

Economy and Growth Committee

Agenda

Date:	Tuesday 11th November 2025
Time:	2.00 pm
Venue:	Committee Suite 1, 2 and 3, Delamere House, Delamere Street, Crewe, CW1 2JZ

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 top of each report.

Please Note: This meeting will be live streamed. This meeting will be broadcast live, and a recording may be made available afterwards. The live stream will include both audio and video. Members of the public attending and/or speaking at the meeting should be aware that their image and voice may be captured and made publicly available. If you have any concerns or require further information, please contact Democratic Services in advance of the meeting.

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 3 - 8)

To approve as a correct record the minutes of the meeting held on 9 September 2025.

For requests for further information

Contact: Rachel Graves

E-Mail: rachel.graves@cheshireeast.gov.uk

To register to speak on an agenda item: [Register to Speak form](#)

4. **Public Speaking/Open Session**

In accordance with the Council's Committee Procedure Rules and Appendix on Public Speaking, 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. **Knutsford Bid Ballot** (Pages 9 - 38)

To consider the report which seeks a decision on which way the Council wishes to vote in the ballot.

6. **Second Financial Review 25/26** (Pages 39 - 64)

To consider the report on the Second Financial Review of 2025-26.

7. **Medium Term Financial Strategy Consultation 2026/27 - 2029/30**
(Pages 65 - 78)

To consider the report on the Medium Term Financial Strategy Consultation 2026/27-2029/30.

8. **Work Programme** (Pages 79 - 80)

To consider the Work Programme and determine any required amendments.

Membership: Councillors D Brown, L Buchanan, A Burton, P Coan, M Gorman (Chair), A Heler, G Marshall, C O'Leary, J Pearson, P Redstone, R Vernon and F Wilson (Vice-Chair)

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Economy and Growth Committee**
held on Tuesday, 9th September, 2025 in The Capesthorne Room - Town
Hall, Macclesfield, SK10 1EA

PRESENT

Councillor M Gorman (Chair)
Councillor F Wilson (Vice-Chair)

Councillors D Brown, L Buchanan, A Burton, P Coan, A Heler, G Marshall,
H Moss, P Redstone and R Vernon

Officers in attendance

Phil Cresswell, Executive Director Place
Peter Skates, Director of Growth and Enterprise
Charles Jarvis, Head of Economic Development
Karen Carsberg, Head of Housing
Nic Abbott, Housing Options and Homeless Manager
Steve Reading, Finance Officer
Mandy Withington, Legal Officer
Rachel Graves, Democratic Services Officer

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

11 APOLOGIES FOR ABSENCE

Apologies were received from Councillor C O'Leary and J Pearson.
Councillor H Moss attended as a substitute.

12 DECLARATIONS OF INTEREST

No declarations of interest were made.

13 MINUTES OF PREVIOUS MEETING**RESOLVED:**

That the minutes of the meeting held on 3 June 2025 be approved as a correct record.

14 PUBLIC SPEAKING/OPEN SESSION

Mr Simon Yates, spoke on behalf of the Crewe Town Board in relation to Item 9 - Crewe Town Centre Regeneration Programme, and stated that the Board welcomed and supported the new proposals for the Crewe

Town Centre redevelopment. He emphasised the need to develop the Royal Arcade site as an interim measure whilst the larger proposals were developed. He stressed that importance of community engagement and the need for effectively communicating the concept of in-town living to Crewe residents and how it could help in the re-generation of the town centre.

Mr David Simcox asked a number of questions in relation to Item 9 - Crewe Town Centre Regeneration Programme. The questions relating to the multi-story car park, the strategic direction of regeneration of Crewe Town Centre, financial viability and risk and the transparency of details for the redevelopment scheme.

The Chair responded that a written response would be provided to his questions.

15 HOMELESSNESS AND ROUGH SLEEPING STRATEGY 2026-2030

The Committee considered the report on the draft Homelessness and Rough Sleeping Strategy 2026-2030, which sought approval to launch a 12-week public consultation on the draft strategy.

A review of the strategy had been conducted in 2024-25 and the key findings were set out in the report. These included an increase in the number of individuals with multiple, interconnecting needs that hindered access to housing, and that additional attention needed to be given to those who were facing private rented evictions and also to refugees, domestic abuse survivors and those discharged from hospitals and prisons.

The Committee raised concerns about the national housing policies affecting private landlords and the potential impact these would have on housing availability and affordability.

RESOLVED (unanimously) That the Committee

- 1 agree the draft Homelessness and Rough Sleeping Strategy 2026-2030 go out for public consultation.
- 2 note that following consultation, the final version of the Homelessness and Rough Sleeping Strategy 2026-2030 will be presented to the Committee for approval to adopt.

The Director of Growth and Enterprise advised the Committee that Karen Carsberg, Head of Housing, would be leaving the Council on early retirement at the end of October.

The Chair, on behalf of the Economy and Growth Committee, thanked Karen for the work and support she had provided to the Committee and the Council.

16 FIRST FINANCIAL REVIEW OF 2025/26

The Committee considered the report which set out the First Financial Review 2025-26 position based on income, expenditure and known commitments as at the end of June 2025. The First Financial Review 2025-26 reported a forecasted revenue outturn position as an adverse variance of £3.1m after the application of planned use of Exceptional Financial Support £25.3m.

RESOLVED: That the Committee

- 1 note the factors leading to a forecast adverse Net Revenue financial pressure of £3.1m against a revised budget of £440.5m (0.7%) and note the contents of Annex 1, Section 2 to the report and the progress on the delivery of the MTFS approved budget policy change items, the RAG ratings and latest forecasts, and understand the actions to be taken to address any adverse variances from the approved budget.
- 2 note the in-year forecast capital spending of £205.5m against an increased capital budget of £208.5m. This was adjusted at outturn following an approved MTFS budget of £173m.
- 3 note that Council will be asked to approve the Supplementary Revenue Estimate Request for Allocation of Additional Grant Funding over £1,000,000 as per Annex 1 to the report at Section 3, Table 1.
- 4 note the available reserves position as per Annex 1 to the report, Section 5.

17 GARDEN VILLAGE HANDFORTH DELIVERY

The Committee considered the update report on the progress being made towards the delivery of the Garden Village Handforth since March 2025.

The report sought approvals to enable officers to progress with the delivery of the project to enable a start on site by September 2026, prior to the expiry of the existing hybrid planning permission, and to make timely changes to the deliverability of the scheme.

A friendly amendment was proposed and seconded and accepted to Recommendation 2 to include the Chair and Vice Chair of the Economy and Growth Committee in the consultation.

RESOLVED (by majority): That the Committee

1. Approve:
 - i. Revisions to the Initial Preparation and Infrastructure Works (IPIW) contract and to amend the scope and/or phasing of the existing preliminary design work to reflect changes to the delivery strategy.
 - ii. To proceed with detailed design of the A34 corridor and associated work.
 - iii. To carry out early construction works on the A34 corridor under the Scape National Civil Engineering Framework.
 - iv. To commission Ringway Jacobs Ltd via the Council's Highways Service Contract to provide project management, commercial support, technical approval and site supervision inputs into the construction, detailed design, and rescope preliminary design.
 - v. To continue the stabilisation and repair works to Dairy House Farm via a North West Construction Hub framework contract in line with the decision previously taken by Committee on 26th January 2024 but allow the scope and/or phasing of works to be varied.
 - vi. Amendments to the terms, conditions and milestones in the Housing Infrastructure Funding (HIF) agreements with Homes England to maximise the amount of the grant that is drawn down and applied to the project.
2. Delegate authority to the Executive Director of Place to take all actions necessary to implement the actions approved by this Committee in consultation with the Executive Director of Resources and the Director of Governance and Compliance and the Chair and Vice Chair of the Economy and Growth Committee.

18 **WORK PROGRAMME**

The Committee considered the Work Programme.

It was noted that the next meeting in November 2025 would receive reports on the Second Financial Review 2025/26, Medium Term Financial Strategy Consultation, Nantwich Kingsley Fields S106 Town Centre Public Realm Contribution and on the Knutsford BID Ballot.

It was expected that a further report on the Garden Village Handforth would be brought to the March 2026 committee.

It was asked if training could be provided for councillors on how to advise when somebody becomes homeless in their ward.

In relation to future use of assets, it was asked if a workshop could be held with officers to discuss options on them. The Director of Growth and Enterprise stated that a report on the assets' disposal programme would be going to the Finance Sub Committee and there may be an opportunity to do something for both committees.

It was suggested that an item on Tatton Park could be included on a future meeting to allow the committee to consider the proposals in the finance report.

RESOLVED:

That the Work Programme be noted.

19 CREWE TOWN CENTRE REGENERATION PROGRAMME

The Committee considered the report on the Crewe Town Centre Regeneration Programme.

The report set out the proposals for further town centre regeneration with a focus on residential-led development.

During discussion the Committee asked questions on the future use of the old Marks & Spencer and Dorothy Perkins buildings which had been sold. It was reported that officers were working with the new owners, but details could not be disclosed at present.

The Committee supported the proposals for in-town living as they were a driver for regeneration, economic activity, and housing solutions and recognised that retail alone could not revive town centres and that mixed use development was required.

RESOLVED (by majority): The Committee

1. direct the creation of a business case relating to a potential Crewe town centre development scheme, and if the business case is positive, delegate to the Executive Director of Place in consultation with the Chair and Vice Chair of Economy & Growth Committee, the decision to recommend to the Finance Sub-Committee the creation of a supplementary revenue estimate of up to £275,000 for the revenue budget to develop scheme proposals, including a) internal staffing costs b) external professional advice regarding development, law, valuation, appraisal, procurement and social value, and; c) a direct contribution towards the costs to be incurred by the developer; and

2. subject to (1), seek approval from Finance Sub-Committee to approve either:
 - a) external grant funding in relation to delivery of development proposals including scheme delivery; or
 - b) the extension of flexible use of capital receipts and that this extension of £275,000 is added to the council's regular reporting on capital receipt generation to relevant committees to ensure appropriate oversight, scrutiny and grip.
3. subject to (2) delegate authority to the Director of Growth & Enterprise to enter into a pre-development agreement with a developer, through an appropriate procurement framework, to develop a masterplan and delivery plan for specific council-owned sites in Crewe town centre, i.e. land at Victoria St / Queensway / Delamere Street ('Royal Arcade'), Chester Street car park and Delamere Street car park;
4. note that this (3) would involve an exclusivity agreement for the developer up to the point that a development agreement may be entered into for the construction of a scheme comprising residential and commercial buildings and public realm, subject to further consideration and authorisation by this committee.
5. authorise the Director of Growth & Enterprise to enter into negotiations regarding potential disposal of other council-owned sites in Crewe town centre where the third party owns adjacent properties, subject to best consideration (Local Government Act 1972, s123).
6. authorise the Director of Growth & Enterprise to build upon the emerging 'Crewe vision' in progressing a regeneration and development framework for the urban area of Crewe.
7. delegate authority to the Executive Director – Place, in consultation with the Executive Director of Resources and the Governance, Compliance and Monitoring Officer, to enter into contracts/agreements and appoint contractors in relation to all of the above.
8. delegate authority to the Director of Growth & Enterprise to agree revisions to the current Terms of Reference of Crewe Town Board.

The meeting commenced at 5.30 pm and concluded at 6.42 pm

Councillor M Gorman (Chair)



OPEN

Economy and Growth Committee

11 November 2025

Knutsford Business Improvement District - Ballot

Report of: Phil Cresswell, Executive Director

Report Reference No: EG/19/25-26

Wards Affected: Knutsford and Mobberley

For Decision

Purpose of Report

- 1 A proposal for a new Knutsford Business Improvement District (BID) is to be the subject of a postal ballot.
- 2 The Council is entitled to vote in the ballot. This report seeks a decision on which way the Council wishes to vote in the ballot.
- 3 Additionally, this report seeks to confirm arrangements for Council representation on, and supporting, any BID Board established in the event the BID proceeds.

Executive Summary

- 4 The Council has received a request to hold a postal ballot on a proposal for a new Business Improvement District in Knutsford.
- 5 On 6 August 2025, [Corporate Policy Committee](#) considered the obligations on the Council as billing authority, enabling the ballot to proceed.
- 6 In the event the BID ballot returns a 'Yes' vote and proceeds to commencement, the Council would be required to pay BID levies for six premises within the BID area. The Council will therefore be entitled to six votes in the ballot.
- 7 The financial implications for the Council need to be considered balanced against any anticipated impacts of the BID for businesses and

residents, which are considered overall to be positive and aligned to strategic Council commitments.

- 8 On balance, considering the anticipated benefits of the Knutsford BID it is recommended that the Council votes in favour of the proposed Knutsford BID.
- 9 It is also recommended that, in the event the BID proceeds, appropriate Council representation and advisory support is agreed to facilitate coordinated and aligned working between the Council and BID Body.

RECOMMENDATIONS

The Economy and Growth committee is recommended to:

1. Vote 'Yes' in support of the Knutsford BID proposal in the Knutsford BID ballot, delegating authority to the Director of Growth and Enterprise to complete, sign and return ballot papers on behalf of the Council.
2. Agree that in the event of the Knutsford BID proceeding to commencement:
 - i. The Executive Director-Place shall, having regard to any advice given by the Monitoring Officer, determine, in consultation with the Chair of Economy and Growth Committee:
 - a. Whether a CEC representative should be put forward for appointment onto the BID Board and if so, select the appropriate appointee and empower them to make any decisions required on behalf of the Council.
 - b. Agree any advisory officer support to be made available to the BID Body, empowering that officer to provide advice as needed.
 - ii. The S151 Officer shall write to the Director of Growth and Enterprise instructing that BID levies are paid for all eligible premises for which the Council is the BID levy payer and savings are made within the relevant service to offset the new burden.

Background

- 10 A Business Improvement District (BID) is a defined area where business rate payers have voted in a ballot to pay a levy, in addition to business rates, into a fund and that fund is then managed to deliver specific

agreed initiatives to benefit the BID area. A general overview of BIDs is set out in the report considered by Corporate Policy Committee on [6 August 2025](#).

