

Highways and Transport Committee

Agenda

Date:	Thursday, 20th November, 2025
Time:	10.30 am
Venue:	The Capesthorne Room - Town Hall, Macclesfield, SK10 1EA

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

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

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

1. Apologies for Absence

To note any apologies for absence from Members.

2. Declarations of Interest

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

3. Minutes of Previous Meeting (Pages 3 - 10)

To approve as a correct record the minutes of the previous meeting held on 18 September 2025.

For requests for further information

Contact: Karen Shuker

Tel: 01270 686459

E-Mail: CheshireEastDemocraticServices@cheshireeast.gov.uk

4. **Public Speaking/Open Session**

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

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

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

5. **Second Financial Review 25/26 (Pages 11 - 36)**

To consider a report which provides an update on the current forecast outturn for the financial year 2025/26.

6. **Medium Term Financial Strategy Consultation 2026/27 - 2029/30 (Pages 37 - 50)**

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

7. **Work Programme (Pages 51 - 52)**

To consider the Work Programme and determine any required amendments.

8. **Town & Country Planning Act 1990 section 257: Proposed Diversion of Public Footpath No. 2 in the Parish of Somerford (Part) (Pages 53 - 62)**

To consider an application to divert public footpath No.2 in the Parish of Somerford (Part).

THERE ARE NO PART 2 ITEMS

Membership: Councillors S Adams, L Braithwaite (Vice-Chair), C Browne, A Burton, R Chadwick, P Coan, A Coiley, H Faddes, R Fletcher, A Gage, M Goldsmith (Chair), M Muldoon and M Sewart

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Highways and Transport Committee**
held on Thursday, 18th September, 2025 in The Capesthorne Room - Town
Hall, Macclesfield, SK10 1EA

PRESENT

Councillor M Goldsmith (Chair)
Councillor L Braithwaite (Vice-Chair)

Councillors A Burton, R Chadwick, P Coan, D Edwardes, A Coiley, H Faddes,
H Moss, M Sewart and M Warren

OFFICERS IN ATTENDANCE

Genni Butler, Countryside Access Development Manager
Phil Cresswell, Executive Director Place
Dom De Bechi, Head of Hlghways
Richard Hibbert, Head of Strategic Transport & Parking Services
Jenny Marston, Transport Policy and Strategy Manager
Adele Mayer, Definitive Map Officer
Tom Moody, Director of Transport, and Infrastructure
Nicola Lewis-Smith, Public Rights of Way Manager
Steve Reading, Principal Accountant
Terry Ryan, Contract Network Manager
Karen Shuker, Democratic Services Officer
Mandy Withington, Solicitor

13 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors S Adams, C Browne and M Muldoon.

Councillors D Edwardes and H Moss were present as substitutes.

14 DECLARATIONS OF INTEREST

There were no declarations of interest.

15 MINUTES OF PREVIOUS MEETING**RESOLVED:**

That the minutes of the meeting held on 19 June 2025 be approved as a correct record.

16 PUBLIC SPEAKING/OPEN SESSION

Councillor A Burton and H Moss joined the meeting during this item.

Mr M Bunte spoke in relation to Item 6 – Local Transport Plan - Strategy and Investment Framework.

Mr Bunte raised concerns regarding the disconnect between the aims of the Local Transport Plan (LTP) and the practical implementation observed in local development processes. Mr Bunte stated that while the LTP outlined 33 challenges, opportunities, aims and priorities—many of which support walking and cycling and discouraged increased car use—actual planning decisions often continued to prioritise road capacity for vehicles.

Mr Bunte cited an example, where a housing developer was asked to contribute to junction improvements unrelated to their site, while a nearby opportunity to enhance walking and cycling access to the railway station was overlooked.

It was further observed that pre-application discussions were typically led by the Highways Team, with a focus on increasing junction capacity. The Rights of Way Team were consulted only at a later stage, and Active Travel representatives were not involved in those early discussions.

Mr Bunte asked how the planning process could be adjusted to better reflect and implement the sustainable transport objectives set out in the LTP.

In response officers agreed that early conversations with developers were significant as often developers had their own expectations on how transport would be accommodated.

The Highways Development Team who liaised with developers was not specifically a Highways team it was a multi-modal team who worked with other parts of the highway's service to get an all-round perspective on a development which helped form their advice to developers and committees. They also needed to be aware of other documents such as those associated with the Local Plan and the Infrastructure delivery Plan.

17 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 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 at £25.3m.

There was a £0.114m overspend forecast for Highways and Transport.

