

Adults and Health Committee

Agenda

Date: Monday, 23rd September, 2024
Time: 10.00 am
Venue: Committee Suite 1,2 & 3, Westfields, Middlewich Road,
Sandbach CW11 1HZ

The agenda is divided into 2 parts. Part 1 is taken in the presence of the public and press. Part 2 items will be considered in the absence of the public and press for the reasons indicated on the agenda and at the foot of each report.

It should be noted that Part 1 items of Cheshire East Council decision making meetings are audio recorded and the recordings will be uploaded to the Council's website.

PART 1 – MATTERS TO BE CONSIDERED WITH THE PUBLIC AND PRESS PRESENT

1. **Apologies for Absence**

To note any apologies for absence from Members.

2. **Declarations of Interest**

To provide an opportunity for Members and Officers to declare any disclosable pecuniary interests, other registerable interests, and non-registerable interests in any item on the agenda.

3. **Minutes of Previous Meeting (Pages 5 - 12)**

To approve as a correct record the minutes of the previous meeting held on 24 June 2024.

For requests for further information

Contact: Karen Shuker

Tel: 01270 686459

E-Mail: karen.shuker@cheshireeast.gov.uk with any apologies

4. **Public Speaking/Open Session**

In accordance with paragraph 2.24 of the Council's Committee Procedure Rules and Appendix on Public Speaking, set out in the [Constitution](#), a total period of 15 minutes is allocated for members of the public to put questions to the committee on any matter relating to this agenda. Each member of the public will be allowed up to two minutes each to speak, and the Chair will have discretion to vary this where they consider it appropriate.

Members of the public wishing to speak are required to provide notice of this at least three clear working days in advance of the meeting.

Petitions - To receive any petitions which have met the criteria - [Petitions Scheme Criteria](#), and falls within the remit of the Committee. Petition organisers will be allowed up to three minutes to speak.

5. **First Financial Review 2024/25 (Pages 13 - 72)**

To receive a report on the first financial review for Adults and Health services for the financial year 2024/25.

6. **Direct Payment - Personal Assistant (PA) uplift hourly rate fees (Pages 73 - 86)**

To consider a report on Direct Payment – Personal Assistant (PA) uplift hourly rate fees.

7. **Better Care Fund Section 75 agreement 2024-25 & 2025-26 (Pages 87 - 96)**

To consider a report on the Better Care Fund Section 75 agreement 2024-25 & 2025-26.

8. **CQC Assurance Briefing (Pages 97 - 102)**

To receive an update on the Council's preparations for a local authority assurance visit by the Care Quality Commission (CQC).

9. **Falls Prevention Strategy Update (Pages 103 - 110)**

To receive an update on the Falls Prevention Strategy.

10. **Minutes of the Cheshire East Health and Wellbeing Board (Pages 111 - 118)**

To receive the minutes of the Cheshire East Health and Wellbeing Board – 2 July 2024.

11. **Work Programme (Pages 119 - 124)**

To consider the Work Programme and determine any required amendments.

Membership: Councillors S Adams, A Burton, J Clowes, S Gardiner, A Kolker, R Moreton, A Moran (Vice-Chair), H Moss, J Place, J Rhodes (Chair), J Snowball, R Vernon and L Wardlaw

This page is intentionally left blank

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Adults and Health Committee**
held on Monday, 24th June, 2024 in the Committee Suite 1,2 & 3, Westfields,
Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor J Rhodes (Chair)
Councillor A Moran (Vice-Chair)

Councillors S Adams, A Burton, J Clowes, S Gardiner, A Kolker, R Moreton,
H Moss, J Place, J Snowball, R Vernon and L Wardlaw

OFFICERS IN ATTENDANCE

Helen Charlesworth May, Executive Director Adults, Health and Integration
Jill Broomhall, Director of Adult Social Care
Matt Tyrer, Director of Public Health
Nikki Wood-Hill, Lead Finance Partner
Brian Reed, Head of Democratic Services and Governance
Mark Hughes, Senior Manager – Commissioning
Keith Evans, Head of Mental Health and Learning Disability
Martyn Baggaley – Head of Integrated Commissioning
Nikki Bishop, Democratic Services Officer

ALSO IN ATTENDANCE

Maddy Lowry, Cheshire and Wirral Partnership NHS Foundation Trust
Sarah Simpkin - Parent Care Forum representative

1 APOLOGIES FOR ABSENCE

There were no apologies for absence.

2 DECLARATIONS OF INTEREST

During consideration of item 5 (Cheshire East Place Mental Health Plan 2024-29 Update), Councillor Gardiner, in the interests of openness and transparency, declared that he had previously been the Chair of the Mental Health Partnership Board.

3 MINUTES OF PREVIOUS MEETING**RESOLVED:**

That the minutes of the meeting held on 25 March 2024 be approved as a correct record and signed by the Chair.

4 PUBLIC SPEAKING/OPEN SESSION

Councillor Alift Harewood (Macclesfield Town Councillor) addressed the committee in relation to agenda item 5 (Cheshire East Place Mental Health Plan 2024-29 Update). Cllr Harewood stated that she was the Chair of the Cheshire East Mental Health Partnership Board. Cllr Alift spoke in support of the Partnership Board and work undertaken to date.

5 CHESHIRE EAST PLACE MENTAL HEALTH PLAN (2024-2029) UPDATE

The committee received an update on the Cheshire East Place Mental Health Plan (2024-29) and the work of the Cheshire East Mental Health Partnership Board. The committee noted the update provided on the six priorities of the plan.

Officers committed to providing a response to the questions raised by committee members, as summarised below:

- Members requested further information in relation to early intervention and prevention such as talking therapies.
- Members requested further information in relation to the schools programme and if the Mental Health Leads offer would be extended to academies, and what steps were being taken to support small/rural schools across the borough.
- Members requested an update on steps being taken to address long waiting times for neurodiverse diagnosis and assessments more broadly.

Members requested that future updates provide more detailed data/analysis for members to consider including key information such as KPI's and direction of travel.

RESOLVED:

That the update and presentation provided be received and noted.

6 CHESHIRE AND MERSEYSIDE JOINT HEALTH SCRUTINY ARRANGEMENTS PROTOCOL

The committee considered the report which sought approval to recommend, to Full Council, a revised Protocol for joint health scrutiny arrangements for Cheshire and Merseyside. The committee noted that the protocol and establishment of the Cheshire and Merseyside Integrated Care System Joint Health Scrutiny had previously been agreed by Full Council in July 2022, however changes to the Protocol were required following legislative changes introduced in January 2024 as summarised within the report. The committee noted that the Protocol required approval from all 9 local authorities that formed the Cheshire and Merseyside joint health scrutiny committee.

RESOLVED (by majority):

That the Adults and Health Committee recommend the revised Joint Health Scrutiny Protocol for joint health scrutiny arrangements for Cheshire and Merseyside (Appendix 1) to Full Council for approval.

7 APPOINTMENTS TO SUB-COMMITTEES, WORKING GROUPS, PANELS, BOARDS AND JOINT COMMITTEES

The Committee considered a report on the appointment of and appointments to sub-committees, working groups, panels, boards and joint committees for the 2024-25 municipal year. A list of nominations submitted by the political groups was circulated at the meeting.

RESOLVED (unanimously):

5That the Adults and Health Committee agrees the appointment of, and appointments to sub-committees, working groups, panels and joint committees for 2024-25 as set out in the report, as follows:

Cheshire East Health and Wellbeing Board (1 elected member)

Councillor Jill Rhodes

Joint Extra Care Housing Management Board (1 elected member)

Councillor Arthur Moran

Safer Cheshire East Partnership (3 elected members)

Councillors Martin Edwards, Arthur Moran and James Pratt.

Cheshire East Combating Drugs Partnership (2 elected members)

Councillors Sam Corcoran and John Place.

8 LEARNING DISABILITY RESPITE REVIEW

The committee considered the report which sought approval to recommission accommodation-based learning disability respite services based on the findings of a review of the current service provision.

The committee noted that the new service model would include two respite services across the borough that would replace the currently commissioned respite services and the Care4CE provision at Warwick Mews Short Breaks. Assurance was provided that all options available had been fully considered and that the proposed approach would provide the best outcomes for individuals by delivering a more person-centred service that was flexible and meet a wide range of different and complex support needs. It was noted that the proposed new model, and a planned reduction in spot purchasing arrangements, would significantly contribute towards meeting agreed 2023-24 MTFs savings. It was stated that whilst serious consideration would be given to insourcing services in the future,

there was no action that could be taken that would have a direct impact within the next 3 years and that a business case would need to be developed to ensure that the cost of insourcing services would not be higher than commissioning contracts as proposed.

The committee sought assurance that the market had been thoroughly tested. It was confirmed that there was confidence in providers to provide good quality of care within the cost envelope over an initial five-year period.

RESOLVED (by majority):

That the Adults and Health Committee

1. Approve the proposed new model for learning disability respite services and for consultation to be progressed with the Trade Unions and staff based on all necessary considerations included within the report.
2. Agree to delegate authority to award contracts to providers to deliver commissioned learning disabilities respite services to the Executive Director of Adults, Health and Integration.

9 FINAL OUTTURN 2023/24

The committee received the report which set out the final outturn for 2023-24. Members considered the financial challenges being experienced by the Council and recognised the important activities aimed at minimising the impact on council services. Members noted that the final outturn for the council would be considered by the Finance Sub Committee on 25 June 2024.

Members queried the cost of care packages and noted that this had increased significantly particularly care for individuals transitioning from children's services to adult social care. It was stated that a total of £6.6m was spent each year on supporting 44 individuals under the age of 65 and that £8.2m was spent on 109 individuals in supported living. Members acknowledged the increasing complex demands being placed upon the service with more individuals requiring 1:1 and 2:1 support for up to 24-hours a day to meet physical, behavioural and mental needs. Members agreed that the work being undertaken to review EHCP plans would play a key role in reducing costs.

The committee asked if costs were anticipated to reduce as a result of falling inflation and energy prices, and if the council would seek to challenge providers on business cases put forward against costs charged to the authority. The committee noted that the North-West region was considered an outlier on cost and activity for people with learning disabilities and that a piece of work was underway with the North-West

ADASS to analyse the cost drivers and identify any intervention that might be needed.

The committee were pleased to note the steps being taken to reduce the overall number of agency staff across the service and acknowledged the issues the service had faced in recruiting staff in Care4CE, mental health professionals and Occupational Therapists.

RESOLVED (unanimously):

That the Adults and Health Committee

1. Note the factors leading to an adverse Net Revenue financial outturn of £11.8m against a revised budget of £138.0m (8.6%), for Adults and Health Committee services.
2. Approve the Supplementary Revenue Estimate Requests for Allocation of Additional Grant Funding (Specific Purpose) over £500,000 up to £1,000,000 in Annex 1, Section 2, Table 2.
3. Note the contents of Annex 1 and note that any financial mitigation decisions requiring approval will be made in line with relevant delegations.

10 SERVICE BUDGETS 2024/25 (ADULTS & HEALTH COMMITTEE)

The committee considered the report which set out the allocation of the approved budgets for 2024-25 to the Adults and Health committee. The committee thanked officers for introducing RAG ratings to the report which provided the committee with a clear picture of progress on decision-making throughout the municipal year.

The Medium-Term Financial Strategy (MTFS) for Cheshire East Council for the four years 2024/25 to 2027/28 had been approved by full Council on 27 February 2024. Service committees were being allocated budgets for 2024/25 in line with the approved MTFS. The financial reporting cycle would provide regular updates on progress on delivery of the budget change items, the forecast outturn position, progress on capital schemes, movement on reserves and details of any supplementary estimates and virements.

The committee queried the pressures relating to SEND and noted that a piece of work was underway to ensure that children had a review of their EHCP status prior to transitioning into adult social care. It was stated that the costs of providing care set out within EHCPs for adults was a significant cost to the service, but the authority had a statutory duty to provide this care.

RESOLVED (unanimously):

That the Adults and Health Committee

1. Note the decision of the Finance Sub-Committee to allocate the approved revenue and capital budgets, related budget policy changes and earmarked reserves to the Adults and Health Committee, as set out in Appendix A.
2. Note the financial reporting timetable for 2024/25 set out in Appendix B as approved at Finance Sub-Committee on 22 March 2024.
3. Note progress on the delivery of the MTFS budget policy change items, the RAG ratings and latest forecasts, and to understand the actions to be taken to address any adverse variances from the approved budget.

11 MINUTES OF THE CHESHIRE EAST HEALTH AND WELLBEING BOARD

The committee noted the minutes of the Cheshire East Health and Wellbeing Board meeting held on 19 March 2024. Cllr Gardiner stated that it would be helpful if minutes could, going forward, indicate which organisation each individual was representing (for those in attendance and sending apologies).

RESOLVED:

That the minutes of the Cheshire East Health and Wellbeing Board be received and noted.

12 WORK PROGRAMME

The committee considered the Work Programme. The following was noted:

- Update on One You to be provided informally.
- First Financial Review 2024-25 to be considered in September 2024 to include a summary of the direction of travel for Q2.
- Item to be added to the Work Programme which considers how the transformation programme will impact adult social care.
- Informal briefing to be arranged for the committee on care funding and how this works.
- Cllr Kolker asked for consideration to be given to rolling out the opportunity of health screening for staff across Cheshire East. Officers committed to providing a written response.

Cllr Kolker queried if members could undertake visits of Care Homes (as previously done under the committee system of Children's Homes). Officers committed to providing a written response.

- Concerns were raised in relation to the lack of communication between strategic and statutory partners. The committee requested that the partnership working and communications be considered and an item, if appropriate, added to the Work Programme.
- Cllr Burton queried if there was an opportunity for members to get together to discuss local care issues within their ward to share information and key contacts. Officers committed to considering this further and providing a written response.

The meeting commenced at 6.00 pm and concluded at 8.04 pm

Councillor J Rhodes (Chair)

This page is intentionally left blank

OPEN

Adults and Health Committee

23 September 2024

First Financial Review 2024/25

Report of: Adele Taylor, Interim Director of Finance and Customer Services (s151 Officer)

Report Reference No: AH/11/2024-25

Ward(s) Affected: Not applicable

Purpose of Report

- 1 This report provides the current forecast outturn for the financial year 2024/25 based on our income, expenditure and known commitments as at the end of July 2024. It also identifies actions that are being taken to address adverse variances to urgently address our financial sustainability.
- 2 The report provides the forecast outturn for all services, to provide Members with contextual information on the position for the whole Council. Members are asked to focus their scrutiny on the forecasts and supporting information relating to services within the remit of the Committee whilst understanding the overall context as a whole.
- 3 The report highlights any changes and external pressures that are impacting the Council since setting the budget in February 2024. Annex 1, Section 2 of the report highlights what the Council is forecasting to achieve as part of the 2024/25 approved budget changes per line (growth and savings).
- 4 It is clear that further actions need to be identified to bring the Council back to a position where we are living within our means, and it will be important that these actions are closely monitored, and appropriate action taken to manage our resources. This report includes information on the actions that are currently underway.
- 5 Reporting the financial forecast outturn at this stage, and in this format, supports the Council's vision to be an open Council as set out in the Cheshire East Council Plan 2024-25. In particular, the priorities for an open and enabling organisation, ensure that there is transparency in all aspects of council decision making.

- 6 The report also requests member approval for amendments to the Council's budget in line with authorisation levels within the Constitution.

Executive Summary

- 7 The Council operates a financial cycle of planning, review, management and reporting. This report ensures that we review where we are and provides a forecast **outturn** position for the 2024/25 financial year whilst also identifying the actions that need to be taken to manage our overall resources. The information in this report also supports planning for next year's budget by identifying issues that may have medium term impacts.
- 8 The Council set its 2024/25 annual budget in February 2024. The budget was balanced, as required by statute, with planned use of reserves of £22m, plus £30m of savings to achieve in year, and included important assumptions about spending in the year. The budget is part of the Medium-Term Financial Strategy (MTFS) 2024 to 2028.
- 9 The First Financial Review (FR1) forecast revenue outturn is an **adverse variance of £26.5m**, (prior to application of any Exceptional Financial Support) as detailed below in **Table 1**:

Table 1 2024/25	Revised Budget	Forecast Outturn	Forecast Variance
	(NET)		
	£m	£m	£m
Service Committee			
Adults and Health	138.0	158.7	20.7
Children and Families	91.5	98.8	7.3
Corporate Policy	41.7	41.7	0.0
Economy and Growth	28.1	25.5	(2.6)
Environment and Communities	48.4	49.1	0.6
Highways and Transport	16.0	15.5	(0.5)
Sub-Committee			
Finance Sub:			
Central Budgets	23.9	24.8	0.9
Funding	(387.6)	(387.6)	-
TOTAL	-	26.5	26.5

- 10 The FR1 forecast reserves, after agreed movements budgeted for in the 2024-28 MTFS, are currently £14.0m, being £4.5m of General Fund Reserve and £9.5m of Earmarked Reserves. The Council's level of reserves is therefore insufficient to cover the current forecast revenue outturn for the year without further action.

- 11 This forecast does not assume use of the Exceptional Finance Support (EFS) that was requested in 2023/24 and 2024/25 that was agreed in principle, subject to a number of conditions being satisfied, including the submission of a transformation plan at the end of August 2024. It also does not assume the cost of accepting that EFS support which would impact on the cost of borrowing over the medium term.
- 12 The FR1 forecast position indicates that further urgent action to reduce the overspend, and bring spending back in line with budget, is required. Failure to do so would require the Council to use the existing conditional Exceptional Financial Support (£17.6m) which would be the only way for the S151 Officer to avoid having to issue a S114 notice to the Council.
- 13 The level of EFS support would need to be agreed and finalised with the government and the financial impact of this would need to be built into the overall financial modelling for the Council. As reported to members in June 2024 in the 'Medium Term Financial Strategy Assumptions and Reporting Cycle for 2024/25 to 2028/29' the Council faces a significant four-year funding gap, with the shortfall in 2025/26 currently estimated at £41.9m. There is a risk that pressures leading to the FR1 forecast position may increase that shortfall figure if rapid action doesn't take place to stabilise our financial position.
- 14 The FR1 forecast position for capital spending for 2024/25 indicates forecast capital expenditure of £164.5m against the MTFS budget of £215.8m. Re-profiling of Capital expenditure to future years to match scheme delivery as well as an ongoing capital review to ensure that our capital borrowing remains affordable is underway and there will be further reporting on this at FR2.
- 15 **Table 2** sets out the capital programme profiling changes:

Table 2	2024/25	2025/26	2026/27	2027/28	2024/28
	Estimate	Estimate	Estimate	Estimate	Total
	£000s	£000s	£000s	£000s	£000s
Capital Programme MTFS	215,779	177,633	66,772	132,054	592,238
Funded by:					-
Borrowing	55,199	53,218	19,318	30,215	157,950
Grants and other contribution:	160,580	124,415	47,454	101,839	434,288
	<u>215,779</u>	<u>177,633</u>	<u>66,772</u>	<u>132,054</u>	<u>592,238</u>
Capital Programme FR1	164,545	141,232	109,679	231,837	647,293
Funded by:					
Borrowing	51,878	53,566	10,180	27,779	143,403
Grants and other contribution:	112,667	87,666	99,499	204,058	503,890
	<u>164,545</u>	<u>141,232</u>	<u>109,679</u>	<u>231,837</u>	<u>647,293</u>
Movement from MTFS	(51,234)	(36,401)	42,907	99,783	55,055

- 16 **Table 3** sets out the summary revised capital programme:

Table 3	MTFS	C/Fwd	SCEs Virements		Budget	Revised
	Budget	from	in Quarter	in Quarter	Reductions	FR1
	2024/28	2023/24	2024/25	2024/25	2024/25	Budget
	£m		£m	£m	£m	2024/28
Adults and Health	0.8					0.8
Children and Families	86.8	1.9	21.6	(1.4)		108.9
Highways & Transport	270.2	8.1	9.8		(1.1)	287.0
Economy & Growth	175.6	9.9	1.3	2.1	(4.2)	184.7
Environment &	39.4	2.2	0.4	0.1	(0.1)	42.0
Corporate Policy	19.4	4.4				23.8
	592.2	26.5	33.1	0.8	(5.4)	647.2

- 17 As part of the urgent actions required to reduce the overspend a full review of the capital programme is being undertaken. The forecast borrowing that is included in the capital programme will have the following revenue impact:

Table 4	2024/25	2025/26	2026/27	2027/28	2024-28
	Estimate	Estimate	Estimate	Estimate	Total
	£000s	£000s	£000s	£000s	£000s
Forecast borrowing to fund capital programme	51,878	53,566	10,180	27,779	143,403
MRP	-	3,916	5,392	6,854	16,162
Interest	2,610	3,796	3,469	4,302	14,177
Total annual revenue impact	2,610	7,712	8,861	11,156	30,339

- 18 In order to alleviate the revenue pressure from external borrowing an immediate reduction in capital spend is required. This will reduce the related revenue impact of interest costs and Minimum Revenue Provision (MRP) both of which are charged to revenue through the Capital Financing Budget (CFB). The council must aim to optimise use of all other available sources to fund our capital programme and must minimise the use of borrowing to reduce the pressures on the revenue budget. Identification of any additional capital receipts that can be realised in year would also reduce revenue pressures from borrowing in year or could be used to assist with funding of transformation activity if a capitalisation direction could be agreed to use them in that way with Central Government.
- 19 Due to the long-term nature of capital investment the revenue implications of decisions taken by the council now will extend well beyond the term of the current year and into the medium term.
- 20 In the review of the capital programme the long-term capital repayment commitments (MRP) will be the initial area of focus. Reducing the annual MRP associated with any new borrowing on a scheme-by-scheme basis will be a priority. There will be a secondary impact of reducing forecast interest which will also reduce the effect on the revenue account, but it is the reduction in new borrowing and new commitment to long term capital

repayments that will allow the programme to remain affordable and sustainable.

21 Reductions in borrowing can be achieved through:

- (a) Reduce, delay or remove schemes funded by borrowing;
- (b) Focus on exiting contractual commitments, fulfilling statutory services and public safety requirements;
- (c) Prioritise the capital projects that will have most beneficial impact on the revenue budget in the medium term;
- (d) Remove forward funding;
- (e) Reprioritise use of grants and apply appropriate S106 contributions to schemes.

