

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Cabinet**
held on Tuesday, 12th September, 2017 at Committee Suite 1,2 & 3,
Westfields, Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor Rachel Bailey (Chairman)
Councillor D Brown (Vice-Chairman)

Councillors A Arnold, P Bates, J Clowes, J P Findlow, D Stockton, G Hayes
and L Wardlaw

Members in Attendance

Councillors Rhoda Bailey, G Baxendale, S Corcoran, S Gardiner, M Grant,
L Jeuda, J Macrae, B Moran, J Rhodes, B Roberts, J Saunders, M Simon,
B Walmsley and G Williams

Officers in Attendance

Kath O'Dwyer, Frank Jordan, Peter Bates, Mark Palethorpe, Dan Dickinson,
Jan Willis and Paul Mountford

Apologies

Councillors P Groves and L Durham

38 DECLARATIONS OF INTEREST

The Chairman, Councillor Rachel Bailey, and Councillor L Wardlaw, as
landowners, declared an interest in Item 7 – 'Notice of Motion – Badger
Culling'.

39 PUBLIC SPEAKING TIME/OPEN SESSION

James Routs, Head of Marketing and Business Development for the
Knutsford Multi-Academy Trust, spoke in relation to a report on the agenda
regarding the removal of free bus travel for a number of Knutsford
Academy students that lived in the Mobberley area, which was a matter of
concern for the school and parents. He questioned the basis of the
calculations in relation to the distance that children travelled to school. He
also said that part of the walk to school was along a section of road where
drivers were known to drive above the national speed limit. Finally, he said
that in winter months children would be walking in the dark and in cold wet
weather which would impact on their education and wellbeing.

Rachel Pendleton asked a number of questions in relation to the
Middlewich Eastern Bypass regarding the funding for the original route, the
Council's financial commitment to the new route and why section 106
funds for the bypass included time constraints. The Portfolio Holder for
Highways and Infrastructure undertook to provide a written answer.

Mrs D Wheeler asked a question in relation to Item 10 on the agenda concerning a proposed new history centre for Crewe. She asked whether, given the estimated cost of demolition of the former library building, which she said was an obvious candidate for Grade 2 listing status under Historic England's current strategic objectives, the Council would give consideration, in liaison with Heritage Lottery Fund grant officers if necessary, to a revised or alternative plan which would redirect funding towards the preservation and enhancement of the existing building rather than demolition. The Portfolio Holder for Regeneration undertook to provide a written reply.

Councillor Jane Smith of Alsager Town Council spoke in relation to Item 7 concerning a notice of motion on badger culling. She asserted that the scientific evidence showed that culling was ineffective in tackling bovine TB, that wildlife crime in cull zones increased exponentially and that there would be significant costs incurred in policing any cull zones. She called on the Council to prohibit the culling of badgers on its land, including its farm land.

Councillor Simon Yates of Crewe Town Council spoke in relation to Item 9 regarding the regeneration of Crewe town centre. He commented that Crewe Town Council was positive that the package of investments by local government and the private sector that Cheshire East had succeeded in bringing together was an excellent step forward and offered a real future for the people of Crewe and the surrounding area. It also demonstrated how effectively the two councils had been able to work together. However, he did express disappointment that the initiative by Crewe Town Council to establish with Cheshire East Council a Partnership Board to supervise the work which had resulted in the Markets proposal had not been recognised. In supporting the proposals for the regeneration of Crewe town centre, he made a number of specific suggestions for ensuring that local councillors, people and businesses were fully engaged with the scheme. Finally, he stressed the need to address the issues of affordable housing in the town centre and much needed infrastructure improvements for Crewe. The Leader thanked Councillor Yates and referred to the Royal Arcade proposal as the anchor for the regeneration of Crewe town centre. She added that partnership working had helped to make this work.

40 QUESTIONS TO CABINET MEMBERS

Councillor L Jeuda asked why the Council was embarking on a review of its constitution at a time when the Council was in a state of flux with several senior officers missing and others occupying temporary posts. The Portfolio Holder for Corporate and Legal Services responded that the review of the constitution was being undertaken as part of an improvement agenda that aimed to bring greater efficiency and transparency into the Council's decision-making processes. The Leader added that with regard to the reference to the Council being in a state of flux, the Council was addressing a number of historic issues in an open and transparent way. At

the Leader's invitation, the Acting Chief Executive commented that whilst it was the case that the Council was having to deal with a number of historic matters, it was seeking to ensure that its current arrangements were as robust as possible. Other members of the Cabinet then outlined ways in which the Council was moving forward positively.