To manage pressures in the Place directorate in year mitigations through further vacancy management, reducing expenditure and maximising funding opportunities would be implemented.

RESOLVED:

That the Highways and Transport Committee (By Majority)

1. Review the factors leading to a forecast adverse Net Revenue financial pressure of £3.1m against a revised budget of £440.5m (0.7%). To scrutinise the contents of Annex 1, Section 2 and review progress on the delivery of the MTFS approved budget policy change items, the RAG ratings and latest forecasts, and to understand the actions to be taken to address any adverse variances from the approved budget.

2. Review 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. Approve the Supplementary Capital Estimate Requests for Allocation of Additional Grant Funding over £500,000 and up to £1,000,000 as per Annex 1, Section 4, Table 4. Page 21

4. Note that Council will be asked to approve the Supplementary Capital Estimate Request for Allocation of Additional Grant Funding over £1,000,000 as per Annex 1, Section 4, Table 5.

5. Note the available reserves position as per Annex 1, Section 5.

18 LOCAL TRANSPORT PLAN - STRATEGY AND INVESTMENT FRAMEWORK

The committee considered a report which provided an update on progress in developing a new Local Transport Plan (LTP) for Cheshire East, which would provide a policy framework for transport across the borough and guide investment in the local transport network.

As a statutory Local Transport Authority, the council was required to maintain an up-to-date Local Transport Plan (LTP).

The work completed so far following the report which was considered at the Highways and Transport Committee in January 2025 included a consultation on the LTP vision, aims and priorities, analysis of the feedback, and development of both the LTP strategy and Strategic Investment Framework.

The investment framework would outline and provide much better clarity on how projects would be prioritised. Officers assured members that the framework would not replace the annual programming process.

Approval was sought to undertake a second round of consultation on the draft LTP. Should the committee approve the recommendations set out in the report the statutory consultation would commence in mid-October until

the beginning of December with a report being brought back to committee in 2026.

Following a question in respect of what impact devolution would have on the LTP process and what had happened in other local authorities which were combined authorities' officers confirmed that for the transitional period there would be concurrent powers for LTPs from both the local authority and the combined authority. At the end of the transitional period the mayoral combined authority would become the Local Transport Authority when it would become a mayoral responsibility to deliver LTP's.

Officers outlined the benefits of a mayoral combined authority which included:-

- The opportunity to engage with the Department for Transport (DfT) on long-term transport strategy, ensuring the region was considered in future Comprehensive Spending Reviews (CSR). This included aligning local authority and mayoral priorities with national transport objectives.
- The agreement would facilitate a formal partnership with National Highways, enabling regular dialogue on network issues and strategic priorities. This partnership would support agenda-setting and improve coordination on infrastructure delivery.

RESOLVED: (By Majority)

That the Highways and Transport Committee

1. Note the outcomes from the first round of public consultation on the Local Transport Plan (LTP) vision, aims and priorities (see Appendix 1 of the report).
2. Approve the proposed approach to a second round of public consultation on the LTP Strategy and Investment Framework, in line with the Consultation & Engagement Plan at Appendix 2 and Communications Plan at Appendix 3 of the report.
3. Delegate authority to the Director of Transport and Infrastructure, in consultation with the Chair and Vice Chair of Highways and Transport Committee, to finalise the consultation material and undertake the public consultation

19 DEVELOPMENT OF A LANE RENTAL SCHEME

The committee considered a report which provided an update on the development of a Lane Rental Scheme (LRS) for Cheshire East Council (CEC) and sought approval for the proposed future approach.

An LRS enabled local highway authorities to reduce street works disruption by incentivising undertakers through a charging mechanism.

This encouraged work on key and traffic-sensitive streets during quieter times, easing congestion. With appropriate development, the charging mechanism would enable the Council to cover its costs for the scheme.

Progress so far had included initial proposals and cost-benefit analysis, and a preliminary consultation had been conducted.

There were only five schemes currently active in England operated by local authorities which have unique congestion issues not comparable to CEC.

The current Government supported the development of LRSs and had announced intentions to both encourage new schemes and expand the purpose for which authorities may use surplus income. As with any new statutory approach, best practice was evolving and learning from this would allow the council to get it right first time.

Officers were recommending that CEC deferred developing its LRS to take account of emerging practices and Government changes which would allow the CEC LRS to be developed and tailored appropriately to local needs.

The Chair introduced Terry Ryan who was the new Contract Network Manager, and the committee welcomed the additional resources to get schemes such as the LRS rolled out.