- 11 A proposal for a Knutsford BID has been submitted to the Council by Groundwork Cheshire, Lancashire, Merseyside, on behalf of the Knutsford BID Steering Group. The initial term of the BID would be five years commencing 1st April 2026. After the initial term a further ballot would be required before the BID could continue for a longer period.
- 12 The Council has received a formal requested to instruct a ballot on the BID Proposal. On 6 August 2025 Corporate Policy Committee agreed delegations to enable the ballot to proceed. In accordance with the decision of Corporate Policy Committee, the Council as billing authority has instructed the ballot. Those organisations who would be liable to pay a BID levy are entitled to vote in the BID ballot with one vote per eligible hereditament. Postal votes must be returned by 5pm on 27th November 2025.
- 13 The BID would cover the geographical area shown below. This is focused on Knutsford town centre but also includes buildings within Tatton Park.



- 14 BID levies would be payable for all eligible business premises in that geographical area which have a rateable value above £5,500. The only specified exceptions are public funded primary schools and places of worship. Levies payable would equate to 2% of the rateable value of the premises per year, based on the 2023 rating list with an annual increase of 0.05%. Levies would be payable from April 2026 and thereafter annually for the lifetime of the BID. The party responsible for levy payment would be the party responsible for payment of business rates.
- 15 The Council is responsible for the payment of business rates on seven business premises within the proposed BID area, six of which have rateable values above the confirmed minimum threshold. Therefore, the Council will be required to pay BID levies for these premises if the BID proceeds. The Council is therefore entitled to six votes in the BID ballot.
- 16 It is estimated that the BID would generate circa £1.035m over the five-year term. This would be primarily generated from levy payments but

includes circa £0.12m of match funding to be generated by the BID Body.

- 17 The funding raised would be spent supporting three themes:
- Destination Knutsford – Initiatives to make Knutsford the place people want to visit, explore and enjoy.
 - Experience Knutsford – Initiatives to make the town centre cleaner, safer and more enjoyable for everyone.
 - Connected Knutsford – Initiatives to help strengthen and support businesses.
- 18 These themes appear to align well with Council policies seeking to support the vitality and viability of town centres and growth of the economy. There is clear potential for initiatives brought forward by the BID Body to also support additional priorities such as encouraging use of sustainable transport.
- 19 Committee are referred to the full finalised BID Proposal in **Appendix A** for examples of the kinds of initiatives anticipated as likely to be brought forward under these themes as well as further details on the levy, management arrangements etc.

Consultation and Engagement

- 20 The proposed BID would fall predominantly within Knutsford Ward, also extending into part of Tatton Park which falls within Mobberley Ward. All ward members were invited to a briefing. Several ward councillors are also Knutsford Town Councillors. Knutsford Town Council has been instrumental in facilitating the BID Proposal development.
- 21 As part of the BID Proposal development, consultation has been carried out by Groundwork Cheshire Lancashire Merseyside, funded by Knutsford Town Council as part of the BID development. An overview of this consultation is set out in the BID Proposal (Appendix A)/ This consultation influenced the final BID proposal.
- 22 CEC has not undertaken any additional consultation with businesses, given that this is not a CEC driven proposal.

Reasons for Recommendations

- 23 Committee is recommended to vote 'Yes' in support of the Knutsford BID proposal in the Knutsford BID ballot because the proposal is considered to align well with the Council's strategic commitments as set out in the Cheshire east Plan 2025-2029 requiring only limited financial commitment as discussed further under Financial Implications.

- 24 Committee is recommended to support delegations to allow further timely consideration of appropriate representation on and officer support for any BID Body given that any Terms of Reference are likely to be relevant but not yet available for the former decision, and because the decision on the later may be dependent on the former. Similar officer delegations were approved in relation to the establishment of Wilmslow and Crewe BIDs.

Other Options Considered

- 25 The table below outlines the anticipated impacts and risks associated with the other identified options considered.

Option	Impact	Risk
Do nothing – Abstaining from vote	The ballot result would likely be determined by votes cast by other organisations required to pay the BID levy with the Council having no influence on the ballot result. The outcome of the ballot could still be for or against the ballot.	The Council could be criticised for not actively supporting a proposal aimed at improving Knutsford.
Vote 'No' in the ballot, against the BID Proposal.	The BID ballot could overall return a 'No' vote which might have been a 'Yes' vote in the event the Council had voted 'Yes' for all its hereditaments.	Local businesses in support of the proposal could criticise the Council for voting against something which support its corporate commitments.

Implications and Comments

Monitoring Officer/Legal/Governance

- 26 The Council must comply with the requirements outlined within the Business Improvement Districts (England) Regulations 2004, (BID Regulations) and Part 4 of the Local Government Act 2003 (LGA 2003).
- 27 The aims of Business Improvement Districts (BIDs) are to enable businesses and local authorities to work together to effect improvements within the area in which the BIDs operate. The BID Body (Groundwork) has submitted documentation to the Council which satisfies the requirements of Regulation 4 of the BID Regulations. The

Council must now hold a ballot on the BID Proposal in furtherance of Regulation 4(5) of the BID Regulations.

- 28 In accordance with paragraph 3, Schedule 2 of the BID Regulations, the publication of the Notice of Ballot must be at least 42 days before the day of the ballot. The Notice must state the day of the ballot and be sent to each person and/or hereditament entitled to vote or, if applicable, their proxy. All ballots must be a secret postal ballot (paragraph 4, Schedule 2 of the BID Regulations). Section 50 LGA 2003 identifies that there is a dual-key mechanism, meaning that a proposed BID is supported by both: i) a simple majority of those eligible to vote; and ii) business representing more than 50% of the rateable value of those eligible to vote.
- 29 The BID Board will be responsible for implementing the BID arrangements should the proposal be successful at ballot.

Section 151 Officer/Finance

- 30 The decision concerns how the Authority should exercise the six votes it will receive as a consequence of the qualifying business premises that fall under the scope of the potential BID levy.
- 31 In the event the BID receives a 'Yes' vote and proceeds, the Council will be obliged to pay the BID levies estimated below (increasing 0.05% per annum) from April 2026.

Hereditament	Rateable Value (£)	Levy @ 2% (£)
King Street Public Car Park	46,750	935
Knutsford Library	50,500	1,010
Princess Street Car Park	22,000	440
Tatton Street Car Park	55,000	1,100
Silk Mill Street Car Park	13,500	270
Tatton Hall	85,000	1,700
Annual Total		5,455

- 32 These are a revenue expense and because BIDs are not driven by the Authority the costs are not budgeted for at a service level. If approved the BID would be in operation for an initial five years followed by a renewal ballot. They represent an annual cost and because the BID funds are to be used for additionality there is limited scope for the Authority to supplant its own expenditure within the BID area. Current services being undertaken within Knutsford would form part of a baseline service agreement.

- 33 BID levy bills would typically be sent to Facilities Management as they receive and pay business rates for the relevant hereditaments. Usually for small increases to revenue expenditure, services would be expected to find compensating savings from somewhere within their service and the recommendation sought is that the S151 officer write to the Director of Growth and Enterprise instructing that savings be made to offset levy payments which will become due. The additional burden of the BID levies falling to Facilities Management will have to be absorbed into the Facilities Management budget with a corresponding reduction for maintenance on the wider portfolio. If pressures become too large to manage within the existing budget envelope, then additional budget would need to be sought via the annual MTFS route. This is now the third BID in Cheshire East and whilst on their own BID levies are not material, collectively the levies have the potential to place a material burden on the responsible service.
- 34 In the event of an overall 'No' vote in the BID ballot the levy would not be chargeable. In that case direct financial consequences for CEC would be confined to those associated with holding a ballot.

Human Resources

- 35 It is anticipated that in the event of the BID proceeding, there would be a request for officer resource to attend BID meetings. The extent of involvement of officers may need to be limited having regard to current officer resources and the many other priorities.
- 36 Additionally, if the BID succeeds at ballot there will be additional work for the Business Rates Team who will become responsible for collection of the levy. As set out in the report to Corporate Policy Committee reasonable charges can be made to cover the costs of this service.

Risk Management

- 37 There is likely to be both positive and negative reaction to the BID Proposal from local businesses. Whilst the Council is not the BID Proposer there is a clear possibility that the BID proposal may be perceived as a Council initiative with associated reputational risks. Risks around this can be mitigated by ensuring clear communication and continuing close liaison with the BID Proposer.
- 38 There are additional reputational and financial risks which might flow from procedural error, for example should a challenge be lodged claiming an irregularity in the ballot process. This is being mitigated by ongoing involvement of Legal Services at each stage in the process via an internal working group.

Impact on other Committees

- 39 This decision is not considered to have any significant impacts on other committees.

Policy

- 40 The following highlights ways in which the BID proposal aligns with the commitments of the Cheshire East Plan (2025-2029).

Commitment 1: Unlocking prosperity for all	Commitment 2: Improving health and wellbeing	Commitment 3: An effective and enabling Council
1.1 Creating new opportunities for business communities - the proposal includes plans to support networking opportunities 1.3 Supporting life-long learning - the proposal includes plans for subsidised training for businesses 1.5 Communities connected including through active travel- - the proposal includes plans to promote public and active transport options in Knutsford.	2.3 Everyone feels safe and secure - the proposal includes initiatives to enhance safety and security. 2.4 Communities build their capacity, with support to access information, guidance and funding – the proposal will build capacity around the business community to take forward their priorities	3.3 Innovative solutions are developed through a culture of collaboration – the proposal specifies that the Council will be invited to relevant meetings in an advisory capacity 3.5 Contact with the council and access to services is consistent and easy- via attendance at BID Meetings council representatives would be able to signpost services

Equality, Diversity and Inclusion

- 41 The Council has not undertaken an Equality Impact Assessment (EIA) on this proposal since it is being brought forward by a third party.

Other Implications

- 42 There are considered to be no specific implications for rural communities nor any for young people/cared for children. If the BID proceeds and is successful in boosting the local economy this could have beneficial indirect impacts for health although economic benefit may not filter to those in poorest health, particularly in a single term five-year period. The proposal has the potential to impact on climate change via initiatives delivered. Council representation on the BID Board could help ensure climate change impacts are considered in decision making.

Consultation

Name of Consultee	Post held	Date sent	Date returned
<i>Statutory Officer (or deputy) :</i>			
Ashley Hughes	S151 Officer	24/10/25	27/10/25
Hilary Irving	Interim Deputy Monitoring Officer	30/10/25	30/10/25
<i>Legal and Finance</i>			
Aaron Lecroy	Principal Finance Officer	22/09/25	Click or tap to enter a date
Nick Wrigley	Senior Lawyer	22/09/25	24/09/25
<i>Other Consultees:</i>			
<i>Executive Directors/Directors</i>			
Peter Skates	Director of Growth & Enterprise	23/10/25	24/10/25
Phil Cresswell	Executive Director - Place	23/10/25	24/10/25

Access to Information	
Contact Officer:	Jo Wise, Development and Regeneration Delivery Manager Jo.wise@cheshireeast.gov.uk
Appendices:	Appendix A: Knutsford Business Improvement District Proposal
Background Papers:	Business Improvement District Regulations 2004 Business Improvement District Technical Guide for Local Authorities



KNUTSFORD

BUSINESS IMPROVEMENT DISTRICT

OUR 5 YEAR PLAN FOR A BUSINESS IMPROVEMENT DISTRICT

2026-2031



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KNUTSFORD BID: A NEW CHAPTER FOR OUR TOWN



A MESSAGE FROM THE CHAIR OF THE KNUTSFORD BID STEERING GROUP

Knutsford: a vibrant market town, mentioned in the Domesday Book of 1086, with a good quality combination of national and independent retail and hospitality businesses. It has a welcoming atmosphere, and a unique connection to one of the region's most iconic attractions - Tatton Park (which is also part of this BID area).

A BID would be a first for Knutsford - something completely new and never tried here before. It's a chance for us, the business community, to take the lead and make our own decisions about what our town really needs - not wait around for government direction.

With £1m of private sector funding, we have the opportunity to drive bold, practical change that benefits Knutsford right now and builds a stronger future on our own terms

The BID will focus on making Knutsford a more attractive, accessible and, importantly an economically resilient destination. Investing in environmental enhancements and improved public spaces. A BID will support the development of the towns calendar of events to drive footfall and encourages even stronger local civic pride.

The BID will also focus on marketing and PR to raise the profile of the town and promote all that Knutsford has to offer. Tatton Park attracts hundreds of thousands of visitors each year, but too many come and go without ever stepping into Knutsford. A key part of our BID ambition is to change that by strengthening the link between Tatton and our town, through better signage, easier transport, and joined-up visitor experiences. We'll make sure those visitors don't just pass by.

We want them walking our high street, eating in our restaurants, booking beauty treatments, discovering our shops - and even choosing to work or live here.

This is a chance to turn passing footfall into lasting local value. We are committed to ensuring that businesses have a strong, unified voice and the support they need to thrive. The BID will bring businesses and organisations together, drive investment, and act as a catalyst for positive change.

So please join me and Vote Yes to success and a £1m investment into Knutsford in November 2025.

Yours,

Helen Rogers

**Chair of the BID Steering Group and founder of Matix Accounts,
a Knutsford centre-based business of 14 years**



MEET THE KNUTSFORD BID STEERING GROUP

The Knutsford BID Steering Group has been drawn from companies and organisations across Knutsford. Organisations small and large, independently owned or operating as part of larger groups have all contributed to the development of this proposal for a BID.

Helen Rogers

Matix Accounts

Chair of the BID Steering Group

Adam Hilton

The Blind Pig

Annette McDonald

Tatton Estates

Caterine Hooper

Detaljer

Hattie Cufflin

Hot Cocoa Ltd

Hitesh Jesuja

Sigiriya

Zoe Garner

Oil Art Advisory

Councillor April Johnson

Knutsford Town Council

Representing the Bexton and Town Centre ward

Julia Chard

Knutsford Olde Sweet Shoppe

Melanie Barnes-Batty

Knutsford Asset Management

Roberta Dyer

Roberta Beauty Redefined

Sean Spooner

The Lost and Found

Sue Henry

The Tea Room

Sandra Curties

Town Centre Manager,
Knutsford Town Council

Richard Milkins

Visitor Economy, Tourism &
Hospitality Manager
Cheshire East Council

HOW THE BID WORKS

- ▶ All premises with a rateable value greater than £5.5k will receive a vote.
- ▶ If a majority vote in favour of the BID (by number and rateable value) the BID is approved for a 5 year period.

VOTE

BID BOARD

- ▶ Businesses within the Knutsford BID area form a representative Board to govern the BID.
- ▶ The BID Board includes representation from organisations across the Knutsford BID area.

- ▶ The BID Board guides and directs the BID team who are responsible for the delivery of the BID 5 year business plan.
- ▶ New projects and services agreed by the business-led BID Board are commissioned in line with the BID proposal.
- ▶ The impact and success of the BID is reported to businesses.