Councillor S Corcoran referred to a culture of bullying at Cheshire East Council and suggested that an external review, as previously proposed by his group, would help to restore the reputation of the Council. The Leader responded that the issue of bullying had been referred to the body responsible for such matters under the Council's governance arrangements, namely the Staffing Committee, and that there was now a regular agenda item on the wellbeing of the Council's staff. At the Leader's invitation, the Acting Chief Executive reiterated comments made previously that the staff were the Council's greatest asset and that without them the Council could not deliver the high quality services to its residents that it desired. Senior managers were looking at a range of ways in which to provide greater support for staff and to improve channels of communication.

Councillor G Williams referred to the successful international 'Chalk it Up' festival in Crewe and asked if the Portfolio Holder could provide an update on the wider visitor economy. The Portfolio Holder for Highways and Infrastructure responded that the festival had attracted a considerable number of visitors into Crewe and it was a phenomenal success as the first event of its kind in the UK. A formal report on the outcome of the event was awaited. As regards the wider visitor economy, this grew at just under 5% last year, with 16 million visitors coming into the Borough, worth £895M to the local economy. 400 new jobs had been created in the sector.

Councillor M Grant welcomed the new plans for Crewe town centre, including the market, but stressed that this needed to be done as quickly as possible. The Leader appreciated her comments.

Councillor S Gardiner asked if the Portfolio Holder for Highways and Infrastructure would join him in thanking Sarah Flannery and others involved in organising a recent event in Knutsford featuring the 65th anniversary of the trial of Alan Turing. The Portfolio Holder for Highways and Infrastructure agreed that the event had been very well done and had been very moving. The Portfolio Holder for Finance and Communities referred to a letter from Sarah Flannery thanking various members and officers at Cheshire East for helping to make the four day event a success.

Councillor Gardiner also asked about progress with the bus service review. The Portfolio Holder for Highways and Infrastructure responded that following the consultation, a report would be submitted to Cabinet in November. He reaffirmed his willingness to meet with representatives of town and parish councils.

41 MINUTES OF PREVIOUS MEETING

RESOLVED

That the minutes of the meeting held on 22nd August 2017 be approved as a correct record.

42 AVAILABLE WALKING ROUTES TO SCHOOL PROGRAMME - PHASE 2

Cabinet considered a report seeking authority to proceed with Phase 2A of the Available Walking Routes to School programme.

The programme would involve community engagement between 20th September and 17th October 2017 in line with the planned programme set out in Appendix 1 to the report, and involved a review of the route between Mobberley and Knutsford Academy and between Mobberley and Knutsford Academy, The Studio.

RESOLVED

That Cabinet authorises the proposed community engagement on the removal of free transport between Mobberley and Knutsford Academy and between Mobberley and Knutsford Academy, The Studio on the basis that the route is now assessed as an available walking route.

Note: at this point, having declared an interest in the next following item earlier in the meeting, the Chairman, Councillor Rachel Bailey, left the meeting. The Deputy Leader, Councillor D Brown, took the chair. Councillor L Wardlaw, who had also declared an interest in the item, decided to remain to listen to the debate but took no part in the discussion or voting thereon.

Councillor D Brown in the Chair

43 NOTICE OF MOTION - BADGER CULLING

Cabinet considered the following motion which had been moved by Councillor S Corcoran and seconded by Councillor L Jeuda at the Council meeting on 27th July 2017 and referred to Cabinet for consideration:

“This Council notes the failure of government policy to deal with bovine TB, notes the RSPB's position in opposing badger culling and promoting vaccination of badgers and resolves to oppose any culling of badgers on its land.”

The report stated that there were areas of Cheshire East where Bovine TB was endemic, and known to be in wildlife as well as cattle. Whilst vaccination remained appropriate in relation to low incidence areas/uninfected badgers, it was unlikely on its own to provide a solution

to the problem. The Council would enforce legislation to prevent and control the spread of disease as part of its statutory duty under the Animal Health Act and it supported and advocated good on-farm bio-security. However, the Council would not engage in the culling of badgers on land under its direct control.