22 A Strategic Finance Management Board has been set up to lead on a number of key tasks to urgently reduce spend and identify additional savings, including:

- Line by line reviews of all budgets to further identify immediately any underspends and/or additional funding;
- Stop any non-essential spend;
- Actively manage vacancies, particularly agency usage and reduce any overspends on staffing as soon as possible;
- Review of Section 106 legacy budgets;
- Review of capital receipts available and potentially surplus assets that can be sold (for best consideration);
- Identification of any other areas of discretionary spend including grants awarded, where spend can be reduced or stopped.

23 In addition, any directorate that is identified as being off target by more than 5% is now subject to a detailed finance and performance review on a weekly basis through a financial recovery review process. This includes a detailed action plan, identifying what can be done to sustainably reduce the pressure and gaining assurance over the management of those actions to deliver improved financial outturns. This process has been put in place for Adults Services and Children and Families and is being chaired by the S151 Officer.

24 Paragraphs 58-60 below provides a summary overview of the forecast against the approved 2024/25 budget change items, including RAG rating. In addition, there is further detail per change item with accompanying commentary, as reviewed by the Council's Corporate Leadership Team, in respect of each item within **Annex 1, Section 2**.

25 **Annex 1: Detailed First Financial Review 2024/25**

- **Section 1** 2024/25 Forecast Outturn
- **Section 2** 2024/25 Approved Budget Change Items
- **Section 3** Revenue Grants for approval

- **Section 4 Capital**
- **Section 5 Reserves**

RECOMMENDATIONS

The Adults and Health Committee to:

1. Review the factors leading to a forecast adverse Net Revenue financial pressure of:

Council: £26.5m against a revised budget of £387.6m (6.8%)

Adults and Health: £20.7m against a revised budget of £138.0m (15.0%)

To scrutinise the contents of **Annex 1, Section 2** relevant to services within the committee's remit, and review progress on the delivery of the MTFS approved budget policy change items, the RAG ratings and latest forecasts, and to understand the actions to be taken to address any adverse variances from the approved budget.

2. Consider the in-year forecast capital spending of:

Council: £164.5m against an approved MTFS budget of £215.8m, due to slippage that has been re-profiled into future years.

Adults and Health: £0.8m against an approved MTFS budget of £0.8m

3. Note the available reserves position as per **Annex 1, Section 5**.
4. Approve the Supplementary Revenue Estimate Request for Allocation of Additional Grant Funding over £500,000 up to £1,000,000 as per **Annex 1, Section 3, Table 2**.

Background

- 26 This single view of the financial picture of the Council provides the overall financial context.
- 27 The management structure of the Council is organised into four directorates: Adults, Health and Integration; Children's Services; Place; and Corporate Services. The Council's reporting structure provides forecasts of a potential year-end outturn within each directorate during the year, as well as highlighting activity carried out in support of each outcome contained within the Corporate Plan. Budget holders are responsible for ensuring they manage their resources in line with the objectives of the Council and within the approved budget.

- 28 For the purposes of each committee, these directorate budgets are aligned to a specific committee and the appendices to this report provides information at a level that the committee should have the ability to be able to scrutinise what is causing any variations in budget and appropriate actions to bring the council back into line in terms of managing its resources.

Key issues causing the pressures

- 29 There are a number of key issues causing the forecast revenue overspend, including:
- Ongoing adverse effects of the extended period of high inflation and interest rates;
 - Continued increasing demand and complexity of care beyond the levels that had been previously identified;
 - Increase in staff costs, including use of agency staff and impact of National Living Wage which also impacts on our third party commissioned contracts;
 - Increased borrowing costs associated with the unfunded Dedicated Schools Grant (DSG) deficit;
 - Non delivery of some previously agreed savings and/or income targets;
 - The financial impact of investment in transformation and improvement activity over the medium term.

Specific commentary on the forecast outturn position by Committee

Adults and Health adverse variance of £20.7m

- 30 The Adults, Health and Integration budget is forecast to overspend by £20.8m. This is in part a consequence of the full year impact of activity levels identified in the 2023/24 year-end outturn. The department started 2024/25 with a higher level of commitment than originally planned for when the MTFs was set in February 2024, and therefore unfunded. An additional £7m of in-year savings would be required to off-set one-off funding received in 2023/24 that will not be received in 2024/25.
- 31 The key drivers of forecast expenditure remain price increases, staff costs and increase in complexity, however, at the beginning of this year we have seen an unusual increase in the number of former self-funders seeking local authority funding to meet the ongoing cost of their care.
- 32 As set out in the 2024/25 to 2027/28 MTFs, the forecast anticipates several serious and significant risks, including pressure on prices due to unfunded increases in the National Living Wage. The department is currently in negotiations with a number of providers who are seeking above inflation increases. The department has recently acquired a negotiation tool to ensure full cost and price transparency which will be used before agreeing increases, to ensure greater fairness and consistency.
- 33 As in previous years, increases in discharge activity in the NHS continues to drive additional price and activity in adult social care. A reduction of over 50

acute beds across the local NHS trusts is intensifying the impact on adult social care. A review by specialist consultants, commissioned by the Department of Health and Social Care is attempting to analyse the impact.

- 34 The department is undertaking significant work to address the budget pressures. This includes:
- The financial impact of changes agreed to the charging policy for this financial year;
 - Reviewing our pricing strategy;
 - Reviewing our use of agency members of staff;
 - Whole system review of supported living operations to reduce the number of under-utilised placements;
 - Considering transformation options that may be able to be delivered earlier;
 - Reviewing use of technology to support service delivery.

Children and Families adverse variance of £7.3m

- 35 At the end of the last financial year the outturn for Children and Families was an overspend of £8.2m. The Medium-Term Financial Strategy included growth to address the pressures that were emerging throughout 2023/24. The costs of children's social care are a concern for many local authorities and not unique to Cheshire East. The First Financial Review for 2024/25 reflects a £7.3m in-year pressure.
- 36 The key pressure areas for the directorate include:
- 37 Children's social care agency placements where the complexity of children in care has continued to increase and also the number of children in care has increased from 528 at April 2024 to 534 at June 2024 (compared to a decrease from 586 at April 2023 to 576 at June 2023). Placement costs are increasing by significantly more than inflation and more than was projected for growth in-year. This has in part been affected by the disproportionate number of asylum seeking children in Cheshire East.
- 38 The use and cost of agency staff in children's social care to cover vacancies, sick absence, and maternity leave.
- 39 The number of staff is greater than the planned establishment to ensure we are able to meet our statutory needs.
- 40 Home to school transport costs – where a mix of increasing numbers of pupils with an education, health and care plan (EHCP), driver shortages and increasing fuel costs have seen overall costs rise.
- 41 Schools Catering – where the costs of the service are above the current charged income level and base budget.

- 42 Work is underway in the services to look at mitigating actions which can be taken to reduce this forecast position in-year, and these pressures will be considered as part of the developing MTFS for 2025/26. These include:
- Reviewing costs of placements as more detailed reviews are underway focusing on the expected length that some placements may need to be in place for
 - Staffing establishment reviews now scheduled on a 6 weekly basis including a review of agency staff and alternative working
 - Reunification children to be identified with targeted work in place for individual cases
 - Tracking of similar spend across teams to be held in the same place as residential and supported accommodation spend to increase overall grip and understanding
 - Work on Edge of Care Service proposals to identify early intervention that may reduce admissions and costs

Dedicated School Grant (DSG)

- 43 The key pressure on DSG relates to the high needs block where the SEND service continues to see a significant increase in the number of pupils with an EHCPs, and the associated school placement costs.
- 44 This has placed pressure on the grant used to provide funding for children with SEND in various settings and led to a £31.7m deficit in 2023/24. This adds on to the brought forward deficit of £46.9m to take the DSG Reserve to a £78.6m deficit position at the end of 2023/24.
- 45 This is an improvement on the budget gap as determined by the Council's DSG Management Plan that was reported to Children and Families Committee in April 2024 and set out the planned expenditure and income on high needs over the medium term.

Corporate Policy £23,000 overspend

- 46 The Corporate Services Directorate has a net budget of £41.7m. At First Financial Review, the budget is forecast to overspend by £23,000.
- 47 However, it must be noted that, following a recent review of staffing establishments, there are pending staffing budgets realignments to be actioned which will change individual service forecasts but not the overall figure for Corporate Services.
- 48 Vacancy management in Corporate Services has resulted in the majority of services forecasting underspends on staffing budgets totalling just over £2m.
- 49 This has been combined with tighter control on non-pay spending across all services which is achieving a forecast underspend of £0.7m, and additional income of £0.2m is forecast in the Registrations Service.

50 However, these underspends have been offset by:

- a forecast £1.3m under-recovery of Rent Allowances;
- a forecast overspend of £0.4m on the Transactional Service Centre (TSC), hosted by Cheshire West and Chester, mainly due to the additional costs of the stabilisation programme;
- a £0.5m shortfall in charging staff time to capital projects within ICT Strategy;
- and a £0.1m overspend in ICT Shared Service due to lower than budgeted project income and schools recharge income.

51 There is a forecast overspend of £0.5m in Revenues and Benefits, and Accountancy due to additional costs including Bank Charges and External Audit fees, and a staffing budget pressure of £0.1m across Corporate Services relating to the estimated impact of the latest pay award offer versus the amount included in the MTFS.

Place Directorate favourable variance of £2.5m

52 Overall, the Place Directorate is reporting an underspend of £2.5m at the first Financial Review against a £92.6m budget. Pressures from reducing planning application income (£0.5m), increased waste collection and disposal costs (£0.7m) and yet to be secured savings against leisure (£0.2m) have been mitigated through vacancy management, reducing expenditure and maximising funding opportunities.

Economy & Growth favourable variance of £2.6m

53 Growth and Enterprise Directorate and Place Directorate have an underspend of £2.6m against a net budget of £28.1m, the key reasons for the underspend are:

- Facilities Management: £1.7m underspend is forecast. This reflects pressures against maintenance budgets of £0.7m (additional pressures and delivery of savings), costs of workplace initiatives and equipment of £0.3m, the transfer of underspends to offset Place MTFS targets across the Directorate £0.6m have been offset by:
 - Savings against gas and electricity compared to much higher budgeted costs £3m.
 - Business rates underspend £0.1m due to revaluations and appeals.
 - Underspends from vacancy management £0.2m.
- Economic Development: £0.4m forecast underspend from vacancy management, reduced expenditure on supplies and increased income.
- Assets Service: £0.1m underspend from managing vacancies offset by lower property income.
- Housing: £0.2m underspend from vacancy management.

Environment & Communities adverse variance of £0.6m

- 54 Environment and Neighbourhood Services has an overspend of £0.6m against a net budget of £48.4m. The key reasons for the overspend are:
- Development Management: £0.6m overspend is forecast reflecting pressures from a shortfall in income from planning applications £0.5m plus one-off costs of the new planning system £0.1m. These pressures are offset by vacancy management savings of £0.1m.
 - Environmental - Commissioning ANSA: £0.4m overspend comprising pressures of £0.3m relating to the estimated impact of the latest pay award, Ansa Contract pressures of £0.5m (includes £0.1m Emergency HWRC Closures, £0.2m Place Saving Target (MTFS 2023/24), £0.2m waste collection crew costs) and £0.2m Recycling contract pressure. Ansa mitigations £0.1m and additional use of ASDV Reserve £0.5m are offsetting these pressures.
 - Libraries: £0.2m overspend. Pressures of £0.5m delivery of MTFS savings offset by £0.2m vacancy management and £0.1m underspend relating to MTFS growth for exploring a charitable trust model.
 - Leisure Commissioning: £0.2m overspend relating to delivery of MTFS savings.
 - Other service issues: £0.8m net underspend.
 - Building Control: £0.2m building control income pressure offset by £0.3m from vacancy management savings.
 - Local Land Charges and Planning Support: £0.2m underspend from vacancy management savings.
 - Strategic Planning: £0.3m underspend reflecting £0.1m vacancy management plus £0.2m delayed Local Plan costs.
 - Environmental Management Services: £0.1m underspend (capital financing costs offset by Green waste income).
 - Regulatory Services: £0.1m (£0.2m vacancies offset by £0.1m CCTV costs).

Highways & Transport favourable variance of £0.5m

- 55 Highways & Infrastructure are reporting an underspend of £0.5m against a net budget of £16m. The key reasons for the underspend are:
- Car Parking: £0.4m underspend: through vacancy management £0.1m and increased income £0.3m.
 - Strategic Transport: £0.1m underspend from vacancy management.

Finance Sub adverse variance of £0.9m

- 56 Finance Sub Committee are reporting an adverse variance of £0.9m against a net budget of £23.853m.
- Financing & Investment £0.4m net pressure reflecting £1.6m increased cost of interest payments on borrowing offset by £0.9m increased interest receipts from investments.
 - Reserves use (change from MTFS) reflects £0.5m additional Flexible Capital Receipts to offset by £1m reduction in available Capital Financing Reserve at outturn compared to forecast balance reflected in the February 2024 MTFS.

Overall mitigations planned to manage pressures

- 57 A Strategic Finance Management Board has been set up to lead on a number of key tasks to urgently reduce spend and identify additional savings as noted in paragraphs 22-23 above.

Progress on delivery of the 2024/25 approved budget change items

- 58 Table 5 presents a summary of the progress on the delivery of the 2024/25 approved budget change items. For items rated as Amber these are for items where there are risks and/or mitigating actions in place. For items rated as red these are for items where services are projecting an adverse variance and there is risk of in year non delivery/achievement. New mitigation items have also been included that have come forward since the approval of the MTFS to help the in year position where identified.
- 59 As the green and blue columns show, £10.2m of the budget change items are either delivered or on track to be delivered or even exceed in some cases. However, there is also a pressure of £41.4m as shown in the red column that has a high risk of not being achieved within this financial year. There are new in year mitigations of £7.5m, unrelated to the change item rows that has been identified to assist the outturn position. The table below summarises the progress by Committee:

Table 5: Summary of the progress on the delivery of the 2024/25 approved budget change items

Committee	Approved Change Budget £'000	Forecast Outturn £'000	Completed £'000	Could Exceed £'000	Green £'000	Amber £'000	Red £'000	Mitigations £'000
Adults & Health	1,136	21,853	-3,223	0	-6,430	0	34,601	-3,095
Children & Families	9,909	17,238	482	0	14,002	295	915	1,543
Corporate Policy	489	512	-507	0	250	-232	1,581	-580
Economy & Growth	3,316	728	-92	0	3,896	33	690	-3,799
Environment & Communities	-52	623	1,130	-1,480	-3,754	2,456	3,310	-1,039
Finance Sub	-19,667	-18,748	600	0	-19,348	0	0	0
Highways & Transport	4,869	4,393	2,638	0	1,647	245	351	-488
TOTAL	-	26,599	1,028	-1,480	-9,737	2,798	41,448	-7,458

60 A complete list of all approved budget change items, with progress noted against each item, can be found in **Annex 1, Section 2**.

Revenue Grants for Approval

61 Approvals for Supplementary Revenue Estimates for allocation of additional grant funding are detailed in **Annex 1, Section 3**.

Reserves Position

62 On 1 April 2024, Earmarked Reserves totalled £32.278m and the General Fund Reserve Balance totalled £5.580m. Of the total earmarked reserves, more than £22m (70.46%) will be spent in 2024/25, on supporting the revenue budget for 2024/25.

63 Table 6 and 7 shows the forecast level of Earmarked and General reserves by the end of 2024/25.

Table 6: Earmarked Reserves

Earmarked Reserves	Opening Balance 1 April 2024 £000	General Fund Transfers £000	Forecast Reserve Movement in year £000	Additional Drawdown Requests* £000	Forecast Closing Balance 31 March 2025 £000
Adults and Health Committee	5,226	(2,795)	(90)	0	2,341
Children and Families Committee	1,724	0	(1,593)	(131)	0
Corporate Policy Committee	20,773	(6,551)	(2,680)	(4,695)	6,847
Economy and Growth Committee	2,777	(662)	(1,004)	(765)	346
Environment and Communities Committee	870	(390)	(402)	(78)	0
Highways and Transport Committee	908	(205)	(415)	(288)	0
EARMARKED RESERVES	32,278	(10,603)	(6,184)	(5,957)	9,534
TOTAL MOVEMENT					

*** All 'Additional Drawdown Requests' are still subject to review and are yet to be approved.**

**** Totals excludes Schools' balances**

Table 7: General Reserves

General Reserves	Opening Balance 1 April 2024 £000	General Fund Transfers £000	Forecast Reserve Movement £000	Additional Drawdown Requests £000	Forecast Closing Balance 31 March 2025 £000
General Fund Reserve	5,580	(1,051)	0	0	4,529
GENERAL FUND RESERVE	5,580	(1,051)	0	0	4,529
TOTAL MOVEMENT					

64 The Council is currently forecast to have £9.534m of earmarked reserves at the end of the financial year 2024/25. Of this £2.279m can be considered ringfenced, with specific conditions limiting their use.

65 A full list of all earmarked reserves can be found in **Annex 1, Section 5**.

Dedicated Schools Grant Reserve

66 The Dedicated Schools Grant (DSG) is ring-fenced funding received for: schools; high needs / special educational needs; and early years provision. In recent years there has been a pressure on the DSG high needs block where funding has not kept pace with the increasing numbers and cost of children with an Education, Health and Care Plan. This has created a deficit DSG reserve balance which is held in an unusable reserve.

- 67 The on-going pressure is regularly reviewed; at the end of 2023/24 the deficit was £78.6m and this is forecast to increase by £43.0m by the end of 2024/25. This is an improvement on the Council's DSG Management Plan approved in April 2024, which sets out the planned expenditure and income on high needs over the medium term. The DSG Management Plan is currently being updated and will be reported to Committee on completion.

Table 8	
Dedicated Schools Grant Deficit	
	£m
Deficit Balance Brought forward	78.6
Additional In-year Pressures	43.0
Deficit Balance at 31st March 2025	121.6

Debt

- 68 Sundry debt includes all invoiced income due to the Council except for statutory taxes (Council Tax and Non-Domestic Rates). The balance of outstanding debt at 31 July 2024 has increased by £0.375m since 2023/24 Outturn (end of March 2024).
- 69 Annually, the Council raises invoices with a total value of over £80m. Around a quarter of the Council's overall sundry debt portfolio relates to charges for Adult Social Care, the remainder being spread across a range of functions including Highways, Property Services, Licensing and Building Control.
- 70 The Revenue Recovery team (using their experience gained in collecting Council Tax and Non-Domestic Rates) engage with services to offer advice and assistance in all aspects of debt management, including facilitating access to debt collection/enforcement agent services (currently provided by Bristow & Sutor).
- 71 After allowing for debt still within the payment terms, the amount of outstanding service debt at the end of July 2024 was £17.3m.
- 72 The total amount of service debt over six months old is £10.5m; provision of £6.8m was made at year ended 31st March 2024 to cover doubtful debt in the event that it needs to be written off.
- 73 The level of Adult Social Care debt can fluctuate depending on when in the month the snapshot is taken, for example if it is before or after the Direct Debit income is received and allocated. The debt also has different levels of risk depending on the type of debt. For example, around £3.5m is linked to deferred arrangements which is debt that is secured on property or assets, and therefore carries a low risk. There is also around £5m of debt which is deemed to be lower risk as its linked to areas such as probate, property sales or deputyship.

Table 9 – Debt Summary as at 31st July 2024

	Outstanding Debt £000			Over 6 months old £000		
	Outturn	FR1	Increase / (Decrease)	Outturn	FR1	Increase / (Decrease)
Adults and Health Committee						
Adults, Public Health and Communities*	13,691	14,534	843	8,556	9,091	535
Children and Families Committee						
Children's Social Care (Incl. Directorate)	219	182	(37)	-	14	14
Prevention and Early Help	141	72	(69)	(5)	(4)	1
Schools	24	22	(2)	(1)	2	3
Highways and Transport Committee						
Highways and Infrastructure	1,598	1,189	(409)	678	751	73
Economy and Growth Committee						
Growth and Enterprise	581	704	123	328	393	65
Environment and Communities Committee						
Environment and Neighbourhood Services	384	355	(29)	189	209	20
Corporate Policy Committee						
Finance and Customer Services	111	109	(2)	73	73	-
Governance and Compliance	20	37	17	1	-	(1)
Human Resources	3	8	5	-	1	1
ICT	184	119	(65)	1	1	-
Total	16,956	17,331	375	9,820	10,530	711

Council Tax and Business Rates

Council Tax

74 **Table 10** details each precepting authorities share of the budgeted collectable rates income.

Table 10 Share of Council Tax Collectable Rates	Band D Charge	Collectable Rates £m
Cheshire East Council	1,792.59	287.1
Town and Parish Councils	71.57	11.5
Cheshire Police and Crime Commissioner	262.94	42.1
Cheshire Fire Authority	90.09	14.4
Total	2,217.19	355.1

75 The collectable rates valuation is based on the assumption that of the total amount billed, at least 99% will be collected. **Table 11** demonstrates that, excluding a slight reduction during the Covid-19 pandemic, the target to collect at least 99% of Council Tax within three years continues to be achieved.

Table 11 Council Tax Collection Rates	2020/21 %	2021/22 %	2022/23 %	2023/24 %	2024/25 %
After 1 year	97.4	97.8	98.2	98.0	*28.43
After 2 years	98.6	98.5	98.8	**	**
After 3 years	98.9	99.0	**	**	**

* 2024/25 rate is up to 30th June 2024.

** Data is not yet available.

- 76 After accounting adjustments, the Council Tax Collection Fund is forecasting a £0.9m deficit for 2024/25, of which, £0.8m is attributable to Cheshire East Council. This deficit will be repayable in 2025/26 and will be managed through the Collection Fund Earmarked Reserve.

