and Options

Our purpose, outcomes and priorities

- 10.1 Cabinet and the Corporate Management Team have spent some time considering what the core purpose of the Council should be, in light of funding reductions and policy changes at the national and local level. They have also considered what key outcomes we are trying to achieve to improve the quality of life of local people and, therefore, what our priorities for action and investment over the next 3 years should be.
- 10.2 A summary of these is attached at **Appendix 1**. This framework will enable us to set clear objectives and targets for action over the next 3 years, and to identify how we will measure our performance and manage risks to achieving our targets.
- 10.3 It is vital that we identify clear priorities for action – those areas where the Council needs to invest and make the most change quickly if we are to deliver our outcomes with reduced resources. These priorities, and the specific projects and activities which will flow from them, will be an important part of our dialogue. They are the major change proposals for the Council which will enable us to be the smaller, affordable and more effective organisation we need to be.
- 10.4 The priority areas for review are presented in **Appendix 1** and are, in summary:
- 1. Local economic development** – we will enhance our existing economic development strategy work, focusing on business growth, regeneration of Macclesfield and Crewe, and the Sustainable Towns programme. We will seek to invest significantly in our road infrastructure to address some of the backlog of work which has built up over many years, and will continue to invest in the roll-out of super-fast broadband across the whole of Cheshire East.
- 2. Developing affordable, and sustainable local models of care for vulnerable children and adults** – in order to ensure care provision is affordable and targeted, we will develop and shape the local market for care provision, including fostering and adoption. We will also implement the next phase of the Care4CE service, and will review and re-shape the provision of services for learning disabilities. Finally, we will maximise efficiencies and ensure better targeted provision through the greater integration of local health and care services, and the planned incorporation of public health responsibilities, resources and activities into the Council.
- 3. Focusing services on early intervention and prevention** – we will do this by reducing unnecessary demand in adult and children's services through promoting self-sufficiency. We will create service delivery models which focus on early intervention to prevent recourse to acute and costly services later. We

will also develop improved information and signposting to wider support and services. Finally, we will maximise the opportunities arising from the work of our new Health and Wellbeing Board.

4. Responding to the changing education and learning environment – we will work with schools to ensure they are self-sustaining, and also review special school provision. We will also seek to improve adult skills for work, and will pursue the development of a University Technical College.

5. Securing housing that is locally-led, community-based and that meets local needs – we will develop a new model for delivering housing services which ensure that housing is fully integrated with all services across the Council, and supports independent living and health improvement. This will enable a reduction in dependency on caring services and other public interventions.

6. Redefining the Council's role in place-based services – we will develop new delivery models which are efficient and affordable in areas such as leisure and streetscape. We will continue our Total Transport programme, and also identify the best model for delivery of library services and community facilities, in partnership with other service providers and community groups.

7. Service efficiency and redefining the corporate core – as we move to become a more productive, leaner organisation we must continue to secure efficiencies from all services, to reduce spending. We must also redefine the corporate core of the council, making sure it provides the subject expertise needed to enable effective commissioning and delivery of services across the public service network. We must implement more efficient business processes and architecture, and ensure our ICT systems support innovative frontline delivery. We will also maximise the benefits from the Corporate Landlord model, to best utilise our extensive asset base to support the wider objectives of the Council.

8. Workforce planning – we will further develop employment and working practices to enable flexible and agile working and to reduce our costs. We will identify our changing skills requirements over the medium term and equip the organisation with these skills. We will manage workforce turnover so that vacant posts are used to provide efficiency savings, whilst retaining those staff with essential skills for the future.

- 10.5 Detailed proposals for each of these 8 areas, including specific savings and cost reduction proposals, will be developed over the next 2-3 months, as part of the budget setting process.

Principles for budget decisions

- 10.6 In order to manage the difficult budget setting decisions necessary over the next 4 months, a set of principles have been developed which will be applied consistently to guide these decisions during the budget process. These principles are:

Our principles to underpin budget decisions:

1. We will be policy-led and stick to our decisions
2. We will make decisions based on evidence of need and of what works
3. We are planning for at least 3 years
4. We must be a more productive and affordable organisation
5. We will stop doing some things to focus on those that matter most to local people
6. We will invest in innovative new ways of providing services
7. We will ensure that those who provide services, whether in-house or externally, give real value-for-money
8. We will promote self-reliance and capacity in local communities to reduce demand on public services
9. We will focus our limited resources on prevention and early intervention
10. We will invest in infrastructure to promote local economic growth and access to job opportunities

Developing the 3 Year Council Plan and Financial Strategy

10.7 Over the next few months, the Council will have an open and honest dialogue with residents, local businesses, town and parish councils, and partner organisations, in order to fully develop its 3 Year Council Plan. This will be done hand-in-hand with developing our Medium Term Financial Strategy. As our Purpose states, we want to be “a Council that works in partnership with others to ensure the best outcomes for local people”. We can only achieve positive outcomes in Cheshire East if we do it in partnership with local communities, voluntary and faith organisations, businesses, and the wider public service network locally.

10.8 The key stages in developing the 3 Year Council Plan and Financial Strategy are as follows:

October – December:

Open dialogue with residents, businesses, town and parish councils, and partners through special events, the Council’s website, and other communication channels – to gain support for our proposed approach and to get views on the future role of the Council, its priorities, and how it can change its ways of delivering local services to provide better value-for-money for local people.

December - February

Further dialogue on detailed budget proposals and action plans for major service changes which respond to significantly reduced funding, whilst delivering on key priorities. Final 3 Year Plan and Financial Strategy considered by Council on 21st February 2013.

February – March

Communication with residents, businesses and partners about the final 3 Year Plans and how these will be delivered.

- 10.9 This public-facing dialogue will be accompanied by extensive communication and engagement with all elected Members and staff over the same period.

11.0 Access to Information

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

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