The Portfolio Holder for Adult Social Care and Integration, as Portfolio Holder for Rural Affairs, reported a correction to paragraph 5.4 of the report which should have read as follows:

“It is understood that the Animal Plant Health Authority (APHA) has advised that nationally there have been 10 applications for culling to consider and in all likelihood all 10 areas will be granted permission to proceed. There are likely to be further applications including applications from within Cheshire.”

The Portfolio Holder then updated this position by reporting that as of yesterday evening, 11 licences had been granted to cull areas, including one area in Cheshire.

Councillors Corcoran and Jeuda attended the meeting and spoke in support of the motion.

RESOLVED

That

1. it be noted that the Council’s current position is not to undertake culling on land under its direct control; and
2. the motion be not supported for the reasons outlined in the report.

At the conclusion of this item, Councillor Rachel Bailey was invited to return to the meeting.

Councillor Rachel Bailey in the chair

44 MIDDLEWICH EASTERN BYPASS

Cabinet considered an update report on the outline business case for Middlewich Eastern Bypass.

Cabinet had endorsed the submission of the outline business case to Government at its meeting in April 2017. The Secretary of State’s decision was pending. To ensure that the fast track project programme was sustained, the report proposed that works commence to prepare for the submission of a planning application.

RESOLVED

That Cabinet

1. notes the update on the outline business case for Middlewich Eastern Bypass which is currently with the Department for Transport;
2. agrees that the work requirements as set out in the report to prepare a planning application for the Middlewich Eastern Bypass proceed;
3. notes that it is anticipated that this application will be submitted to the Planning Authority by Spring 2018, subject to the DfT's decision on programme entry;
4. authorises the Executive Director of Place, in consultation with the Portfolio Holder for Highways and Infrastructure, to make all necessary arrangements for the preparation of a planning application for the preferred route option; and
5. agrees that the Council continue to seek third party funding contributions towards the Middlewich Eastern Bypass.

45 CREWE TOWN CENTRE REGENERATION PROGRAMME: MAJOR INVESTMENT DECISIONS

Cabinet considered a report on the regeneration of Crewe town centre.

The Council had invested £6m in acquiring the Royal Arcade properties, which included the bus station. In November 2015, the Council committed to seeking a commercial development partner to lead in delivering a leisure-led, mixed-use redevelopment of the site. Following a robust procurement process, the Council had selected a consortium comprising Cordwell Property Group and Peveril Securities as its preferred development partner. The report sought approval to enter into a development agreement to deliver the scheme, which would include a new cinema, restaurants, shops, a new bus station and a multi-storey car park. The report also included proposals to improve the town's markets and invest in the public realm.

RESOLVED

That Cabinet

1. subject to a formal decision by Cheshire & Warrington LEP, accepts a grant of £10m Local Growth Funding to support the delivery of projects in the Crewe town centre regeneration programme (as detailed in the report), with authority for entering into a formal funding agreement to be delegated to the Executive Director Place, in consultation with the Portfolio Holder for Finance and Communities, Portfolio Holder for Regeneration and Portfolio Holder for Highways and Infrastructure;

2. authorises the Director of Legal Services to enter into a development agreement with Peveril Securities Ltd to secure the redevelopment of the Royal Arcade site, to include a cinema, other leisure uses, retail uses, a new bus station, car park and public realm (area 1a and 1b) within the site; a lease of part of the site be granted to Peveril Securities for a period of 200 years (Appendices 1-7 provide location plans and development proposals, including a summary of the provisions within the development agreement (Appendix 5));
3. notes that the redevelopment will be subject to planning and highways approval by the Council, as Local Planning Authority, at a later date;
4. delegates authority for any decisions ancillary to the development agreement to the Executive Director Place, in consultation with the Director of Legal Services, the Chief Financial Officer/s151 Officer and the Head of Assets and the Portfolio Holder for Regeneration and other appropriate Portfolio Holder(s), including to:
 - (a) negotiate and enter into all legal agreements required to support the delivery of the Development Agreement and the Head Lease to the development partner, including the final demise of the Head Lease and any agreements ancillary to the Development Agreement and the Head Lease and any variations required to the Development Agreement which fall within the scope of this contract award;
 - (b) take all actions required to facilitate vacant possession of the development site and in respect of undertaking the statutory process to dispose of any of areas of public open space within the development site and, in support of this, to note that the Council will not enter into any new agreements for occupancy of vacant units;
 - (c) as reasonably required to:
 - (i) take all actions necessary for the acquisition, extinguishment or otherwise rendering ineffective any third party interests over the Development Site or to appropriate such land so as to come within the provisions of section 237 of The Town and Country Planning Act 1990;
 - (ii) use all reasonable endeavours as land owner to assist with any application for any Stopping Up Order as made by the Developer;
 - (iii) release or procure the release of any rights, covenants and other interests over the Development Site insofar as it has the right to do so and provided that such