Non-Domestic Rates (NDR)

- 77 Collectable rates are distributed between Cheshire East Council (49%), Cheshire Fire Authority (1%), and Central Government (50%).
- 78 Non-domestic Rates valuations for 2024/25 were set out in the NNDR1 return to Central Government in January 2024. Any variance to this forecast is included in the following years' NNDR1 return and any gain or loss will be recovered in 2025/26. The total Net Rates Payable into the Collection Fund was forecast at £155.7m.
- 79 **Table 12** demonstrates that the target to collect at least 99% of Non-Domestic Rates within three years continues to be achieved.

Table 12 Non-Domestic Collection Rates	2020/21 %	2021/22 %	2022/23 %	2023/24 %	2024/25 %
After 1 year	92.4	95.6	98.2	97.7	*29.19
After 2 years	97.4	98.3	98.8	**	**
After 3 years	99.0	99.2	**	**	**

* 2024/25 rate is up to 30th June 2024.

** Data is not yet available.

- 80 After accounting adjustments, the Non-Domestic Rates Collection Fund is forecasting a £3.8m deficit for 2024/25, of which, £1.9m is attributable to Cheshire East Council. This deficit will be repayable in 2025/26 and will be managed through the Collection Fund Earmarked Reserve.

Treasury Management Strategy update

- 81 Treasury Management income to 31 July 2024 is £895,000 which is higher than the budgeted £620,000. However, borrowing costs are also higher than budgeted at £6m compared to budget of £5.3m. This is caused by a combination of increasing interest rates with an increased borrowing requirement. From the projected cash flows for the remainder of 2024/25 the net additional financing costs (borrowing less investment interest) is expected to be £0.7m in excess of that budgeted.
- 82 Interest rates have seen substantial rises over the last 2 years which has significantly increased the cost of borrowing. The expectation is that borrowing costs will start to fall later in 2024/25 and beyond.

- 83 At the moment, cash shortfalls are generally being met by temporary borrowing from other Local Authorities which for a number of years has been considerably cheaper than other sources of borrowing and allowed the Council to keep financing costs low. The cost of these loans is currently relatively high compared with longer term loans, but interest forecasts suggest it is still the cheaper option in the long term. However, liquidity risk remains an issue as funds become more scarce towards year end and the request to the Government for exceptional financial support has raised credit worthiness concerns with some lenders. To reduce liquidity risk and any potential credit related penalisation on interest costs, consideration is being given to taking more longer term PWLB loans.
- 84 The cost of short term borrowing for the first 4 months of 2024/25 is 5.54% which is an increase from 4.82% for 2023/24. These costs are now expected to reduce as the outlook is for reducing interest rates.

Investment Strategy

- 85 There have not been any material changes to the Investment Strategy since that reported at Final Outturn 2023/24, see link [Final Outturn 2023-24 Annex 1.pdf \(cheshireeast.gov.uk\)](#)

Consultation and Engagement

- 86 As part of the budget setting process the Pre-Budget Consultation provided an opportunity for interested parties to review and comment on the Council's Budget proposals. The budget proposals described in the consultation document were Council wide proposals and that consultation was invited on the broad budget proposals. Where the implications of individual proposals were much wider for individuals affected by each proposal, further full and proper consultation was undertaken with people who would potentially be affected by individual budget proposals.

Reasons for Recommendations

- 87 The overall process for managing the Council's resources focuses on value for money, good governance and stewardship. The budget and policy framework sets out rules for managing the Council's financial affairs and contains the financial limits that apply in various parts of the Constitution. As part of sound financial management and to comply with the constitution any changes to the budgets agreed by Council in the MTFs require approval in line with the financial limits within the Finance Procedure Rules.
-

- 88 This report provides strong links between the Council's statutory reporting requirements and the in-year monitoring and management processes for financial and non-financial management of resources.

Other Options Considered

- 89 None. This report is important to ensure Members of the Committee are sighted on the financial pressure the Council is facing and the activity to date to try and mitigate this issue and are given an opportunity to scrutinise this activity and identify any further actions that could be taken to learn to live within our means Do nothing. Impact – Members are not updated on the financial position of the Council. Risks – Not abiding by the Constitution to provide regular reports.

Implications and Comments

Monitoring Officer/Legal

- 90 The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility. Sections 25 to 29 of the Local Government Act 2003 impose duties on the Council in relation to how it sets and monitors its budget and require the Council to make prudent allowance for the risk and uncertainties in its budget and regularly monitor its finances during the year. The legislation leaves discretion to the Council about the allowances to be made and action to be taken.
- 91 The provisions of section 25 of the Local Government Act 2003, require that, when the Council is making the calculation of its budget requirement, it must have regard to the report of the chief finance (s.151) officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.
- 92 The Council should therefore have robust processes in place so that it can meet statutory requirements and fulfil its fiduciary duty. It must ensure that all available resources are directed towards the delivery of statutory functions, savings and efficiency plans. Local authorities are creatures of statute and are regulated through the legislative regime and whilst they have in more recent times been given a general power of competence, this must operate within that regime. Within the statutory framework there are specific obligations placed upon a local authority to support communities. These duties encompass general and specific duties and there is often significant local discretion in respect of how those services or duties are discharged. These will need to be assessed and advised on as each circumstance is considered.
-

- 93 The financial position of the Council must therefore be closely monitored, and Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered and that new expenditure is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings or alternative mitigations.
- 94 This report provides an update on progress for 2024/25 for all services.
- 95 It also provides updates and comments regarding the Council's request for Exceptional Financial Support under The Levelling-up and Regeneration Act 2023 which inserted an amended Section 12A as a trigger event within the Local Government Act 2003, in relation to capital finance risk management. The legislation also provides for risk mitigation directions to be given to the Council which limit the ability to undertake certain financial action. The limitations are based on identified risk thresholds.

Section 151 Officer/Finance

- 96 The Council's financial resources are agreed by Council and aligned to the achievement of stated outcomes for local residents and communities. Monitoring and managing performance helps to ensure that resources are used effectively, and that business planning and financial decision making are made in the right context.
- 97 Reserve levels are agreed, by Council, in February each year and are based on a risk assessment that considers the financial challenges facing the Council. If spending associated with in-year delivery of services is not contained within original forecasts for such activity it may be necessary to vire funds from reserves.
- 98 The unplanned use of financial reserves could require the Council to deliver a greater level of future savings to replenish reserve balances and / or revise the level of risks associated with the development of the Reserves Strategy in future.
- 99 As part of the process to produce this report, senior officers review expenditure and income across all services to support the development of mitigation plans that will return the outturn to a balanced position at year-end.
- 100 Forecasts contained within this review provide important information in the process of developing the Medium-Term Financial Strategy. Analysis of variances during the year will identify whether such
-

performance is likely to continue, and this enables more robust estimates to be established.

- 101 The risk associated with the scale of these challenges is that the Council could act illegally, triggering the requirement for a s.114 report from the Chief Financial Officer. Illegal behaviour in this context could materialise from two distinct sources:
- i) Spending decisions could be made that exceed the available resources of the Council. This would unbalance the budget, which is unlawful.
 - ii) Spending decisions to restrict or hide pressures could be made that avoid an immediate deficit, but in fact are based on unlawful activity.
- 102 The consequences of the Council undermining a budget with illegal activity, or planned illegal activity, is the requirement to issue a s.114 report. Under these circumstances statutory services will continue and existing contracts and commitments must be honoured. But any spending that is not essential or which can be postponed must not take place.
- 103 Further consequences would be highly likely and could include the appointment of Commissioners from the MHCLG, and potential restrictions on the decision-making powers of local leaders.

Policy

- 104 This report is a backward look at Council activities and predicts the year-end position. It supports the Corporate Plan aim Open and priority to be an open and enabling organisation.
- 105 The forecast outturn position, ongoing considerations for future years, and the impact on general reserves will be fed into the assumptions underpinning the 2025 to 2029 Medium-Term Financial Strategy.
- 106 The approval of supplementary estimates and virements are governed by the Finance Procedure Rules section of the Constitution.

Equality, Diversity and Inclusion

- 107 Any equality implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.
-

Human Resources

108 This report is a backward look at Council activities at outturn and states the year end position. Any HR implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

Risk Management

109 Financial risks are assessed and reported on a regular basis, and remedial action taken if required. Risks associated with the achievement of the 2023/24 budget and the level of general reserves were factored into the 2024/25 financial scenario, budget, and reserves strategy.

Rural Communities

110 The report provides details of service provision across the borough.

Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)

111 The report provides details of service provision across the borough and notes the pressure on Children in Care.

Public Health

112 This report is a backward look at Council activities at the first review and provides the forecast year end position. Any public health implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

Climate Change

113 There are no direct implications for climate change.

Access to Information	
Contact Officer:	Adele Taylor, Interim Director of Finance and Customer Services (s151 Officer) adele.taylor@cheshireeast.gov.uk Paul Goodwin, Head of Finance & Deputy Chief Finance Officer paul.goodwin@cheshireeast.gov.uk
Appendices:	Annex 1 including: <ul style="list-style-type: none">• Section 1 2024/25 Forecast Outturn• Section 2 2024/25 Approved Budget Change Items• Section 3 Revenue Grants for approval• Section 4 Capital• Section 5 Reserves
Background Papers:	The following are links to key background documents: Medium-Term Financial Strategy 2024-2028

This page is intentionally left blank



First Financial Review 2024/25

Results to end of July 2024

Contents

Section 1: 2024/25 Forecast Outturn.....	3
Section 2: 2024/25 Approved Budget Change Items.....	5
Section 3: Revenue Grants for approval.....	24
Section 4: Capital.....	27
Section 5: Reserves	30

Section 1: 2024/25 Forecast Outturn

- 1.1. Table 1 provides a service summary of financial performance based on information available as at the end of July 2024. The current forecast is that services will be £25.6m over budget in the current year.
- 1.2. It also shows that central budgets are forecast to be £0.9m over budget resulting in an overall outturn of £26.5m overspend against a net revenue budget of £387.6m.
- 1.3. The overall revenue position does not include the impact of applying any Exceptional Financial Support.
- 1.4. The forecast outturn position is based on a full financial management review across all service and reflects the following assumptions:
 - Includes those savings that have been identified as non-achievable though the tracker on our High Level Business Cases (HLBC) with no/some alternative actions currently presented;
 - A review of the on-going impacts of adverse variances identified in 2023/24;
 - Any identified, emerging items of significance:
 - Within Adult Social Care, significant growth is forecast for care costs in line with position seen year to date, less mitigations linked to delivery of the Impower savings;
 - Includes the assumptions around additional revenue resources in Childrens Services to resource the draft improvement plan in relation to the recent OFSTED inspection;
 - Forecast impact of the proposed increased 2024/25 pay award £1.6m (unfunded);
 - Detailed review of any vacancy underspends in all areas;
 - One-off items that have been identified so far through line by line reviews and/or identification of additional funding that has been announced since the MTFS was set.
- 1.5. Further items impacting on the level of the Council's balances are detailed in **Section 5**.

Table 1 Service Revenue Outturn Forecasts 2024/25	Revised Budget £m	Forecast Outturn £m	Forecast Variance £m
Adult Social Care - Operations	146.1	167.8	21.7
Commissioning	(8.1)	(9.1)	(1.0)
Public Health	-	-	-
Adults and Health Committee	138.0	158.7	20.7
Directorate	1.6	2.9	1.3
Children's Social Care	56.5	61.1	4.6
Education, Strong Start & Integration	33.4	34.8	1.4
Children and Families Committee	91.5	98.8	7.3
Directorate	(0.3)	(0.4)	(0.0)
Growth & Enterprise	28.5	25.9	(2.6)
Economy and Growth Committee	28.1	25.5	(2.6)
Environment & Neighbourhood Services	48.4	49.1	0.6
Environment and Communities Committee	48.4	49.1	0.6
Highways & Infrastructure	16.0	15.5	(0.5)
Highways and Transport Committee	16.0	15.5	(0.5)
Directorate	1.4	1.2	(0.2)
Finance & Customer Services	12.1	14.1	1.9
Governance & Compliance Services	10.9	9.7	(1.2)
Communications	0.7	0.7	(0.0)
HR	2.4	2.1	(0.3)
ICT	12.2	12.0	(0.1)
Policy & Change	2.0	1.9	(0.0)
Corporate Policy Committee	41.7	41.7	0.0
TOTAL SERVICES NET EXPENDITURE	363.7	389.3	25.6
CENTRAL BUDGETS			
Capital Financing	31.7	32.0	0.4
Transfer to/(from) Earmarked Reserves	(18.3)	(17.2)	1.1
Parish Precepts & Other Operating Expenditure	11.5	11.4	(0.1)
Income from Use of Capital Receipts	(1.0)	(1.5)	(0.5)
Finance Sub-Committee - Central Budgets	23.9	24.8	0.9
TOTAL NET EXPENDITURE	387.6	414.1	26.5
FUNDING	(298.5)	(298.5)	-
Council Tax	(56.6)	(56.6)	-
Business Rates Retention Scheme	(32.4)	(32.4)	-
Unringfenced Grants			
Finance Sub-Committee - Net Funding	(387.6)	(387.6)	-
NET (SURPLUS) / DEFICIT	-	26.5	26.5

Section 2: 2024/25 Approved Budget Change Items

The following table provides up detailed commentary on the progress against the approved budget change items that were agreed as part of the budget agreed in February 2024. These are split by relevant committee.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
	Adults and Health Committee	+1.136	+21.853	+20.717	
1	Fees and Charges	-1.800	-1.800	0	Green
2	Client Contributions Increase	-0.800	-2.097	-1.297	Green
3	Working Age Adults - Prevent, Reduce, Delay	-1.467	-1.467	0	Green - Multiple activities contributing to these savings. Validation of delivery and measures being developed by SROs and Finance.
4	Older People – Prevent, Reduce, Delay	-1.566	-1.566	0	Green - Multiple activities contributing to these savings. Validation of delivery and measures being developed by SROs and Finance.
5	Market Sustainability and Workforce grant	-1.100	-1.100	0	Completed
6	Revenue grants for Adult Social Care	-2.480	-2.480	0	Completed
7	Pension Costs Adjustment	-0.493	-0.493	0	Completed
8	Investment in Adult Social Care	+7.600	+32.497	+24.897	Red – MTFS growth for Care Costs not sufficient to cover the pressure seen in 2023/24 plus the expected growth in 2024/25. Mitigations to reduce pressure reported separately.
9	Pay Inflation	+1.892	+2.104	+0.212	Red - NJC Pay Claim process has started - over spend against budget is based on £1,290 or 2.5% increase. Compared to flat percentage budget increase of 3%
10	Resettlement Revenue Grants – reversal of 2023/24 use	+0.850*	+0.850*	0	Completed
11	Adult Social Care Transformation Earmarked Reserve Release – reversal of 2023/24 use	+0.500*	+0.500*	0	Green

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
12	Market Sustainability and Fair Cost of Care – Removal of Grant Income	-	-	-	Green
13	Asset Management	TBC	TBC	-	Green - It is expected that the NHS will confirm their intentions for usage of one of the key CEC sites in question by September 2024. Once this is received, the business case for future usage of the site will be revisited and taken through the appropriate CEC governance procedures. The model of care in relation to high-cost adult social care and health provisions will be part of this work.
14	Investigate potential agency creation	TBC	TBC	-	Green - This proposal has been consistently delivered in relation to the usage of a Care Workers agency in all but name. Care4CE, the Council's in house care provider, has been utilising workers, both casual and agency, as a bank of workers for several years to successfully deliver operational requirements. The establishment of a CEC.
In year	Other variances to reconcile to 2024/25 FR1 forecast	0	+4.612	+4.612	
In year	Mitigations reducing the FR1 reported forecast position	0	-7.707	-7.707	

* Item represented a one-off spend in 2023/24. As it is not a permanent part of the budget, the value of the proposal is reversed in 2024/25.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets (some of the budget change items have been separated out since the publication of the MTFS)	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
	Children and Families Committee	+9.909	+17.238	+7.329	
15	Discretionary offer to children with disabilities	-0.900	-0.901	-0.001	Green - On track, project team progressing multiple improvements to redesign the service offer, ensuring consistency and efficiency.
16	Remove school catering subsidy	-0.516	+0.027	+0.543	Red - In progress, rate uplift to be applied in September 2024 in order to cover the costs of the service through to the end of March 2025 when it ends.
17	Review of structure to further integrate children and families services	-1.000	-0.167	+0.833	Red - Delivery Planning in progress to address saving. Including: further Establishment review, service redesign, cross directorate risk management.
18	Reduce discretionary Post-16 Travel Support	-0.400	-0.250	+0.150	Red - Agreed by Committee so progressing, too early to confirm take-up.
19	Achieve the Family Hub model	-0.250	-0.250	0	Green - Committee approved permission to consult. Following the consultation period, a report will go back to Committee in November for a decision to move forward with the new model. Savings are not going to be delivered in year therefore alternative saving being found to cover this.
20a	Other Service Reviews – Review of commissioned services across the C&F directorate. Review of the current Domestic Abuse Service	-0.100	-0.132	-0.032	Completed.
20b	Other Service Reviews – Maximise grant allocation to cover all costs	-0.100	0	+0.100	Red - Plan to explore current / future grants to ensure where T&Cs allow, contribution to fund base costs (e.g. staffing and on costs) is maximised.
20c	Other Service Reviews – Traded services	-0.050	+0.017	+0.067	Red - Part delivered but may need to look for alternative options to cover the remaining saving for this year.
21a	Reduce Growth in expenditure – review of high cost, low outcome external residential placements	-1.000	-1.000	0	Red - Whilst work has been happening to open CE Children's Homes and our first open is now open, with our second due imminently and our collaboration with foster 4 working well to increase our foster carers, we still are seeing more children coming into care, with a steady increase. There is also increasing instability with the residential market, driving up prices. Complex young people need high packages of support, which are extremely expensive. We are due to review all high cost placements and weekly on-going Triple S (Stability, Step up and Step Down) meetings are happening to review placement outcomes and costs.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets (some of the budget change items have been separated out since the publication of the MTFS)	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
21b	Reduce Growth in expenditure – increase commissioning approach to establish greater opportunities to provide accommodation for +16 young people	-0.400	-0.400	0	Amber - 16+ and 18+ Commissioning Plans / Market Shaping in Progress. Responding to increasing demand and complexity.
21c	Reduce Growth in expenditure – Foster Care	-0.250	-0.250	0	Amber - Developing a Delivery Plan to increase Foster Care provision.
21d	Reduce Growth in expenditure – reduced spend on expert assessment in court proceedings and services post public law proceedings	-0.250	-0.250	0	Amber - Establishing a Task & Finish Group to explore and develop processes and capacity to reduce costly legal proceedings.
22	Pension Costs Adjustment	-0.515	-0.451	+0.064	Red. CEC pension reduction completed. Teacher's pension legacy costs are not reducing as anticipated.
23	Growth to deliver statutory Youth Justice service, and growth to ensure budget is sufficient to meet Safeguarding Partnership duties	+0.170	+0.200	+0.030	Red.
24	Growth to provide capacity to deliver transformation for SEND	+0.500	+0.500	0	Green.
25	Wraparound Childcare Programme (funded)	+0.587	+0.587	0	Amber - Currently reviewing sufficiency and funding details to manage delivery within budget.
25	Wraparound Childcare Programme (funded)	-0.587	-0.587	0	Amber - Currently reviewing sufficiency and funding details to manage delivery within budget.
26	Legal Proceeding - Child Protection	+0.770	+0.532	-0.238	Amber.
27	Growth in School Transport budget	+0.936	+1.286	+0.350	Red.
28	Pay Inflation	+1.374	+1.915	+0.541	Red - NJC Pay Claim process has started - over spend against budget is based on £1,290 or 2.5% increase. Compared to flat percentage budget increase of 3%

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets (some of the budget change items have been separated out since the publication of the MTFS)	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
29	Use of Children & Families Transformation Reserve – reversal of 2023/24 use	+1.065*	+1.065*	0	Completed.
30	Growth in Childrens Placement costs	+10.825	+14.203	+3.378	Red - Will need to be closely monitored throughout the year to ensure that funding is sufficient to meet demand and complexity.
31	Revenue costs for the Crewe Youth Zone (as above) aligned to Supporting Families Funding	-	-	-	Amber.
31	Early Help budget to support funding towards the Crewe Youth Zone	-	-	-	Amber.
32	SEND Capital Modification	TBC	TBC	-	Amber - Contingent upon wider asset management and associated timelines. Extensive work underway to plan and progress development opportunities. Captured as part of the Capital Program reported to Committee.
33	Childrens Social Work Bank	TBC	TBC	-	Red - Various options currently being explored as part of wider C&F Establishment review and potential peripatetic resource options.
34	Safe Walking Routes to School	TBC	TBC	-	Green - Features as part of School Transport Programme.
35	Withdrawal of the CEC School Meals Service	TBC	TBC	-	Green - Features as part of School Catering subsidy project - CF2428-16.
In year	In-year emerging variance Education, Strong Start and Integration	0	-0.500	-0.500	Green. Underspend relates to vacancy management, reduced spend and income generation across services.
In year	In-year emerging variance Children and Families Directorate	0	+0.427	+0.427	Red. Overspend relates to supplier compensation payment, external Quality Assurance Agency costs and cost of establishment.
In year	In-Year emerging variance Children's Social Care	0	+1.616	+1.616	Red. Overspend mainly relates to staffing costs.