INVEST, BENEFIT AND REPORT

WHAT IS A BUSINESS IMPROVEMENT DISTRICT (BID)?

WHAT IS A BUSINESS IMPROVEMENT DISTRICT (BID)?

- ▶ A BID is an opportunity for businesses and organisations to take a lead in the management and improvement of Knutsford for a five-year defined period.

ADDITIONAL INVESTMENT LED BY THE PRIVATE SECTOR

- ▶ The BID in Knutsford would generate over £1m of business led investment over a five-year period and will cost the average premises the equivalent of £1.47 / day, and for 50% of premises less than £1 day.
- ▶ The investment will be delivered through a new private sector led Knutsford Business Improvement District Board. The Board will be made up of local businesses and organisations who contribute towards the BID and answerable to the wider business community who fund the BID.

WHERE DOES THE INVESTMENT COME FROM?

- ▶ The investment will principally come from a small additional levy paid by each premises (hereditament) within the BID area with a rateable value above £5,500. The proposed model will cost the average premises the equivalent of £1.47 / day.
- ▶ Together this will raise an investment of circa £1m, over 5 years, which we expect will lever in additional funding from a range of sources.

WHO DECIDES IF THE BID IS TO BE INTRODUCED?

- ▶ All eligible premises will be able to take part in a 28-day postal ballot vote to approve or reject the BID proposal. This will take place in November 2025.
- ▶ If a majority vote in favour of the proposal from the number of votes cast, and this represents a majority in level of rateable value from votes cast, the BID will come into operation from 1st April 2026, when all premises with a rateable value above £5,500 would pay the small annual levy (equivalent to 2% of their rateable value) to fund investments planned by the BID.

HOW IS THIS DIFFERENT TO BUSINESS RATES?

- ▶ The BID levy is separate from business rates, which are a local tax collected by Cheshire East Council and pooled with council tax and government funding to support general services, with no direct link between what businesses pay and the services delivered. Any retained funds from business rates are principally invested in core council services including adult social care, children's services, domestic waste disposal, highways and economic development.
- ▶ The funds from the BID once collected will be held locally, under the control of local businesses and will only be invested in projects and services that are additional to base line services (highways, street scene, environmental enhancement etc) provided by the public sector.
- ▶ The BID funds will be invested under the direct control of the business community who pay the annual BID levies.

WHERE DO BUSINESS IMPROVEMENT DISTRICTS ALREADY OPERATE?

- ▶ Businesses and organisations have embraced BIDs since 2005, with notable examples that support town centres or city centres in Wilmslow, Altrincham, Northwich, Chester and Manchester.
- ▶ More than 300 BIDs have been approved by business communities in towns and cities across the UK since they were first introduced 20 years ago.



KNUTSFORD CHALLENGES AND OPPORTUNITIES



In 2024, Knutsford Town Council commissioned a Business Improvement District (BID) feasibility study to explore the potential benefits of establishing a BID in the town. As part of this process, a consultation was carried out with the local business community through an online survey, one to one stakeholder meetings and business workshops. The results from the consultation have helped to shape this draft business plan. A summary of the key headlines are listed below:

WHAT YOU TOLD US

Maximise the opportunity that being so close to Tatton Park provides – particularly with large events.

Improve the cleanliness, lighting, security and highlight the uniqueness of the town's ancient ginnels and alleys.

Lobby for improved frequency and quality of service of train routes and station arrival experience.

Marketing support for the town's businesses via dedicated social media platforms.

Introduce visitor monitoring/footfall measurement system and town event evaluation.

Work with the public agencies, Cheshire East Council and Knutsford Town Council on improving the quality of the visitor experience.

Knutsford's history/architecture/literary significance should be showcased more.

Provide better quality and more events that are targeted at more than just families.

Additional consultation was carried out in June and July 2025 with businesses and organisations across Knutsford. A five-year BID plan was shared with 399 organisations, alongside 162 in-person visits to gather views directly.

DETAILED FEEDBACK WAS SECURED FROM OVER 80 PREMISES, WITH STRONG SUPPORT EMERGING:

82%

agreed that the three proposed BID themes are the right priorities for improving Knutsford.

Businesses identified investment in **Enhancing the Knutsford Experience** as the top priority.

85%

of respondents said they were supportive or broadly supportive of the BID proposal and would vote in favour.

THE TOP 10 OPPORTUNITIES FOR A BID IN KNUTSFORD



1. GIVING BUSINESSES A STRONGER VOICE

The BID will provide a platform for Knutsford's business community to influence local decision-making, access funding opportunities, and shape the town's future direction.

2. BOOSTING FOOTFALL THROUGH EVENTS & EXPERIENCES

The BID will work with partners and stakeholders to build on existing events and introduce new high-quality events - markets, festivals, late-night shopping, and cultural activities to attract visitors and encourage local spending.

3. ENHANCING THE LINK WITH TATTON PARK

Enhance physical and promotional links between Knutsford town centre and Tatton Park to encourage two-way visitor flow, ensuring both locations benefit from increased footfall and engagement.

4. MARKETING AND PROMOTION

Working with key stakeholders to promote a strong, unified identity for Knutsford as a must-visit destination - targeting both residents and regional/national day-trippers through coordinated campaigns.

5. IMPROVING THE PUBLIC REALM

Invest in cleaner streets, greener spaces, better signage, and improved lighting to make the town centre more attractive, accessible, and welcoming.

6. SUPPORTING LOCAL BUSINESSES

The BID will provide free training, link businesses to support and provide networking opportunities, and collective services (e.g. waste management, joint procurement) to reduce costs and improve competitiveness.

7. ENCOURAGING A DAY-TO-NIGHT ECONOMY

Support the growth of Knutsford's evening economy by promoting dining, culture, and leisure options to encourage longer dwell times and more diverse opportunities.

8. IMPROVING ACCESSIBILITY & PARKING

Work with partners to address parking concerns, enhance signage, lobby for public transport improvements, promote public and active transport options, and make it easier for people to work, visit and stay longer.

9. ENHANCING SAFETY & SECURITY

Introduce initiatives such as business crime reduction partnerships, or improved CCTV to create a safer and more secure town environment.

10. INFLUENCING LOCAL INVESTMENT THROUGH DEVOLUTION

As devolution brings greater powers and funding to the region, the Knutsford BID can act as a key voice in shaping how investment and resources are directed locally. By aligning BID priorities with the wider Cheshire and Warrington devolution agenda, the BID can champion the needs of Knutsford's business community - ensuring the town benefits from infrastructure improvements, skills funding, transport upgrades, and place-based regeneration initiatives.



“We believe in Knutsford's potential - and the BID helps us unlock it.”

SEAN SPOONER, MANAGER, LOST & FOUND

WHAT CAN A BID DO FOR ME?

INDEPENDENT RETAILERS	NATIONAL RETAILERS	LEISURE, HOSPITALITY AND TOURISM	PROFESSIONAL AND OFFICE SECTOR
▶ We're committed to increasing footfall in Knutsford — seven days a week, 365 days a year. Through strategic destination marketing and a dynamic calendar of events, we'll attract more visitors and keep Knutsford buzzing all year round ▶ Our bespoke promotional campaigns will shine a spotlight on Knutsford's vibrant business scene. High-quality videos and professional photography will be shared across leading digital channels — connecting you with thousands of new customers ▶ Seasonal events and fresh activities will elevate Knutsford's profile and draw crowds. There'll be exciting opportunities for your business to get involved and be featured front and centre in these campaigns ▶ Collaborate with fellow businesses on group purchasing and cost-saving initiatives. Take advantage of practical support including training workshops, expert advice, and dedicated networking events — all organised by the BID ▶ Access exclusive footfall data and insights into town centre performance. Play an active role in shaping BID priorities and have your say in the future of Knutsford	▶ Increased footfall, dwell time and more consumers and visitors to Knutsford ▶ Access to a professionally managed business crime reduction partnership ▶ Raising the profile of Knutsford through a joined up and more targeted local and regional year-round marketing and promotional campaign ▶ Being part of a local network of major retailers who can share and gain in-depth insight into trading factors/conditions ▶ The ability to collaborate with fellow traders over seasonal campaigns ▶ The BID will support a better shopping environment in Knutsford with additional public realm improvements and improved safety initiatives	▶ Increased footfall and spend with visitors and consumers staying longer ▶ Promotional campaigns that shine a spotlight on the range and quality of food and beverage operators ▶ Improve the daytime to night-time economy experience ▶ The creation of new events and festivals that directly involve and promote a range of leisure and cultural opportunities in Knutsford and Tatton Park ▶ A BID gives the leisure/hospitality sector a collective voice in discussions with the council, police, and other stakeholders, influencing policies and planning decisions ▶ Opportunities to join together with neighbouring businesses to access group purchasing initiatives	▶ An enhanced and more vibrant town centre for your clients and employees ▶ The BID will lobby for better transport linkages and additional public transport services to support attracting talent and staff retention ▶ The ability to promote your business services to a wider audience and to 400+ fellow Knutsford businesses through regular media communications ▶ Promotion of a strong, positive narrative about Knutsford to help your business attract prospective employees to a high-quality work location ▶ Additional initiatives aimed specifically at the professional and office-based businesses within Knutsford, such as improved network opportunities, links with professional development providers and better routes into the local labour market ▶ Greater exposure and interaction with regional bodies such as Enterprise Cheshire and Warrington, The Growth Hub and Cheshire East Council

**VOTE
YES** 

THEME ONE – DESTINATION KNUTSFORD

Making Knutsford the place people want to visit, explore and enjoy.

The BID would focus on promoting Knutsford as a must-visit destination, attracting more consumers, visitors, and tourists, and encouraging them to stay longer and spend more. By improving the visitor experience, delivering exciting events, and working with partners like Tatton Park, we could raise the profile of Knutsford and boost footfall into the area. This theme is all about making Knutsford even more welcoming, vibrant, and memorable - for both visitors and locals alike.

The BID would deliver investment into projects including:

► **Seasonal Marketing Campaigns**

Seasonal cross-promotional activities in Knutsford and Tatton Park, e.g., autumn walks, Easter trails, and festive Christmas promotions.

► **Promotional Partnerships with local visitor attractions**

Joint campaigns, shared visitor materials, cross-promoted events, and package deals working with local visitor destinations including Tatton Park and the National Trust.

► **High-Quality Photography and Video Production**

Many businesses have already created impressive photography and videography. The BID would build on this by working collaboratively to curate existing content and commission additional professional imagery and video. These assets would showcase Knutsford's businesses/organisations, streetscapes, markets, heritage, and its connection to Tatton Park, supporting impactful PR activity and engaging social media campaigns.

► **The evolution of the Knutsford Brand Identity**

Lead and work with partners to develop a unified visual identity and messaging strategy to promote Knutsford across all media platforms.

► **Seasonal "Buy Local" Campaigns**

Promote Spring gifting, summer dining, and Christmas shopping, showcasing Knutsford's diverse range of businesses.

► **Marketing Spotlights**

Weekly features on local businesses and attractions across social media, the website, and printed newsletters.

► **National Tourism Publications & Travel Guides**

Work with agencies to feature Knutsford in broader national/regional media campaigns, e.g., private sector PR, Marketing Cheshire, and Visit England.

► **Developing and enhancing the annual Knutsford events calendar**

Work with partners to develop a year-round, diverse programme of high-quality events that celebrate Knutsford's food, culture, history, and retail offering—attracting new visitors, encouraging local participation, and driving footfall to the town and Tatton Park.



“Supporting the BID
at Curzon means
supporting the local
economy and providing
an opportunity to grow
our business!!”

**BERNARD CUNNANE,
CURZON CINEMA**



THEME TWO – EXPERIENCE KNUTSFORD



Creating a cleaner, safer and more enjoyable town centre for everyone.

The BID will work to improve the cleanliness, safety, and accessibility of Knutsford, helping to create a welcoming environment for shoppers, visitors, workers, and residents. Whether it's cleaner streets, better signage, improved spaces, or more vibrant displays, we want people to enjoy their time in Knutsford and keep coming back.

The BID would deliver investment into projects including:

► Heritage-Inspired Street Art or Interpretation Boards

The BID would commission art or storyboards sharing Knutsford's history, enriching the visitor experience.

► Wayfinding & Signage Improvements

The BID would invest in new wayfinding and signage projects e.g. Enhanced wayfinding of heritage points of interest car parks, toilets and routeways between Tatton Park and Knutsford town centre.

► Enhanced Deep Cleaning Programme

The BID would implement targeted deep cleaning of key locations in addition to standard cleansing services delivered by the council, such as jet-washing pavements, street furniture, signage, and alleyways.

► Work with Transport Providers to Improve Service Provision and Information

The BID would collaborate with partners to lobby for improved public transport in Knutsford and ensure up-to-date train and bus schedules are accessible online, on BID signage, and in printed visitor guides.

► Connecting Tatton Park and Knutsford Town Centre

The BID would commission a feasibility study to explore opportunities for enhancing connectivity between Tatton Park and Knutsford Town Centre. This would help develop new ways for visitors to enjoy both the historic beauty of the Tatton Estate and the unique offerings of the town centre.

► Introduce a Knutsford Town Link Radio Scheme

The BID would support the roll out of a digital Town Link Radio Scheme to improve safety, reduce crime, and enhance communications between Knutsford's businesses, Cheshire Police, and local authorities. Potential benefits include:

- Instant communication about incidents such as shoplifting or antisocial behaviour.
- Integration with town CCTV systems, monitored centrally by Cheshire East Council.
- Rapid response to issues, improving the sense of safety for staff and the public.



“We are excited to support the BID because of its private sector led plan to invests in the town's vibrancy - which will benefit all”

HITESH JESUJA,
OPERATIONS MANAGER,
SIGIRIYA RESTAURANT

THEME THREE – CONNECTED KNUTSFORD



A thriving Knutsford depends on strong, supported businesses.

The BID would act as a voice for business, lobbying on behalf of the Knutsford businesses, helping shape local decisions and connecting Knutsford to wider opportunities through the devolution agenda. The BID would also provide practical support—from skills development, cost-saving initiatives to shared promotion and networking.

