

REPORT TO FULL COUNCIL

CHESHIRE EAST COUNCILLORS' REPORT



Report Reference C-23-31
Meeting Date 25th March 2024
Agenda Item 6
Prepared by Borough Councillors Coan, Dean and Gardiner

REPORT OF CLLR PETER COAN

Nothing to report, other than to express thanks to all who helped save our leisure centre.

REPORT OF CLLR TONY DEAN

ENVIRONMENT AND COMMUNITIES COMMITTEE

I am currently the opposition spokesperson for this Committee. As an opposition we were very pleased, after a fevered period of gathering (correct) data on Knutsford and Poynton Leisure Centre usages, that we managed to make an excellent case in November to persuade two Labour members to vote with us against their own administration's proposal to close four Leisure Centres, including Knutsford and Poynton.

To take the place of their initial proposal, the administration has (after due consultation) produced another set of proposals to save £1.3m from the Leisure spend in 2024/25. Whilst we were very pleased that the threat to close Knutsford and Poynton was no longer included in the latest proposals, there was still a threat to both sites in that the three-year capital expenditure programme contained zero monies for either site. Without money being spent to improve them, both sites will eventually close themselves. Again, we produced powerful arguments and on this occasion two Independents voted with us to approve an amendment to the proposal requiring a new capital programme to be brought back to our September meeting which includes monies for Poynton and Knutsford. They will need to create business plans to back up this expenditure but I'm sure they can achieve that by estimating the income loss from people abandoning the centres if no money is spent. Avoiding these losses should justify the necessary capital expenditure.

The new Playing Pitches and outdoor Sports Policy was also discussed, and it was noted that there was an identified need for more football, hockey and rugby pitches in Knutsford, as well as other needs for some of the minor sports.

OTHER ISSUES

The elephant in the room is the dire financial situation in which CEC is now mired. The item that dwarfs all other overspends in the last four and three quarter years is the £90m deficit (held as a 'negative reserve' but still has to be paid at some time) in the Direct Schools Grant (DSG) budget line. A significant amount of this is overspend on SEND children and on looked after children, where it appears that profiteering on behalf of the private company providers has been allowed to flourish. In 2019 when labour took power, the DSG account stood £1.6m in credit. Nearly five years later it is £90m in deficit. How has this been allowed to build up without publicity and no actions put in place to stem the haemorrhaging funds?

The administration is blaming the government for this (as well as all its other woes), but just comparing CEC with CWAC, where both boroughs have similar populations, shows that this can't be right. CWAC reports a £9m deficit only on this account, compared to CEC's £90m. Go figure.

Rather belatedly CEC has recently set up a group of senior officers with the remit of making the necessary drastic organisational and operational changes needed to keep the Council afloat. I wish them all the best but they should have been in place three years ago when the downward trajectory was first clearly visible.

By using nearly all its general reserves and most of the earmarked reserves, CEC will end this financial year without having to use a s.114 declaration (similar to bankruptcy). However, many of us expect that s.114 will have to be declared in 2024/25 unless the government steps in to shore up CEC's revenue accounts - they have already agreed to CEC shoring up its capital funds, but this capital still has to be paid off at some future time.

REPORT OF CLLR STEWART GARDINER

FULL COUNCIL 27TH FEBRUARY 2024

The Council set a Budget for 2024/25 which included a Council Tax increase of 2.99% plus a further 2% ringfenced for social care expenditure.

I voted against the increase not because I was fundamentally opposed to the increase, but because the difficult situation currently facing Cheshire East had been badly managed and despite being aware of these issues for many months there was a failure to seek to take appropriate action sooner. Additionally, many of the proposals put forward to manage the budget were looking to make short term savings rather than fundamentally reset the whole budgetary process.

This year's budget is only balanced for 2024/25 and is not the four-year balanced budget which has been presented for the last five years, this suggest that moving forward without fundamental shifts in how the Council, operates and manages its finances the situation will deteriorate.

Full Council also voted to introduce continued working with Warrington Borough Council and Cheshire West & Chester Council following the dissolution of the Local Enterprise Partnership (LEP) which covered the same geographical footprint. I did not support this because I am not convinced that it is the appropriate model for collaborative working moving forward and I do not believe enough consideration of alternative models has been undertaken. Additionally, I am concerned that Warrington Brough Council is being investigated by the Department for Levelling Up, Housing and Communities because of concerns about its own investment portfolio and potential irregularities in how these were set up and managed. Given that much of the collaborative working would be around matters concerned with inward investment and support being offered to the local business economy, this seemed an appropriate reason to be concerned about working with Warrington Borough Council moving forward.

Full Council considered a report concerning member allowances following a report by the independent remuneration panel. This sought to allow an individual member to claim more than one additional responsibility allowance e.g. Leader and Chair of a Committee. I voted against this because I did not consider it appropriate and that the timing to enable such a change in agreed procedures was wrong.

ENVIRONMENT AND COMMUNITIES COMMITTEE

At the recent Environment and Communities Committee, we considered a further report regarding the future of the Borough's Leisure Centres. The revised proposal recommended that Knutsford's Leisure Centre remained open and part of CEC's estate. Additionally, a Conservative recommendation was accepted to require a review of the inward investment into the Centres at Knutsford, Poynton and Alsager for 2024/25 was accepted as part of the overall recommendation.

Additionally, proposals were considered to update the Council's Playing Pitches and Open Spaces policy which identified a need for additional sports pitches in the north of the Borough including in Knutsford. This policy will be used to secure funding to meet this deficit through S106 & CIL payments and via sports body investments.

I voted against the adoption of the Council's policy on achieving carbon neutral, not because I do not agree with the objectives, but because the policy document was too much about *motherhood and apple pie* and not enough about how we can achieve the objectives through practical and achievable actions taken by the Council, local businesses and residents.

The Environment and Communities Committee also considered the proposals for the initial consultation on the replacement Local Plan for 2030 and beyond as well as adopting several supplementary planning documents, including the revised Conservation Area Appraisals for the Legh Road Conservation Area.

OFSTED INSPECTORS VISIT CHILDRENS SERVICES

Ofsted Inspectors recently visited the Council to undertake an inspection of Children Services, the report following the inspection is due for publication shortly and I will report on this once it has been received. It should be noted that in previous years there have been concerns about aspects of the service and inspectors will be looking for marked improvements in these areas as well as looking at the effectiveness of other parts of the service.

CHESHIRE POLICE AUTHORITY

Last Friday (15th March) I attended the Police Authority in my capacity as CEC's named reserve on the Board. We received a report from the Police and Crime Commissioner (PCC) regarding the performance of the Police since 2012 when the current PCC and the Chief Constable took up their respective posts. The report suggested a marked improvement in service delivery over this period but also showed areas where more work was required. Additionally, we received an in-depth report into the work being undertaken to protect women and girls.

ADULTS & HEALTH COMMITTEE

On 25th March the Adults and Health Committee will consider reports on Adults Charging Policy, the implementation of all-ages direct payment policy, the recommissioning of integrated lifestyle services and receive an update on Adult Safeguarding issues. I will report on these matters to the Town Council meeting.