* Item represented a one-off spend in 2023/24. As it is not a permanent part of the budget, the value of the proposal is reversed in 2024/25.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets (some of the budget change items have been separated out since the publication of the MTFS)	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
	Corporate Policy Committee	+0.489	+0.512	+0.023	
36	Reduce leadership and management costs	-0.540	-0.190	+0.350	Red - The feedback from the DMA review is that senior management vacancies will require recruitment to in order to complete the complement of Corporate Managers. In year vacancy savings will continue but will be time limited. There is potential to increase costs by additional management support during transformation. This will result in increased budget pressure. This pressure is being mitigated through the four in-year items at the end of this table. Most of those will be permanent and used to deliver this saving. Presentation will be reviewed for FR2.
37	Close the Emergency Assistance Scheme	-0.220	-0.220	0	Completed
38	Reduce election costs and increase charges where possible	-0.150	-0.150	0	Green - The proposal is to make a payment during 2024/25 of £70k-£80k from the existing election account, as part of this one-off saving. The remainder will be delivered by reducing the sum which would normally be paid into the election reserve. This might be mitigated in the year of the next local elections by monies which will be raised by charging town and parish councils for their elections in 2027. However, this will not be sufficient and will be likely to lead to the need for a supplementary estimate.
39a	Accelerate Digital Transformation (ICT Operational efficiencies)	-0.100	-0.100	0	Green – third party costs have been reduced and there are plans to reduce further during the year.
39b	Accelerate Digital (Digital efficiencies)	-0.150	-0.150	0	Green – Removal of temporary budget for Solutions Architect Resource, now covered by an Earmarked Reserve.
40	Enforce prompt debt recovery and increase charges for costs	-0.150	-0.150	0	Completed - The award of costs is a matter for the Magistrates at each court hearing. However, only by exception will they vary from the level already agreed by us with the Court Manager. The approach to the Court Manager has been made and the revised level agreed. The action is therefore complete, but the financial benefits will accrue as we continue the regular recovery process during the year.
41a	Other efficiencies and reductions across Corporate Services – School Subsidy (ICT)	-0.032	-0.032	0	Green

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets (some of the budget change items have been separated out since the publication of the MTFS)	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
41b	Other efficiencies and reductions across Corporate Services – Organisational Development	-0.100	-0.100	0	Completed
41c	Other efficiencies and reductions across Corporate Services – Registration Services	-0.050	-0.050	0	Green
41d	Other efficiencies and reductions across Corporate Services – School Subsidy	-0.018	0	+0.018	Amber - Part of the £50k School Subsidy saving - Finance team to assist in identifying options. These are listed at the end of the table.
41e	Other efficiencies and reductions across Corporate Services	-0.010	0	+0.010	Amber - Finance team to assist in identifying options. These are listed at the end of the table.
41f	Other efficiencies and reductions across Corporate Services – Printing	-0.050	-0.010	+0.040	Amber - Finance team to assist in identifying options. These are listed at the end of the table.
41g	Other efficiencies and reductions across Corporate Services – Hybrid working / mileage	-0.050	0	+0.050	Amber – Options being considered regarding reduced travel spend including ensuring efficient planning around meeting attendance and minimising unnecessary movements across the area. This maximises efficient use of time as well for teams.
42	Pension Costs Adjustment	-0.378	-0.378	0	Completed
43	Mitigation of reduction in the Dedicated Schools Grant	+0.136	+0.136	0	Completed
44	Pay Inflation	+1.446	+1.581	+0.135	Red - NJC Pay Claim process has started - over spend against budget is based on £1,290 or 2.5% increase. Compared to flat percentage budget increase of 3%. Mitigations are listed at the end of the table. Presentation will be reviewed for FR2.
45	Legal Services Capacity	+0.455	+0.455	0	Completed
46	ICT Review 1	+0.450	+0.450	0	Green
47	Workforce Strategy Review	TBC	-	-	Amber - There are no savings attributed to this area in 2024/2025. Opportunities to explore workforce options are being considered alongside transformation

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets (some of the budget change items have been separated out since the publication of the MTFS)	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
					work. Any savings are likely to be realised in 2025/26 at the earliest. It is recommended that this item is removed from the list.
48	Parish Compacts – it is recommended that this item is removed.	TBC	-	-	Red - An extension of parish compacts would provide a budget for every parish council. This has been assessed but is considered unaffordable to progress this year. Presentation will be reviewed for FR2.
In year	Recognising the increased level of Registration service income of £350k.	0	-0.350	-0.350	This will be a permanent change to deliver the Red ranked items above.
In year	Recognising the receipt of £45k of Police and Crime Commissioner grant income.	0	-0.045	-0.045	This will be a permanent change to deliver the Red / Amber ranked items above.
In year	Taking the underspend on phones in corporate services (mobiles and rental) compared to budget.	0	-0.060	-0.060	This will be a permanent change to deliver the Red / Amber ranked items above.
In year	Additional mitigations to balance to FR1 position of +£23k for corporate incl ICT.	0	-0.125	-0.125	These will be a mix of permanent and temporary items to assist the in-year position.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
	Economy and Growth Committee	+3.316	+0.728	-2.588	
49	Service Restructures within Place based Services	-0.787	0	+0.787	Red – achievement through permanent savings remains challenging without a full restructure – which is pending the LGA review. This item is being mitigated by the items at the end of the table which are a mix of permanent and temporary measures. Presentation will be reviewed for FR2.
50	Reduce opening hours for main offices	-0.050	-0.050	0	Completed
51	Office estate rationalisation	-0.550	-0.250	+0.300	Red - due to the timeline for the transfer of buildings being extended. This item is being mitigated by the items at the end of the table which are a mix of permanent and temporary measures. Presentation will be reviewed for FR2.
52	Tatton Park	-0.046	-0.046	0	Amber rating reflects the fact that the Tatton Vision capital programme is currently under review.
53	Transfer of Congleton Visitor Information Centre	-0.020	-0.020	0	Green - Transfer of Congleton VIC to the Town Council has already occurred.
54	Pension costs adjustment	-0.157	-0.157	0	Completed
55	Tatton Park ticketing and electronic point of sale (EPOS) upgrade	+0.005	+0.005	0	Green - A procurement process is currently underway to source a supplier who can ensure onsite and web-based delivery of a new system which aligns with present and future needs.
56c	West Park collection	+0.012	+0.012	0	Green - Cost for vital conservation and storage of West Park Museum collections and ongoing temporary storage requirements.
56d	CEC archives	+0.008	0	-0.008	Amber - Timescales for implementation of the Archives capital project have slipped due to grant funding decisions, with revised opening date of Spring 2026.
57	Property Information and Management System - Estates – Revenue Adjustment	+0.030	+0.030	0	Green - Procurement of new contract to commence shortly.
58	Housing	+0.035	+0.035	0	Green - Consultation on the Housing Restructure commences 22nd May and includes the post that the funding is attributed to. The new structure will be implemented by 1st August 2024
59	Environmental Hub Waste Transfer Station	+0.040	+0.040	0	Green - Project on track delivery Q1/2. The replacement of bay 1 in the Councils Environmental Hub Residual Waste Transfer Station building with a new design

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
					more likely to provide long-term resilience to wear and tear, to enable the continuation of waste processing at the transfer station.
60	Rural and Visitor Economy	+0.045	+0.045	0	Green - Additional revenue support is required to cover the increase in electricity charges for the Rural and Culture Economy Service to maintain existing service provision at Tatton Park and Countryside sites.
61	Minimum energy efficiency standards (MEES) - Estates - Revenue Adjustment	+0.079	+0.079	0	Amber – Prioritised negotiations with 3rd parties/tenants occupying premises being expedited to avoid delays on obtaining access for surveys, completing necessary improvement works and legally completing lease renewals.
62	Public Rights of Way Income Realignment	+0.115	+0.115	0	Completed. Adjustments made to budget forecasts 2024-25
63	Pay inflation	+0.788	+0.940	+0.152	Red - NJC Pay Claim process has started - over spend against budget is based on £1,290 or 2.5% increase. Compared to flat percentage budget increase of 3%. This item is being mitigated by the items at the end of the table which are a mix of permanent and temporary measures. Presentation will be reviewed for FR2.
64	Crewe town centre maintenance and operation	+0.650	+0.630	-0.020	Green
65	Assets - Buildings and Operational	+3.119	+3.119	0	Green
66	Landfill Site Assessments revenue adjustment - Estates – CE Owned Landfill sites (53 sites) Review and Risk Assessment completions	-	-	-	Amber - £10k cost growth in for 25/26. Second stage of the review to commence shortly. Internal capacity within Environmental Service to be identified.
67	Tatton Park Estate Dwellings Refurbishment	-	-	-	Completed - Provision for response maintenance issues for 8 onsite dwellings to ensure properties meet standards required as part of tenancy agreements and the National Trust lease.
68	Improving Crewe Rented Housing Standards	-	-	-	Green
In year	Growth & Enterprise 2024/25 mitigations to balance back to finance review position	0	-2.984	-2.984	

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
In year	Place Directorate 2024/25 mitigations to balance back to finance review position	0	-0.815	-0.815	

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
	Environment and Communities Committee	-0.052	+0.558	+0.610	
69	Refresh wholly owned company overheads and contributions	-1.000	-1.500	-0.500	Green - ASDV Review recommendations have now been approved in full by Finance Sub-Committee in their role as shareholder of the wholly owned companies. The process of insourcing these services is now underway which will release an element of their reserves in year to meet this one-off contribution.
70	Strategic Leisure Review (Stage 2)	-1.305	-1.250	+0.055	Amber - Initial savings secured via committee decision on 11th March 2024. Proposals are being developed with EHL and town and parish councils to secure the residual £250k amount - dialogue is ongoing.
71	Mitigate the impact of contract inflation and tonnage growth	-0.490	-0.490	0	Completed - Mitigate the impact of contract inflation and tonnage growth.
72	Emergency reduction of Household Waste Recycling Centres (HWRC) to four core sites	-0.263	-0.200	+0.063	Red - Full saving on basis of original HLBC will not be achieved due to introduction of mobile provision offer as a result of Full Council decision and costs associated with trial of booking system. Following implementation of temporary closures final negotiations with supply chain are nearing conclusion in relation to savings in year, which include adjustment for waste diversion. This item is being partly mitigated by the item at the end of the table which is a mix of permanent and temporary measures. Presentation will be reviewed for FR2.
73	Libraries Strategy	-0.365	-0.200	+0.165	Red - Development of and consultation on Libraries Strategy ongoing. Need to secure committee decisions to implement final Strategy (target Nov 2024) – engagement with Town and Parish Councils undertaken to shape the Strategy proposals and seek funding contributions, which is continuing. This item is being partly mitigated by the item at the end of the table which is a mix of permanent and temporary measures. Presentation will be reviewed for FR2.
74	Reduce costs of street cleansing operations	-0.200	-0.200	0	Green - Value of saving now reduced from ANSA Management Fee for 2024/25, proposals to achieve which include immediate reductions in service resilience, due to removal of any vacancies and under utilised fleet.
75	Reduce revenue impact of carbon reduction capital schemes	-0.336	0	+0.336	Red – Carbon Neutral Council target deferred from 2025 to 27, as agreed at Full Council on 27.02.24, large scale prudential borrowing funded schemes spend now reprofiled to suit, however budget not sat within E&C Committee. Discussion with Corporate Financing team to re-allocate.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
					This item is being partly mitigated by the item at the end of the table which is a mix of permanent and temporary measures. Presentation will be reviewed for FR2.
76	Increase Garden Waste charges to recover costs	-0.045	-0.045	0	Green – Increase Garden Waste charges for the calendar year 2025 to recover costs
77	MTFS 80 (Feb 23) – Waste Disposal – Contract Inflation and Tonnage Growth (updated forecast)	+3.577	+3.977	+0.400	Amber – Amber rating due to fluctuations in waste markets relating to recyclates and continued levels of inflation, outside CEC control and not aligned to projections. Mitigation is to continue with monthly financial monitoring and detailed update of forecasting to year end, based on market intelligence from suppliers and historical seasonal trends data.
78	Pay Inflation – CEC & ASDV	+1.861	+2.397	+0.536	Red - NJC Pay Claim process has started - over spend against budget is based on £1,290 or 2.5% increase. Compared to flat percentage budget increase of 3%. This item is being partly mitigated by the item at the end of the table which is a mix of permanent and temporary measures. Presentation will be reviewed for FR2.
79	Pension Costs Adjustment	-0.151	-0.151	0	Completed
80	MTFS 90 (Feb 23) Strategic Leisure Review	+1.250	+1.250	0	Completed - Growth item budget adjustment only - replacing 2023/24 £1.3m savings target.
81	MTFS 91 (Feb 23) – Green Spaces Maintenance Review	-0.200	-0.200	0	Green - Year 2 saving - Policy now implemented and full saving secured from ANSA contract.
82	MTFS 92 (Feb 23) - Review Waste Collection Service - Green Waste	-3.150	-3.150	0	Green - Subscription levels in line with original business model.
83	Review MTFS 92 (Feb 23) Garden waste subscription financial model in line with latest subscription levels and with actual observed position on any waste migration	-0.429	-0.429	0	Green - Continued monitoring of subscription levels and any adverse impacts is already in place, update to original business plan assumptions.
84	MTFS 93 (Feb 23) Libraries - Service Review	-0.200	-0.200	0	Amber - Year 2 of Service Review - reduction in staffing levels have been implemented and now include vacancy management in year to ensure achievement of saving. Currently covered temporarily by vacancy savings

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
85	Explore a Trust delivery model for Libraries and other services	+0.150	+0.020	-0.130	Green - Growth item to cover one off costs relating to implementation of alternative delivery model(s) for libraries service. Aligned to development of Libraries Strategy.
86	CCTV – Service Efficiencies	-0.030	-0.030	0	Green – Ongoing actions to increase customer base for existing services, identification of new chargeable services/customers and service efficiency savings as well as increased fees and charges to meet the target.
87	Congleton Town Council Collaboration Agreement – Grounds Maintenance	-0.062	-0.062	0	Completed - Congleton Town Council Collaboration Agreement on Grounds Maintenance Cheshire East Contribution reduced in line with reductions in Cheshire East Maintained green space.
88	Closed Cemeteries	+0.005	+0.005	0	Completed - Inflationary adjustment to previous budget allocation only.
89	Environmental Hub maintenance	+0.023	+0.023	0	Completed - Inflationary adjustment to previous budget allocation only.
90	Review Closed Landfill Sites	+0.300*	+0.300*	0	Completed - The Council has responsibility for a number of closed landfill sites across the borough for which it holds a provision.
91	Land Charge Income Adjustment	+0.050	+0.064	+0.014	Amber - Uncertainty around implementation timescales of HMLR changes to centralise some aspects of land charges functions hence understanding of actual impact, to be regularly monitored.
92	Building Control Income Alignment	+0.203	+0.403	+0.200	Red - Due to current national trend of downturn in planning and related building control income. To be monitored through more regular financial forecasting in service. This item is being partly mitigated by the item at the end of the table which is a mix of permanent and temporary measures. Presentation will be reviewed for FR2.
93	Local Plan Review	+0.255	+0.255	0	Completed - Budget adjustment to provide additional one-off funding towards development of new Local Plan, now commenced.
94	Planning income	+0.400	+0.910	+0.510	Red – Forecast reduced income due to current national trend of downturn in planning applications and hence income. To be monitored through more regular financial forecasting in service. Partially mitigated by continued high level of vacancies and the item at the end of the table. Presentation will be reviewed for FR2. Recent planning reforms announced by Govt now subject to consultation process may help to alleviate the income position, but will require vacancies to be filled to cater for the likely increase in applications.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
95	Planning Service Restructure	-	-	-	Green - No action for 2024/25. Growth for 2025/26 to be kept under review.
96	Review of Household Waste Recycling Centres	+0.100	+0.100	0	Green - Additional one-off funding to support procurement of new contract permanent service provision of HWRCs.
In year	Environment & Neighbourhood Services mitigations 2024/25 to balance back to finance review position	0	-1.039	-1.039	

* Item represented a one-off saving in 2023/24. As it is not a permanent part of the budget, the value of the proposal is reversed in 2024/25.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
	Highways and Transport Committee	+4.869	+4.393	-0.476	
97	Highway maintenance savings	-0.750	-0.750	0	Green - Savings are being achieved through: - reducing the number of cuts on grass verges from 10 to 8; - directly employing staff to carry out surveys, rather than sub-contracting; - reductions in staffing and vacancy management; and - reliance on the council's adverse weather reserve for snow clearance. Service budgets have been reduced to reflect the savings being made.
98	Introduce annual increases to car parking charges	-0.150	-0.150	0	Green - Annual inflation adjustment to existing P&D tariffs can be implemented by 1st July 2024, in advance of bringing charges into effect in the "free towns". This is 3 months earlier than planned.
99	Pension Costs Adjustment	-0.052	-0.052	0	Completed
100	Highways	-0.031	-0.031	0	Completed - This saving was delivered by changes to response times to defects in 2023/24.
101	Safe Haven outside schools (Parking)	-0.023	-0.023	0	Amber - WARN procedure has been used for sole-source procurement of type-approved equipment from the supplier authority.
102	Transport and Infrastructure Strategy Team - Restructure	+0.120	+0.120	0	Green - Vacancies in existing structure provide some flexibilities of resourcing and recruitment planning.
103	Pay Inflation	+0.339	+0.351	+0.012	Red - NJC Pay Claim process has started - over spend against budget is based on £1,290 or 2.5% increase. Compared to flat percentage budget increase of 3%. This item is being mitigated by the item at the end of the table which is a mix of permanent and temporary measures. Presentation will be reviewed for FR2.
104	Parking - PDA / Back Office System contract	+0.100	+0.100	0	Green - Market testing completed - exploring a direct award opportunity with implementation testing and data migration.
105	Flood and Water Management Act 2010 SuDS & SABs Schedule 3 Implementation	+0.100	+0.100	0	Green - The requirement is to be ready to implement changes when regulations are implemented nationally. A training plan for existing staff has been identified. Recruitment is to be progressed.
106	Energy saving measures from streetlights	+0.242	+0.242	0	Completed - This entry was in the MTFS to cancel an unachievable saving from 2022-3. There is no further action.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2024/25 MTFS £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
107	Parking	+0.245	+0.245	0	Amber - Following decisions in January 2024, arrangements are in place to adjust existing Pay & Display tariffs from 1st July 2024 and extend pay and display to car parks in "free towns" by October 2024. Statutory consultations on Sunday and Evening charges will start in July. A trial of demand-responsive tariffs will begin with the opening of the new multistorey car park in Crewe.
108	Highways Revenue Services	+2.479	+2.479	0	Completed - This is a growth item. The growth has been factored into 2024/25 service levels and business plans. No further action.
109	Local Bus	+2.250	+2.250	0	Green
110	FlexiLink Service Improvement Plan	-	-	-	Green - A bus service review consultation is underway, including proposals relating to flexible transport.
111	Highways Depot Improvements	-	-	-	Red - This later year saving is subject to the approval of the business case for capital investment in depots. This will be reviewed during 2024/25.
112	Bus Stop Advertising Revenue Generation	-	-	-	Amber - Opportunity to shadow CWAC council's extension of the existing contract in the interim period.
In year	Highways & Infrastructure 2024-25 mitigations to balance to finance review	0	-0.488	-0.488	

MTFS Ref No	Detailed List of Approved Budget Changes – Central Budgets	2024/25 £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
	Finance Sub-Committee	-19.667	-18.748	+0.919	
113	Capital Financing - Minimum Revenue Provision	+9.508	+9.903	+0.395	Amber – assumes use of reserve of £2.135m (not yet approved). Ongoing capital review seeking to significantly reduce spend funded by borrowing.
114	Central Bad Debt Provision adjustment	+0.600	+0.600	0	Completed - budget adjustment.
115	Use of Earmarked Reserves – MTFS Reserve	+0.255	+0.255	0	Completed - budget adjustment / planned use of reserve.
115	MTFS Reserve – reversal of 2023/24 use	+1.536	+1.536	0	Completed - budget adjustment / planned use of reserve.
116	Collection Fund Reserve - Use of Earmarked Reserves	-0.834	-0.834	0	Completed - budget adjustment / planned use of reserve.
116	Collection Fund Reserve – reversal of 2023/24 use of reserves	+2.234	+2.234	0	Completed - budget adjustment / planned use of reserve.
117	Brighter Futures Transformation – reversal of 2023/24 use of reserves	+1.271	+1.271	0	Completed - budget adjustment / planned use of reserve.
118	Use of General Reserves – Fund in-year budget shortfall [NEW]	-11.654	-11.654	0	Completed - Drawn down in line with the MTFS forecast.
Amber1 19	Council Tax - % increase	-13.527	-13.527	0	Green - Council tax and business rates income collection managed through the Collection Fund therefore no impact on current year funding target.
120	Council Tax – Base increase	-2.461	-2.461	0	Green - Council tax and business rates income collection managed through the Collection Fund therefore no impact on current year funding target.
121	Business Rates Retention Scheme – use of S31 compensation grants	-1.350	-1.350	0	Green - Grants to be received in line with final settlement from MHCLG.

MTFS Ref No	Detailed List of Approved Budget Changes – Central Budgets	2024/25 £m	2024/25 Forecast Outturn £m	2024/25 Forecast Outturn Variance £m	Progress 2024/25 (RAG rating and commentary)
122	Unring-fenced Grants + Revenue Support Grant	-5.245	-5.245	0	Green - Grants to be received in line with final settlement from MHCLG.
123	Council Tax and Business Rates Collection [NEW]	TBC	-	-	Initial case was to implement a working group to review council tax collection. No savings value was assigned to the case. The intention now is to bring forward via an informal briefing to include options around the council tax support scheme review (FS2428)
124	Council Tax Support [NEW]		-	-	Preparations to be made during 24-25 with a view to amending the council tax support scheme in 25-26. No value is assigned to 24-25 as any savings/growth will be realised in 25-26. Consultation dates / material to come via Finance Sub-Committee for summer launch. Final decision point will be December Council meeting 2024.
In year	Adjustment to use of Earmarked reserves budgeted figure within Service Budgets		+0.525	+0.525	

Section 3: Revenue Grants for approval

- 3.1. Cheshire East Council receives two main types of Government grants; specific purpose grants and general use grants. Specific purpose grants are held within the relevant service with a corresponding expenditure budget. Whereas general use grants are held in central budgets with a corresponding expenditure budget within the allocated service area.
- 3.2. Spending in relation to specific purpose grants must be in line with the purpose for which it is provided.
- 3.3. **Table 1** shows additional specific purpose grant allocations that have been received over £1m that **Council** will be asked to approve.
- 3.4. **Table 2** shows additional specific purpose grant allocations that have been received which are over £500,000 and up to £1m, and are for **Committee** approval.

