

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Cabinet**
held on Monday, 4th February, 2013 at Committee Suite 1,2 & 3, Westfields,
Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor M Jones (Chairman)
Councillor D Brown (Vice-Chairman)
Councillors Rachel Bailey, J Clowes, J P Findlow, J Macrae, B Moran, P Raynes and D Topping.

Also Present

Councillors Rhoda Bailey, L Brown, S Corcoran, R Domleo, K Edwards, I Faseyi, R Fletcher, D Flude, M Grant, P Groves, S Hogben, W Livesley, D Marren, B Murphy, D Newton, L Smetham and A Thwaite.

Officers in attendance

Interim Chief Executive, Interim Borough Solicitor, Head of Policy and Performance, Head of HR and Organisational Development, Strategic Director Children, Families and Adults, Head of Development and Interim Strategic Director Places and Organisational Capacity and the Finance Manager.

140 **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Councillor Gilbert.

Apologies were also submitted from Councillor Mason and Councillor Wait.

141 **DECLARATIONS OF INTEREST**

No declarations of interest were made.

142 **MINUTES OF THE MEETING HELD ON 7 JANUARY 2013**

RESOLVED

That the minutes of the meeting held on 7th January 2013 be approved as a correct record.

143 **PUBLIC SPEAKING TIME/OPEN SESSION**

Mrs Elaine Napier raised a number of issues as follows

- She invited the Leader to respond to recent media reports alleging that he had made certain comments regarding the Council's proposed management review

- Was it appropriate for the Council to support the Cheshire and Wirral Area Conservative Conference?
- What was the estimated cost of implementing the proposals set out in the Council's proposed management review?
- In the light of the Lyme Green report would action be taken against any Members for their role in the matter?

The Leader refuted the allegations made. He stated that he held the Council's staff in the highest regard congratulating them on their hard work and dedication. He added that the Council's support for the Cheshire and Wirral Area Conservative Conference was important as it enabled the Council to lobby senior Ministers regarding important issues for Cheshire East.

Charlotte Peters Rock, raised a number of issues as follows

- She invited the Leader to comment on the effect of diminishing public transport in rural areas and the potential hazards for pedestrians as in some areas there were no footpaths and where these did exist they were largely overgrown or pitted by tractor tyres, or covered in slurry. She requested the Council to look into this and produce a plan of action.
- What input was the Council having into the current public consultation on the permanent closure of Knutsford's Intermediate Care Tatton Ward? The closure had dramatically overloaded the Intermediate Care Wards in both Congleton and Macclesfield, causing many elderly, confused people to be forced into unsuitable wards, or out into beds bought from community care facilities further depriving family carers of respite social care beds.
- During a meeting held at St John's Wood Community Centre, Knutsford, the Leader had agreed, he would make time to meet Mrs Peters Rock to discuss the situation of health and dementia social care in the Knutsford area. The meeting had not yet been confirmed and Mrs Peters Rock asked for a firm date for that promised meeting.

The Chairman thanked Mrs Napier and Mrs Peters Rock for their representations.

144 **2012/2013 THREE QUARTER YEAR REVIEW OF PERFORMANCE**

Consideration was given to the joint report of the Interim Chief Executive, Director of Finance and Business Services and Head of Performance, Customer Services and Capacity on the financial and non-financial performance at the three quarter review stage of 2012/13. The report provided an update on the overall financial stability of the Council, projections of service, financial performance and a summary of key performance headlines for the current financial year.

Key points emerging were explained in respect of service revenue outturn, reserves, the capital programme, debt and performance.

RESOLVED

1. That the following matters be noted
 - the projected service revenue and capital outturn positions
 - the overall financial stability of the Council, and the potential impact on the Council's general reserves position
 - the Council's invoiced debt position
 - the delivery of the overall Capital Programme
 - reductions in the approved Capital Programme
 - supplementary Capital Estimates and Virements up to £250,000 approved in accordance with Finance Procedure Rules
 - the service performance successes achieved during the first three quarters of 2012/2013.
2. That the following matters be approved:
 - a Supplementary Revenue Estimates of £33,000 for additional expenditure fully funded from non-ring fenced specific grant as set out in Section 2 of the report; and
 - Supplementary Capital Estimates and Virements over £250,000 and up to £1m as set out in Appendix 5a of the report.