A PRIVATE SECTOR LED BID BOARD

- ▶ **Establishing “One Voice” for Knutsford Business and Organisations**
Uniting local businesses under a single, coordinated voice to strengthen representation and influence in town-wide decision-making.
- ▶ **Robust Governance and Oversight of BID Investments**
Ensuring transparent, accountable, and strategic management of BID funds through structured governance and clear decision-making processes.
- ▶ **Unified Representation of Business Interests**
Acting as an advocate for the collective interests of Knutsford’s business community, fostering collaboration and amplifying the town’s economic voice.
- ▶ **Driving Improvements and Championing Change**
Lead initiatives that enhance the business environment, lobby for policy changes, and promote innovation and growth across the BID area.
- ▶ **Equitable Representation and Investment Across the BID Area**
To deliver fair inclusion and investment for businesses throughout Knutsford, ensuring all sectors and locations benefit from BID activities.

THE ROLE OF KNUTSFORD BID TEAM

- ▶ **A One-Stop Shop for Local Businesses**
Serve as a central point of contact for Knutsford’s business community, offering support, guidance, and a platform to raise issues and explore opportunities.

▶ Creating Opportunities by Tackling Barriers to Growth

Identify and address challenges that hinder business development, working collaboratively to unlock potential and drive sustainable growth.

▶ Delivering the Five-Year BID Business Plan

Lead the implementation of the BID’s strategic objectives, ensuring timely delivery of initiatives and measurable impact over the five-year term.

START-UP SUPPORT & KNUTSFORD ‘WELCOME PACK’

- ▶ **Welcome to Knutsford Pack**
The BID would develop an information pack containing local contacts and BID services for new businesses launching in Knutsford.
- ▶ **Support for local enterprise and entrepreneurs**
The BID would assist in local enterprise development programmes.

FREE OR SUBSIDISED TRAINING WORKSHOPS/COURSES

- ▶ The BID would offer workshops and training covering topics such as digital marketing, customer service, merchandising, social media, financial planning, food hygiene, staff recruitment, first aid at work, and fire safety.

FREE OR SUBSIDISED TRAINING WORKSHOPS/COURSES

- ▶ The BID would offer workshops and training covering topics such as digital marketing, customer service, merchandising, social media, financial planning, food hygiene, staff recruitment, first aid at work, and fire safety.

”

“The BID’s plans for events and promotions will drive more customers through our doors.”

VICKY BERRY, MANAGER,
SAINSBURYS LOCAL

PROPOSED BID AREA



STREET NAMES

- | | | | |
|--------------------|--------------------|-------------------|--------------------|
| ▶ ADAMS COURT | ▶ KING STREET | ▶ SWINTON SQUARE | ▶ CHURCH VIEW |
| ▶ GASKELL AVENUE | ▶ SILK MILL STREET | ▶ CANUTE SQUARE | ▶ OLD MARKET PLACE |
| ▶ RED COW YARD | ▶ BROOK STREET | ▶ MINSHULL STREET | ▶ TOFT ROAD |
| ▶ ADAMS HILL | ▶ MALT STREET | ▶ TATTON PARK | ▶ DRURY LANE |
| ▶ KING EDWARD ROAD | ▶ STANLEY ROAD | ▶ CHURCH HILL | ▶ PRINCESS STREET |
| ▶ REGENT STREET | ▶ CANUTE PLACE | ▶ NORTHWICH ROAD | ▶ WINDSOR WAY |
| ▶ BEXTON ROAD | ▶ MANCHESTER ROAD | ▶ TATTON STREET | |

GOVERNANCE, FINANCES AND BID ARRANGEMENTS



THE BID BALLOT

A postal ballot of eligible business ratepayers in the BID area will take place between the 30th October 2025 and the 27th November 2025. The day of the ballot will be the 27th November 2025. Ballot papers will be delivered by post to all businesses eligible to vote. The voter must cast their vote and return the ballot paper by 5pm on 27th November 2025.

The BID ballot will be successful if the following two criteria are met:

- ▶ A majority of ballots cast are in favour of the BID proposal
- ▶ There is a majority in the value of rateable value from votes cast in favour of approving the BID proposal

The result of the ballot will be announced on or as soon as possible after the 28th November 2025.

THE BALLOT TIMELINE

2024

BID Feasibility consultation
with Knutsford businesses &
organisations

16th October 2025

Notice of ballot issued
to BID voters (by post)

30th October 2025

Ballot Papers issued to BID
voters (by post)

27th November 2025

The last day of the
BID ballot

28th November 2025

The results of the ballot are
officially announced

1st April 2026

BID Implementation Day



”

“A ‘**YES**’ vote means more footfall,
more visibility, and a stronger voice
for the hospitality community.”

EVUNA

KNUTSFORD BID BUSINESS PLAN FINANCES

Planned Income	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	TOTAL
Forecast BID Contribution (£)	173,850	178,196	182,543	186,889	191,235	912,713
Match Funding / Other Income (£)	20,000	22,000	24,200	26,620	29,282	122,102
Estimate of Predicted Revenue (£)	193,850	200,196	206,743	213,509	220,517	1,034,815

BID Expenditure	2026/2027	2027/2028	2028/2029	2029/2030	2030/2031	TOTAL	Budget Allocation
Theme One: Destination Knutsford (£)	61,000	63,650	66,421	69,317	72,346	332,734	33%
Theme Two: Experience Knutsford (£)	54,000	56,450	59,023	61,724	64,560	295,756	29%
Theme Three: Connected Knutsford (£)	29,000	32,775	39,114	41,019	43,020	184,929	18%
Management and Levy Collection (£)	43,115	34,455	35,851	37,337	48,908	199,667	20%
Total Annual Expenditure Budget (£)	187,115	187,330	200,408	209,397	228,835	1,013,085	
Project Contingency and Estimated Cash-flow Balance (£)	6,735	19,601	25,936	30,047	21,730	21,730	

- ▶ Where the level of income recovered through the BID levies charged is greater than the forecast level, this additional income would be used to support further investments by the BID, and the income budgets amended to reflect this new income.
- ▶ The cost of developing the BID has been funded through Knutsford Town Council. The Town Council have six months from the day of the BID Ballot in which to formally request repayment of BID monies, after which the Town Council would lose the right to recover all, or part of the BID development monies invested.
- ▶ The costs of levy collection by Cheshire East Council, including software costs would be recovered from the BID levy.
- ▶ The BID area, themes, governance and management arrangements and overall BID income percentages can only be altered via an alteration or renewal ballot.
- ▶ Any alteration to the BID arrangements that does not require an alteration ballot or renewal ballot will be subject to consultation between CEC as the billing authority and the BID Body.
- ▶ Following consultation with the billing authority any alteration will require approving by the Knutsford BID Board. All other arrangements including specific projects and the percentage of funding allocated to each theme within the BID may be altered within the constraints of the overall BID budget without the need for an alteration or renewal ballot.
- ▶ Businesses and organisations that are not liable for a BID levy may apply to become a voluntary member of the BID at the discretion of the BID Board upon payment of a BID levy invoice paid directly to the BID body.

GOVERNANCE AND MANAGEMENT OF THE BID

The Business Improvement District will be governed and directed by a Board of eligible businesses and organisations from across the Business Improvement District area. The BID Board will meet a minimum of 6 times a year.

The BID Board will include representation from the key sectors including retail, leisure, nighttime economy, public sector, 3rd sector, professional and other business services. The Board will also include representation from a range of business types and sizes, including smaller independent businesses and businesses that are part of larger groups.

The BID Board will select a Chair and Vice Chair from the membership of the BID Board to lead the Knutsford Business Improvement District. Any business/organisation with a liability for payment of a BID levy will be able to put a representative forward for appointment onto the Board, which will be elected through an annual meeting of members of the Business Improvement District.

The BID Body will be Groundwork Cheshire, Lancashire & Merseyside. Groundwork are a not-for profit registered charity and limited company, established in Cheshire East in 1983. Groundwork have operated specialist Business Improvement District management services since 2005. These services have supported multiple town centres to develop successful BID programmes including Wilmslow, Northwich and Warrington.

The BID Board will invite to relevant meetings Cheshire East Council, Cheshire Police and Knutsford Town Council in an advisory capacity. This is in addition to their option to put forward a formal BID Board member where they are occupiers of hereditaments within the BID area.

PROCUREMENT AND OVERSIGHT FRAMEWORK

To ensure transparency and effective use of levy funds, the BID will follow a proportionate procurement and oversight framework:

Procurement will be guided by principles of fairness, transparency, and value for money

Contract management will include clear deliverables, performance monitoring, and milestone-based payments where appropriate

Local suppliers will be encouraged to bid for work, and processes will be scaled to the size and complexity of each contract

Financial oversight will be maintained through regular reporting to the Board, an annual audit, and a reserves policy to manage risk

Proportionate procurement thresholds and criteria will be established and reviewed by the BID Board

Risk and governance will be supported by a conflict of interest protocol, a risk register, and access to key documents such as budgets and annual reports by the BID Board



Transparency and reporting of expenditure shall be reported through the processes outlined on page 18

BID LEVY RULES

1. The BID levy in 2026 will be charged at a rate of 2% of the rateable value as of 1st April 2026 based on the 2023 rating list.
2. The current rating list is based on the 2023 valuation. Levy payments will be based on the 2023 valuation for the period of the BID in line with the values at the time of the BID ballot except where any new streets are subsequently created and any new, refurbished, or reconstructed hereditaments subsequently enter the National Non-Domestic Rates list and fall in the BID area.
3. The levy will be charged annually in advance starting on 1st April 2026. BID levies will be payable within 30 days except where a payment plan is offered by Cheshire East Council. The levy percentage will increase by 0.05% of a hereditaments rateable value each financial year to allow for inflation, with the first increase from the 1st April 2027.
4. The levy is collected on a 'chargeable day' basis (1st April of each year during the BID's lifespan). For each chargeable period, the levy will be charged to the party liable for payment of non-domestic rates on the chargeable day.
5. The BID levy will be applied to all non-domestic ratepayers within the defined BID boundary with a rateable value of more than £5,500, provided they are listed on the National Non-Domestic Rates List as provided by Cheshire East Council.
6. Places of worship and public funded primary schools will be exempt. There will be no other exemptions applied through the Knutsford Business Improvement District.
7. Hereditaments which meet the criteria outlined above and are located on the streets listed in the business plan or in the BID area map will be included in the BID and will be liable for a BID levy.
8. Vacant properties, or those undergoing refurbishment will be liable for the BID levy. This includes premises which have temporarily been zero rated during the lifespan of the BID from a value greater than £5,500 during a refurbishment (in which case the last valuation before zero rating will apply).
9. Collection and enforcement regulations will be in line with those applied to non-domestic business rates, with the BID Board being consulted for any debt write-off.
10. Cheshire East Council or its appointed agent is the only authorised body to collect the BID levy on behalf of the BID Body and the BID Board.
11. VAT will not be charged on the BID levy.
12. Where a business or organisation wishes to join the BID by payment of a voluntary levy this can be approved at discretion of the BID Board. Voluntary BID levy payers will not be entitled to vote in the BID ballot. Such voluntary membership is encouraged from occupiers of hereditaments with a rateable value of £5,500 or below.
13. The term of the BID will be five years from the 1st April 2026 through to the 31st March 2031. The BID will commence 123 days after the day of the ballot.
14. The BID area, themes, governance and management arrangements and overall BID income percentages can only be altered via an alteration or renewal ballot. All other arrangements including specific projects and the percentage of funding allocated to each theme within the BID may be altered within the constraints of the overall BID budget without the need for an alteration or renewal ballot.
15. The BID income budget may be adjusted to allow for occasions where increased levels of BID levy are generated e.g. through new developments.
16. No refunds or credits will be made in the event of a change in rateable value that affects past billing periods.
17. Notices – all notices, including those issued to the Secretary of State, the District Council and all proposed levy payers have been issued in line with the prescribed regulations from all applicable legislation.

GUIDING PRINCIPLES FOR THE BID

KNUTSFORD BID – “REPRESENTING THE VIEWS AND INTERESTS OF THE BUSINESS COMMUNITY – WORKING IN THE BEST INTERESTS OF THE TOWN”

The Knutsford BID will be governed by a business-led partnership which will deliver the projects and services identified by you, the business community of Knutsford, during the development of this BID proposal.



All businesses and organisations who form the BID will be encouraged to act as ambassadors for Knutsford and the Knutsford BID.



The BID will be proactive in communicating and reporting to levy payers.



All eligible businesses and organisations who are included in the BID area will have the opportunity to put forward a representative as a BID Board member. The BID will ensure that rigorous procedures are used to ensure best practice and value for money in the delivery of the projects and services contained in the BID proposal.



The BID will be robustly managed and governed to ensure it acts with integrity and to the highest industry standards. All businesses and organisations who form the BID will be encouraged to act as ambassadors for Knutsford and the Knutsford BID. The BID will be proactive in communicating and reporting to levy payers.



The BID will be democratic, open and transparent and will always be representative of all its members.



The BID will ensure that rigorous procedures are used to ensure best practice and value for money in the delivery of the projects and services contained in the BID proposal.

PERFORMANCE MONITORING

The BID will monitor and report on a range of key performance indicators (KPIs) including:



Footfall and Traffic Movement Research

Crime and Safety -

Incidence of crime statistics

Consumer Perceptions

Business Community Perceptions

Vacancy Rates

Marketing and PR -

Digital media statistics and analysis of data

REPORTING THE WORK OF THE BID TO THE BID LEVY PAYERS

The level of progress made on the delivery of the Business Improvement District will be reported to BID levy payers and Cheshire East Council on a regular basis by the Business Improvement District Board through the following communication channels:

- ▶ BID Financial Statement - A BID financial statement will be issued with each BID levy demand. This statement will detail the plans for expenditure by the BID in the forthcoming 12 months and also report in years 2,3,4 and 5 on the finances of the BID and key achievements from the previous 12 months.
- ▶ The Knutsford Business Improvement District Annual General Meeting.
- ▶ Knutsford Business Improvement District Annual Report and Accounts will be distributed to BID levy payers and provided to Cheshire East Council.
- ▶ Regular website and social media updates, e-bulletin, printed bulletins and press releases.

BASELINE SERVICE AGREEMENTS

To ensure that the Business Improvement District does not fund statutory services provided by Cheshire East Council a number of baseline commitments have been provided.