Table 1 – Council Decision

Supplementary Revenue Estimate Requests for Allocation of Additional Grant Funding (Specific Purpose) over £1,000,000

Committee	Type of Grant	£000	Details
Children and Families – Schools	Teachers Pay Additional Grant (Specific Purpose)	1,645	This grant is from the Education & Skills Funding Agency (ESFA). In July 2023, alongside the increase for last financial year, an additional £900 million was announced in 2024 to 2025 to support schools with the 2023 teachers' pay award. The ESFA will pay the teachers' pay additional grant (TPAG) funding to local authorities for mainstream maintained schools.
Children and Families – Schools	Teachers Pension Grant (Specific Purpose)	2,393	This grant is from the Education & Skills Funding Agency (ESFA). The Teachers' Pension Employer Contribution Grant (TPECG) supports schools and local authorities with the cost of the increase in employer contributions to the teachers' pension scheme. Local authorities must follow the terms and conditions set out in the conditions of grant.
Children and Families – Children's Services	Household Support Fund (Specific Purpose)	2,200	This grant is from the Department for Work and Pensions. This is an extension to the Household Support Fund (HSF) and will cover the period from April 2024 to September 2024. The HSF is to provide crisis support to financially vulnerable households most in need.
Economy and Growth	Homelessness Prevention Grant (Specific Purpose)	1,054	This grant is from the Department for Levelling-Up and Communities (DLUHC). The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred by them in supporting local authorities to discharge their homelessness duties under homelessness legislation. The grant is ring-fenced for 2023-2024 and is to be spent in adherence with the following principles: 1. To fully enforce the Homelessness Reduction Act and contribute to ending rough sleeping by increasing activity to prevent single homelessness. 2. Reduce family temporary accommodation numbers through maximising family homelessness prevention and reduce the use of unsuitable B&Bs for families. This grant is from the Home Office (HO). Available where an individual or family has settled in the borough, to provide ongoing integration support.

Committee	Type of Grant	£000	Details
Highways and Transport	Bus Service Improvement Plan+ (BSIP+) Phase 2 (Specific Purpose)	1,188	This a grant from the Department for Transport DfT). This is a continuation of the Bus Service Improvement funding and allows Local Authorities to support existing bus services and/or create new services with the overall aim of ensuring long term sustainability of this provision.This is the second phase of allocations.
Highways and Transport	Bus Service Improvement Plan+ (BSIP+) Phase 3 (Specific Purpose)	2,268	This a grant from the Department for Transport DfT). This is a continuation of the Bus Service Improvement funding and allows Local Authorities to support existing bus services and/or create new services with the overall aim of ensuring long term sustainability of this provision.This is the third phase of allocations.

Table 2 – Committee Decision

Supplementary Revenue Estimate Requests for Allocation of Additional Grant Funding (Specific Purpose) over £500,000 up to £1,000,000

Committee	Type of Grant	£000	Details
Adults and Health	OHID SSMTR Supplementary Substance Misuse Treatment & Recovery Grant (Specific Purpose)	525	This grant is from the Department of Health and Social Care and is additional funding for drug and alcohol treatment recovery services as part of Local Authorities' public health responsibilities.

Section 4: Capital

Table 1: Financial Parameters for 2023/24 to 2026/27

Parameter	Value (£m)			
	2023/24	2024/25	2025/26	2026/27
Repayment of Borrowing				
Minimum Revenue Provision*	17.5	18.8	23.3	25.2
External Loan Interest	14.3	18.0	16.5	15.0
Investment Income	(3.8)	(3.8)	(2.1)	(1.8)
Contributions from Services Revenue Budgets	(1.2)	(1.3)	(2.0)	(2.7)
Total Capital Financing Costs	26.8	31.7	35.7	35.7
Use of Financing EMR	(7.9)	(2.1)	0	0
Actual CFB in MTFS	19.0	28.5	35.2	35.5
Budget Deficit	(0)	1.1	0.5	0.2
Capital Receipts targets*	1.0	1.0	1.0	1.0
Flexible use of Capital Receipts	1.0	1.0	1.0	1.0

*Anticipated MRP based on achieving capital receipts targets

1.1. The revised programme is funded from both direct income (grants, external contributions) and the Council's own resources (prudential borrowing, revenue contributions, capital reserve). A funding summary is shown in **Table 2**.

1.2. **Table 3** lists details of

- Capital Supplementary Estimates over £500,000 and up to £1,000,000 that requires approval by Committee and
- Capital Virements over £500,000 and up to and including £5,000,000 that requires Relevant Member(s) of CLT and Chief Finance Officer in consultation with Chair of the relevant Committee and the Chair of Finance Sub-Committee to approve.

Table 2: Capital Programme Update

CHESHIRE EAST COUNCIL CAPITAL PROGRAMME SUMMARY					
CAPITAL PROGRAMME 2024/25 - 2027/28					
	Forecast 2024/25 £000	Forecast 2025/26 £000	Forecast 2026/27 £000	Forecast 2027/28 £000	Total Forecast 2024-28 £000
Committed Schemes - In					
Adults and Health	800	0	0	0	800
Children and Families	36,127	21,515	16,356	17,749	91,747
Highways & Transport	44,910	31,161	26,296	130,138	232,505
Economy & Growth	45,786	30,397	41,366	64,065	181,614
Environment & Communities	14,752	17,444	1,418	0	33,614
Corporate Policy	11,710	6,998	3,276	1,834	23,818
Total Committed Schemes - In Progress	154,085	107,515	88,712	213,786	564,098
	Forecast 2024/25 £000	Forecast 2025/26 £000	Forecast 2026/27 £000	Forecast 2027/28 £000	Total Forecast 2024-28 £000
New Schemes					
Adults and Health	0	0	0	0	0
Children and Families	1,738	7,200	5,248	3,000	17,186
Highways & Transport	895	23,500	15,051	15,051	54,497
Economy & Growth	3,124	0	0	0	3,124
Environment & Communities	4,703	3,017	668	0	8,388
Corporate Policy	0	0	0	0	0
Total New Schemes	10,460	33,717	20,967	18,051	83,195
Total	164,545	141,232	109,679	231,837	647,293
Funding Requirement					
Indicative Funding Analysis: (See note 1)					
Government Grants	96,620	76,091	67,707	122,543	362,961
External Contributions	15,406	10,698	13,611	65,226	104,941
Revenue Contributions	389	0	0	0	389
Capital Receipts	252	877	18,181	16,289	35,599
Prudential Borrowing (See note 2)	51,878	53,566	10,180	27,779	143,403
Total	164,545	141,232	109,679	231,837	647,293

Note 1:

The funding requirement identified in the above table does not currently represent a balanced and affordable position, in the medium term. The Council will need to transform the capital programme to reduce the number of schemes requiring Cheshire East Resources and the need to borrow. The level of capital receipts are based on a prudent approach based on the work of the Asset Management team and their most recently updated Disposals Programme.

Note 2:

The schemes marked **and highlighted in the MTFs cannot proceed until the Capital Programme Review has been completed. Any urgent requests to continue prior to the reviews completion will require approval from the Chair of Finance Sub Committee and the S.151 Officer

Note 3:

Appropriate charges to the revenue budget will only commence in the year following the completion of the associated capital asset. This allows the Council to constantly review the most cost effective way of funding capital expenditure.

Table 3: Requests for Supplementary Capital Estimates (SCEs) and Virements

Committee	Capital Scheme	Amount Requested £	Reason and Funding Source
Service Committee are asked to approve the Supplementary Capital Estimates and Virements			
Supplementary Capital Estimates above £500,000 up to and including £1,000,000			
Highways & Transport	Transport		
	Department for Transport - Traffic Signal Obsolescence Grant (TSOG)	577,003	Additional grant to upgrade traffic signal systems, replacing unreliable and obsolete equipment to improve reliability.
Highways & Transport		577,003	
Total Supplementary Capital Estimates Requested		577,003	
Capital Budget Virements above £500,000 up to and including £5,000,000			
Children & Families	Education and 14-19 Skills		
	WorkplaCE	1,000,000	Virement to Facilities to support the transfer out of Westfields
Children & Families		1,000,000	
Corporate	ICT Hybrid Model		
		1,896,161	Virement from Infrastructure Investment Programme (IIP) to ICT Hybrid Model as project work funded from IIP now falls under the ICT Hybrid work programme
Corporate		1,896,161	
Economy and Growth	Facilities Management		
	Premises Capital	1,140,086	Due to the change in scope in the "PSDS - 3B - Lot 1" scheme, Cheshire East funding previously allocated from the Premises Capital Programme as "match" funding to be returned for use in Future Years.
Economy & Growth		1,140,086	
Total Capital Virements requested		4,036,247	
Total Supplementary Capital Estimates and Virements		4,613,250	

Section 5: Reserves

Management of Council Reserves

- 5.1. The Council's Reserves Strategy states that the Council will maintain reserves to protect against risk and support investment.
- 5.2. The opening balance at 1 April 2024 in the Council's General Fund Reserves was £5.6m, as published in the Council's Statement of Accounts for 2023/24.
- 5.3. The closing balance at 31 March 2025 in the Council's General Fund Reserve is forecast to reduce further still, to £4.5m.
- 5.4. The current balance on reserves is insufficient in order to provide adequate protection against established and newly emerging risks, such as inflation and particularly the DSG deficit, which is projected to rise to £121.6m by year end and has been highlighted in the MTFS as having no alternative funding.
- 5.5. The Council also maintains Earmarked Revenue Reserves for specific purposes. The opening balance at 1 April 2024 was £32.3m.
- 5.6. During 2024/25, a net total of £10.6m has been drawn down to the support the in-year deficit position. A further £6.2m is being forecast to fund expenditure specifically provided for by services. These balances fall within the forecasts approved during the MTFS budget setting process.
- 5.7. Additional drawdown requests, above those forecast during MTFS, have been made by various services to support specific expenditure totalling £6.0m. These drawdowns, as detailed in the tables below, will be subject to approval by the Section 151 Officer.
- 5.8. The closing balance at 31 March 2025, is forecast at £9.5m.
- 5.9. Unspent schools' budgets that have been delegated, as laid down in the Schools Standards Framework Act 1998, remain at the disposal of the school and are not available for Council use. These balances are therefore excluded from all reserve forecasts.

Table 1 - Reserves Position	2023/24 Outturn £m	2024/25 Forecast £m
General Reserves	5.6	4.5
Earmarked Reserves (Excluding Schools)	32.3	9.5
Total Reserves Balance at 31st March	37.9	14.0

Table 2 - Earmarked Reserves Summary

Committee Reserves	Opening Balance 1st April 2024 £000	Transfers to General Fund £000	Forecast Movement in Reserves £000	Additional Drawdown Requests £000	Forecast Closing Balance 31 March 2025 £000
Adults and Health	5,226	(2,795)	(90)	0	2,341
Children and Families	1,724	0	(1,593)	(131)	0
Corporate Policy	20,773	(6,551)	(2,680)	(4,695)	6,847
Economy and Growth	2,777	(662)	(1,004)	(765)	346
Environment and Communities	870	(390)	(402)	(78)	0
Highways and Transport	908	(205)	(415)	(288)	0
TOTAL EARMARKED RESERVE MOVEMENT	32,278	(10,603)	(6,184)	(5,957)	9,534

* All 'Additional Drawdown Requests' are subject to review and are yet to be approved.

* Total excludes schools' balances

Table 3 - Adults and Health Committee

Reserve Account	Opening Balance 1 Apr 24 £000	Transfers to General Fund £000	Forecast Movement in Reserves £000	Additional Drawdown Requests £000	Forecast Closing Bal 31 Mar 25 £000	Notes
Adults Social Care Commissioning						
PFI Equalisation - Extra Care Housing	2,857	(2,795)	0	0	62	Surplus grant set aside to meet future payments on existing PFI contract and the anticipated gap at the end of the agreement.
Public Health						
Public Health Reserve	2,369	0	(90)	0	2,279	Ring-fenced underspend to be invested in areas to improve performance against key targets; including the creation of an Innovation Fund to support partners to deliver initiatives that tackle key health issues.
ADULTS AND HEALTH TOTAL	5,226	(2,795)	(90)	0	2,341	

Table 4 - Children and Families Committee

Reserve Account	Opening Balance 1 Apr 24 £000	Transfers to General Fund £000	Forecast Movement in Reserves £000	Additional Drawdown Requests £000	Forecast Closing Bal 31 Mar 25 £000	Notes
<u>Childrens Social Care</u>						
Domestic Abuse Partnership	131	0	0	(131)	0	To sustain preventative services to vulnerable people as a result of partnership funding in previous years.
<u>Strong Start, Family Help and Integration</u>						
Troubled Families Initiative	1,593	0	(1,593)	0	0	Crewe Youth Zone and ACT have been assigned funding from shared outcomes of the Supporting Families Programme.
CHILDREN AND FAMILIES TOTAL	1,724	0	(1,593)	(131)	0	

* All 'Additional Drawdown Requests' not forecast as part of MTFS 24-28 are subject to review and are yet to be approved.

Table 5 - Corporate Policy Committee

Reserve Account	Opening Balance 1 Apr 24 £000	Transfers to General Fund £000	Forecast Movement in Reserves £000	Additional Drawdown Requests £000	Forecast Closing Bal 31 Mar 25 £000	Notes
<u>Corporate Directorate</u>						
Corporate Directorate	1,164	(935)	0	0	229	To support a number of widespread projects within the Corporate Directorate.
<u>Finance and Customer Services</u>						
Collection Fund Management	8,154	(1,235)	(2,915)	0	4,004	To manage cash flow implications as part of the Business Rates Retention Scheme.
Capital Financing Reserve	4,531	0	0	(4,531)	0	To provide for financing of capital schemes, other projects and initiatives
MTFS Reserve	2,914	(741)	255	0	2,428	To support the financial strategy and risk management. £1.2m of the remaining reserve balance had previously been earmarked for future voluntary redundancy costs.
Section 31 Revenue Grants	14	0	0	(14)	0	Unspent specific use grant carried forward into 2024/25.

*Corporate Policy Committee reserves continued overleaf

Table 5 - Corporate Policy Committee Continued

Reserve Account	Opening Balance 1 Apr 24 £000	Transfers to General Fund £000	Forecast Movement in Reserves £000	Additional Drawdown Requests £000	Forecast Closing Bal 31 Mar 25 £000	Notes
<u>Governance and Compliance</u>						
Insurance Reserve	3,098	(3,098)	0	0	0	To settle insurance claims and manage excess costs. The full reserve has been released to the general fund to support the in-year deficit pressure.
Elections General	132	0	0	0	132	To provide funds for Election costs every 4 years.
Brexit Funding	13	(13)	0	0	0	Residual reserve balance has been released to the general fund to support the in-year deficit pressure.
<u>Human Resources</u>						
HR (CARE4CE Review, Culture Change, Pay realignment, Learning Mgt System)	59	(59)	0	0	0	Residual reserve balance has been released to the general fund to support the in-year deficit pressure.
Pay Structure (M Grade Review)	54	0	0	0	54	Created to help fund ongoing changes to pay structure.
<u>Governance and Compliance</u>						
Brighter Futures Transformation Programme	490	(470)	(20)	0	0	To fund the Council's four year transformation programme and its five outcomes of Culture; Estates and ICT systems; Customer Experience, Commercial Approach and Governance.
<u>ICT</u>						
Digital Solutions Architect	150	0	0	(150)	0	New reserve created in 23/24 to fund a role for the Digital Customer Enablement programme and will be key to realising the cost savings and efficiencies across the Council from the deployment of a number of digital initiatives.
CORPORATE POLICY TOTAL	20,773	(6,551)	(2,680)	(4,695)	6,847	

* All 'Additional Drawdown Requests' not forecast as part of MTFS 24-28 are subject to review and are yet to be approved.

Table 6 - Economy and Growth Committee

Reserve Account	Opening Balance 1 Apr 24 £000	Transfers to General Fund £000	Forecast Movement in Reserves £000	Additional Drawdown Requests £000	Forecast Closing Bal 31 Mar 25 £000	Notes
Directorate						
Place Directorate	1,164	0	(473)	(385)	306	To support a number of widespread projects within the Place Directorate.
Investment (Sustainability)	610	0	(427)	(143)	40	To support investment that can increase longer term financial independence and stability of the Council.
Growth and Enterprise						
Legal Proceedings	212	0	(104)	(108)	0	To enable legal proceedings on land and property matters.
Investment Portfolio	534	(534)	0	0	0	The full reserve has been released to the general fund to support the in-year deficit pressure.
Homelessness & Housing Options - Revenue Grants	129	0	0	(129)	0	Grant committed for the purchase and refurbishment of properties to be used as temporary accommodation to house vulnerable families.
Tatton Park Trading Reserve	128	(128)	0	0	0	The full reserve has been released to the general fund to support the in-year deficit pressure.
ECONOMY AND GROWTH TOTAL	2,777	(662)	(1,004)	(765)	346	

* All 'Additional Drawdown Requests' not forecast as part of MTFS 24-28 are subject to review and are yet to be approved.

Table 7 - Environment and Communities Committee

Reserve Account	Opening Balance 1 Apr 24 £000	Transfers to General Fund £000	Forecast Movement in Reserves £000	Additional Drawdown Requests £000	Forecast Closing Bal 31 Mar 25 £000	Notes
Environment and Neighbourhood Services						
Strategic Planning	568	(281)	(287)	0	0	To meet costs associated with the Local Plan - site allocations, minerals and waste DPD.
Trees / Structures Risk Management	139	(55)	(55)	(29)	0	To help respond to increases in risks relating to the environment, in particular the management of trees, structures and dealing with adverse weather events.
Air Quality	36	0	(17)	(19)	0	Air Quality Management - DEFRA Action Plan. Relocating electric vehicle chargepoint in Congleton.

*Environment and Communities Committee reserves continued overleaf

Table 7 - Environment and Communities Committee Continued

Reserve Account	Opening Balance 1 Apr 24 £000	Transfers to General Fund £000	Forecast Movement in Reserves £000	Additional Drawdown Requests £000	Forecast Closing Bal 31 Mar 25 £000	Notes
Licensing Enforcement	8	0	0	(8)	0	Three year reserve to fund a third party review and update of the Cheshire East Council Tax Licensing Enforcement Policies.
Flood Water Mngmt (Emergency Planning)	2	0	(2)	0	0	Relating to Public Information Works.
Neighbourhood Planning	82	(41)	(41)	0	0	To match income and expenditure.
Spatial Planning - revenue grant	13	(13)	0	0	0	Residual reserve balance has been released to the general fund to support the in-year deficit pressure.
Street Cleansing	22	0	0	(22)	0	Committed expenditure on voluntary litter picking equipment and electric blowers.
ENVIRONMENT AND COMMUNITIES TOTAL	870	(390)	(402)	(78)	0	

* All 'Additional Drawdown Requests' not forecast as part of MTFS 24-28 are subject to review and are yet to be approved.

Table 8 - Highways and Transport Committee

Reserve Account	Opening Balance 1 Apr 24 £000	Transfers to General Fund £000	Forecast Movement in Reserves £000	Additional Drawdown Requests £000	Forecast Closing Bal 31 Mar 25 £000	Notes
Highways and Infrastructure						
HS2	385	(185)	(200)	0	0	To support the Council's committed costs in relation to Government's cessation of the HS2 rail network in borough.
Flood Recovery Works	400	0	(200)	(200)	0	To help the service manage risks such as the impact of adverse weather, specifically flooding or extensive periods where winter maintenance is required.
Highways Procurement Project	104	(20)	(15)	(69)	0	To finance the development of the next Highway Service Contract. Depot mobilisation costs, split over 7 years from start of contract in 2018.
LEP-Local Transport Body	19	0	0	(19)	0	Contribution to LEP transport studies/consultancy. Ongoing working around Transport Legacy issues.
HIGHWAYS AND TRANSPORT TOTAL	908	(205)	(415)	(288)	0	

* All 'Additional Drawdown Requests' not forecast as part of MTFS 24-28 are subject to review and are yet to be approved.

This page is intentionally left blank

OPEN

**Direct Payment – personal assistant
(PA) uplift hourly rate fees**

**Report of: Helen Charlesworth May, Executive Director Adults,
Health and Integration**

Report Reference No: AH/20/2024-25

Ward(s) Affected: All

Purpose of Report

- 1 The purpose of the report is to seek approval to:
 - a) Uplift the direct payment personal assistant (PA) hourly rate paid to those recipients who employ a personal assistant through a direct payment arrangement and continue to align the hourly rate for adults and children direct payments.
 - b) To delegate authority to the Executive Director of Adults, Health and Integration to undertake annual reviews of direct payment personal assistant (PA) hourly fees that will track annual increases to the National Living Wage (NLW) as part of the council's financial planning cycle including authority to make decisions to implement the financial uplifts.
- 2 Increasing the direct payment PA hourly rate aligns to the following priorities within Cheshire East Council's Corporate Plan 2021 – 2025: 'delivering an open and enabling organisation', and 'a council which empowers and cares about people'.
- 3 The All Age Direct Payment Policy was presented to Children and Families Committee on 29th April 2024 and the resolution from Children and Families Committee agreed (minute number 96) to the:

'IMPLEMENTATION OF ALL AGE DIRECT PAYMENT POLICY'

The committee considered the report which sought agreement to implement the All Age Direct Payment Policy.

RESOLVED (unanimously):

That the Children and Families Committee:

1. Agree and instruct officers to implement the 'all age' Direct Payment Policy
2. Agree that any future all age policy/services development decisions around Direct Payments be dealt with by the Adults and Health Committee.

Executive Summary

- 4 To note, Adults DMT and Children and Families DMT have considered and are in agreement for uplifts to the direct payment hourly rates for personal assistants to be implemented. To also note (section 3) that Children & Families Committee resolved unanimously that service development decisions around Direct Payments (including the rate) should be agreed by Adults & Health Committee on behalf of Children and Families (so as to ensure consistency of approach irrespective of age) on 29th April 2024 (minute number 96).
- 5 Direct payments offer choice and control to those residents in Cheshire East who access their personal budget. A direct payment can enhance a resident's quality of life, improve their overall wellbeing, supporting independence and personalisation.
- 6 Currently the direct payment Personal Assistant (PA) hourly rate in Cheshire East is below the NLW rate for 2024/25 and there is no current council policy around reviewing the rate in-line with national annual inflationary increases. An uplift to direct payment PA hourly rate fees would ensure residents who receive a direct payment can meet the cost of their legal employer responsibility of paying as a minimum the NLW and enables the council to meet its statutory duties under the Care Act.
- 7 This report outlines recommendations to increase the direct payment PA hourly rate in Cheshire East, detailing the current approach and the national policy/statutory requirements upon which the recommendations in this report are based.