release would not put the Council in breach of any obligation to a third party or parties; and

- (iv) take such steps, in relation to the open space within the Development Site under either S123 Local Government Act 1973 or Part IX Town and Country Planning Act, as will enable its disposal within the Development Agreement arrangements.
5. as part of the development agreement, agrees to transfer budgets into the Council's main Capital Programme from the Addendum allocated for the Crewe Town Centre Regeneration Programme as follows:
- (a) up to a maximum of £3.745m towards the cost of the development of a new Crewe town centre bus station, to be retained in the freehold interest of the Council;
 - (b) up to a maximum of £150,000 towards the costs of securing vacant possession of the Royal Arcade site, prior to the granting of a licence/lease to Peveril Securities Ltd;
 - (c) up to a maximum of £9.465m towards the cost of a new multi-storey car park (MSCP) within the Royal Arcade site, to be retained in the freehold ownership of the Council;
 - (d) up to a maximum of £4.1m towards the cost of public realm on Council land/highway in Crewe town centre in the area immediately adjacent to the Royal Arcade site (area 1b), and to agree to vary the original terms of its procurement to include up to this amount within the development agreement;
 - (e) up to £3.49m towards the cost of public realm on Council land/highway in Crewe town centre in the area around the Market Hall and other parts of the town centre (area 2), as indicated in Appendix 7, with authority for commencing procurement and entering into a contract for these works to be delegated to the Executive Director – Place, in consultation with the Portfolio Holder for Regeneration and Portfolio Holder for Highways & Infrastructure.
6. notes that resolution 5 above will be subject to the final stage approval of the business case by the Portfolio Holder for Finance and Communities and the Director of Finance and Procurement;
7. having considered the alternative options for the future of Crewe's markets (Market Hall, Market Sheds and outdoor/on-street market), agrees to
- (a) endorse the recommended option for the future of Crewe Market Hall, in terms of its physical form, operation and

governance, which will require remodelling and refurbishment of the interior, and some changes to its exterior façade (Phase 1);

- (b) delegate a decision on the preferred option and to take all actions required, including negotiating and entering into any legal agreements and the servicing of notices relating to the current and future occupation of the defined market site in order to implement the preferred option, following public consultation in October 2017, to the Executive Director – Place, in consultation with the Portfolio Holder for Finance & Communities and the Portfolio Holder for Regeneration.

8. subject to resolutions 7 (a) and (b) above, agrees to

- (a) transfer a budget of £3.9m into the main Capital Programme from the Addendum allocated for the Crewe Town Centre Regeneration Programme, in order to meet the costs required to undertake the remodelling of Crewe Market Hall (Phase 1) and any subsequent works related to future decisions relating to Crewe markets (Phase 2);
- (b) consider a potential requirement to use a proportion of the identified budget to secure vacant possession of the Market Hall, prior to any potential remodelling;
- (c) commence the procurement of a service operator for all, or some of the Crewe market operations, currently undertaken on behalf of the Council by ANSA, to include consideration of legal, financial, property and HR implications;
- (d) delegate authority for any subsequent key decisions over these Market investments, vacant possession and the appointment of a service operator to the Executive Director – Place, in consultation with the Portfolio Holder for Finance and Communities and the Portfolio Holder for Regeneration;
- (e) consider a further report on additional changes (Phase 2) to Crewe markets (Crewe Market Sheds and street traders), with a formal decision to be delegated to the Executive Director – Place, in consultation with the Portfolio Holders for Finance and Communities and Regeneration;
- (f) note that, in taking forward the proposals for the markets, the Council intends to work in close collaboration with Crewe Town Council and other key partners, as appropriate, as part of a partnership-based approach to ensure that the implementation of the plans and future operations are undertaken with plans for other events and activities in the town centre.