The Baselines relate to:

- | | | |
|-------------------------------------|----------------------------------|---|
| ▶ Estates | ▶ Highway Repair and Maintenance | ▶ Public Art Delivery Support |
| ▶ Business Support | ▶ Highway Network Maintenance | ▶ Public Rights of Way |
| ▶ CCTV | ▶ Highway Network Maintenance | ▶ Town Centre Vitality and Viability Monitoring |
| ▶ Cleansing and Grounds Maintenance | ▶ Highway Street Lighting | ▶ Visitor Economy |
| ▶ Community Enforcement | ▶ Libraries | |
| ▶ Event Management | ▶ Parking | |

The BID will monitor the baseline agreements on an ongoing basis to ensure that Cheshire East Council maintain their agreed service delivery. This will ensure the BID's funding does not back fill or fund any baseline / statutory services.

To view the baseline service statement from Cheshire East Council visit: www.knutsfordbid.co.uk.

VOTE YES



”

“The BID will help us compete with larger retail centres by making Knutsford a go-to shopping destination.”

BATH HOUSE



”

“A ‘Yes’ vote means more visibility for Knutsford – and that benefits every sector.”

RICHARD CLARE, CLARE & ILLINGWORTH



”

“It’s about working together to keep Knutsford thriving – the BID makes that possible.”

DAWN JEFFS, SAYERS



”

We’re voting ‘Yes’ because the BID brings real investment into the high street.”

KIERON DUNCAN, BIKES ‘N’ GEAR



KNUTSFORD

BUSINESS IMPROVEMENT DISTRICT



THIS PROPOSAL FOR A BUSINESS DISTRICT IN KNUTSFORD HAS BEEN DEVELOPED BY GROUNDWORK

For more information please visit www.knutsfordbid.co.uk or
email john.graham@groundwork.org.uk or
jane.hough@groundwork.org.uk



THE KNUTSFORD BID DEVELOPMENT PROJECT HAS BEEN FUNDED AND SUPPORTED BY KNUTSFORD TOWN COUNCIL



OPEN/NOT FOR PUBLICATION

By virtue of paragraph(s) X of Part 1 Schedule 1 of the Local Government Act 1972.

Economy and Growth Committee**Tuesday, 11 November 2025****Second Financial Review 25/26**

Report of: Ashley Hughes, Executive Director of Resources (Section 151 Officer)

Report Reference No: EG/07/25-26

Ward(s) Affected: Not applicable

For Decision or Scrutiny: Both

Purpose of Report

- 1 This report provides the Economy and Growth Committee an update on the current forecast outturn for the financial year 2025/26. This is the second financial review (FR2) and is based on our income, expenditure and known commitments as at the end of August 2025.
- 2 The report is structured into four parts:
 - (a) An Executive Summary of the Council's Financial Position
 - (b) A Summary of Recommendations
 - (c) An Economy and Growth Committee focused narrative
 - (d) An annex for the Committee that summarises the service level financial forecast and the detailed capital programme
- 3 The Executive Summary of the Council's Financial Position provides the Committee with summary details of the Council's forecast outturn for all services. This provides the Committee with contextual information on the financial position of the Council. The Committee is asked to focus their scrutiny on the forecasts and supporting information relating to services within the remit of the Committee whilst understanding the overall financial position of the Council.
- 4 The Summary of Recommendations requests the Committee's approval for amendments to the Committee's budget, in line with the Committee's authorisation levels.

- 5 The Committee focused narrative presents the current revenue and expenditure commentary with an update on the 2025/26 approved budgeted change items relating to the Economy and Growth services.
- 6 The annex includes the summary of the service level financial forecast and the individual projects within the Directorate's capital programme.
- 7 As set out in previous Financial Reviews, the requirement to continue to identify further actions to bring the Council back to a position where we are living within our means remains, 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.
- 8 The full report to Finance Sub Committee on 3 November 2025 includes additional information on debt, Council Tax and Business Rates collection, Treasury Management and Prudential Indicators. The report can be found here [Finance Sub Committee FR2 Report](#).

Executive Summary – Council Financial Position

- 9 This is the Second Financial Review monitoring report (FR2), showing the forecast outturn position for the 2025/26 financial year.
- 10 The report provides the current forecast outturn position for the revenue budget, capital budget, Dedicated Schools Grant (DSG) and Transformation Programme for the financial year 2025/26.
- 11 The Second Financial Review (FR2) forecast revenue outturn is an **adverse variance of £2.345m** against a net revenue budget of £360.198m which is an improvement of £0.802m compared to the overspend reported at FR1 of £3.147m.
- 12 The current forecast is that services will be £12.904m over budget in the current year, whilst central budgets are forecast to be £10.559m under budget, resulting in the overall outturn overspend of £2.345m overspend.
- 13 This is after the application of planned use of conditional Exceptional Financial Support **£25.261m** as set out in the approved budget in February 2025. Please see Table 1 at the top of page 3 for details:

Table 1 2025/26 FR2	Revised Budget	Forecast Outturn	Forecast Variance	Forecast Variance FR1	Movement from FR1 to FR2
	£m	£m	£m	£m	£m
Service Committee					
Adults and Health	167.257	167.334	0.077	(0.295)	0.372
Children and Families	98.420	107.283	8.863	8.998	(0.135)
Corporate Policy	43.708	43.492	(0.216)	0.062	(0.278)
Corporate Policy - Cross Transformation	(13.452)	(3.821)	9.631	9.631	-
Economy Growth	28.756	25.996	(2.760)	(2.285)	(0.475)
Environment and Communities	43.618	40.921	(2.697)	(2.545)	(0.152)
Highways and Transport	17.151	17.159	0.008	0.114	(0.106)
Total Service Budgets	385.458	398.364	12.906	13.680	(0.774)
Finance Sub:					
Central Budgets	55.000	44.439	(10.561)	(10.533)	(0.028)
Funding	(415.197)	(415.197)	-	-	-
Total Finance Sub	(360.197)	(370.758)	(10.561)	(10.533)	(0.028)
Exceptional Financial Support	(25.261)	(25.261)	-	-	-
TOTAL	-	2.345	2.345	3.147	(0.802)

- 14 All Directorates continue to work on mitigation plans to improve the overall forecast overspend position and in doing so, are highlighting any risks associated with mitigations currently reflected in the reported £2.345m overspend. Each Directorate has plans underway to deliver approved budget changes (growth and savings) identified as part of the 2025/26 approved budget per MTFS line.
- 15 The value of additional mitigation plans not yet reflected as delivered at FR2 are estimated at £1.933m, giving a potential improved overall forecast of £0.412m overspend. However, should the current mitigations included in the FR2 forecast not materialise, alongside further risks identified, then the forecast overspend position could increase to £21.191m adverse.
- 16 The opening DSG deficit is £112.149m with an in-year projected movement of £33.829m to forecast a year end deficit of £145.978m.

- 17 The FR2 forecast outturn position against the approved Transformation budget changes for 2025/26 is outlined in Table 2 below. The Committee should note that one off in year mitigations totalling £1.789m have been identified to temporarily offset the forecast overspend. The Place directorate have identified £1.039m of in year savings to reduce the forecast Third Party Spend variance (included in the cross-cutters savings line) by this amount.

Table 2 - Transformation Budget Saving	Original Budget £m	Forecast Outturn £m	Forecast Variance £m	Forecast Variance FR1 £m	Movement from FR1 to FR2 £m
Access to Services & Corporate Core (Cross cutters including Digital/Workforce/3 rd Party Spend/Fees & Charges)	(13.452)	(3.821)	9.631	9.631	-
Service Delivery – Adults Social Care	(7.000)	(7.000)	-	-	-
Service Delivery – Children's	(3.788)	(0.868)	2.920	2.420	0.500
Service Delivery – Place	(0.175)	(0.175)	-	-	-
Total	(24.415)	(11.864)	12.551	12.051	0.500

- 18 The capital programme for the current year is forecasting expenditure of £167.700m in year, an underspend of £40.791m against a budget of £208.491m at FR2. This is an increase against the approved MTFS budget of £173.142m due to increases in Supplementary Capital Estimates (SCEs) of £23.031m as well as some reprofiling of projects.
- 19 The overall forecast revenue overspend of £2.345m remains a significant financial challenge for the Council when considered in addition to the planned use of Exceptional Financial Support (EFS) of £25.261m.
- 20 Reserves at out-turn were £29.413m, being £6.299m of General Fund Reserves and £23.114m of Earmarked Reserves. A planned net use of Earmarked Reserves and the General Fund Reserve is forecast at £2.282m leaving £27.131m total available reserves. The Council's level of reserves is therefore insufficient to cover the current forecast revenue outturn for the year without further action.

RECOMMENDATIONS

The Economy and Growth Committee is recommended to:

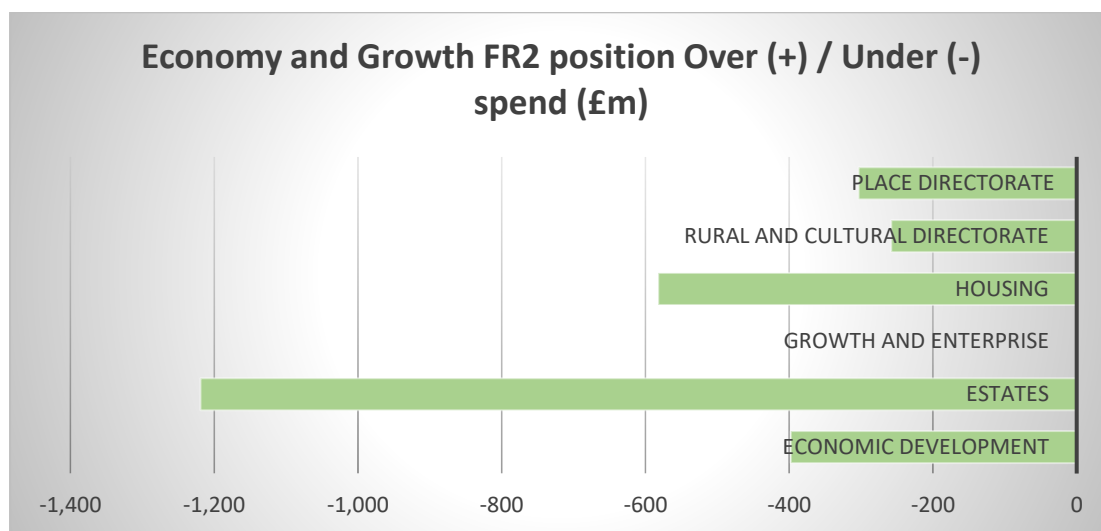
1. Note the overall Council's Financial position as described within the Executive Summary – Council Financial Position.
2. To scrutinise the latest revenue forecast for Economy and Growth Directorate, review progress on the delivery of the MTFS approved budget policy change items (Table 3), the RAG ratings and to understand the actions to be taken to address any adverse variances from the approved budget.
3. Note the overall in-year forecast capital spending for Economy and Growth Directorate of £44.414m against a revised MTFS budget of £56.535m in Tables 4 and 5.
4. Note the Delegated Decisions made for Supplementary Capital estimates and Capital Budget Virements up to £500,000 as per Table 6.
5. Approve the Supplementary Capital Estimate above £500,000 up to and including £1,000,000 as per Table 7.
6. Note the available reserves position as per Table 8.

Economy and Growth Committee Focused Narrative

Revenue and Expenditure Commentary including an update on the 2025/26 Approved Budget Change Items

- 21 The Economy and Growth Committee second financial review for 2025/26 presents a forecast underspend of £2.760m reflecting an improvement since FR1 of £0.475m.

The graph below presents the service level position of the Directorate with the summary data available within Section 1 of Annex 1.



- 22 The key reasons for the underspend are evident in a number of service areas, as explained below:
- (a) Assets Service: (£0.567m) underspend reflecting vacancies and one-off invoicing for backdated rent.
 - (b) Economic Development: (£0.398m) underspend reflecting vacancies, use of grants and additional recharges to the capital programme.
 - (c) Housing: (£0.582m) underspend reflecting vacancies, income and reduced spend.
 - Facilities management: (£0.520m) underspend reflecting vacancies and underspends on utility costs offsetting cost pressures.
 - Other (£0.303m) underspend on Farms, Green infrastructure and cultural economy.
 - Directorate (£0.304m) reduction in expenditure and use of reserves.

Update on 2025/26 Approved Budget Change Items

- 23 The following section provides an explanation of the key drivers behind variances to the budget for the Economy and Growth directorate. Table 3 provides detailed commentary on the progress against the approved budget change items that were agreed as part of the approved budget in February 2025.

Table 3 – Detailed List of Approved Budget Change Items

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
Economy and Growth 2025/26 Revised Budget as per Cover report Table 1		28.756	25.996	(2.761)	
Change from 2024/25 budget		0.534	(2.227)	(2.761)	
57	Office Estate Rationalisation	(0.150)	(0.100)	0.050	Amber - due to the timeline for the transfer of buildings being extended. Risk associated with the transfer of Westfields to Education for a SEND school. This item is being mitigated by in year savings.
58	Pension Costs Adjustment	(0.164)	(0.164)	-	Completed
59	Tatton Park ticketing and EPOS upgrade	0.001	0.001	-	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. Improved functionality should enable future savings delivery.
60	CEC Archives	0.014	0.014	-	Green - All elements of the programme are progressing well, on time and on budget.
61	Rural and Visitor Economy Electricity costs	(0.021)	(0.021)	-	Green - In line with wider national industry price caps, the projections of energy reduction costs to users

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
					were due to be introduced during 2025/26 and therefore consideration to reduce the budget provision has been carried out in the base budget.
62	Minimum energy efficiency standards (MEES) - Estates - Revenue Adjustment	0.023	0.102	0.079	Amber – Prioritised negotiations with 3rd parties/tenants occupying premises being expedited to mitigate delays on obtaining access for surveys, completing necessary improvement works and legally completing lease renewals.
63	Pay Inflation	1.064	1.187	0.123	Red - LGS pay offer for 2025.Full and final offers of 3.20% increase resulting in overspend of c.£1.7m across the Council.
64	Maintenance and operation of new assets in Crewe town centre	0.205	0.205	-	Green - Expected to spend to allocated budget.
65	Land Fill Site Assessments Revenue Adjustment - Estates – Review and Risk Assessment of Council owned Landfill sites (53 sites) Review and Risk Assessment completions	0.010	0.010	-	Green - Environment Service capacity identified. 2nd stage review underway.
66	Tatton Park Estate Dwellings Refurbishment	0.015	0.015	-	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.
67	Improving Crewe Rented Housing Standards	0.188	-	(0.188)	Amber - Due to the progression of the Governments Renters Rights Bill which will bring forward improvements to the private rented sector, but place new requirements on Council's to carry out enforcement activity it is the intention to utilise the funding to undertake a stock condition survey of the private rented sector which will be used to influence future direction and enable us to formulate