RECOMMENDATIONS

Adults Health and Integration Committee to approve:

1. To set the direct payment personal assistant hourly rate fee for those residents who employ a personal assistant at £15.31 based on the current NLW.
2. Delegate authority to the Executive Director of Adults, Health and Integration to undertake annual reviews of direct payment personal assistant hourly rates, tracking increases to the NLW and to approve and implement uplifts to the rates alongside the MTFs budget setting process.

Background

National Context

National Minimum Wage / National Living Wage

- 8 Since 2016 The Low Pay Commission have made annual recommendations to the Government on future National Minimum Wage (NWM) requirements.
- 9 The National Living Wage (NLW) is the highest of the NMW rates and since April 2024 this applied to all workers aged 21 years and over¹.
- 10 As of 1st April 2024, the NLW increased to £11.44 per hour, an increase on the previous year of £1.02 per hour. This is the legal minimum hourly wage for workers aged 21 years and over.
- 11 The NLW was introduced in 2016 and in 2019 the Government set a target for the NLW to reach two-thirds of median earnings by 2024 for workers 21 years and over. Historically any changes to the NLW have been announced during the Government's Autumn Statement.
- 12 The Government announced in March 2024 that it intends to maintain the two-thirds median earnings in relation to NLW rates for 2025 and the remit for the Low Pay Commission is to make recommendations on that basis.²
- 13 As at March 2024 the estimated rate for the NLW for 2025 is £11.89 (to meet the aim within a range of £11.61 - £12.18). This would be an increase of 45 pence or 3.9 per cent on the 2024 rate of £11.44. Nationally and locally the impact of staff recruitment and retention in the social care sector is often exacerbated by low pay. Caring is skilled

¹ The National Minimum Wage and Living Wage: Overview - GOV.UK (www.gov.uk)

² [National Minimum Wage and National Living Wage: Low Pay Commission remit 2024 - GOV.UK](http://www.gov.uk)

work and often the social care sector is competing against other employment opportunities, such as the retail sector, that offer improved terms and conditions and other non-pay benefits such as discounts on food. More recently this has been exacerbated by the cost-of-living crisis.

- 14 A survey carried out in 2022 by the Local Government Association (LGA) and TLAP (Think Local Act Personal) highlighted that low pay 'was by far the biggest factor' with recruitment difficulties because people were choosing better paid jobs and made the linked point that people were taking roles with better terms and conditions.
- 15 Research undertaken by the National Institute for Economic and Social Research (NIESR) highlights that increases to the NMW / NLW provides some protection to the lowest paid workers from real-term cuts in wages, rises in inflation and the cost-of-living crisis, with increases to the NLW / NMW having a positive effect on lower income households and the ability to move into work³.

Real Living Wage / Local Living Wage

- 16 The Real Living Wage (voluntary) is the only UK wage based on living costs. In the UK this is £12 per hour and a higher rate of £13.15 in London for 2023/2024. RLW employers implement any increases annually by 1st May. The rates are calculated annually by the Resolution Foundation and overseen by the Living Wage Commission⁴.
- 17 Our neighbouring Local Authority Cheshire West and Chester Council is committed to the Local Living Wage.

Local policy / context

- 18 Direct payments support the personalisation agenda for residents in Cheshire East, and increases capacity across commissioned homecare, and residential care provision through the transfer of commissioned packages of care to care delivered via a direct payment, therefore also creating financial efficiencies by avoiding more expensive care costs.

³ [What Are the Implications of the Rising National Minimum Wage and National Living Wage Rates? - NIESR](#)

⁴ [What is the real Living Wage? | Living Wage Foundation](#)

- 19 There is a wider programme of work currently underway in Cheshire East Council around promoting and further embedding policy and practice around direct payments:
- Implementation of the new 'all age' Direct Payment Policy, launched in July 2024, which sets out a consistent approach to implementing direct payments across adults, adult carers and children and/or those with parental responsibility for a child. An action plan has been developed to support the implementation of the new policy and will be overseen by the Direct Payment Transformation Project Group.
 - Implementation of a digital prepaid card solution for adult direct payments, which will go live in September 2024 (already exists for children and young people).
 - An ongoing targeted direct payment personal assistant recruitment campaign is underway. The aim is to raise awareness of the role of a personal assistant / promoting the flexible employment opportunity and increase the number of personal assistants across the borough. Residents will have choice and control over the care and support they require, with the aim to move away from traditional based home care provision.
 - Collaborative working with the adults commissioned Direct Payment Support Service.
- 20 Currently expenditure is circa £10m for Cheshire East adult direct payments, which includes fees in relation to personal assistants and home care agencies.
- 21 Direct payments are the most cost-effective way of providing support to children with disabilities, who would otherwise in most cases be supported by commissioned agency care to meet their assessed needs. Typically, the hourly rate for such care is in the range £21-28 per hour. Therefore, meeting assessed care needs for the children we can support via Direct Payments is financially advantageous to the Council.
- 22 An MTFs target of £900K has been set for children with disabilities, of which £250K will come direct from Direct Payment savings against the set budget (projected outturn is £950K against a £1.2M budget) and a further £150K per annum is expected to come from Direct Payments recoveries.

- 23 Currently expenditure is approximately £780K per annum on Children's Direct Payments. A net budget of £800K (see para 22 above) would keep overall net spend close to 2023-24 actuals.
- 24 The current direct payment personal assistant (PA) hourly rate is £13.98. The rate was implemented in April 2023 to ensure direct payment recipients could meet their employer responsibilities and were able to pay as a minimum the 2023 NLW rate of £10.42 per hour. However, there has been no agreed uplift to the direct payment PA hourly rate in Cheshire East in line with the national NLW rate increase for 2024/25 to take effect as of 6th April 2024. As a result, direct payment recipients will not be able to meet their obligations as an employer of paying, as a minimum, the NLW.
- 25 Direct payment adult recipients (once a financial assessment has been undertaken) may be required to make a financial contribution to the cost of their care. However, if a direct payment recipient has the necessary financial means and wishes to pay their personal assistant more than the NLW they can do so and pay a top up.
- 26 To note there has been no increase to the direct payment home care fee of £14.20 per hour in Cheshire East since 2016.
- 27 Cheshire East Council currently has a tiered rates approach for commissioned domiciliary care rates; the current average hourly rate for domiciliary care is £22.64 per hour.
- 28 This illustrates the disparities in rates for paid carers between commissioned care and those employed via a direct payment. There is recognition that care providers will have overheads, however, direct payment recipients employing a PA may also have additional costs that must be covered, such as any non-exempt National Insurance, Employers and Public Liability Insurance, income tax, holiday and sick pay contingency and pension contributions.
- 29 To ensure a consist approach to considering and implementing uplifts for care rates in Cheshire East Council, where there is a national requirement to meet the NLW as a minimum rate of pay. It is recommended that an annual review of direct payment personal assistant hourly rate takes place, and increases are tracked to the NLW.
- 30 There is also currently a disparity in direct payment rates for PAs between Cheshire East and the neighbouring authority Cheshire West and Chester Council, where the direct payment rate is currently higher at £17.83 per hour, this is currently under review.

Consultation and Engagement

- 31 No direct consultation or engagement has taken place specifically in relation to direct payment personal assistant hourly rates as this is applicable to financial decision making and financial planning processes.
- 32 As part of the wider consultation and engagement undertaken in relation to the 'all age' direct payment policy and personal assistant recruitment campaign, feedback received from Direct Payment recipients and/or their families highlighted concerns in relation to the hourly rate of pay / frequency of increases (lack of) and the impact this has upon recruitment and retention of PAs.
- 33 The direct payment recipients who employ a personal assistant as part of their direct payment and their personal assistant will be the beneficiary of an uplift to direct payment personal assistant hourly rate.

Reasons for Recommendations

- 34 The recommended options for the uplift to direct payment personal assistant hourly rates is to approve option 2 for 2024/2025 rates and to approve option 3 for an annual review to be undertaken.

Option 2 – to uplift direct payment personal assistant hourly rate to £15.31 per hour based upon the NLW of £11.44 per hour. This would be an overall increase to the current direct payment budgets for:

- Adults - increase of £343,732, an increase of 10%.
- Childrens - increase of £79,786.

This uplift would be backdated with effect from 6th April 2024 in line with the increase to the NLW.

Option 3 – to undertake an annual review of direct payment personal assistant hourly rate in line with NLW announcements, as part of the wider financial planning cycle for uplifts for commissioned care rates.

- 35 This uplift would be funded out of £7.6million growth within the adult social care base budget for 2024/25.
- 36 This uplift would be comfortably within the growth built into Children's social care budget for 2024 – 2025 of 8.8%.
- 37 The recommendations support the strategic aims and objectives of the Council's Corporate Plan 2021 – 2025, to reduce inequalities, promote opportunity for all and support our most vulnerable residents.

38 The benefits of the recommended options are:

- Ensures direct payment recipients are able to meet their obligations as an employer of paying PAs in-line with the NLW rate as a minimum.
- Ensures the council is meeting its duties under Section 5 of the Care Act (2014) around developing an efficient and effective care market (including direct payments) and have regard to ensuring market sustainability.
- Providing a competitive rate of pay for PAs employed through direct payments will improve recruitment and retention rates for PAs in Cheshire East and supports the targeted PA recruitment campaign currently underway. Creating a more sustainable PA workforce will also avoid the potential wider impact of carer breakdown.
- Enables CEC to maintain a competitive rate of pay with our neighbouring borough, which will help to grow the personal assistant market in Cheshire East.
- Ensures a more consistent approach to financial planning for uplifts to care rates in Cheshire East, so that direct payment fees are not considered in isolation i.e., direct payment personal assistant rates are considered in line with other commissioned care rates as part of wider financial planning cycle.
- The ‘all age’ Direct Payment Policy has been agreed by Adults and Health Committee and Children and Families Committee, therefore provides the opportunity to align adult and children direct payment rates.

Options Considered

39 Options considered detailing impact and risk as illustrated below:

Option	Impact	Risk
1. Do nothing – no uplift applied to DP PA rates for 2024/25	<ul style="list-style-type: none"> • Not an option as not legally defensible – council must ensure DP recipients employing a PA pay NLW as a minimum. 	<ul style="list-style-type: none"> • DP recipients unable to meet their employer responsibility of paying in-line with NLW as a minimum. • Reputational damage to the council and

	<ul style="list-style-type: none"> • Difficult to sustain local PA workforce If a more competitive hourly rate is not offered to PAs in Cheshire East they may seek employment elsewhere, reducing the local pool of PAs. • Existing DP recipients may look to commissioned services to meet their care and support needs, which comes at a higher cost to the council 	<p>council is open to legal challenge.</p> <ul style="list-style-type: none"> • Additional pressure on existing adult and children social care budget and domiciliary care provision should packages of care be handed back to commissioned care providers due to no increase to hourly fees for PAs employed through a DP.
<p>2. Uplift Direct Payment Personal Assistant (PA) hourly rates fees for 2024 – 2025 in line with NLW</p>	<ul style="list-style-type: none"> • DP recipient able to pay PA as a minimum NLW, ensuring direct payment recipient meets their employer responsibility. • Providing a competitive rate of pay for PAs employed through direct payments will improve recruitment and retention rates for PAs in Cheshire East • Potential for more recoverable funds due to surplus spend • Ensures the council is meeting it's duties under 	<ul style="list-style-type: none"> • This will require additional investment when there is currently existing pressure on the adult social care budget, particularly as the recommendation is to consider annual uplifts in line with the NLW rate. • If no uplift agreed DP recipients will not be able to meet their employer responsibility of paying PAs in line with NLW.

	<p>Section 5 of the Care Act (2014) around developing and efficient and effective care market (including direct payments) and have regard to ensuring market sustainability.</p> <ul style="list-style-type: none"> • Ensures the council is meeting it's legal duties under the Children Act 1989 and Children & Families Act 2014. 	
<p>3. 2024/2025 onwards – review Direct Payments Personal Assistant (PA) hourly rate fees on an annual basis</p>	<ul style="list-style-type: none"> • Financial cost modelling to be undertaken on an annual basis in line with the government directive around NLW for DP PA rates 	<ul style="list-style-type: none"> • This will require additional investment when there is currently existing pressure on the adult and children social care budget. • If no uplift agreed in line with NLW, DP recipients will not be able to meet their employer responsibility of paying PAs in line with NLW.
<p>4. Uplift Direct Payment Personal Assistant (PA) hourly rates in line with Cheshire West and Chester Council rate of £16.30 (2023/24 rate)</p>	<ul style="list-style-type: none"> • Competitive rate with neighbouring authority • Providing a competitive rate of pay for PAs employed through direct payments will improve recruitment and retention rates for 	<ul style="list-style-type: none"> • This will require additional investment when there is currently existing pressure on the adult social care budget, particularly • Additional pressure if Cheshire West

	<p>PAs in Cheshire East</p> <ul style="list-style-type: none"> • Ensures the council is meeting it's duties under the Care Act (2014) around market development and sustainability. • Ensures the council is meeting it's legal duties under the Children Act 1989 and Children & Families Act 2014. 	<p>and Chester Council increase rate above 2023/24 rate</p>
--	--	---

Implications and Comments

Monitoring Officer/Legal

- 40 The Care Act 2014 places a duty on local authorities to facilitate and shape the whole publicly funded and self-funded care and support market. Legislation requires authorities to provide choice that delivers outcomes and improves wellbeing. Relevant features of the Care Act 2014 include obligations such as:
- Promoting efficient and effective market in services to meet care and support needs.
 - Ensure sustainability of the market, and sufficient services are available to meet the care and support needs in its area.
- 41 The Care Act 2014 requires local authorities to meet a person's eligible needs for care and support (s18 Care Act 2014) which can be met through direct payments to the individual if requested and subject to certain conditions.
- 42 The current hourly rate for direct payment personal assistants is below the NLW. Although the Council is not in breach of minimum wage

regulations itself (as it is not the employer of the personal assistants), a failure to uplift the hourly rate means residents would be unable to meet their legal obligations to pay NLW out of the direct payments made to them. This could result in legal challenge against the resident and/or additional financial pressure due to meeting increased costs themselves.

- 43 In addition, if there was a shortfall in the cost in the market for a Personal Assistant compared with what the local authority agrees to pay it would have to be able to show that the service could be purchased for that price. The Personal Budget is the mechanism that, in conjunction with the care and support plan, or support plan, enables the person, to exercise greater choice and take control over how their care and support needs are met (Paragraph 11.3 Care and support statutory guidance.) Failure to uplift the rate to a level sufficient to provide individuals with a choice of how to receive their care could put the Council at risk of a Judicial review and also at risk of a breach of the Council's statutory duty under s18 of the Care Act 2014
- 44 Failure to increase the hourly rate for direct payment personal assistants could also lead to be reputational damage to the Council.
- 45 The NLW is set by Government on an annual basis and this means that the Council's direct payments fee will need to be reviewed annually alongside the MTFS budget setting process to ensure that provision is made in the budget to meet the increased payments. In order to ensure that decisions are being made at the correct level, the report proposes that future annual reviews be carried out by the Executive Director of Adults, Health and Integration, including implementation. This includes the decision to set the revised fee which, given the sums involved, meets the threshold of a significant decision as set out in the Council's Constitution.

Section 151 Officer/Finance

- 46 The options under consideration can be afforded from within the Council's existing Medium Term Financial Strategy (MTFS) which continues to reflect the financial impact of both increasing prices and increasing costs, the latter through both the changing demographics and growth in complexity of service users being supported within the Borough.
- 47 In agreeing an uplift to the Direct Payment hourly rates to reflect the recent increase to NLW, full consideration should be given to both the current financial position of the Adult Services department and also, the wider Council position as it embarks on a transformation process which

initially at least, is focussed on achieving financial recovery (for example, a replenishment of current depleted reserves).

Policy

48 The Corporate Plan sets the policy context and are aligned to:

An open and enabling organisation

Listen, learn and respond to our residents' promoting opportunities for a two-way conversation

A council which empowers and cares about people

Reduce health inequalities, work with residents and partners to support people and communities to be strong and resilient

Equality, Diversity and Inclusion

49 An Equality Impact Assessment (EIA) has not been completed as part of this report.

Human Resources

50 Any HR implications that arise will be dealt with on an individual basis for those who employ a PA.

Risk Management

51 Risk management will be measured through adult social care and reported and escalated through the appropriate channels including Commissioning SMT and Adults DLT.

Rural Communities

52 An uplift to the Direct Payment Personal Assistant (PA) rate will support people across all communities in Cheshire East including those in rural communities.

Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)

53 The uplift applies to children from the above group with eligible social care needs determined by a social care assessment, under the Children Act 1989, Children & Families Act 2014, and Chronically Sick and Disabled Persons Act 1970.

Public Health

- 54 The policy aligns with the Joint Health and Wellbeing Strategy / Place Plan priorities:
1. Cheshire East is a place that supports good health and wellbeing for everyone
 2. Our children and young people experience good physical and emotional health and wellbeing
 3. The mental health and wellbeing of people living and working in Cheshire East is improved
 4. That more people live and age well, remaining independent; and that their lives end with peace and dignity in their chosen place
- 55 Direct payments can provide greater independence, choice and control for residents, and have a positive impact on the individual's health and wellbeing for residents accessing their personal budget as a direct payment in Cheshire East.

Climate Change

- 56 Any climate change implications that arise will be dealt with in individual reports to which they relate.

Access to Information	
Contact Officer:	Sharon Brissett, Project Manager Sharon.brissett@cheshireeast.gov.uk Danielle Brooks, Service Manager Danielle.brooks@cheshireeast.gov.uk Martyn Baggaley, Head of Commissioning, Children, Families & Complex Needs – Cheshire East Council/Cheshire East Place NHS ICB Martyn.baggaley@cheshireeast.gov.uk
Appendices:	None
Background Papers:	Cheshire East Corporate Plan 2021 – 2025

OPEN

Adults and Health Committee

23 September 2024

**Better Care Fund Section 75 agreement
2024-25 & 2025-26**

Report of: Helen Charlesworth-May, Executive Director – Adults, Health and Integration

Report Reference No: AH/16/2024-25

Ward(s) Affected: All wards

Purpose of Report

- 1 This report requests approval to enter into a new Section 75 Agreement for one year, between Cheshire East Council and Cheshire and Merseyside ICB from 1 April 2024 until 31 March 2025. With the possibility of an extension for the period of an additional year from 1 April 2025 until 31 March 2026.
- 2 This report supports the strategic aim of the council's Corporate Plan 2021- 25 to empower and care about people. The schemes which form part of the BCF Section 75 Agreement support these specific actions noted in the corporate plan: 'To prioritise home first for patients discharged from hospital. Where possible patients are discharged to a home of their choice and that vulnerable and older people live safely and maintain independence within community settings.' The Health and Care Act 2021 sets out reforms with the intention of delivering a more integrated provision for health and social care.

Executive Summary

- 3 The government provides funding to local authorities each year which is targeted at encouraging integration, by requiring ICB's and local authorities to enter into pooled arrangements and agreeing an integrated spending plan. Those arrangements are known as 'S75 Agreements', and the money is provided from the ring-fenced Better Care Fund (BCF) which was launched in 2015.
- 4 The current Section 75 Agreement expires on 31 March 2024, and the council and the ICB therefore need to enter into a new agreement from

1 April 2024, in order to secure continued collaborative delivery of services under the BCF umbrella and access the available funding. This report seeks that pooled funding and current arrangements detailed in the Section 75 Agreement are extended.

RECOMMENDATIONS

The Adults and Health Committee is recommended to:

1. Authorises the council to enter into a new Section 75 Agreement with Cheshire and Merseyside ICB for a period of one year from 1 April 2024, for the council's minimum required budget, together with the option to extend that agreement for a further period of one year (subject to there being a national requirement to operate the Better Care Fund as a Section 75 pooled budget agreement until 31 March 2025).
2. Delegates authority to the Executive Director of Adults, Health and Integration (in consultation with the Director of Governance and Compliance) to agree the terms of the Section 75 Agreement.
3. Delegates authority to the Executive Director of Adults, Health and Integration (in consultation with the Director of Governance and Compliance) to extend the Agreement for 2025/26.
4. Authorises the Director of Finance and Customer Services to continue with pooled budget arrangements for 2024/25 for the council's revised minimum requirement.
5. Approves that the services identified in the appendix 2 can be considered and reviewed with the potential that they are included in the Better Care Fund Section 75 Agreement.

Background

- 5 This report follows a previous report which was considered at Adults and Health Committee on the 28/03/2022 which gave approval for the section 75 agreement for 2022/23 and delegated approval for 2023/24.
- 6 Today, people are living much longer, often with highly complex needs and multiple conditions. These needs require ongoing management from both health and care services, which combine both the medical and social models of care.