RESOLVED: (Unanimously)

That the Highways and Transport Committee

1. Approve the continued development of a Lane Rental Scheme Proposal, as set out in Appendix 1 to the report.

20 DRAFT RIGHTS OF WAY IMPROVEMENT PLAN 2026-36

The committee considered a report which presented the work undertaken so far in renewing the Council's statutory Rights of Way Improvement Plan (ROWIP). The report sought approval to launch a public consultation to ensure that local communities have the opportunity to help shape the ROWIP.

The Council's current ROWIP covered the period 2011-2026. It was a statutory duty of the Council to prepare and publish a ROWIP, under the Countryside and Rights of Way Act 2000 s60, and therefore a new ROWIP was being developed to cover the period 2026-36.

The evidence base which comprised an assessment of the current gap between the PROW and countryside access network, and the demand and use of that network currently seen or anticipated was outlined in the report,

which also included the draft vision, objectives and statement of action of the draft ROWIP.

Subject to approval by Committee, a 12-week consultation, as stipulated in government guidance, was proposed to engage stakeholders and residents to help further refine the draft vision, aims and objectives. A Consultation and Engagement Plan was included in the report.

In response to a question raised in respect of erosion and path responsibility officers explained that responsibility depended on the type of path and each case must be assessed individually.

In response to a question raised in respect of long-distance paths officers explained that these could be created and promoted through various mechanisms:

- Council initiatives (e.g. Gritstone Trail)
- National bodies or user groups

The Council could maintain and improve sections within its area, including with grant funding.

In respect of a question raised about the need for new literature promoting walking routes in light of new housing across the borough officers reported that:-

- paper copies would unlikely be produced due to resource constraints.
- The Rights of Way Improvement Plan included aspirations to refresh and promote local walking routes.
- Town Councils may be able to assist with printing and local distribution.

Members were encouraged to contact officers if they were aware of any routes which needed further linkages or promotion to encourage people to be more active.

Concerns were raised regarding difficulty in evidencing claims for long-standing public use of footpaths, especially when new developments disrupt historic routes.

It was requested that evidence requirements were reviewed to consider historical use, gaps in usage, and renewed public interest in walking and active travel.

It was acknowledged that the process was onerous and time-consuming, but it was governed by national legislation, guidance and case law (under the Definitive Map Modification Order application process), therefore the Council did not have authority to alter evidence requirements.

RESOLVED: (By Majority)

That the Highways and Transport Committee

1. Approve the draft Rights of Way Improvement Plan set out at Appendices 1 and 2 of the report as a basis for public consultation.
2. Approve the proposed approach to public consultation in line with the Consultation and Engagement Plan in Appendix 3 of the report.
3. Delegate authority to the Director of Growth and Enterprise, in consultation with the Chair and Vice Chair of Highways and Transport Committee, to finalise the consultation material and undertake the public consultation.

21 WORK PROGRAMME

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

- The Middlewich Eastern Bypass item had been moved from November 2025 to January 2026.
- The LTP report would be coming back to committee in 2026.

RESOLVED

That the work programme be noted.

Councillor D Edwardes left the meeting and did not return.

22 WILDLIFE & COUNTRYSIDE ACT 1981 - PART III S53 - APPLICATION MA-5-259 - ADDITION OF 2 PUBLIC FOOTPATHS TO THE DEFINITIVE MAP & STATEMENT IN THE PARISH OF BEXTON & TOWN OF KNUTSFORD

The committee considered a report which outlined an application made in September 2020 for an order to add two footpaths to the DM shown between points A-B-C and B-D on Plan WCA/MO048A ("the Plan") (Appendix 1 to the report). The report assessed the submitted evidence and made a recommendation in accordance with the duty set out under Section 53 (2) (b) of the 1981 Act, following the occurrence of an event under Section 53(3)(c)(i), namely the discovery of evidence that a public footpath subsists. This was set out in detail at Appendix 2 to the report.

The evidence in support of the application consisted primarily of user evidence forms from 15 people, 14 of which provided relevant information. Route A-B-C on the Plan was alleged to have been used by the public within periods from 1982-2002 and also a period from 1987- 2007. This could meet the test for a reasonable allegation of public rights under

Section 53 (3)(c)(i). However, the evidence for route B-D over the period 1987-2007 was insufficient to meet that threshold.

The investigation also considered maps and plans from the nineteenth century, the records of the DM and a paths leaflet submitted by the applicant. While these documents were not conclusive in establishing additional rights of way, they did suggest that there had been a longstanding reputation of a public path crossing prior to the construction of the rail line.