9. notes that there will be additional revenue implications to the Council, and that these will be identified in the business case to be addressed in relevant base budgets during the Council's budget-setting and budget management process, these relating to:
 - (a) the cessation of income to the Assets budget for Royal Arcade, due to redevelopment of the properties;
 - (b) future costs of operating the new car park and revenue implications for other car parks in Crewe town centre;
 - (c) future costs of operating the new bus station;
 - (d) future costs for maintenance of public realm;
 - (e) potential loss of income during works to Crewe Market Hall; and
 - (f) future costs for maintenance of Crewe Market Hall.
10. notes the development of a draft public realm strategy for Crewe town centre and Area 1 implementation plans, and to agree to consult with appropriate stakeholders prior to a decision on its final adoption, to be delegated to the Executive Director – Place, in consultation with the Portfolio Holder for Regeneration and Portfolio Holder for Highways and Infrastructure; and
11. notes the development of plans for a History Centre to be located in the town centre, subject to securing external funding, which will also play an important role in the regeneration of the town centre and act as a key anchor project for the Civic and Cultural Quarter.

46 FUTURE ACCOMMODATION FOR CHESHIRE ARCHIVES

Cabinet considered a report on future accommodation for Cheshire Archives.

Cheshire Archives and Local Studies was a shared service of Cheshire East Council and Cheshire West and Chester. The requirement to relocate the service had been recognised by both authorities and a future service delivery model had been agreed. The model envisaged two new history centres being established in Chester and Crewe. A recent site selection exercise carried out by Halliday Meecham Architects had recommended the old library site as the preferred site for a history centre in Crewe. The report set out the scope and timeline for the project and sought approvals to enable the project to progress. There was a parallel process taking place in Cheshire West and Chester.

RESOLVED

That Cabinet

1. approves the proposed vision for a new History Centre in Crewe;
2. approves applications for funding to support the project, including the application to Heritage Lottery Fund for Cheshire Archives and Local Studies;
3. approves the proposed Terms of Reference for governance of the project;
4. approves the Shared Services Joint Committee making all necessary decisions to deliver the project within agreed budgets;
5. agrees that the 'Old Library' site in Crewe is selected for a new History Centre;
6. notes the proposed timescale for the project;
7. notes the capital costs required to delivery this project, including costs of demolition; and
8. notes that the above recommendations are made subject to Cheshire West and Chester Council's Cabinet on 13th September 2017 approving the proposed Terms of Reference for the governance of the project.

47 MACCLESFIELD REGENERATION - VISION AND STRATEGY

Cabinet considered a report on the adoption of a vision and strategy to guide the regeneration of Macclesfield town centre.

It was proposed that the draft vision and strategy document appended to the report be subjected to public consultation, following which the document would be finalised and adopted to provide a clear, unambiguous structure for prioritising and managing regeneration activity in Macclesfield Town Centre over the next 5 years, with the aim of strengthening the resilience of the local economy, enhancing the quality of place, and providing for the needs of the local community.

The Portfolio Holder for Housing and Planning welcomed the endorsement of the strategy by the MP for Macclesfield, Mr David Rutley.

RESOLVED

That Cabinet

1. approves the Consultation Draft of the Vision, Strategy, and Action Plan for the revitalisation of Macclesfield, as attached to the report, for public consultation purposes;
2. delegates authority to the Executive Director Place to authorise any necessary actions to finalise the document and, in consultation with the Portfolio Holder for Housing and Planning, to approve the final version of the document, having regard to representations submitted through the public consultation process;
3. delegates authority to the Executive Director Place, in consultation with the Portfolio Holder for Housing and Planning, to take all actions necessary to progress and implement the delivery of the strategy, including making modifications to the Action Plans contained within the document, subject to any further business cases being made in the normal way for the allocation of associated finances;
4. authorises the spend of up to a further £400K from the existing approved Regeneration and Development Capital Budget to supplement the £1M already approved to enhance the public realm in the core of the Town Centre; and
5. notes that a business case will be developed for capital investment in public realm enhancements in future years, so that it can be considered as part of the medium term financial strategy.