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
					a robust plan to improve the private rented sector and recruit to new posts to undertake the new requirements being brought forward under the new regulations.
68	Maximise potential of Countryside Access Management System	0.020	0.020	-	Green - Software contract signed following Procurement Engagement. Roll out initiation meeting held with supplier.
69	Assets - building and operational – Energy	(0.860)	(0.860)	-	Completed - This was a known reduction as agreed last year as part of the overall MTFS savings target.
70	Assets - building and operational – Maintenance	0.465	0.465	-	Green - Whilst Inflation limits have stabilised, the additional funding is required to offset known increases in material costs and labour rates that were inadequate in previous financial years and to mitigate the impacts moving forward. The overall backlog of maintenance still remains a challenge, alongside the continued holding costs associated with managing vacant premises, pending the implementation of the future use / operation.
71	Tatton Park - Increase Fees and Charges	(0.126)	(0.126)	-	Green - Following the strategic pricing review in 2020, Tatton Park continues to monitor and review parkland and attraction admission prices on an annual basis. Appropriate adjustments are made after considering the wider national economic situation, local competitor pricing and visitor dynamics to ensure that Tatton is able to achieve its budget targets.
72T	Corporate Landlord Model Refresh	(0.050)	(0.050)	-	Amber - This is a notional target saving allocation, based on the potential reduction of assets, linked to the disposals programme. Budget savings have been allocated from both the Assets Disposal programme and existing

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
					Facilities Management revenue funding.
73T	Asset Strategy Refresh	(0.100)	(0.100)	-	Amber - This was a notional target saving allocation, based on the potential reduction of assets, linked to the disposals programme. Several of the key sites are subject to planning consents or contractual conditions as part of the disposal strategy and may therefore be a challenge to achieve within year. Provisional budget has been identified from additional income and savings within the investment portfolio.
In-year	Place Directorate Mitigations to balance back to Finance Review position	-	(0.304)	(0.304)	Place Directorate Mitigations to balance back to Finance Review position
In-year	Growth & Enterprise Mitigations to balance back to Finance Review position	-	(2.521)	(2.521)	Growth & Enterprise Mitigations to balance back to Finance Review position

Capital Programme

- 24 **Table 4** overleaf sets out the Economy and Growth capital programme position for 2025/26 as at FR2, showing a forecast spend of £44.414m against a revised MTFS budget at outturn of £56.535m. The main reasons for the increase in the 2025/26 budget at outturn are due to Supplementary Capital Estimates (SCEs), notably Warm Homes Local Grant (DESNZ) £1.354m and WorkplaCE £0.839m with reprofiling from 2024-25 to future years of £13.400m less further reprofiling to future years of £5.870m. This has resulted in significant uplifts to various projects such as £2.715m for the Crewe Towns Fund Projects, the New Archives Premises Crewe Town Centre £1.929m and Public Sector Decarbonisation Scheme Phase 3B £1.036m in 2025/26.

Table 4 Capital 2025/26	MTFS	Out - turn	Actuals FR1	Actuals FR2	Forecast Spend	Gov Grants	Ext Contri- bution s	Rev Contri- bution s	Cap Receipt	Prud Borrow	TOTAL
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Economy and Growth	36.081	56.535	3.036	6.583	44.414	22.921	1.677	0.067	0.328	19.421	44.414

25 Each Committee is being asked to recognise the need for capital restraint particularly if external borrowing is required. This is being monitored and tracked through the work of the Capital Programme Board.

26 **Table 5** shows the movement in the 2025/26 Capital budget since the MTFS Budget was approved in February 2025.

Table 5 Capital Movement 2025/26	MTFS	SCE	Carry Forward & Budget Reduction Outturn and FR1	Virement	Re profiled to future	SCE	Virement	Budget Reduction	Re profiled to future	FR2 2025/26
	Budget 2025-29	Outturn and FR1	Outturn and FR1	Outturn and FR1	FR1	FR2	FR2	FR2	FR2	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Economy and Growth	36.081	2.594	11.097	-	(5.352)	0.921	(0.409)	-	(0.518)	44.414

27 **Table 6 shows Delegated Decisions – Supplementary Capital estimates and Capital Budget Virements made up to £500,000**

Table 6 - Committee / Capital Scheme	Amount Requested £m	Reason and Funding Source
Supplementary Capital Estimates that have been made up to £500,000		
Economy and Growth: Estates		
WorkPlaCE	0.095	To transfer funds to the WorkplaCE budget from the underspend in Member's Allowances Budget, to upgrade broadcasting and conferencing equipment in the Capesthorne Room at Macclesfield Town Hall ensuring consistency facilities available at Delamere House, Crewe.
Economy and Growth: Economic Development		
Future High Street Funding – CEC Innovation Centre	0.125	To add the UK Shared Prosperity Fund allocated.
Demolition of Crewe Library and concourse CTC10	0.130	Crewe Towns Fund Grant allocation adjusted.
Total Supplementary Capital Estimates Requested	0.350	
Capital Budget Virements that have been made up to £500,000		
Economy and Growth: Economic Development		
Future High Street Funding – CEC Innovation Centre	0.050	Future High Street Funding realigned from Sustainable Energy Network to TADIC's energy improvement measures.
Total Capital Budget Virements Approved	0.050	
Total Supplementary Capital Estimates and Virements	0.400	

28 Table 7 shows Requests for Supplementary Capital Estimates (SCEs)

Table 7 Committee / Capital Scheme		Amount Requested £m	Reason and Funding Source	
Service Committee are asked to approve the Supplementary Capital Estimates above £500,000 up to and including £1,000,000				
Growth and Enterprise	0.571	Approval of SCE to provide additional budget to the Capital Programme as per the below S106 agreement/s (and any incurred interest):		
Crewe Towns Fund - Mill Street Corridor		Planning Reference 13/2069 11/2069 12/311N 11/4549 & 13/1021 Total	Amount £143,092.15 £140,151.33 £232,342.54 £54,996.47 £570,582.49	
Total Supplementary Capital Estimates Requested	0.571			

Reserves Position

- 29 Table 8 below shows the Economy and Growth position on reserves by the end of 2025/26.

Table 8 Earmarked Reserves	Balance at 1 April 2025	Drawdown to Support Service Exp	Additional Contributi ons to Reserves	Balance Forecast at 31 March 2026	Notes
	£m	£m	£m	£m	
Place Directorate Reserve	(0.418)	0.418	-	-	To support a range of projects within the Place Directorate
Investment (Sustainability)	(0.549)	0.050	-	(0.499)	To aid investment that can increase long-term financial independence and stability of the Council.
Legal Proceedings	(0.179)	0.025	-	(0.154)	To respond to insolvency/legal proceedings on land and property matters.
Tatton Park Trading Reserve	(0.050)	0.050	(0.080)	(0.080)	To support the replacement of vehicles and Tatton Park transformation projects
Total Reserves	(1.196)	0.543	(0.080)	(0.733)	

Consultation and Engagement

- 30 As part of the budget setting process the Pre-Budget engagement process provided an opportunity for interested parties to review and comment on the Council's Budget principles.

Reasons for Recommendations

- 31 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.

- 32 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

- 33 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/Governance

- 34 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.
- 35 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.
- 36 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.
- 37 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.

- 38 This report provides an update on progress for 2025/26 for all services.
- 39 It also provides updates and comments regarding the Council's use of 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

- 40 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.
- 41 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.
- 42 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.
- 43 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.
- 44 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.
- 45 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:
1. Spending decisions could be made that exceed the available resources of the Council. This would unbalance the budget, which is unlawful.
 2. Spending decisions to restrict or hide pressures could be made that avoid an immediate deficit, but in fact are based on unlawful activity.

- 46 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.
- 47 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.

Human Resources

- 48 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

- 49 Financial risks are assessed and reported on a regular basis, and remedial action taken if required. Risks associated with the achievement of the 2024/25 budget and the level of general reserves were factored into the 2025/26 financial scenario, budget, and reserves strategy.

Impact on other Committees

- 50 All Committees will receive this financial update report.

Policy

- 51 This report is a backward look at Council activities and predicts the year-end position. It supports the Council's vision of being an effective and enabling Council as set out in the Cheshire East Plan 2025-2029
- 52 The forecast outturn position, ongoing considerations for future years, and the impact on general reserves will be fed into the assumptions underpinning the 2026 to 2030 Medium-Term Financial Strategy.
- 53 The approval of supplementary estimates and virements are governed by the Finance Procedure Rules section of the Constitution.

Equality, Diversity and Inclusion

- 54 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.

Consultation

Name of Consultee	Post held	Date sent	Date returned
Statutory Officer (or deputy):			
Chris Benham	Director of Finance	27/10/2025	03/11/2025
Jennie Summers	Cover for Kevin O'Keefe - Interim Monitoring Officer	27/10/2025	27/10/2025
Legal and Finance			
Chris Benham	Director of Finance	27/10/2025	03/11/2025
Hilary Irving	Interim Head of Legal	27/10/2025	27/10/2025
Other Consultees:			
Executive Directors/Directors:			
CLT			

Access to Information	
Contact Officer:	Chris Benham – Director of Finance Chris.benham@cheshireeast.gov.uk
Appendices:	Annex 1 - Detailed Second Financial Review 2025/26: • Section 1 2025/26 Forecast Outturn

	• Section 2 2025/26 Directorate Revenue Commentary and update on 2025/26 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: MTFS 2025-2029 First Financial Review 2025/26

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Second Financial Review 2025/26

Results to end of August 2025

Economy and Growth Committee

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Section 1: 2025/26 Forecast Outturn

1.1. **Table 1** provides details of the forecast by service area of financial performance based on information available as at the end of August 2025. The current forecast is that Economy and Growth will be £2.760m under budget in the current year.

Committee	Service Area Tier 3	Revised Budget	Forecast Outturn	Variance	FR1 Variance	Movement from FR1
Economy and Growth	Economic Development Total	1.433	1.035	- 0.398	-0.410	0.012
Economy and Growth	Estates Total	17.764	16.545	- 1.219	-0.778	0.441
Economy and Growth	Growth and Enterprise Total	0.150	0.150	-	0.112	0.112
Economy and Growth	Housing Total	4.063	3.482	- 0.581	-0.468	0.113
Economy and Growth	Rural and Cultural Directorate Total	4.777	4.519	- 0.258	-0.471	0.213
Economy and Growth	Place Directorate	0.570	0.266	- 0.304	-0.270	0.034
Economy and Growth		28.756	25.997	-2.760	- 2.285	- 0.475

Section 2: Capital

2.1 Table 1 is a detailed list of Economy and Growth Capital schemes :

Economy & Growth								CAPITAL					
CAPITAL PROGRAMME 2025/26 - 2028/29													
Scheme Description	Forecast Expenditure							Forecast Funding					
	Total Approved Budget £m	Prior Years £m	Forecast Budget 2025/26 £m	Forecast Budget 2026/27 £m	Forecast Budget 2027/28 £m	Forecast Budget 2028/29 £m	Total Forecast Budget 2025-29 £m	Grants £m	External Contributions £m	Revenue Contributions £m	Capital Receipts £m	Prudential Borrowing £m	Total Funding £m
Committed Schemes in progress													
Facilities Management													
Public Sector Decarbonisation Fund - FM 3	5.148	5.144	0.003	0.000	0.000	0.000	0.003	0.000	0.000	0.000	0.000	0.003	0.003
PSDS - 3B - Lot 3 (schools)	4.390	3.353	1.036	0.000	0.000	0.000	1.036	0.969	0.000	0.067	0.000	0.000	1.036
PSDS - 3C	1.672	0.086	1.586	0.000	0.000	0.000	1.586	1.363	0.000	0.000	0.000	0.223	1.586
Septic Tanks	1.585	0.291	0.094	0.400	0.400	0.400	1.294	0.000	0.000	0.000	0.000	1.294	1.294
Schools Capital Maintenance	8.315	5.788	1.797	0.730	0.000	0.000	2.527	2.257	0.000	0.271	0.000	0.000	2.527
Premises Capital (FM)	48.241	34.609	3.787	3.984	2.700	3.161	13.632	0.000	0.000	0.000	0.000	13.632	13.632
Housing													
Crewe Towns Fund - Warm and Healthy Homes	2.126	0.161	1.965	0.000	0.000	0.000	1.965	1.965	0.000	0.000	0.000	0.000	1.965
Disabled Facilities	26.244	14.040	3.486	2.906	2.906	2.906	12.204	11.302	0.000	0.000	0.000	0.902	12.204
Green Homes Grant	2.647	2.449	0.198	0.000	0.000	0.000	0.198	0.198	0.000	0.000	0.000	0.000	0.198
Gypsy and Traveller Sites	4.136	4.058	0.078	0.000	0.000	0.000	0.078	0.000	0.000	0.000	0.000	0.078	0.078
Home Repairs Vulnerable People	1.797	0.987	0.180	0.339	0.291	0.000	0.810	0.374	0.000	0.000	0.000	0.436	0.810
Home Upgrade Grant Phase 2	2.894	2.094	0.800	0.000	0.000	0.000	0.800	0.800	0.000	0.000	0.000	0.000	0.800
Local Authority Housing Fund	0.732	0.422	0.309	0.000	0.000	0.000	0.309	0.309	0.000	0.000	0.000	0.000	0.309
Sustainable Warmth - Home Upgrade Grant	0.843	0.829	0.014	0.000	0.000	0.000	0.014	0.014	0.000	0.000	0.000	0.000	0.014
Temporary Accommodation	1.479	1.076	0.000	0.403	0.000	0.000	0.403	0.000	0.287	0.116	0.000	0.000	0.403
Warm Homes Fund	0.239	0.218	0.013	0.008	0.000	0.000	0.021	0.021	0.000	0.000	0.000	0.000	0.021
Warm Homes Local Grant (DESNZ)	7.793	0.000	1.354	3.252	3.187	0.000	7.793	7.793	0.000	0.000	0.000	0.000	7.793
Estates													
Corporate Landlord - Non-Operational	1.336	0.000	1.336	0.000	0.000	0.000	1.336	0.000	0.000	0.000	0.000	1.336	1.336
Malkins Bank Landfill Site	1.360	0.782	0.080	0.497	0.000	0.000	0.577	0.000	0.000	0.000	0.000	0.577	0.577
Farms Strategy	2.910	1.689	0.152	0.065	0.335	0.669	1.220	0.000	0.000	0.000	1.220	0.000	1.220
WorkplaCE	1.095	0.255	0.839	0.000	0.000	0.000	0.839	0.745	0.000	0.000	0.000	0.095	0.839