The evidence was assessed against the statutory tests set out under the 1981 Act and the Highways Act 1980 ("the 1980 Act"). Submissions from landowners relate to a later period than the claimed use. Based on the user evidence covering a twenty-year period prior to 2002 and 2007, it was considered on the balance of probabilities, that a public footpath subsists between points A-B-C on the Plan. The evidence relating to route B-D was insufficient to support a similar finding. There was no clear basis to suggest that public rights have arisen over that section of the route.

Officers confirmed that they had been provided with confirmation that the land changed hands in 2007 and was held as Crown Estate. Crown land was not bound by the effect of the 20-year statutory test but was affected by the application common law.

RESOLVED: (Unanimously)

That the Highways & Transport Committee

1. Approve a Definitive Map Modification Order under Section 53(2)(b) on the basis of evidence under Section 53(3)(c)(i) of the Wildlife and Countryside Act 1981, for the route A to B to C on Plan WCA/MO048A.
2. Refuse to make a Definitive Map Modification Order for the route B to D on Plan WCA/MO048A
3. Approve that public notice of the making of the Order be given and in the event of there being no objections within the period specified, that the Order be confirmed in the exercise of the powers conferred on the Council by the said Act.
4. Note that in the event of objections being received, Cheshire East Borough Council will be responsible for the conduct of any Hearing or Public Inquiry relating to the Order.

The meeting commenced at 10.30 am and concluded at 12.00 pm

Councillor M Goldsmith (Chair)

OPEN

Highways and Transport Committee

20 November 2025

Second Financial Review 25/26

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

Report Reference No: HTC/05/25-26

Ward(s) Affected: Not applicable

For Decision or Scrutiny: Both

Purpose of Report

- 1 This report provides the Highways and Transport 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) A Highways and Transport 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 Highways and Transport 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.

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 movement of £0.500m in the forecast variance is due to delays in the Children and Families Services Birth to Thrive Transformation project, which means that savings will now not be delivered in 2025/26.
- 19 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.
- 20 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.
- 21 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 Highways and Transport 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 the Highways and Transport 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 Highways and Transport Directorate of £70.016m against a revised MTFS budget of £66.626m in Tables 4 and 5.
4. Note the Delegated Decisions made for Supplementary Capital estimates and Capital Budget Virements up to £500,000 in Table 6.
5. Approve the Supplementary Capital Estimate above £500,000 up to and including £1,000,000 in Table 7.
6. Note the Capital Budget Reductions in Table 8.
7. Note the available reserves position as per Table 9.

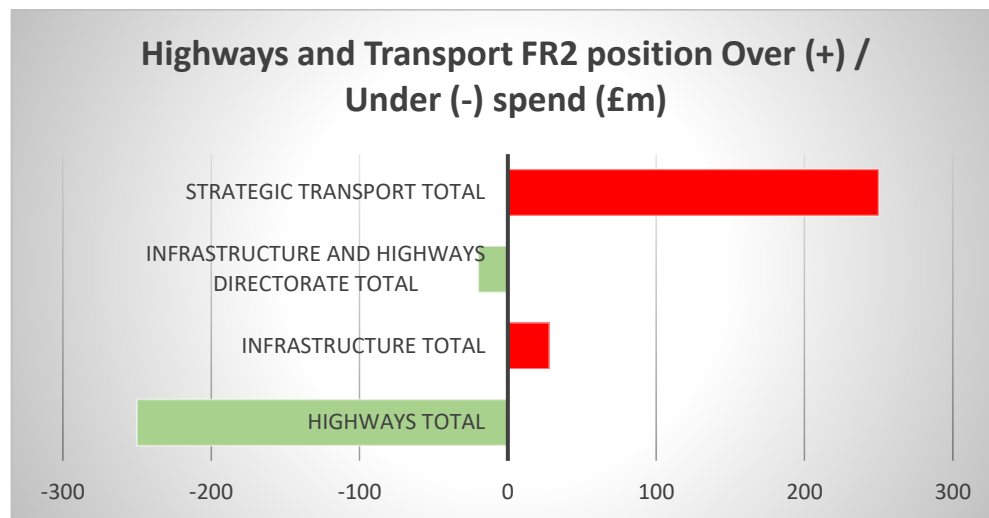
Highways and Transport Committee Focused Narrative

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

- 22 The Highways and Transport Committee second financial review for 2025/26 presents a forecast overspend of £0.008m reflecting an improvement since FR1 of £0.106m.