145 BECOMING A "STRATEGIC COUNCIL" - REVIEW OF MANAGEMENT ROLES AND RESPONSIBILITIES

Consideration was given to a report of the Interim Chief Executive setting out proposals for significant changes in the current roles and responsibilities of managers at all levels within the organisation, as a key element of establishing a new operating model for the Council, to support an ambitious programme of service transformation and to reduce costs and provide better value-for-money for local people.

The report set out the process and timetable for implementing the required management changes over the next six months, and sought Members' approval for the authority to proceed immediately with the Management Review, on the basis set out in the report, so that its benefits could start to be realised as quickly as possible.

RESOLVED

That Council be recommended to:

1. Approve that the Interim Chief Executive, in consultation with the Leader of the Council and his Cabinet Portfolio Holders, be authorised to start, with immediate effect, the proposed Management Review and the phased process of selection for appointment to new management posts in the Council's revised organisational structure, on the basis and timetable set out in this report;
2. Note the need for planned complementary action on the wider implications of the introduction of the new operating model for the Council, in terms of collaborative working with other local commissioners and providers of public services, as well as the development of the Council's Localism initiative; and
3. Agree that further reports on these initiatives be brought forward for Members' consideration in due course.

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LEADER'S REPORT - OUR FINANCIAL PLAN

Consideration was given to a report from the Leader setting out the framework of a new 3 Year Council Plan, which would give a clear strategic direction for the Council.

The report identified a number of activities that would result in a balanced budget over the next 3 years and sought to protect and enhance essential frontline services, retain sufficient skilled staff, and give local people even better value for money as the Council cut its costs. This approach would enable the Council to make its contribution to reducing the burden of public debt and to create greater prosperity for hard working local people.

Attached to the report was a series of appendices which collectively comprised the Financial Plan.

RESOLVED

That Council be recommended to:

1. Note the ongoing Budget Engagement exercise undertaken by the Council, as set out in Appendix 4;
2. Note the comments of the Council's Chief Finance Officer regarding the robustness of estimates and level of reserves held by the Council based on these budget proposals;
3. Approve the 2013/2016 Budget Report, which presents the financial implications of the Medium Term Financial Strategy, and the detailed changes needed to implement it, as set out in Appendix 2;

4. Approve the 3 Year Capital Programme for 2013/14 to 2015/16 as set out in Appendix 3;
5. Approve a Band D Council tax of £1,216.34 (no change from 2012/13);
6. Approve the recommended Reserves Strategy;
7. Note the 2013/14 level of non ring-fenced Specific Grants, and that any amendments to particular grants, in the light of further information received from Government Departments or other funding bodies, will be reported to Council;
8. Agree the 2013/14 Dedicated Schools Grant (DSG) of £182.4 million and the associated policy proposals;
9. Authorise the Children's and Family Services Portfolio Holder to agree any necessary amendment to the DSG position in the light of further information received from the Department for Education, pupil number changes, further academy transfers and the actual balance brought forward from 2012/13;
10. Note the receipt by the Council of the transferred and ring-fenced grant for Public Health functions, and acknowledge the positive benefits for local people from the Council acquiring these new functions and responsibilities from 1 April 2013;
11. Approve the recommended Prudential Indicators for Capital Financing; and
12. Note the risk assessment detailed in the Chief Finance Officer's report.

147 KEY DECISION 3 - 3 YEAR MEDIUM TERM FINANCIAL STRATEGY 2013/2016 - BUDGET REPORT

Consideration was given to a report of the Finance Manager and Deputy S151 Officer on the Medium Term Financial Strategy 2013/16 Report together with details of the approach to funding the Three Year Financial Plan.

The Report set out, in detail, the spending plans and income targets for the financial year starting 1st April 2013, as well as financial estimates for the 2014/2015 and 2015/2016 financial years.

RESOLVED

That Council be recommended to:

1. Note the comments of the Deputy S151 Officer, regarding the robustness of estimates and level of reserves held by the Council based as set out in Appendix A; and
2. Recommend the 2013/2016 Budget Report to Council for approval as part of the Medium Term Financial Strategy Report.

148 TREASURY MANAGEMENT STRATEGY

Consideration was given to the report of the Interim Chief Executive and the Director of Finance and Business Services concerning the Treasury Management Policy and Strategy. Revisions were proposed to the existing Strategy and Prudential Indicators for 2012/13. A new Treasury Management and a new Annual Investment Strategy for 2013/14 were proposed together with prudential indicators for 213/14 to 2015/16. A revised Annual Policy Statement on Minimum Revenue Provision was also submitted for approval.