- 7 As our population ages and the financial pressures on the health and care system increase, we need to be better at providing proactive, preventative care in community settings, so that people can be supported to live at home for longer and avoid the need for commissioned health and care services.
- 8 Due to increasing health inequalities, increasing older populations and demand on services, the NHS Long Term Plan highlights the need to focus on prevention, which is reflected within our commissioning intentions in Cheshire East via the 5 Year Plan. The NHS Long Term Plan sets out new commitments for action that the NHS itself will take to improve prevention. The extra costs to the NHS of socioeconomic inequality have been calculated as £4.8 billion a year in greater hospitalisations alone. A key indicator for success in Cheshire East identified within the 5 Year Plan is to 'Improve health related quality of life for older people'.
- 9 **Narrative update from 23-25 plan**
- 10 The BCF plan and priorities have been developed in collaboration with system partners and stake holders from Cheshire East Council Adult Social Care, Mental Health services, NHS Trusts, Integrated Care Board , Housing and Third Sector to ensure our plans are aligned across our organisations to support delivering the agreed shared priorities with our stakeholders to shape the way we deliver our agreed priorities.
- 11 Discharge performance data has been gathered from the Business Intelligence teams from Cheshire East Council and NHS Trusts who undertake performance reviews and attend the BCF governance group.
- 12 Finance colleagues from the Local Authority and Integrated Care Board have been instrumental in the agreed funding allocation for the various schemes. The Cheshire East Health and Wellbeing Board (HWB) retains responsibility for governance and oversight of the Better Care Fund.
- 13 **Better Care Fund plan priorities**
- 14 Over the last twelve months Cheshire East system partners, including members of our operational teams have worked extensively to design, deliver and adopt an ambitious Home First model of support.
- 15 The whole Health and Social Care system, voluntary organisations and the faith sector have continued to develop trusted working relationships ,supporting people and building person centred support packages of care in partnership with the person and their support circles.

- 16 This Home First programme has continued to develop a care and support model that responds at the point of crisis, to offer more care at home and ensure we have the right amount and right type of resource to provide timely access to advice, treatment and support to help people spend more time in the place they call home, either by preventing an admission to hospital or supporting people to be discharged as soon as possible via the correct pathway.
- 17 Key priorities for the BCF plan are:
1. Integrated 'Transfer of Care Hubs' will be the single route for arranging timely discharges for people leaving hospital via Pathway 1 to 3 and will facilitate access to support arrangements for those that require it.
 2. To develop a community prevention model of support that supports people to remain at home and prevent a hospital admission
 3. Ensure there is sufficient community reablement provision to maximise the amount of people who are able to remain at home.
 4. To ensure there is sufficient capacity across the system that continues to manage the ongoing demand to meet the needs of people.
- 18 The BCF provides a mechanism for improved joint health and social care planning and commissioning, bringing together ring-fenced budgets from Clinical Commissioning Group allocations, the Disabled Facilities Grant and funding paid directly to local government for adult social care services, which is known as the 'Improved BCF'.
- 19 Locally the BCF Governance Group has responsibility for oversight and responsibility for reviewing the delivery of the Section 75 Agreement. The BCF is hosted by Cheshire East Council and the BCF Governance Group is chaired by Cheshire East Council. The BCF Governance Group is also used to produce and coordinate the following: BCF Plan, end of year report, identifying and designating areas where funding can help meet pressures and metric performance requirements. In addition to this the BCF Governance Group will also monitor performance, make decisions where appropriate, and implement any requirements as identified by the national Better Care Team.
- 20 Schemes which form part of the Better Care Fund are shown in Appendix 2.

Consultation and Engagement

- 21 Consultation and engagement with the ICB through the BCF Governance Group has taken place and will continue to take place.

- 22 BCF end of year report for 2022/23 signed off at HWB - Agenda for Cheshire East Health and Wellbeing Board on Tuesday, 27th June, 2023, 2.00 pm | Cheshire East Council
- 23 BCF plan for 2023/25 signed off at HWB – <http://modern.gov.cheshireeast.gov.uk/ecminutes/ieListDocuments.aspx?CId=739&MId=9794&Ver=4>

Reasons for Recommendations

- 24 This report supports the strategic aim of the council's Corporate Plan 2021- 25 to empower and care about people. The schemes which form part of the BCF Section 75 Agreement support these specific actions noted in the corporate plan: 'To prioritise home first for patients discharged from hospital. Where possible patients are discharged to a home of their choice and that vulnerable and older people live safely and maintain independence within community settings.'
- 25 A further Section 75 Agreement will enable the services which sit within the BCF to continue to operate seamlessly.
- 26 One of the conditions of the BCF grant funding is that the local authority and ICB have a pooled budget, whereby both parties contribute funds, but the host authority accounts for the money for individual schemes where they are responsible.

Other Options Considered

- 27 No other options have been considered; we have to put in place a new Section 75 Agreement if the council is to continue to access the BCF, as this is a statutory requirement.

Implications and Comments

Monitoring Officer/Legal

- 28 Under Section 75 of the National Health Service Act 2006, NHS bodies may enter into arrangements with local authorities in relation to NHS functions and the health functions of local authorities. 8.1.2. S141 of the Care Act 2014 provides for the BCF Pooled Funds to be held under and governed by an overarching Section 75 National Health Service Act 2006 Partnership Agreement. 8.1.3. The council may therefore enter into an agreement with NHS Cheshire Clinical Commissioning under Section 75 of the NHS Act 2006 or renew an existing agreement.
- 29 Legal assisted with the drafting of the previous year's Section 75 agreement. It is understood that the agreement is captured within a standard format, legal will review the proposed Section 75 agreement and its terms for the period of 2024/2025.

Section 151 Officer/Finance

- 30 As the council works towards further integration with its health partners over coming years, any extension of pooled budget arrangements and in turn, the Section 75 Agreements needed to support these arrangements, will be subject to the usual council governance procedures prior to approval.

Policy

- 31 All partners within Cheshire East are committed to maximising the opportunities afforded via the BCF to further integrate health and social care, to promote health and wellbeing and improve the health outcomes of the local population. 8.3.2. The BCF and Improved BCF will be used to target those areas identified as requiring immediate improvement to enable more people to remain independent and effectively cared for in the community, care in the community as an appropriate alternative to hospital admission, and to support the timely discharge of anyone who is admitted to hospital with a focus on Home First.

<p>An open and enabling organisation</p> <p>(Include which aim and priority)</p>	<p>A council which empowers and cares about people</p> <p>(Include which aim and priority)</p>	<p>A thriving and sustainable place</p> <p>(Include which aim and priority)</p>
--	--	---

Equality, Diversity and Inclusion

- 32 As the leaders for our local health and social care economy, all BCF partners in Cheshire East are conversant and compliant with the Equality Act 2010.

Human Resources

- 33 There are no direct implications for any Cheshire East Council employees.

Risk Management

- 34 There is no guarantee that improved BCF will continue to be available in future years. This risk to funding has been noted and recorded in the corporate risk register. 8.6.2. Partners recognise that the broad range of schemes and initiatives funded through the Better Care Fund require flexibility to enable an effective approach to be taken on specific issues, rather than adopting universal approaches. OFFICIAL 8.6.3. Where any

element of an individual scheme (funded through the Better Care Fund) overspends the funding allocated to it in the agreed Scheme Specification, the lead commissioner responsible for that element of the scheme will be required to provide additional funding in order to off-set the amount by which that element of the scheme is overspent.

Rural Communities

35 There are no direct implications for rural communities.

Public Health

36 There are no direct implications for public health.

Climate Change

37 Cheshire East Council published its Environment Strategy for the period 2020-24. The strategy includes the following notions: sustainable purchasing, waste reduction and sustainable transport. The aim of the schemes included within the BCF aim to keep people as independent as possible. A number of schemes involve the efficient use of the commissioning and delivery of resources which includes care sourcing (Improved BCF), reablement services (BCF) and care at home services (older people joint commissioning). The aim of the BCF is to bring about greater integration of health and social care services, the outcome of this integration will contribute to waste reduction.

Access to Information	
Contact Officer:	Alex Jones, Better Care Fund Programme Lead Alex.t.jones@cheshireeast.gov.uk
Appendices:	Appendix 1 – overview of BCF finances Appendix 2 – schemes which form part of the Better Care Fund
Background Papers:	Better Care Fund Policy Framework https://www.gov.uk/government/publications/better-care-fund-policy-framework-2023-to-2025/2023-to-2025-better-care-fund-policy-framework

Appendix 1 – overview of BCF finances

Running Balances	2024-25		
	Income	Expenditure	Balance
DFG	£2,554,801	£2,554,801	£0
Minimum NHS Contribution	£32,094,566	£32,094,566	£0
iBCF	£8,705,870	£8,705,870	£0
Additional LA Contribution	£550,000	£550,000	£0
Additional NHS Contribution	£182,860	£182,860	£0
Local Authority Discharge Funding	£2,034,249	£2,034,249	£0
ICB Discharge Funding	£3,297,743	£3,297,743	£0
Total	£49,420,088	£49,420,089	-£1

Required Spend

This is in relation to National Conditions 2 and 3 only. It does NOT make up the total Minimum ICB Contribution (on row 33 above).

	2024-25		
	Minimum Required Spend	Planned Spend	Under Spend
NHS Commissioned Out of Hospital spend from the minimum ICB allocation	£9,120,365	£22,475,652	£0
Adult Social Care services spend from the minimum ICB allocations	£9,237,025	£9,889,815	£0

Appendix 2 – schemes which form part of the Better Care Fund

Scheme ID	Scheme Name	New/ Existing Scheme	Updated Expenditure for 2024-25 (£)
1	Approved Mental Health Professionals Cover, evenings & weekends for ECT and MCHFT	Existing	£85,000
2	Assistive Technology & Gantry Hoists to reduce double handling care packages	Existing	£50,000
3	Care at Home Investment Increase	Existing	£2,034,249
4	Home First Occupational Therapist	Existing	£126,000
5	Hospital Discharge Premium Payment & Prevention Scheme	Existing	£125,000
6	Increase General Nursing Assistant Capacity care at home via CCICP	Existing	£133,000
7	Mental Health Reablement – Rapid Response Service	Existing	£90,000
8	Integrated Community for the Community and Discharge Support Team	Existing	£120,000
9	Transfer of Care Hub, Nurses and additional Social Workers to support discharges out of ED and out of hospital	Existing	£300,000
10	iBCF Care at home hospital retainer	Existing	£49,896
11	iBCF Rapid response	Existing	£647,328
12	iBCF Social work support	Existing	£505,613
13	iBCF Enhanced Care Sourcing Team (8am-8pm)	Existing	£870,000
14	iBCF General Nursing Assistant (within BCF Early Discharge scheme (with BRC)	Existing	£332,640
15	iBCF Improved access to and sustainability of the local Care Market (Home Care and Accommodation with Care)	Existing	£6,300,393
16	BCF Disabled Facilities Grant	Existing	£2,554,801
17	BCF Assistive technology	Existing	£757,000
18	BCF British Red Cross 'Support at Home' service / Early Discharge	Existing	£486,651
19	BCF Combined Reablement service	Existing	£5,372,663
20	BCF Carers hub	Existing	£389,000
21	BCF Programme management and infrastructure	Existing	£541,801
22	BCF Winter schemes ICB	Existing	£500,000
23	BCF Home First schemes ICB	Existing	£19,973,121
24	BCF Carers hub	Existing	£324,000
25	BCF Community Equipment service	Existing	£550,000
26	BCF Community Equipment service	Existing	£2,231,630
27	VCFSE Grants	Existing	£182,860
28	Spot purchase beds and cluster model	Existing	£1,200,000
29	Practice Development Nurse	Existing	£58,708
30	Care communities	New	£500,000
31	AED in reach	New	£220,584
32	Residential care home competence nurse	New	£48,451
33	Community Support Connectors In TOCH	New	£241,000
34	Adult social workers linked to safeguarding replacing safeguarding board	New	£496,717
35	Proportionate care	New	£135,134

36	Handyperson	New	£177,000
37	HomeFirst social work support	New	£174,136
38	Reablement	New	£420,000
39	Advice and signposting self-fund care	New	£83,281
40	Adult Contact Teams Service	New	£32,432

OPEN

BRIEFING REPORT

Adults and Health Committee

23 September 2024

CQC Assurance Briefing

Report of: Helen Charlesworth - May, Executive Director, Adults, Health and Integration

Report Reference No: AH/19/2024-25

Purpose of Report

- 1 This report is intended to update the Adults, Health and Integration Committee on the Council's preparations for a local authority assurance visit by the Care Quality Commission (CQC). This is likely to be before the end of the current financial year.
- 2 Legislative changes mean that adult social care services are subject to external scrutiny by a regulatory body for the first time in over a decade. The CQC will rate the extent to which it considers that Cheshire East Council is fulfilling its statutory duties in relation to Part 1 of the Care Act 2014.
- 3 To assure the Adults, Health and Integration Committee that there is a dedicated team (Reform, Assurance and Development) in place to proactively respond to this area of work.

Executive Summary

- 4 The Health and Care Act 2022 introduced a new duty for the CQC to assess local authorities' delivery of their adult social care functions under part 1 of the Care Act 2014. The process known as 'local authority assurance' commenced in April 2023. When introduced it was anticipated that all local authorities would go through this process by April 2025.
- 5 The local authority assurance process begins when a local authority receives a notification letter from the CQC. Following receipt of this letter, each local authority is expected to submit a predetermined Information Return (IR) through a secure CQC portal within a 3-week timeframe. What follows is a period of desktop analysis by CQC, this includes, but is not limited to, publicly available

information and data returns produced over the past 12 months by the local authority, and some discussion with providers and people who use and access services, prior to the local authority receiving 6-8 weeks' notice of an onsite visit.

- 6 No date is given at the time of the notification for the onsite visit. From the experience of other local authorities, we know that this is likely to take place between 4 and 6 months following the notification. The onsite visit is likely to involve a CQC team of 10 people who will be onsite for approximately 4 days. During the onsite visit, the CQC will meet with a variety of individuals, including elected members, focus groups and are also likely to select community services to visit off site. Following the onsite visit CQC will publish a draft report and a rating for each of the 4 themes in what is known as the Single Assessment Framework (SAF). The draft report will be discussed with the Executive Director of Adults, Health and Integration and will then be subject to an internal CQC moderation process before being published as a final report.

Recommendations

- 7 Papers to be regularly brought to the Adults and Health Committee between now and the onsite visit for update and scrutiny.
- 8 A monthly briefing for members to be established to provide insight into our preparation, whilst ensuring check and challenge. This will include representatives from each group represented on the Committee.

Background

- 9 The statutory duties of adult social care services are set out in Part 1 of the Care Act 2014. The legislation places a duty on councils to support and promote the wellbeing and independence of working age disabled adults and older people, and their unpaid carers and gives them more control of their care and support.
- 10 CQC annual assessments of local authorities were abolished by the government in 2010, and as such the CQC stopped conducting inspections of adult social care services, which then focused primarily on adult safeguarding. After 2010, local authorities participated in 'sector-led improvement' on a regional and national basis involving teams of local authority managers conducting peer reviews of other local authorities either through the Local Government Association (LGA) or the regional networks of Associations of Directors of Adults Social Services (ADASS).
- 11 The 'People at the Heart of Care' white paper, published in December 2021, detailed proposed reforms to adult social care and health, and social care more broadly, with a particular focus on integration of health and care services.
- 12 The subsequent Health and Care Act 2022 placed a duty on the CQC to assess local authorities' delivery of their adult social care functions under part 1 of the Care Act 2014. It also gave the Secretary of State power to intervene in failing local authorities.

- 13 In response to the Health and Care Act 2022, the CQC introduced a new 'Single Assessment Framework' (SAF) in July 2022. The SAF unifies assessment approaches for all health and care organisations in England to make assessment simpler, more dynamic, and more evidence led. This includes care providers, whether run by local authorities or private and third sector providers, who have been continually assessed by the CQC since 2010.
- 14 The Single Assessment Framework maintains some aspects of previous CQC assessment frameworks including rating health and care organisations based on their quality, from outstanding to inadequate, and the five key questions, whether health and care organisations are safe, effective, caring, responsive to people's needs, and well-led.
- 15 The Single Assessment Framework replaces the old key lines of enquiry (KLOEs) and prompts with nine new 'quality statements' organised into four themes. These are referred to as 'we statements' as they're written from the perspective of the organisation being assessed and 'I' statements written from the perspective of people who use and access adult social care services. They draw on previous work developed with Think Local Act Personal (TLAP), National Voices and the Coalition for Collaborative Care on Making it Real.
- 16 The Single Assessment Framework also aims to improve consistency of assessment by highlighting six categories of evidence inspectors will collect: people's experiences, feedback from staff and leaders, observations of care, feedback from partners, processes, and outcomes of care.
- 17 In April 2023, the CQC announced that all local authorities would be subject to an assurance visit by April 2025. There followed a programme of pilot assessments between April 23 and September 23 in six local authorities, the results of which were evaluated prior to the widescale roll out of the programme.

Briefing Information

- 18 On 12 August 2024 Cheshire East received formal notification of a CQC assurance visit and are one of six local authorities in the North West to be notified. On receipt of the notification, the local authority had three weeks to submit an Information Return to the CQC portal. This includes a Self-Assessment of the local authority's position in relation to the four themes of the Single Assessment Framework and nine quality statements. Cheshire East completed this information within the required timeframe.
- 19 At this stage we have no indication of the date of the onsite visit but anticipate that this will take place between four and six months of the notification (based on national trends). In any event, we will have six to eight weeks' notice of the date of the commencement of the onsite visit.
- 20 During the period between the submission of the Information Return and the onsite visit, the CQC will undertake analysis of publicly available data in relation to Cheshire East and will contact our providers and partner agencies. At the point of informing us of the date of the onsite visit the CQC will also request an anonymised list of 50 people who have used or have accessed services within

the past 12 months. From this list, CQC will select 10 individuals to contact to discuss their experience (having obtained consent) and will request specific documentation from the local authority.

- 21 The Reform, Assurance and Development team collated data for the information return and are a single point of contact for the purpose of CQC local authority assurance. The team will coordinate the CQC on site visit in conjunction with the Executive Director of Adults, Health and Integration and the Directorate Management Team. The onsite visit will include focus groups with staff, providers, elected members and experts by experience. Prior to the onsite visit, the CQC will request a set up meeting with the Executive Director of Adults, Health and Integration and there will be an opportunity to highlight the strengths of Adult Social Care, Health and Integration, in addition to the areas of improvement that we are already working on as part of the wider Council's Transformation Plan.
- 22 Reports are emerging on the CQC website of local authorities who have gone through this process and the ratings attributed to them. [Local authority assessments - Care Quality Commission \(cqc.org.uk\)](https://www.cqc.org.uk/local-authority-assessments)
- 23 There is a communication plan in place which includes regular updates with the Chair and Vice Chair of the Adults Health and Integration Committee.
- 24 The Adults, Health and Integration Committee will be advised of the date of the onsite visit when this is known.

Implications

Monitoring Officer/Legal

- 25 The CQC local authority assurance process links directly to an assessment of how well the local authority is meeting its statutory responsibilities under Part 1 of the Care Act 2014. The Health and Care Act 2022 provides the Secretary of State with powers of intervention in local authorities who are deemed to be 'inadequate'.

Section 151 Officer/Finance

- 26 There are no financial implications associated with the CQC local authority assurance process attributable to Cheshire East.

Policy

- 27 CQC local authority assurance relates to "A Council which empowers and cares about people" and relates to both Cheshire East residents and staff.

Equality, Diversity and Inclusion

- 28 Equality, Diversity and inclusion are central themes that run through the CQC local authority assurance process. An Equality Impact Assessment is not appropriate at this stage of the process.

Human Resources

29 There are no human resources implications associated with this process other than allowing staff time to attend focus group discussions with the CQC.

Risk Management

30 The CQC assurance process includes a review of the management of risk.

Rural Communities

31 CQC assurance process includes a review of equity and experience in outcomes. Access to information, advice, and services by those who live in rural communities will be taken into account as part of this process.

Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)

32 The CQC assurance process will include a review of the transition of young people between Childrens and Adult Social Care Services, particularly in respect of Preparing for Adulthood.

Public Health

33 Individual wellbeing is central to the Care Act 2014. Additionally, one of the CQC Quality Statements relates to equity and experience in outcomes. The Public Health team have been actively involved in the preparing for the CQC assurance process. It is anticipated that there will be a positive impact on the health and wellbeing of Cheshire East residents.

Climate Change

34 There is no direct impact on climate change.

Access to Information	
Contact Officer:	Sheila Wood. Head of Improvement and Assurance Adult Social Care Operations sheila.wood@cheshireeast.gov.uk
Appendices:	None.
Background Papers:	Presentation - CQC Assurance update – 23 Sept 24 Local authority assessments - Care Quality Commission (cqc.org.uk)

This page is intentionally left blank

OPEN

Adults and Health Committee

Monday, 23 September 2024

Falls Prevention Strategy Update

Report of: Helen Charlesworth-May, Executive Director – Adults, Health and Integration

Report Reference No: AH/07/2024-25

Ward(s) Affected: All Wards

Purpose of Report

- 1 This report presents an overview of recent work stemming from the falls prevention strategy in Cheshire East. The strategy aims to reduce risk of falls amongst residents aged 65 and over, thus supporting people to live independently.

Executive Summary

- 2 A significant number of older adults in Cheshire East experience falls annually, leading to hospitalisations and adverse health outcomes.
- 3 Falls are influenced by a range of factors, including medical conditions, and environmental hazards.
- 4 Work on the strategy is managed via a Cheshire East Falls Prevention Group. Actions have encompassed the recommissioning of One You Cheshire East, improved falls risk assessments, an annual falls awareness week and other communications actions.

RECOMMENDATIONS

Adult and Health Committee is recommended to:

1. Endorse continuing work on the strategy and action plan to help reduce falls amongst older people in Cheshire East.

Background

- 5 Falls are an important public health concern in Cheshire East, with a significant number of older adults (aged 65+) experiencing fall related injuries annually. Approximately, 2,145 individuals in this age group were admitted to hospital as a result of falls in 2022/23 ¹. The prominence of this issue is only likely to rise due to the ageing population.
- 6 The consequences of falls can be severe, including fractures, pain, increased fear of falling, social isolation, frailty, and greater reliance on health and social care services (including residential care) ².
- 7 Falls are a complex challenge to address due to the multitude of factors which can lead someone to fall. These include visual impairment, medical conditions, use of multiple medications and age. It also encompasses many wider determinants of health such as the condition of housing, education (linked to health literacy) and social isolation.
- 8 The Cheshire East falls prevention group meets every 6-8 weeks to discuss the issue of falls. Representatives include those from Healthwatch, Mid-Cheshire Hospital Trust, East Cheshire Hospital Trust, One You Cheshire East, Cheshire and Merseyside Integrated Care Board and Cheshire East Council. Oversight and development of a falls action plan forms much of the work of the group.
- 9 A falls prevention strategy was developed by the group last year to address this challenge. This has the vision of, “preventing and reducing the impact of falls to enable people in Cheshire East to live independently for longer”. This is complemented by a series of aims which are: to identify those at risk of falling; help individuals at risk through the provision of evidence-based services and support; and to assist individuals who do fall to reduce the risk of this happening again.
- 10 Work has progressed in a number of different ways since the strategy was developed. This has included recommissioning the One You Cheshire East service which includes the provision of an evidence-based falls prevention programme to reduce the risk of falls. As part of this, programme capacity has been increased to a maximum of 960 places. These classes will be delivered in community settings across the Borough. Access by rural communities is also an area of particular focus. The new contract will commence in November 2024.