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

Highways and Transport adverse variance of £0.008m



- 23 Highways & Infrastructure are forecasting a balanced position against a budget of £17.151m at FR2. The car parking service has seen a £0.443m overspend which is due to reduced income offset by back dated rent reviews.

Mitigations

- 24 Transport Policy is £0.193m underspent due to vacancies and Highways income is forecast to be £0.250m better than budget, both of which are addressing the pressures in parking.

Update on 2025/26 Approved Budget Change Items

- 25 The following section provides an explanation of the key drivers behind variances to the budget for the Highways and Transport 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)
Highways and Transport 2025/26 Revised Budget as per Cover report Table 1		17.151	17.159	0.008	
Change from 2024/25 budget		1.061	1.069	0.008	
87	Increase parking charges	(0.450)	(0.450)	-	Green - Annual inflation adjustment to existing Pay & Display tariffs was implemented on 5th July 2024, in advance of bringing charges into effect in the "free towns" on the 2 December 2024. A further inflation adjustment took effect in May 2025.
88	Safe Haven outside schools (Parking)	0.010	0.010	-	Green – Introduction of CCTV camera enforcement of waiting/loading restrictions at school gates on a trial basis using bespoke equipment that is type approved and proven for these purposes in order to improve road safety and increase enforcement capacity at these high risk locations.
89	Parking PDA / Back Office System contract - fall out of one off set up cost	(0.030)	(0.030)	-	Green - Introduction of a new system to administer the Council's parking services and process Penalty Charge Notices which will reduce administration costs and improve service response times.
90	Parking - Part-year effect of strategy changes	(0.720)	(0.195)	0.525	Red - Following decisions in January 2024, tariffs were uplifted from 1st July 2024 to extend pay and display to car parks in "free towns" from 2nd December 2024.
91	Parking - Staff and member parking	(0.250)	-	0.250	Red - Proposals for a new scheme of staff and members parking permits, integrated with the corporate travel plan, are being developed for consultation in 2025.

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)
92	Transport and Infrastructure Strategy Team – Restructure	-	-	-	Green - The proposed changes will develop a more resilient in-house team and reduce reliance on agency / consultancy staff. The changes meet the needs of the Council, as it moves towards a new statutory Local Transport Plan and the development of transport functions in a new Cheshire and Warrington Combined Authority.
93	Local Bus	1.545	1.545	-	Green - A network of new bus service contracts has been procured and services started on 30 March 2025. Extra evening and weekend services are planned to complement our Bus Service Improvement Plan.
94	FlexiLink Service Improvement Plan - invest to save	0.592	0.592	-	Green - Bus service review is complete and specification for a revised flexible transport service (DRT) have been prepared. Flexible transport will be designed to fill gaps in local bus service provision, especially in rural areas, and over extended hours of operation, to open up the service to more users.
95T	Advertising Income. Initial project scoping work being undertaken to understand scale/complexity and resourcing needs	(0.025)	(0.025)	-	Amber - Proposal for the transformation of the Council's approach to on-street sponsorship and advertising have been prepared as part of the Transformation Programme.
96	Pension Costs Adjustment	(0.055)	(0.055)	-	Completed
97	Pay Inflation	0.228	0.263	0.035	Red - LGS pay offer for 2025. Full and final offers of 3.20% increase resulting in overspend of c.£1.7m across the Council.
98	Flood and Water Management Act	-	-	-	Amber - The requirement is to be ready to implement changes when regulations are

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)
	2010 SuDS and SABs Schedule 3 Implementation				implemented nationally. A training plan for existing staff has been identified. Recruitment is to be progressed.
99	Highways: Revenue Service	0.216	0.216	-	Completed - This provides investment in highway infrastructure that will arrest the deterioration of the asset. This will reduce costs of reactive maintenance, improve safety and reduce risks of significant incidents. It will also control revenue budget pressures and work towards addressing customer dissatisfaction
100	Highways: Depots	-	-	-	Green - The highways depots need investment to reduce the risk that facilities could be unusable for reactive and winter maintenance. Investment will enable some operational efficiencies, provides winter service resilience and a reduction in highways depots from 3 to 2, potentially delivering a capital receipt.
In year	Highways and Transport Mitigations to balance back to Finance Review positions	-	(1.018)	(1.018)	Highways and Transport Mitigations to balance back to Finance Review positions.
In year	Fees and Charges	-	0.216	0.216	Adjustment for fees and charges - presenting Lyon Review items centrally

Capital Programme

26 **Table 4** below sets out the Highways and Transport capital programme position for 2025/26 as at FR2, showing forecast of £70.016m against revised MTFS budget at outturn of £66.626m.