RESOLVED

That Council be recommended to approve the Treasury Management Policy Statement, the Annual Investment Strategy and the Minimum Revenue Provision Statement as set out in the report.

149 REPORT BACK ON CALL IN OF KEY DECISION CE12/13-18, DELIVERY OF STREETSCAPE AND PARKING MAINTENANCE ACTIVITIES WITHIN THE HIGHWAY SERVICES CONTRACT

Consideration was given to a report setting out the findings of the Streetscape Task and Finish Group, which was established to give consideration to the Call In of Key Decision CE12/13-18, Delivery of Streetscape and Parking Maintenance Activities Within the Highway Services Contract.

Following the Call In of Key Decision CE12/13-18, Delivery of Streetscape and Parking Maintenance Activities Within the Highway Services Contract, at its meeting held on 12 November 2012, Cabinet resolved that the decision would be deferred in order to allow time for the matter to be considered by the relevant Policy Development Group, but that the part of decision relating to Parking Maintenance be proceeded with.

The Task and Finish Group met several times during its investigations and considered evidence relating to:

- Questions submitted by Members and the reasons for Call In
- Details of the rounds maintenance and street cleansing service, including service overview, statutory responsibilities, key service responsibilities, financial and staffing resources, performance measures, contribution to the Corporate Plan and service context and service structure
- Details on how works would be monitored
- Results of the Ringway Jacobs Satisfaction Survey
- The proposed system for contact arrangements by Members
- Summary of the business options appraisal
- Further evidence that the quality of the service would not be sacrificed
- Details of the split between grounds maintenance and street cleansing
- The possibility of phasing the contract
- The model to be used to achieve localism

Following detailed consideration of the above evidence, the Policy Development Group concluded that further time was required to review the decision and gain assurance that the quality of service would not be compromised. The Group therefore agreed that the issue should be further investigated and reported back to Cabinet in September 2013. However, as the mechanical cleansing activity had clear operational synergies with highways maintenance it was agreed this part of the decision should be proceeded with.

The Group recommended that Cabinet approve:

1. The extension of the scope of the Highways Services Contract to include mechanical street cleansing activities (subject to no challenge being received during the Voluntary Ex-ante Transparency Notice period (VEAT));
2. The publication of a procurement VEAT Notice;
3. The development of a detailed activity programme that will engage with members of council, existing employees and their Trade Union representatives with a view to achieving the earliest possible commencement date after 1st April 2013 for the new service delivery arrangements; and
4. That the remaining Streetscape Services be reviewed and investigated by the Environment and Prosperity Policy Development Group and reported back to Cabinet in September 2013.

RESOLVED

That the recommendations of the Policy Development Group be approved.

150 PAY POLICY STATEMENT 2013/14

Consideration was given to a report on a Pay Policy Statement. Section 38 of the Localism Act 2011 required local authorities to produce a Pay Policy Statement (PPS) by 31 March on an annual basis.

A revised draft Pay Policy Statement for 2013/2014 had been prepared and had been considered by the Council's Staffing Committee at its meeting on Friday 11 January 2013 and amendments proposed.

RESOLVED

That the Staffing Committee's proposed amendments be noted and Council be recommended to approve Pay Policy Statement for 2013/2014

151 HEALTH AND WELLBEING BOARD - TERMS OF REFERENCE

Further to the meeting of the Cabinet held on 25th June 2012 consideration was given to the terms of reference for the Health and Well Being Board

The Health and Social Care Act 2012 required the Local Authority to establish a Health and Wellbeing Board for its area. Core membership included at least one local Councillor (nominated by the Council's Leader) the Directors of Adult Social Services, Children's Services and Public Health, a representative of the Local Healthwatch Organisation and a representative of each Clinical Commissioning Group and the NHS Commissioning Board. The Local Authority could also nominate such other individuals as they considered appropriate.

Once established in April 2013 the Board would be a Committee of the Local Authority but regulations under the Act would modify some of the normal requirements of the Local Government Act 1972 details of which were given in the report. The Regulations had not yet been published but it was anticipated that these would be available before 1st April 2013. The report enclosed a draft terms of reference and recommended that these be approved until such time as the Regulations were published.