Economy & Growth								CAPITAL					
CAPITAL PROGRAMME 2025/26 - 2028/29													
Economic Development													
Crewe Towns Fund - Repurposing Our High Streets	1.132	0.526	0.390	0.216	0.000	0.000	0.606	0.606	0.000	0.000	0.000	0.000	0.606
Crewe Towns Fund - Flag Lane Baths	1.969	0.603	0.012	1.353	0.000	0.000	1.365	0.012	0.000	0.000	0.000	1.353	1.365
Crewe Towns Fund - Mill Street Corridor	4.589	1.479	3.110	0.000	0.000	0.000	3.110	2.539	0.571	0.000	0.000	0.000	3.110
Crewe Towns Fund - Mirion St	1.190	1.066	0.125	0.000	0.000	0.000	0.125	0.125	0.000	0.000	0.000	0.000	0.125
Crewe Towns Fund - Crewe Youth Zone non-grant	0.351	0.246	0.067	0.038	0.000	0.000	0.105	0.105	0.000	0.000	0.000	0.000	0.105
History Centre Public Realm & ICV (Crewe Towns Fund) CTC1	0.580	0.028	0.152	0.400	0.000	0.000	0.552	0.552	0.000	0.000	0.000	0.000	0.552
Handforth Heat Network	13.219	0.035	0.695	0.450	12.039	0.000	13.183	2.569	7.428	0.000	0.000	3.187	13.183
Demolition of Crewe Library & Concourse CTC10	3.526	3.237	0.289	0.000	0.000	0.000	0.289	0.130	0.000	0.000	0.000	0.159	0.289
Future High Street Funding - CEC Innovation Centre	4.426	3.961	0.466	0.000	0.000	0.000	0.466	0.466	0.000	0.000	0.000	0.000	0.466
Crewe Town Centre Regeneration	32.333	31.010	1.323	0.000	0.000	0.000	1.323	1.000	0.064	0.000	0.000	0.259	1.323
South Macclesfield Development Area	34.630	3.283	0.176	0.000	0.000	31.171	31.347	10.000	10.000	0.000	11.347	0.000	31.347
North Cheshire Garden Village	57.866	9.530	6.991	17.810	23.535	0.000	48.336	17.693	0.000	0.000	21.700	8.944	48.336
Handforth Garden Village s106 Obligations	6.841	0.000	0.000	2.740	0.000	4.101	6.841	0.000	0.000	0.000	0.000	6.841	6.841
Leighton Green	2.096	1.495	0.000	0.601	0.000	0.000	0.601	0.000	0.000	0.000	0.000	0.601	0.601
Connecting Cheshire Phase 3	8.000	0.720	0.850	1.200	2.000	3.230	7.280	0.000	7.280	0.000	0.000	0.000	7.280
Digital Projects	9.250	5.680	0.070	0.000	0.000	3.500	3.570	3.570	0.000	0.000	0.000	0.000	3.570
UKSPF E22 and E29 capital interventions	1.654	1.304	0.350	0.000	0.000	0.000	0.350	0.350	0.000	0.000	0.000	0.000	0.350
Macclesfield Indoor Market Refurbishment (MIMR)	2.496	1.898	0.598	0.000	0.000	0.000	0.598	0.500	0.000	0.000	0.000	0.098	0.598
Nantwich Town Centre Public Realm Improvements	0.100	0.000	0.050	0.050	0.000	0.000	0.100	0.000	0.100	0.000	0.000	0.000	0.100
Culture & Tourism													
Countryside Vehicles	1.579	0.726	0.070	0.300	0.300	0.182	0.852	0.000	0.000	0.000	0.000	0.852	0.852
Culture & Tourism S106 Schemes	0.664	0.075	0.143	0.387	0.010	0.049	0.589	0.000	0.589	0.000	0.000	0.000	0.589
Green Structures Investment	0.896	0.000	0.255	0.252	0.196	0.192	0.896	0.000	0.000	0.000	0.000	0.896	0.896
New Archives Premises CTC1	10.550	1.566	8.362	0.457	0.165	0.000	8.984	0.000	0.000	0.000	0.294	8.690	8.984
PROW Capital Works	1.138	1.127	0.011	0.000	0.000	0.000	0.011	0.011	0.000	0.000	0.000	0.000	0.011
PROW CMM A6 MARR	0.100	0.070	0.001	0.029	0.000	0.000	0.030	0.030	0.000	0.000	0.000	0.000	0.030
Visitor Economy - Rural Shared Prosperity Fund	0.713	0.465	0.248	0.000	0.000	0.000	0.248	0.248	0.000	0.000	0.000	0.000	0.248
Tatton Park Investment Phase 2	3.280	1.446	0.500	1.334	0.000	0.000	1.834	0.000	0.000	0.000	0.000	1.834	1.834
Total Committed Schemes	332.151	149.912	44.414	40.202	48.063	49.560	182.239	68.614	26.317	0.454	34.561	52.292	182.239
Total Growth & Enterprise	332.151	149.912	44.414	40.202	48.063	49.560	182.239	68.614	26.317	0.454	34.561	52.292	182.239

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Economy and Growth Committee

Tuesday, 11 November 2025

Medium Term Financial Strategy Consultation 2026/27 - 2029/30

Report of: Executive Director of Resources, Section 151 Officer

Report Reference No: EG/06/25-26

Ward(s) Affected: Not applicable

For Decision or Scrutiny: Scrutiny

Purpose of Report

- 1 The Economy and Growth Committee is being asked to provide feedback, as consultees, on the development of the Cheshire East Medium-Term Financial Strategy 2026/27 to 2029/30. Feedback is requested in relation to the responsibilities of the Committee.
- 2 The report sets out the latest budget position for 2026/27 to 2029/30 and the list of budget savings proposals. relevant to the remit of this Committee, that has been included in the public consultation which was launched in November 2025.

Executive Summary

- 3 The Medium-Term Financial Strategy (MTFS) for Cheshire East Council for the four years 2025/26 to 2028/29 was approved by full Council on 26 February 2025.
- 4 The MTFS is underpinned by a set of assumptions around income, expenditure and core funding that result in a 4-year position. The budget could only be balanced for the 2025/26 financial year by use of Exceptional Financial Support (EFS) by way of a capitalisation direction. This is not sustainable in the medium to long term and needed to be addressed urgently for the Council to be financially sustainable. The gaps forecast in later years were addressed as part of the business planning process this year, as well as the Council learning to live within its means by delivering all savings and containing approved growth

within 2025/26, otherwise there will be increased pressures in future years and preparing a balanced budget/ MTFS will continue to be challenging.

- 5 The budget gap in the last update paper received by Corporate Policy Committee and Finance Sub Committee, without mitigations, was £33.3m on the General Fund Revenue budget for 2026/27. This is the year, by law, that elected members must set a legal budget by no later than the 11 March 2026.
- 6 Since that budget assumptions report there have been further changes identified that needed to be worked towards, and details are set out in the [Corporate Policy Committee](#) report of 30 October 2025.
- 7 The proposals are those being consulted on, are not necessarily the final budget items that Corporate Policy Committee will recommend to Budget Council in February 2026.
- 8 Finance Sub-Committee have received a further update highlighting risks and issues that have not been taken into account at this point due to uncertainty or inability to quantify those risks. The risks relating to Economy and Growth Committee remit include:
 - (a) That the Council will exercise the considerable capital programme restraint described in the MTFS in full. This is to ensure that every pound the Council spends, delivers maximum benefits for residents – irrespective of funding sources. Just because a project doesn't rely on prudential borrowing to progress, doesn't mean it is necessarily the project the Council would progress if the funding sources are transferable and other projects meet the Council's strategic aims and objectives described in the Cheshire East Plan.
 - (b) An MTFS can only succeed when a Council's policies and procedures, plans and strategies, and outcomes are focused on the Council's core business. There will be tension between delivering financial sustainability across both capital and revenue budgets and meeting wider objectives which the Council must navigate through the MTFS process.
- 9 Committee should also note that the impact of the new Cheshire & Warrington Combined Authority (CWCA) – and the devolution of funds and powers that come with the CWCA formation – is not factored into the MTFS.
- 10 As a drive towards longer-term, strategic thinking the Council will be shifting its Capital Strategy to a ten-year horizon plus pipeline of opportunities that can be “on the shelf” should the appropriate funding

opportunity present itself. This speaks to the capital restraint plank of the proposed MTFS and allows Council to reprofile its capital expenditure and to align it to the CWCA's longer-term base funding over the ten-year cycle.

- 11 A programme of public engagement during November and December will be undertaken to support the 2026/27 budget setting and consultation.
- 12 The Council must ensure the conditions for successful delivery of budget proposals are in place. Without the following conditions, it will be difficult to confirm the robustness of estimates under Section 25 of the Local Government Finance Act 2003.
 - A robust, consistent, corporate Programme and Project Management approach in a suitably resourced Programme Management Office.
 - Delivery plans for proposals must consist of the cost of change where it is appropriate to do so, including those from services not involved directly in delivery.
 - A strong culture of owning performance and delivery, underpinned by monthly officer-led Performance Boards.
 - Elected members agree to oversee delivery through quarterly Star Chambers and apply the same methodology to challenge the budget process into 2027/28.
 - Delivery, in full, of the Financial Leadership Improvement Plan, particularly around the Enterprise Resource Programme and budget holder accountability.

RECOMMENDATIONS

The Economy and Growth Committee is asked to:

1. Note the updated budget position for the period 2026/27 to 2029/30 as set out in Table 3.
2. Scrutinise and feedback on the list of Economy and Growth budget savings proposals that are contained in the budget consultation launched in November 2025 as contained in Annex 1.
3. Note the conditions for successful budget delivery, as approved by Corporate Policy Committee on 30 October 2025, which are set out in paragraph 12.

Background

- 13 The Medium-Term Financial Strategy (MTFS) for Cheshire East Council for the four years 2025/26 to 2028/29 was approved by full Council on 26 February 2025.
- 14 As a reminder, Table 1 below sets out the revenue budget estimates for the four years from 2025/26 to 2028/29 as at February 2025.

Table 1: Summary position for 2025/26 to 2028/29	Approved Net Budget 2025/26 £m	Estimated Net Budget 2026/27 £m	Estimated Net Budget 2027/28 £m	Estimated Net Budget 2028/29 £m
Adults & Health	159.449	157.245	158.761	160.240
Children & Families	97.290	97.226	97.025	96.767
Corporate Policy	42.786	47.182	49.072	50.557
Economy & Growth	28.442	29.137	29.569	29.897
Environment & Communities	45.702	48.971	49.953	56.745
Highways and Transport	16.901	17.053	17.121	17.151
Council Wide Transformation savings	(13.452)	(34.182)	(45.212)	(45.212)
Total Service Budgets	377.118	362.632	356.289	366.145
<i>CENTRAL BUDGETS:</i>				
Capital Financing	35.039	38.758	41.860	43.248
Flexible use of Capital Receipts	(1.000)	(1.000)	(1.000)	(1.000)
Bad Debt Provision (change)	(0.050)	(0.050)	(0.050)	(0.050)
Contingency Budget	15.953	30.861	42.783	55.709
Risk Budget	-	3.800	1.960	0.750
Pension adjustment	(0.727)	(0.727)	(0.727)	(0.727)
Use of (-) / Top up (+) Reserves	1.304	5.000	8.898	8.898
Total Central Budgets	50.519	76.642	93.724	106.828
TOTAL: SERVICE + CENTRAL BUDGETS	427.637	439.274	450.012	472.972
<i>FUNDED BY:</i>				
Council Tax	(307.264)	(325.591)	(344.983)	(365.498)
Business Rate Retention Scheme	(57.122)	(57.122)	(57.122)	(57.122)
Revenue Support Grant	(0.849)	(0.849)	(0.849)	(0.849)
Specific Unring-fenced Grants	(37.140)	(34.098)	(34.098)	(34.098)
TOTAL: FUNDED BY	(402.375)	(417.660)	(437.052)	(457.567)
Exceptional Financial Support - Capitalisation Directi	(25.261)			
Funding Position (+shortfall)	-	21.614	12.961	15.406

- 15 The table above highlighted the fact that the Council continued to face a significant four-year funding gap at that time and was only able to balance in 2025/26 with the use of EFS. There continues to be the requirement to increase general reserves to more appropriate levels, to support the future financial sustainability of the Council and the above four-year budget built this level to £20m.

Budget assumption updates – base scenario (September/early October)

- 16 There was further refinement to some of the assumptions and resulting values since the MTFS approved in February 2025 (Table 1). These changed the overall funding position for 2026/27 onwards as per Table 2 below. A list of updates included in this table can be found in the [previous report](#).

Table 2: Base Scenario position for 2026/27 to 2029/30	Approved Budget 2025/26 £m	Estimated Net Budget 2026/27 £m	Estimated Net Budget 2027/28 £m	Estimated Net Budget 2028/29 £m	Estimated Net Budget 2029/30 £m
Adults & Health	159.449	167.450	172.795	178.074	188.074
Children & Families	97.290	101.130	104.805	108.395	118.395
Corporate Policy	42.786	45.812	46.132	46.008	46.008
Economy & Growth	28.441	28.707	28.699	28.577	28.577
Environment & Communities	45.701	47.590	47.163	52.519	52.519
Highways and Transport	16.901	16.942	16.896	16.809	16.809
Council Wide Transformation savings	(13.452)	(34.182)	(45.212)	(45.212)	(45.212)
Transformation pump priming	-	15.000	5.000	-	-
Total Service Budgets	377.116	388.448	376.277	385.169	405.169
<i>CENTRAL BUDGETS:</i>					
Capital Financing	35.039	34.997	37.637	38.932	38.690
Flexible use of Capital Receipts	(1.000)	(10.000)	(5.000)	(1.000)	(1.000)
Bad Debt Provision (change)	(0.050)	(1.000)	(0.050)	(0.050)	(0.050)
Contingency Budget	15.953	44.661	49.743	61.459	69.453
Pay inflation	-	10.154	18.382	26.746	35.110
Pension adjustment	(0.727)	(0.727)	(0.727)	(0.727)	(0.727)
Use of (-) / Top up (+) Reserves	1.304	5.000	8.898	8.898	5.000
Total Central Budgets	50.519	83.085	108.883	134.258	146.476
TOTAL: SERVICE + CENTRAL BUDGETS	427.635	471.533	485.160	519.427	551.645
<i>FUNDED BY:</i>					
Council Tax	(307.264)	(326.341)	(345.769)	(366.323)	(388.069)
Business Rate Retention Scheme	(57.122)	(47.084)	(46.767)	(46.919)	(47.048)
Revenue Support Grant	(0.849)	(63.851)	(79.786)	(85.300)	(86.161)
Specific Unring-fenced Grants + DAMPING	(37.140)	(0.929)	2.251	3.936	(0.929)
TOTAL: FUNDED BY	(402.375)	(438.205)	(470.071)	(494.606)	(522.207)
Exceptional Financial Support - Capitalisation Directi	(25.261)				
Funding Position (+shortfall)	-	33.328	15.089	24.821	29.438

Budget assumption updates – latest base scenario

- 17 Further work has been undertaken to reduce the £33.3m gap, demonstrating to MHCLG and our Assurance Panel that we are doing what we have been charged with and working towards a route out of EFS.