¹ Public Health Outcomes Framework, Office for Health Improvement and Disparities

² Institute of Medicine (US) Division of Health Promotion and Disease Prevention; Berg RL, Cassells JS, editors, Washington (DC): National Academies Press (US); 1992., <https://www.ncbi.nlm.nih.gov/books/NBK235613/>

- 11 A new 'Steady on Your Feet' website is due to be launched in September which will provide specialist advice to residents over reducing falls risk. It will also include a section specifically for professionals to increase knowledge of and referrals to local services.
- 12 Work has taken place by two local falls leads based within the acute trusts, to improve local practice on risk assessments for falls. This has ensured that practice by clinical professionals accords with the latest evidence, increasing the likelihood of positive impact. Of additional note, is that training is due to take place by the leads in residential homes to reduce falls in this setting. This will supplement other work that has taken place including use of ICB funding to provide assistive technology devices to care homes to prevent falls.
- 13 Cheshire East is one of the few north-west places which regularly runs a falls awareness week. This year talks will take place in a number of settings such as extra care housing about active ageing and avoiding falls. A communications campaign will also be run for this, including a press release, social media message by the Council and partners and correspondence with local stakeholders.
- 14 The Council has previously produced a popular falls prevention booklet in conjunction with Cheshire West and Chester Council, which provides advice on falls and details of local services and is especially helpful to older residents without IT access. Work is underway to refresh this document and a new version will be produced once this work is completed.
- 15 Emergency hospital admissions from falls in those aged 65 and above have reduced in the last three years in Cheshire East. This is in line with the England average. The pandemic is also likely to have influenced the falls rate, for instance, due to reduced reporting of falls and diminished attendance at falls prevention classes, although the precise impacts are complex ³.
- 16 Community equipment and assistive technology is also commissioned by the Council to reduce the risk of falls. Service development work continues to take place on these to enhance their preventative benefit whilst also ensuring value for money.
- 17 Having a measurable impact in the short term, across a whole population is challenging. This means that individual indicators can be the best way to understand progress. Examples include:

³ James Frith, Dawn A Skelton, The impact of the COVID-19 pandemic on falls and fractures, 4 years on, are we any further forward?, *Age and Ageing*, Volume 53, Issue 6, June 2024, afae110, <https://doi.org/10.1093/ageing/afae110>

- Provision of OTAGO falls prevention classes under the One You Cheshire East service. 627 people attended these classes in the last 12 months, with around 80% achieving improved strength and balance. A sample of 90 participants were recently surveyed. This established that six months after completing the programme: 12% had experienced one fall; 13% two falls; 7% three or more falls. It is important to note that participants must meet eligibility criteria to access the programme which identifies that they have a high risk of falling in the future.
- 295 evidence-based risk assessments have also been conducted of residents in the Borough in the last twelve months including those presenting at A&E. Support encompassed medication, home hazards, community equipment as well as vision.
- 156 pledges were made by local residents during falls awareness week around actions they would take to reduce their falls risk. This resulted from a series of drop-in sessions run at medical practices across the Borough where a mini-risk assessment was conducted with relevant patients.
- Around 10,000 falls awareness leaflets have also been distributed over time to older people via partners.

Consultation and Engagement

- 18 A number of measures were taken to develop the strategy. This included: surveys of local residents, discussion with residents at older people's/falls groups and co-production of the strategy contents at the Cheshire East falls prevention group. A briefing was also held with Members to inform the approach.
- 19 Partnership work on implementation of the strategy continues to take place at the Cheshire East falls prevention group which meets regularly.
- 20 Production of the falls element of the new One You Cheshire East service took place via a working group made up of a range of professionals. Engagement also took place over the approach via focus groups and 1-1 interviews with older people.

Reasons for Recommendations

- 21 Falls are unfortunately relatively common amongst older people, with more than one in three of those aged 65+ sustaining a fall each year. Continued partnership work on falls prevention is the best way to successfully tackle this problem, given that the causes of falls are numerous and span primary and secondary healthcare and public health responsibilities.

Other Options Considered

Option	Impact	Risk
Do nothing	The issue of falls will be tackled haphazardly	-That the prevalence of falls increases locally thus increasing pressure on social care and health service

Implications and Comments

Monitoring Officer/Legal

- 22 Having reviewed this report and noting the contents there are no matters or issues that from a legal perspective require to be drawn to the attention of the committee.

Section 151 Officer/Finance

- 23 Any expenditure related to the falls strategy and action plan will take place within existing budgets, which have been previously agreed under the Medium-Term Financial Strategy.

Policy

An open and enabling organisation	A council which empowers and cares about people	A thriving and sustainable place
Promote and develop the services of the council through regular communication and engagement with all residents	Reduce health inequalities across the borough	

Equality, Diversity and Inclusion

- 24 An equality impact assessment was previously completed when the strategy was approved. Please see <https://modern.gov.cheshireeast.gov.uk/documents/s107863/Appendix%204%20-%20EIA.pdf>.

Human Resources

25 None

Risk Management

26 Standard risk management processes are followed when developing and implementing action plan items.

Rural Communities

27 Rural communities are carefully considered for action plan items. For instance, this has included ensuring access to falls prevention classes for those without easy transport to major local towns.

Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)

28 None

Public Health

- Strategy work takes preventative steps to reduce health need amongst the population as a whole, as well as to reduce health inequalities across the Borough via targeted implementation of the action plan.

Climate Change

29 Relevant commissioned services have had their impact on the climate assessed via a social value tender question.

Access to Information	
Contact Officer:	Nik Darwin, Senior Commissioning Manager Nik.Darwin@cheshireeast.gov.uk
Appendices:	N/A
Background Papers:	Corporate Plan 2024-25, https://www.cheshireeast.gov.uk/pdf/council-and-democracy/corporate-plans/the-cheshire-east-council-plan-2024-25.pdf Joint Health and Wellbeing Strategy 2023-28, https://www.cheshireeast.gov.uk/pdf/council-and-democracy/health-and-wellbeing-board/joint-health-wellbeing.pdf

This page is intentionally left blank

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Cheshire East Health and Wellbeing Board** held on Tuesday, 2nd July, 2024 in the Council Chamber, Municipal Buildings, Earle Street, Crewe CW1 2BJ

PRESENT

Board Members

Helen Charlesworth-May, Executive Director Adults, Health, and Integration
Councillor Janet Clowes, representing the main opposition group, Cheshire East Council

Councillor Sam Corcoran (Chair), Leader - Cheshire East Council

Councillor Carol Bulman, Chair of Children & Families, Cheshire East Council

Councillor Jill Rhodes, Chair of Adults & Health, Cheshire East Council

Mark Groves, Healthwatch Cheshire (subbing for Louise Barry)

Peter Skates, Acting Executive Director of Place

Deborah Woodcock, Executive Director of Children's Services, Cheshire East Council

Kathryn Sullivan, CVS Cheshire East

Mark Wilkinson, NHS Cheshire, and Merseyside Integrated Care Board

Charlotte Wright, Cheshire Fire and Rescue Service

Chief Inspector Andy Baker (subbing for Superintendent Claire Jesson)

Cheshire East Officers and Others

Russell Favager, Mid Cheshire Hospitals NHS Foundation Trust

Guy Kilminster, Corporate Manager Health Improvement

Jeremy Owens, Development Planning Manager

Dr Susie Roberts, Public Health Consultant

Karen Shuker, Democratic Services Officer

Chief Inspector Daniel Reynolds (Joined remotely via Microsoft Teams)

Inspector Pete Brachaniec (joined remotely via on Microsoft Teams)

Kaylie Locke RCRP Administrator (joined remotely via on Microsoft Teams)

The Chair varied the order of business. Notwithstanding this the minutes are in the order of the agenda.

1 APPOINTMENT OF CHAIR

It was moved and seconded that Councillor Sam Corcoran be appointed the Chair.

RESOLVED:

That Councillor Sam Corcoran be appointed as Chair.

2 APPOINTMENT OF VICE CHAIR

It was moved and seconded that Louise Barry be appointed as Vice Chair.

RESOLVED:

That Louise Barry be appointed as Vice Chair.

3 APOLOGIES FOR ABSENCE

Apologies for absence were received from Louise Barry (Health Watch), Dr Paul Bishop (NHS Cheshire and Merseyside Integrated Care Board), Michelle Davis (Guinness Housing), Dr Matt Tyrer (Director of Public Health - CEC), Superintendent Claire Jesson (Police), Claire Williamson (Children's Services - CEC) and Isla Wilson (Cheshire East Health and Care Place Partnership).

Chief Inspector Andy Baker (Police) and Mark Groves (Healthwatch) attended as substitutes.

4 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 19 March 2024 be confirmed as a correct record.

6 PUBLIC SPEAKING TIME/OPEN SESSION

There were no registered public speakers.

7 MEMBERSHIP REVIEW 2024-2025

The Cheshire East Health and Wellbeing Board's Terms of Reference require the membership to be reviewed and agreed at the first meeting of the Municipal Year. The Board considered a report which reviewed the membership for 2024-25.

It was noted that the Chamber of Commerce would be contacted in relation to the vacant position for a business representative to sit on the Board.

RESOLVED:

That the statutory Cheshire East Health and Wellbeing Board members agree the following individuals as additional members for 2024-2025

Councillor Janet Clowes – Opposition Group representative

Peter Skates – Acting Executive Director of Place

Isla Wilson – representing the Place Health and Care Partnership Board

Superintendent Claire Jesson – representing the Police and Crime Commissioner

Charlotte Wright - representing the Chief Fire Officer

Kathryn Sullivan - representing the community, voluntary and social enterprise sector.

Claire Williamson – an additional representative for Children and Families

Michelle Davis - representing housing providers.

A Business representative – to be nominated.

8 **RIGHT CARE RIGHT PERSON UPDATE**

The Board received an update on the Right Care Right Person initiative which had been implemented in Cheshire last year. The initiative sought to ensure that the public were getting the right care, by the right person with the right skills, training, and experience to best meet their needs.

Board members asked questions and made comments in relation to

- From a Health and Wellbeing Board perspective it would be useful to have comparative data on a regular basis and over a longer period of time.
- If a call does not meet the Police's threshold for a response is another service offered?
- Is there any extra demand on other agencies as a result of the new approach and if there is how would that be monitored?

In response Chief Inspector Reynolds reported that

- Attendance at a future meeting could be arranged to discuss the long-term data.
- If a decision is made that the threshold had not been met, the information would still be recorded, and a toolkit used to triage it. Alternative services and support would be signposted.
- The Tactical Co-ordination Group (TCG) have asked partners to track their data and they had not seen any displaced demand on other agencies to date.

RESOLVED:

That the update be noted.

9 **JOINT STRATEGIC NEEDS ASSESSMENT (JSNA) UPDATE AND LIFESTYLE SURVEY FINDINGS**

The Board received an update on the Joint Strategic Needs Assessment (JSNA) work programme.

The update included:

- Following the conclusion of the lifestyle survey headline findings were that the overall picture of the health and wellbeing of residents in the borough was generally good, but with significant pockets of poorer health and wellbeing often aligned to areas of deprivation.
- Work was due to commence on unpicking the findings of the report in relation to whether perceptions of health and wellbeing match the challenges the respondents report in terms of lifestyle and further, to make sure there was cross-checking with other data sources as well.
- Work was progressing on social isolation and care of older people and there continued to be good engagement across the system on all of those aspects of work.
- Topic areas for 2024/25 included health and wellbeing in the early years (0 – 5-year-olds), sexual health needs assessment and a place-based JSNA focusing on Congleton and Holmes Chapel Care Community.

Work would continue to develop in the following areas:

- More resources in easy read and plain English summaries.
- Promotion of the JSNA to inform a wider audience including Members and Parish and Town Councils.

In response to questions asked in relation to taking advantage of Crewe Youth Zone once it had been built and the pilot that had taken place on financial incentives for pregnant women stopping smoking officers report that:

- Contacts were being identified to help progress the recommendations in relation to Crewe and this included the Crewe Youth Zone.
- An evaluation was currently underway in respect of smoking cessation and an academic partner was working with officers on that.

RESOLVED: That the Health and Wellbeing Board

1. Approve the reviews to commence during 2024/25.
2. Note the progress on the JSNA work programme and to adopt the recommendations that have resulted from this work.
3. Agree to utilise the JSNA to inform continued challenging decision making in relation to public sector budgets.

10 PHARMACEUTICAL NEEDS ASSESSMENT 2025 UPDATE

The Board considered a report which outlined the approach to be taken to the production of the revised Pharmaceutical Needs Assessment which was due to be published by the 1st October 2025.

RESOLVED: That the Health and Wellbeing Board

1. approves delegation of the day-to-day authority for the development of the revised Pharmaceutical Needs Assessment (PNA) to the Director of Public Health (DPH). This will include the approval of the draft PNA prior to consultation.
2. approves the formation of a working group to steer the production of the revised PNA.
3. agrees contingency arrangements for endorsing the PNA virtually by board members in September 2025 in case the HWB meeting is cancelled, or the timing of the meeting is such that the PNA required publishing date (before the 1st October 2025) precedes the scheduled meeting date. Due to the consultation requirement of 60 days and to enable the final draft to go through the council review process, it is not feasible to present the final draft for endorsement at an earlier meeting. This will be the Board's only opportunity to review the results of the consultation and consider the impact of the results from the consultation.
4. note there is a cost implication in the production of the PNA, mostly for staff time which will be required across all partner organisations. Its production will impact on joint strategic needs assessment (JSNA) activity during 2024/5 and 2025/6. Any financial implications that arise as a result of any actions taken in response to this report are fully covered by existing funding, meaning that there are no changes required to the Council's existing Medium Term Financial Strategy (MTFS).
5. note that the Pharmaceutical Regulations 2013 were amended in September 2023, however most of the amendments are concerning 100- hour pharmacies, changes to contracted opening hours and arrangements regarding temporary cover these do not affect the content or timing of the PNA.

11 LEIGHTON HOSPITAL REDEVELOPMENT STRATEGIC OUTLINE CASE

The Board received a presentation on: A new Leighton: Strategic Outline Case (SOC). The presentation included the issues with the existing site, an outline of the 3-stage process for the business case approval, a list of the options considered, the preferred way forward, timelines, achievements to date and the next steps.

Board members supported the plan and provided comments and feedback in respect of

- Welcomed the enhanced communication and integration between community and secondary care built into the design.
- Clarity required around revenue affordability.
- Involvement required in signing off the provision of clinical capacity i.e., beds.
- Mental health services for patients with physical and mental health needs was a key issue. The SOC as it currently stood was light on

references to mental health whereas significant additional costs on caring for patients with mental and physical health needs in the A&E and on the wards was being incurred.

- Public transport between Crewe and Leighton was poor, and the SOC was silent on any aspiration to improve that position. Better transport was potentially a significant social value contributor if it could be addressed.
- Request to see the timetable for outline business case development.
- Welcome the carbon neutrality elements of the project.
- Wanted reassurance when going into the next stage that the highways network was sufficient to deal with the additional housing in the surrounding area and the additional volume of traffic that would be brought in.

RESOLVED:

That the update be noted.

12 THE CHESHIRE EAST LOCAL PLAN

The Board received a report on Cheshire East's New Local Plan. The Plan would look ahead into the 2040s and would identify new long-term development requirements and how they would be met.

The Plan would set out a range of policies regarding a wide range of planning considerations – landscape, biodiversity, heritage, health, housing mix, etc, - so those matters would be taken into account when deciding planning applications.

The Council had published a new Local Plan Issues Paper which announced its intention to prepare a new Local Plan and to provide an initial opportunity for feedback about the scope of the plan.

It was noted that one of the challenges faced at present was the possibility of a change in government which may have different ideas in planning reform so there was some uncertainty about the future programme.

Members asked questions and provided comments in respect of

- It would be useful to have an opportunity for the Health and Wellbeing Board to have an input in to the new policies from a healthy and safe communities' perspective.
- Could the plan include developments that people are less keen to see in the area but would be good from an economic perspective, such as care homes and retirement orientated housing developments but could create additional pressures from a health care and social care perspective?
- Would the new plan have tighter controls over older properties?

- Would the new plan have more detailed Town Plans, or would it be similar to the current Plan?

In response officers reported that

- They would have to see what was happening in terms of the planning reform agenda following the election before the next steps could be taken with the Plan.
- National Policy stated that Local Authorities would be required to do a Housing Needs Assessment, including all sectors of the community.
- Due to not knowing how much development the Council would be planning for more detail within the strategy would be required for particular towns.

It was agreed that a workshop around the Local Plan would be added to the work programme of the Health and Wellbeing Board.

RESOLVED: That the Health and Wellbeing Board

Noted that the Council has commenced work on a new Local Plan through the publication of an Issues Paper inviting initial feedback on its scope.

13 CHILDREN'S OFSTED REPORT

The Executive Director of Children's Services provided a verbal update in respect of the findings from the Ofsted Inspection of Local Authority Children's Services (ILACS) conducted in February and March 2024, the plans in place to improve services in relation to the findings, and monitoring arrangements from Ofsted and the Department for Education (DfE).

Whilst the judgement was disappointing, board members acknowledged that there had been improvements in other areas and that there had been no statutory failings from a Health and Wellbeing perspective.

The Chair thanked the staff in Children and Families Services who were working hard to deliver the required improvements that had been identified.

RESOLVED:

That the update be noted.

Councillor C Bulman and Deborah Woodcock, Executive Director of Children's Services left the meeting after this item and did not return.

The meeting commenced at 2.00 pm and concluded at 4.00 pm

Councillor S Corcoran (Chair)

This page is intentionally left blank

Adults & Health Work Programme 2024-25

Adults & Health Committee	Report Reference	Title	Purpose of Report	Corporate Plan Priority	Lead Officer	Exempt Item	Consultation	Equality Impact Assessment	Part of Budget and Policy Framework	Is the report for decision or scrutiny?
November 24										
18/11/24	AH/28/2023-24	Care Provider Consortium	This report seeks approval to commission services for individuals with Complex Needs through a Cheshire East Care Provider Collaborative (CPC).	Open	Executive Director of Adults, Health & Integration	TBC	Yes	TBC	TBC	Decision
18/11/24	AH/03/2024-25	LD Partnership Board (including LD Plan)	Update for Committee (Scrutiny)	Open	Executive Director of Adults, Health & Integration	Yes	Yes	Yes	TBC	Scrutiny
18/11/24	AH/05/2024-25	Supported Employment	Report for scrutiny by Committee	Open	Executive Director of Adults, Health & Integration	Yes	TBC	TBC	TBC	Scrutiny
18/11/24	AH/12/2024-25	Second Financial Review of 2024/25 (Adults & Health Committee)	To note and comment on the Second Financial Review and Performance position of 2024/25, including progress on policy proposals and material variances from	Open	Director of Finance and Customer Services	No	No	No	Yes	Scrutiny

Adults & Health Work Programme 2024-25

			the MTFS and (if necessary) approve Supplementary Estimates and Virements.							
18/11/24	AH/14/2024-25	Medium Term Financial Strategy Consultation 2025/26 - 2028/29 (Adults & Health Committee)	All Committees were being asked to provide feedback in relation to their financial responsibilities as identified within the Constitution and linked to the budget alignment approved by the Finance Sub-Committee in March 2024. Responses to the consultation would be reported to the Corporate Policy Committee to support that Committee in making recommendations to Council on changes to the current financial strategy.	Open	Director of Finance and Customer Services	No	No	No	Yes	Scrutiny

Adults & Health Work Programme 2024-25

18/11/24	AH/33/2023-24	Care4CE report	Report for scrutiny by Committee	Open	Director of Adult Social Care	Yes	Yes	No	Yes	Scrutiny
18/11/24	AH/22/2023-24	Substance Misuse Service	To provide information about the proposed substance misuse service model	Fair	Executive Director of Adults, Health & Integration	No	Yes	Yes	No	Scrutiny
January 25										
20/01/25	AH/13/2024-25	Third Financial Review of 2024/25 (Adults & Health Committee)	To note and comment on the Third Financial Review and Performance position of 2024/25, including progress on policy proposals and material variances from the MTFS and (if necessary) approve Supplementary Estimates and Virements.	Open	Director of Finance and Customer Services	No	No	No	Yes	Scrutiny/Decision

Adults & Health Work Programme 2024-25

20/01/25	AH/15/2024 -25	Medium Term Financial Strategy Consultation 2025/26 - 2028/29 Provisional Settlement Update (Adults & Health Committee)	All Committees were being asked to provide feedback in relation to their financial responsibilities as identified within the Constitution and linked to the budget alignment approved by the Finance Sub-Committee in March 2024. Responses to the consultation would be reported to the Corporate Policy Committee to support that Committee in making recommendations to Council on changes to the current financial strategy.	Open	Director of Finance and Customer Services	No	No	No	Yes	Scrutiny/Decision
20/01/25	TBC	Substance Misuse Service	a decision to re-commission the substance misuse service	Fair	Executive Director of Adults, Health & Integration	No	Yes	Yes	No	Decision
March 25										

Adults & Health Work Programme 2024-25

24/03/25		Service Budgets 2025/26 (Adults & Health Committee)	The purpose of this report is to set out the allocation of approved budgets for 2025/26 for services under the Committee's remit, as determined by Finance Sub Committee	Open	Director of Finance and Customer Services	No	No	No	Yes	Scrutiny/Decision
----------	--	---	--	------	---	----	----	----	-----	-------------------

This page is intentionally left blank