Table 4 Capital 2025/26	MTFS	Out - turn	Actuals FR1	Actuals FR2	Forecast Spend	Gov Grants	Ext Contri bution s	Rev Contr ibutio ns	Cap Receipt	Prud Borrow	TOTAL
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Highways and Transport	66.782	66.626	4.730	15.883	70.016	57.318	4.247	0.100	0.100	8.251	70.016

27 Forecast expenditure in 2025/26 has increased by £3.234m, additions to the Capital Programme include Local Transport Grant £7.754m; Bus Service Improvement Plan (BSIP) grant £2.123 and Section 106 commuted funds of £1.364m.

28 Carry forwards from 2024/25 amounted to £6.784m including North-West Crewe Package £1.112m, Poynton Relief Road £1.623 and Active Travel Fund £1.155m.

29 FR1 and FR2 reviews have resulted in £14.060m being reprofiled into future years, made up mainly of Middlewich Eastern Bypass £5.418m, A500 Corridor OBC Update £2.656m, Poynton Relief Road £2.609m, Various Section 106 funded schemes of £1.434m, Old Mill Road / The Hill Junction £1.036m.

30 **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	£m	Outturn and FR1	FR1	FR2	FR2	FR2	FR2	£m
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Highways and Transport	66.782	11.166	4.580	-	(10.136)	1.373	0.459	(0.284)	(3.924)	70.016

31 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.

32 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		
Highways and Transport:		
Highway Maintenance Minor Works	0.260	To add grant funding received from the Environment Agency (EA) £142,308 and the North West Regional Flood and Coastal Committee (RFCC) £117,692 to provide budget for flood preventative works on Hodson Street/ Ryle Street Macclesfield.
Total Supplementary Capital Estimates Requested	0.260	
Capital Budget Virements that have been made up to £500,000		
Future High Street Funding – Southern Gateway	0.459	To vire Crewe Towns Fund from “Crewe Towns Fund – Mill Street Corridor” project.
Total Capital Budget Virements Approved	0.459	
Total Supplementary Capital Estimates and Virements	0.719	

33 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		
Acton Village	0.548	To add S106 Developer Contribution balance to the Capital Programme to fund this scheme.
Future High Street Funding – Southern Gateway	0.565	To add Consolidated Active Travel Fund (CATF) as agreed with Active Travel England
Total Supplementary Capital Estimates Requested	1.113	

34 Table 8 : To Note – Capital Budget Reductions

Committee / Capital Scheme	Approved Budget £m	Revised Approval £m	Reduction	Reason and Funding Source
Committee are asked to note the reductions in Approved Budgets				
Highways & Transport Mill Street Corridor – Station Link Project	0.847	0.563	(0.284)	This project had been mothballed, this S106 funding has been allocated to another project within the vicinity.
Total Budget Reductions	0.847	0.563	(0.288)	

Reserves Position

- 35 **Table 9** below shows the Highways and Transport position on reserves by the end of 2025/26.

Table 9 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	
Flood Risk and Adverse Weather Events	(0.400)	0.924	(0.924)	(0.400)	To help the service manage risks such as the impact of adverse weather.
Highways Procurement Project	(0.083)	-	-	(0.083)	To finance the development of the next Highway Service Contract. Depot mobilisation costs, split over 7 years from start of contract in 2018.
LEP - Local Transport Body	(0.019)	-	-	(0.019)	Contribution to LEP transport studies/consultancy. Ongoing working around Transport Legacy issues.
Total Reserves	(0.502)	0.924	(0.924)	(0.502)	

Consultation and Engagement

- 36 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

- 37 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.

- 38 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

- 39 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

- 40 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.
- 41 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.
- 42 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.
- 43 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.
- 44 This report provides an update on progress for 2025/26 for all services.
-

- 45 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

- 46 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.
- 47 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.
- 48 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.
- 49 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.
- 50 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.
- 51 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.
- 52 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.
-

- 53 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

- 54 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

- 55 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

- 56 All Committees will receive this financial update report.

Policy

- 57 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
- 58 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.
- 59 The approval of supplementary estimates and virements are governed by the Finance Procedure Rules section of the Constitution.