- 18 Therefore, there has been further refinements to some of the assumptions and resulting values since this time. These change the overall funding position for 2026/27 onwards as per Table 3 below. The current shortfall in 2026/27 is now estimated to be £18.2m. The full list of updates and all savings proposals can be found in the [Corporate Policy Committee](#) paper:

Table 3: Base Scenario position for 2026/27 to 2029/30	Approved Budget 2025/26 £m	Estimated Net Budget 2026/27 £m	Estimated Net Budget 2027/28 £m	Estimated Net Budget 2028/29 £m	Estimated Net Budget 2029/30 £m
Adults & Health	159.449	162.601	162.435	164.189	166.697
Children & Families	97.290	94.245	92.766	91.194	96.194
Corporate Policy	42.786	44.537	44.536	44.172	44.172
Economy & Growth	28.441	26.235	25.771	25.051	24.801
Environment & Communities	45.701	45.673	45.065	50.228	52.234
Highways and Transport	16.901	18.084	18.175	18.083	17.815
Council Wide Transformation savings	(13.452)	(26.943)	(37.973)	(37.973)	(37.973)
Transformation pump priming	-	10.000	5.000	5.000	-
Total Service Budgets	377.116	374.432	355.775	359.943	363.939
<i>CENTRAL BUDGETS:</i>					
Capital Financing	35.039	34.997	37.637	38.932	38.690
Flexible use of Capital Receipts	(1.000)	(15.000)	(10.000)	(10.000)	-
Bad Debt Provision (change)	(0.050)	(1.000)	(0.050)	(0.050)	(0.050)
Contingency Budget	15.953	48.538	53.620	65.336	73.330
Pay inflation (moved from service budget to contingency budget from 2026/27 until final pay agreement reached)	-	10.223	18.451	26.815	35.179
Pension adjustment relating to ASDVs only	(0.727)	-	-	-	-
Use of (-) / Top up (+) Reserves	1.304	5.001	15.456	14.479	12.011
Total Central Budgets	50.519	82.759	115.114	135.512	159.160
TOTAL: SERVICE + CENTRAL BUDGETS	427.635	457.192	470.889	495.456	523.100
<i>FUNDED BY:</i>					
Council Tax	(307.264)	(327.119)	(346.587)	(367.173)	(388.962)
Business Rate Retention Scheme	(57.122)	(47.084)	(46.767)	(46.919)	(47.048)
Revenue Support Grant	(0.849)	(63.851)	(79.786)	(85.300)	(86.161)
Specific Unring-fenced Grants + DAMPING	(37.140)	(0.929)	2.251	3.936	(0.929)
TOTAL: FUNDED BY	(402.375)	(438.983)	(470.889)	(495.456)	(523.100)
Exceptional Financial Support - Capitalisation Direction	(25.261)				
Funding Position (+shortfall)	-	18.209	-	-	-

Next Steps

- 19 There has been further work carried out to challenge this updated position. Business case submissions for future planned savings were presented to Corporate Leadership Team on 13 October. Further changes that could be made to the above position (Table 3) have been included in the latest figures and a list of savings proposals is included at Annex 1 relevant to this Committee. For a full list of proposed budget savings please see the [Corporate Policy Committee](#) paper.

- 20 Further work to support Children's Services to review the demography and complexity permanent growth budgets of £10m with a target to reduce it by at least £5m per annum to 2030. This work began after the Ofsted inspection on Monday 20 October.
- 21 Savings still need to be delivered through service redesign and as part of the wider transformation programmes and should be considered as stretch deliverables where possible. This work will form part of the final set of proposals for February 2026. As such, stretch transformation numbers in relation to redesign are being completed by December 2025.
- 22 The Council will continue to review its MTFS and budget reductions programme going forward. The assumptions included within this report will be refreshed through November and December to take account of available information on Government funding decisions as well as the macro-economic environment.
- 23 Over the period November to January, these proposals will be further developed to ensure robust delivery plans are in place and work will commence, with a view to maximising the full year effect of delivery in 2026/27. Priority will be placed on income maximisation across all service areas to reduce the burden on expenditure reductions, however there will be a need for efficiencies in costs alongside a genuine requirement to invest in transformation where the return on investment delivers long-term improvements in outcomes for residents in line with the Cheshire East Plan alongside recurrent reductions in costs that support the MTFS.
- 24 The draft budget savings proposals will be subject to consultation and engagement both online and in person sessions with various stakeholders – the full details of Public Engagement in Support of the 2026/30 Budget Consultation are set out in paragraphs 22- 24 of the [Corporate Policy Committee](#) paper. These sessions will likely be prior to the Provisional Local Government Finance Settlement so would be updated with changes as a result of those announcements.
- 25 This position includes the list of savings proposals as contained in Annex 1 and summary Table 4 has been provided below.
- 26 This Committee is being asked to review and feedback on the list of items pertaining to this committee only.

TABLE 4 - DRAFT BUDGET SAVINGS PROPOSALS 2026/27 TO 2029/30	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m
	(57.781)	(14.562)	(8.158)	7.086
Children and Families	(3.826)	(0.725)	(0.725)	-
Adults and Health	(11.769)	(5.984)	(4.537)	(2.961)
Corporate Policy	(5.988)	(1.423)	(1.517)	-
Corporate Policy - Council Wide Transformation	(13.491)	(11.030)	-	-
Economy and Growth	(2.885)	(0.543)	(0.597)	(0.250)
Environment and Communities	(4.615)	(0.653)	(0.544)	0.580
Highways and Transport	(0.257)	(0.154)	(0.238)	(0.283)
Finance Sub Committee - Central Budgets	(14.950)	5.950	-	10.000

Consultation and Engagement

- 27 The annual business planning process involves engagement with local people and organisations. Local authorities have a duty to consult on their budget with certain stakeholder groups and in Cheshire East we include the Schools Forum as well as business rate payers. In addition, the Council chooses to consult with other stakeholder groups. The Council continues to carry out stakeholder analysis to identify the different groups involved in the budget setting process, what information they need from us, the information we currently provide these groups with, and where we can improve our engagement process.
- 28 All committees will receive reports during the November cycle of meetings for them to scrutinise proposals relating to the remit of the committee. There will be a further opportunity during the January 2026 committee meeting cycle to comment further as feedback is received.

Reasons for Recommendations

- 29 In accordance with the Constitution Committees play an important role in planning, monitoring and reporting on the Council's finances. Each Committee has specific financial responsibilities.
- 30 The Council's annual budget must be balanced. The proposals within it must be robust and the strategy should be supported by adequate reserves. The assessment of these criteria is supported by each Committee having the opportunity to help develop the financial proposals before they are approved by Full Council

Other Options Considered

- 31 The Council has a legal duty to set a balanced annual budget taking regard of the report from the Chief Financial Officer. As such options cannot be considered that would breach this duty. Any feedback from the consultation process and individual committee feedback must still recognise the requirement for Council to fulfil this duty.

Option	Impact	Risk
Do nothing	Not an option as the council must legally set a balanced budget for the coming financial year	The Council would be acting unlawfully if budgets are not aligned to available resources

Implications and Comments

Monitoring Officer/Legal/Governance

- 32 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.
- 33 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.
- 34 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.

- 35 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.
- 36 This report provides an update on progress towards the setting of the 2026/27 budget.
- 37 It also provides updates and comments regarding the Council's use of 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

- 38 Please see all sections of this report.

Human Resources

- 39 Any HR implications that arise from activities funded by the budgets that the budget report deals with will be dealt with in the individual reports to Members or Officer Decision Records to which they relate.

Risk Management

- 40 Financial risks are assessed and reported on a regular basis, and remedial action taken if required. Risks associated with the achievement of the 2025/26 budget and the level of general reserves were factored into the 2025/26 financial scenario, budget, and reserves strategy.

Impact on other Committees

- 41 All committees will work towards bringing forward budget change proposals to assist with the medium-term financial strategy.

Policy

- 42 The Cheshire East Plan sets the policy context for the MTFS and the two documents are aligned. Any policy implications that arise from activities funded by the budgets that this report deals with will be dealt with in the individual reports to Members or Officer Decision Records to which they relate. This contributes to Commitment 3: An effective and enabling Council.

Equality, Diversity and Inclusion

- 43 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.

Consultation

Name of Consultee	Post held	Date sent	Date returned
Statutory Officer (or deputy):			
Ashley Hughes	S151 Officer	23/10/2025	28/10/2025
Jennie Summers	Interim Deputy Monitoring Officer	23/10/2025	31/10/25
Legal and Finance			
Chris Benham	Director of Finance	23/10/2025	23/10/2025
Hilary Irving	Interim Head of Legal Services	23/10/2025	23/10/2025
Other Consultees:			
Executive Directors/Directors:			
CLT			

Access to Information	
Contact Officer:	Chris Benham – Director of Finance Chris.benham@cheshireeast.gov.uk
Appendices:	Annex 1 – Proposals Budget Savings for Consultation
Background Papers:	The following are links to key background documents: MTFS 2025-2029 Financial Review 1 2025/26 Corporate Policy Committee – MTFS Consultation full report

Prev MTFS Ref	ANNEX 1 - DRAFT BUDGET SAVINGS PROPOSALS 2026/27 TO 2029/30		2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m
	Economy and Growth		(2.885)	(0.543)	(0.597)	(0.250)
62	Minimum energy efficiency standards (MEES) - Estates - Revenue Adjustment	All the Council's leased out properties will be required to meet new / phased Energy Efficiency Legislation from 1 April 2023 up to 1 April 2030. This means that to continue to lease out properties the Estates Service will need to improve the energy performance certificate (EPC) rating in line with the Government recommendations. After assessment, and in order to obtain a certificate, identified improvements will need carrying out prior to properties being leased out. Cost estimates are based on average current improvement costs, the list of identified properties requiring new EPC certificates, and phasing as determined by the legislation.	-	(0.055)	(0.047)	-
67	Improving Crewe Rented Housing Standards	To achieve a well-functioning private rented sector that supports the health and wellbeing of Cheshire East residents through improved living standards, it is necessary to carry out targeted activity to inspect homes and carry out enforcement action. This 12-month project will enable us to evidence whether this is sufficient action to avoid the need for a selective licensing scheme.	-	(0.188)	-	-
68	Maximise potential of Countryside Access Management System	Transform the current desk-based system to a digital mobile application and Asset Management database. This will enable cost savings through more efficient planning of works, budget control and Public Rights of Way officer resource. Additional environmental benefits will be realised through reduction in officer car usage and printing.	(0.018)	-	-	-
73T	Asset Strategy Refresh	A review / refresh of the existing approach to strategic asset management of the Council's land and property assets is proposed as one of the Council's transformation projects. An estimated target of revenue savings is proposed based on a list identified as part of the Capital disposals programme and the repurposing of sites for SEN / Housing framework provisions.	(0.100)	-	-	-
NEW	Tatton Park	Implementation of a Target Operating Model for Tatton Park. Subject to options appraisal.	(0.150)	(0.300)	(0.300)	(0.250)
NEW	Outbound Mail	Implementation of new outbound mail strategy across the Council.	-	-	(0.250)	-
NEW	5% vacancy factor - all Place* *The list of savings for the Economy and Growth Committee includes a permanent saving of £2.6m from vacancy management. This will be allocated out to each Place committee in due course	To contribute to the Council's overall savings target through a managed reduction in staffing costs, achieved by holding a proportion of vacant posts unfilled for a defined period. This is being applied across all staffing areas at 5% of pay budgets. This approach assumes that a portion of staffing budgets will remain unspent due to natural turnover and strategic vacancy management	(2.617)	-	-	-

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Economy and Growth Committee Work Programme 2025/26

Report Reference	Title	Purpose of Report	Lead Officer	Consultation	Equality Impact Assessment	Part of Budget and Policy Framework	Exempt Item	Decision or Scrutiny
13 January 2026								
EG/04/23-26	Third Financial Review of 2024/25	To scrutinise and comment on the Third Financial Review and Performance position of 2024/25, and (if necessary) approve Supplementary Estimates and Virements.	Executive Director Resources (S151)	No	No	Yes	No	Scrutiny
EG/05/25-26	Medium Term Financial Strategy Consultation 2026/27 – 2029/20230 Provisional Settlement Update	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 2025.	Executive Director Resources (S151)	No	No	Yes	No	Scrutiny
10 March 2026								
EG/22/25-26	Tatton Park – Update	To provide an update to Members on Tatton Park and Transformation plan	Director of Growth and Enterprise	No	TBC	Yes	TBC	Decision

Report Reference	Title	Purpose of Report	Lead Officer	Consultation	Equality Impact Assessment	Part of Budget and Policy Framework	Exempt Item	Decision or Scrutiny
EG/09/24-25	Farms Review	To brief Members on the review and future options for CEC Farms	Head of Rural and Cultural Economy	No	No	No	TBC	Scrutiny and Decision
EG/23/25-26	Handforth Garden Village Update	To provide members with an update on progress	Head of Economic Development	TBC	TBC	TBC	TBC	Decision
EG/24/25-26	Homelessness and Rough Sleeping Strategy 2026-2030	To present the final draft of the Homelessness and Rough Sleeping Strategy 2026-2030 for adoption.	Head of Housing	Yes	Yes	No	No	Decision
EG/25/25-26	Review of the Cheshire East Common Allocations Policy	To seek approval to consult on proposed changes to the Cheshire East Common Allocations Policy.	Head of Housing	Yes	Yes	No	No	Decision