48 COMMUNITY INFRASTRUCTURE LEVY PROGRESS UPDATE

Cabinet considered an update report on developing the Community Infrastructure Levy in Cheshire East following consultation on the preliminary draft charging schedule in February – April 2017. The report also sought Cabinet endorsement to consult the public for six weeks on the CIL draft charging schedule and supporting documentation, including the draft regulation 123 list before it was submitted for examination.

RESOLVED

That Cabinet

1. endorses the CIL draft charging schedule (Appendix A to the report) and supporting documentation including the draft regulation 123 list for a six week public consultation;
2. notes the consultation responses received to the preliminary draft charging schedule consultation (Appendix C);
3. notes the further viability and infrastructure evidence supporting the consultation on the draft charging schedule (Appendices B and E) (due to its size, Appendix B is available on the agenda website only);

4. notes the position statement, set out in appendix F, outlining how S.106 policies will be varied following the adoption of CIL and draft policies on the implementation of CIL (Appendix D);
5. authorises the Executive Director of Place to make any modifications to the draft charging schedule following public consultation, to consult on those modifications in line with the statutory regulations and submit the draft charging schedule, representations made and evidence base, together with any proposed modifications, forward to public examination; and
6. delegates the final decision as to whether to proceed with the submission of a draft charging schedule to examination to the Executive Director of Place in consultation with the Portfolio Holder for Planning and Housing, in view of updated evidence relating to viability, its relationship with S106 obligations and any government reforms to the system of development contributions.

49 LOCAL TRANSPORT PLAN REFRESH

Cabinet considered a report outlining a proposed approach to preparing an updated Local Transport Plan.

There is a need to update the LTP to reflect the Council's accelerated investment in the transport infrastructure across Cheshire East, in the context of a new Local Plan spatial strategy.

The Chairman announced that responsibility for the Local Transport Plan refresh had now transferred to the Portfolio Holder for Regeneration and that this would require a change to the recommendations in the report.

RESOLVED

That Cabinet

1. approves the proposed approach to updating the Local Transport Plan for Cheshire East;
2. notes that an All Member briefing was held on 17th July 2017 to update all Councillors on the process and that this briefing was based upon the material presented in Appendix 1. Locally-specific briefings are to be arranged with the parish and town councils as part of the LTP refresh programme;
3. authorises the Executive Director of Place in consultation with the Portfolio Holder for Regeneration to make arrangements for the preparation of an updated Local Transport Plan for 2018-2023; and
4. notes that a draft of the updated LTP will be reported to Cabinet at the end of 2017, seeking approval for a period of public consultation.

50 PEOPLE LIVE WELL FOR LONGER (ADULT SOCIAL CARE AND PUBLIC HEALTH THREE YEAR) COMMISSIONING PLAN

Cabinet considered a report seeking endorsement of the Adult Social Care and Public Health Three Year Commissioning Plan 2017/2020, entitled 'People Living Well for Longer'. The Plan enabled Cheshire East residents as a population to understand how important resources were in the delivery of preventative change over the next three years, working with a wide range of private and third sector providers, and partners from across the health and social care economy, with a specific focus on the voluntary community and faith sector taking a significant role in the delivery of prevention.

RESOLVED

That the People Live Well for Longer (Adult Social Care and Public Health) Three Year Commissioning Plan be endorsed.

51 FIRST QUARTER REVIEW OF PERFORMANCE 2017/18

Cabinet considered a report on the first quarter review of performance for 2017/18.

A initial overspend of £17.7 million in 2017/18 was being forecast, due to increases in caseload numbers and increased costs associated with children in care and adult social care, as well as rising costs from minimum wage requirements for care providers. The Management Team had identified service-based opportunities to reduce the overspend by up to £7.7m, leaving a current forecast deficit of £10m. Robust action was being taken to reduce this further and return the budget to a balanced position.

Annex 1 to the report set out details of how the Council was performing in 2017/18. It was structured into three sections:

- Section 1 Summary of Council Performance
- Section 2 Financial Stability
- Section 3 Workforce Development

The report had been considered by the Corporate Overview and Scrutiny Committee at its meeting on 7th September 2017. The Committee's Chairman, Councillor M Simon, presented the Committee's comments on the report as appended to these minutes.

The Chairman noted the various examples of good performance outlined in the report which showed that the Council was moving forward.

Note: at this point, the Chairman vacated the chair and left the meeting. The Deputy Leader took the chair.

Councillor D Brown in the chair

Cabinet considered the remainder of the report.