Equality, Diversity and Inclusion

- 60 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.
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Consultation

Name of Consultee	Post held	Date sent	Date returned
Statutory Officer (or deputy):			
Chris Benham	Director of Finance. Deputy S151 Officer	01/11/2025	10/11/2025
Kevin O'Keefe	Interim Director of Law and Governance (Monitoring Officer)	01/11/2025	10/11/2025
Legal and Finance			
Chris Benham	Director of Finance	05/11/2025	07/11/2025
Hilary Irving/ Jennie Summers	Acting Head of Legal Services	07/11/2025	09/11/2025
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
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

Highways and Transport Committee

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Section 1: 2025/26 Forecast Outturn

1.1. The tables below show details of the forecast by service area within each committee :

Committee	Service Area Tier 3	Revised Budget	Forecast Outturn	Variance	FR1 Variance	Movement from FR1
Highways and Transport	Highways Total	11.980	11.730	- 0.250	-0.250	-
Highways and Transport	Infrastructure Total	0.110	0.138	0.028	0.028	-
Highways and Transport	Infrastructure and Highways Directorate Total	0.605	0.585	- 0.020	0.015	- 0.035
Highways and Transport	Strategic Transport Total	4.457	4.707	0.250	0.321	- 0.071
Highways and Transport		17.151	17.159	0.008	0.114	- 0.106

Section 2: Capital

The table at the top of page 5 is a Detailed List of Capital Schemes for the Highways and Transport Directorate:

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding £m
	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	
Committed Schemes in progress													
Highways													
A532 Safer Road Fund Scheme	1.466	1.395	0.070	0.000	0.000	0.000	0.070	0.000	0.000	0.000	0.000	0.070	0.070
A536 Safer Road Fund Scheme	2.404	2.353	0.051	0.000	0.000	0.000	0.051	0.000	0.000	0.000	0.000	0.051	0.051
A537 Safer Road Fund Scheme	2.490	2.346	0.144	0.000	0.000	0.000	0.144	0.144	0.000	0.000	0.000	0.000	0.144
Air Quality Action Plan	0.523	0.522	0.002	0.000	0.000	0.000	0.002	0.000	0.000	0.000	0.000	0.002	0.002
Alderley Edge Bypass Scheme Implementation	60.411	60.360	0.006	0.045	0.000	0.000	0.051	0.000	0.000	0.000	0.000	0.051	0.051
Bridge Maintenance Minor Wks	12.463	11.672	0.792	0.000	0.000	0.000	0.792	0.374	0.000	0.000	0.000	0.418	0.792
Client Contract and Asset Mgmt	0.693	0.547	0.146	0.000	0.000	0.000	0.146	0.000	0.000	0.000	0.000	0.146	0.146
Highway Maintenance Minor Wks	69.882	69.552	0.330	0.000	0.000	0.000	0.330	0.260	0.000	0.000	0.000	0.070	0.330
Highway Pothole/Challenge Fund	11.669	11.497	0.172	0.000	0.000	0.000	0.172	0.000	0.000	0.000	0.000	0.172	0.172
Jack Mills Way Part 1 Claims	0.307	0.307	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Local Highway Measures	7.255	7.105	0.151	0.000	0.000	0.000	0.151	0.151	0.000	0.000	0.000	0.000	0.151
Ward Members Local Highway Measures	0.872	0.319	0.200	0.353	0.000	0.000	0.553	0.177	0.000	0.000	0.000	0.376	0.553
Programme Management	1.547	1.546	0.002	0.000	0.000	0.000	0.002	0.002	0.000	0.000	0.000	0.000	0.002
Road Safety Schemes Minor Wks	6.423	6.260	0.163	0.000	0.000	0.000	0.163	0.034	0.000	0.000	0.000	0.128	0.163
Traffic Signal Maintenance	1.095	0.795	0.300	0.000	0.000	0.000	0.300	0.299	0.000	0.000	0.000	0.001	0.300
Winter Service Facility	0.957	0.771	0.097	0.089	0.000	0.000	0.186	0.000	0.000	0.000	0.000	0.186	0.186
Managing and Maintaining Highways	4.712	0.000	4.712	0.000	0.000	0.000	4.712	0.000	0.000	0.000	0.000	4.712	4.712
Pothole Funding	17.397	0.000	5.799	5.799	5.799	0.000	17.397	17.397	0.000	0.000	0.000	0.000	17.397
Integrated Block - LTP	6.009	0.000	2.003	2.003	2.003	0.000	6.009	6.009	0.000	0.000	0.000	0.000	6.009
Maintenance Block - LTP	19.476	0.000	7.878	5.799	5.799	0.000	19.476	17.397	0.000	0.000	0.000	2.079	19.476
Incentive Fund - LTP	4.350	0.000	1.450	1.450	1.450	0.000	4.350	4.350	0.000	0.000	0.000	0.000	4.350
Infrastructure													
A500 Dualling scheme	88.692	11.117	0.050	0.150	0.000	77.375	77.575	74.125	3.450	0.000	0.000	0.000	77.575
A500 Corridor OBC Update	3.371	0.064	0.650	2.000	0.306	0.350	3.307	2.543	0.764	0.000	0.000	0.000	3.307
A50 / A54 Holmes Chapel	0.603	0.101	0.000	0.000	0.000	0.502	0.502	0.000	0.502	0.000	0.000	0.000	0.502
A54 / A533 Leadsmithy Street, Middlewich	0.563	0.177	0.000	0.000	0.000	0.386	0.386	0.000	0.386	0.000	0.000	0.000	0.386
A6 MARR CMM Handforth	1.088	1.046	0.042	0.000	0.000	0.000	0.042	0.042	0.000	0.000	0.000	0.000	0.042
A6 MARR Technical Design	0.473	0.285	0.188	0.000	0.000	0.000	0.188	0.070	0.119	0.000	0.000	0.000	0.188
A556 Knutsford to Bowdon	0.504	0.373	0.060	0.071	0.000	0.000	0.131	0.000	0.131	0.000	0.000	0.000	0.131
Peacock Roundabout Junction	0.750	0.036	0.516	0.000	0.000	0.198	0.714	0.000	0.714	0.000	0.000	0.000	0.714
Congleton Link Road	83.991	72.920	0.785	1.779	1.000	7.508	11.071	0.316	10.756	0.000	0.000	0.000	11.071
Crewe Green Roundabout	7.500	7.059	0.441	0.000	0.000	0.000	0.441	0.000	0.441	0.000	0.000	0.000	0.441
Flowerpot Phs 1 & Pinchpoint	4.249	1.516	0.000	0.588	0.336	1.808	2.732	1.719	1.014	0.000	0.000	0.000	2.732