RESOLVED

1. That the current Health and Wellbeing Board's Terms of Reference be approved until such time as the regulatory guidance is published; and

2. That following publication of the Regulations the Cabinet and the Constitution Committee be asked to review the Health and Wellbeing Board's Terms of Reference and make recommendations on any modifications if required.

**152 KEY DECISION 27 - PROPOSED EXPANSION OF
PEBBLEBROOK PRIMARY SCHOOL, CREWE**

Consideration was given to a report by Strategic Director, Children, Families and Adults on a proposal to expand Pebble Brook Primary School, to provide 315 pupil places by increasing the existing capacity by 105 places for implementation in September 2013.

In accordance with the guidance issued by the Department for Education, an initial consultation had been undertaken between 22 October 2012 and 23 November 2012 following which a statutory notice detailing the proposed expansion of Pebble Brook Primary School from 210 to 315 school places had been published.

This statutory process provided the opportunity for any person with an interest to submit representations, which could be objections as well as expressions of support for the proposals. Details of the responses received were submitted.

RESOLVED

That the Cabinet gives approval to the expansion of Pebble Brook Primary School, Crewe to increase the school from its current capacity of 210 school places to 315 places with a planned implementation date of 1 September 2013.

**153 EAST CHESHIRE ENGINE OF THE NORTH - NEW
DEVELOPMENT COMPANY MODEL**

Consideration was given to a report from the Head of Development on a proposal to establish a dedicated delivery vehicle for physical development and regeneration utilising strategic land assets of the Council to deliver growth.

The delivery vehicle would be responsible for the accelerated development of Council owned assets and boosting delivery of developer led strategic sites. As a result the Council would continue to support the sustainable growth of the Borough and create an attractive proposition for securing greater private sector investment and development expertise into the area to ensure an even stronger focus on generating more jobs, more homes and more prosperity.

RESOLVED

To authorise the Interim Chief Executive or his identified nominee, in consultation with the Cabinet Member for Prosperity & Economic Regeneration, and subject to consideration by the Monitoring Officer and the Chief Financial Officer to:

- invest up to £100,000, from existing Economic Development & Regeneration Earmarked Reserves, in independent legal and financial advice to review detailed options and ascertain the most appropriate and beneficial formal structure for the new Delivery Vehicle; and
- establish a Shadow Board to oversee the delivery of the Development Programme in the short-term, and drive forward the new vehicle arrangements.

154 CHESHIRE AND MERSEYSIDE PUBLIC SERVICES NETWORK CONNECTIVITY PROCUREMENT

Consideration was given to a report of the Interim Chief Executive setting out details of the Council's proposal to proceed with the joint procurement of a Public Services Network (PSN).

The national Public Service Network (PSN) Programme was a joint Government and industry programme to revolutionise the efficiency with which National Government, Local Authorities, Police, Fire, Health and the Third Sector procure and utilise voice and data networks and the ICT services that carry across them.

Cheshire West and Chester Council has undertaken a procurement exercise as lead Authority jointly with Cheshire East Council and other potential public sector partners through Framework Agreement RM860, for a contract to deliver a unified Wide Area Network and the ability to transition to network connectivity capable of meeting PSN standards.

RESOLVED

That the Interim Chief Executive or his identified nominee and the Portfolio Holder for Strategic Communities be authorised to make the decision to award the contract for the provision of Public Service Network to the winning bidder and approve all necessary actions to be taken to implement the proposal including informing Full Council on the progress and outcome of PSN Connectivity Procurement.

155 KEY DECISION 37 - STRATEGIC HOUSING REVIEW

Consideration was given to a progress report relating to the ongoing Strategic Housing Review and the integration of the Housing Service into the new Corporate Strategic Commissioning model.

The report outlined the progress of the review, which was being implemented in a phased approach over the next two years. This involved an early restructure of the service to bring forward efficiencies and ensure that it remained fit for purpose and to explore alternative delivery models for certain areas of the service.

The long term proposal was to integrate housing into the wider corporate agenda and develop better alignment with Health and Children, Families and Adults.

RESOLVED

That the integration of the Housing Service into the new Corporate Strategic Commissioning model be approved and the progress with the review be noted.

The meeting commenced at 2.00 pm and concluded at 3.45 pm

M Jones (Chairman)