RESOLVED

That Cabinet

1. notes the first quarter review of 2017/18 performance, in relation to the following issues:
 - the summary of performance against the Council's 6 Strategic Outcomes (Section 1)
 - the projected service revenue and capital outturn positions, overall financial stability of the Council, and the impact on the Council's reserves position (Section 2)
 - the delivery of the overall capital programme (Section 2, paragraphs 194 to 209 and Appendix 4)
 - fully funded supplementary capital estimates and virements up to £250,000 approved in accordance with Finance Procedure Rules (Appendix 5)
 - changes to Capital Budgets made in accordance with the Finance Procedure Rules (Appendix 8)
 - treasury management investments and performance (Appendix 9)
 - management of invoiced debt (Appendix 11)
 - use of earmarked reserves (Appendix 12)
 - update on workforce development and staffing (Section 3)
 - the intention of the S.151 Officer to identify further financial mitigation, in relation to the Council's 2017/18 revenue budget, through a review of the calculation of the Minimum Revenue Provision and the funding of other revenue costs through capitalisation or the appropriate use of available reserves
2. notes and acknowledges the comments on the report by the Corporate Overview and Scrutiny Committee as appended to these minutes; and
3. approves:

- fully funded supplementary capital estimates and virements above £250,000 in accordance with Finance Procedure Rules (Appendix 6); and
- supplementary revenue estimates to be funded by additional specific grant (Appendix 10).

**MINUTE OF THE CORPORATE OVERVIEW AND SCRUTINY
COMMITTEE MEETING ON 7 SEPTEMBER 2017**

QUARTER 1 PERFORMANCE REPORT

The committee considered a report of the Chief Operating Officer relating to the first quarter review of performance 2017/18. The report highlighted financial and non-financial pressures and performance in connection with the outcomes of the Corporate Plan 2016 to 2020.

A potential overspend of £17.7 million was being forecast, which was attributed largely to an increase in caseloads and costs associated with children in care.

Appendix 1 of the report set out details of how the Council was performing. The appendix was divided into 3 sections:

- Section 1- Summary of Council Performance brought together the positive impact that service performance and financial performance had had on six residents first outcomes during the first year:
- Section 2 – Financial Stability provided an update on the Council's overall financial position. It demonstrated how spending in 2017/18 had been funded including service budgets, grants, council tax and business rates, treasury management, centrally held budgets and reserves.
- Section 3 Workforce Development - provided a summary of the key issues relating to the Council's workforce development plan.

The Chief Operating Officer, Section 151 Officer, Executive Director of Place and Acting Deputy Chief Executive and the Acting Executive Director for People and Portfolio Holders were questioned robustly, at length, on the contents of the report and sought additional information on the several matters which would be reported back to Members outside of the meeting, these included:

- Requesting further details of challenges and low performance to counter the top performing indicators;
- Figures relating to the uptake of free nursery places across the borough;
- How many instances of fly tipping led to prosecutions;
- Clarification of why Cheshire East are borrowing funds from other Authorities; and
- Clarification on why £100,000 of Professional Services savings are unachievable.

The Chairman also read out and requested answers to each of the questions tabled, in advance, by the Leader of the Labour Group who

could not be present at the meeting. These answers will also be provided in writing to him and will also be circulated to all members of the Committee together with answers to questions that Senior Officers were unable to answer during the meeting.

RESOLVED –

- (a) That the report be received;
- (b) That Cabinet be informed that this Committee acknowledges and understands that this is a very challenging year and that there is immense pressure on the Council's limited resources. The pressure on the public sector this year is perhaps unprecedented particularly in Adult Social Care and Children's' Services.

Corporate Scrutiny recognises that there are actions in place to address £7.7 million of the predicted overspend of £17.7 million and that ongoing work is taking place to mitigate against the remaining £10 million.

The Chairman, once again, extended the offer of the Council's four Scrutiny Committees to help with the identifying of savings and of sorting and prioritising challenges within the Directorates and Portfolios.

The Committee took the opportunity of congratulating Officers and everyone concerned for their continued hard work towards producing a balanced budget for the Council in these very challenging times.

- (c) That The Committee request that Cabinet formally acknowledge these comments in the minutes of the meeting.

The meeting commenced at 2.00 pm and concluded at 4.48 pm

Councillor Rachel Bailey (Chairman)