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding £m
	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	
Committed Schemes in progress													
Highways													
Future High Street Funding - Adaptive Signals	0.509	0.455	0.054	0.000	0.000	0.000	0.054	0.000	0.054	0.000	0.000	0.000	0.054
Future High Street Funding - Flag Lane Link	1.481	1.481	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Future High Street Funding - Southern Gateway	6.327	5.101	1.226	0.000	0.000	0.000	1.226	1.226	0.000	0.000	0.000	0.000	1.226
Highways & Infrastructure S106 Funded Schemes	6.102	1.316	1.621	1.371	0.000	1.795	4.787	0.163	4.624	0.000	0.000	0.000	4.787
Transport & Infrastructure Development Studies	0.350	0.043	0.307	0.000	0.000	0.000	0.307	0.307	0.000	0.000	0.000	0.000	0.307
Middlewich Eastern Bypass	96.600	27.679	16.312	28.415	24.194	0.000	68.921	46.779	14.611	0.000	0.000	7.532	68.921
Mill Street Corridor - Station Link Project	0.563	0.263	0.300	0.000	0.000	0.000	0.300	0.000	0.000	0.000	0.000	0.300	0.300
North-West Crewe Package	51.366	49.055	0.650	0.550	0.550	0.561	2.311	0.000	2.311	0.000	0.000	0.000	2.311
Old Mill Road / The Hill Junction	1.325	0.188	0.100	1.036	0.000	0.000	1.136	0.000	1.136	0.000	0.000	0.000	1.136
Poynton Relief Road	54.848	47.293	0.100	3.665	1.431	2.359	7.555	2.236	4.220	0.000	1.000	0.100	7.555
Sydney Road Bridge	10.501	10.112	0.014	0.375	0.000	0.000	0.389	0.000	0.390	0.000	0.000	-0.001	0.389
Strategic Transport and Parking													
Active Travel Fund	3.109	0.525	2.584	0.000	0.000	0.000	2.584	2.584	0.000	0.000	0.000	0.000	2.584
Active Travel (Cycling / Walking Route) Investment	2.920	2.854	0.066	0.000	0.000	0.000	0.066	0.001	0.000	0.000	0.000	0.065	0.066
Available Walking Routes	0.151	0.000	0.151	0.000	0.000	0.000	0.151	0.151	0.000	0.000	0.000	0.000	0.151
Car Parking Review	0.895	0.570	0.100	0.225	0.000	0.000	0.325	0.000	0.000	0.325	0.000	0.000	0.325
LEVI Capital Fund 23/24	2.172	0.000	0.000	1.086	1.086	0.000	2.172	2.172	0.000	0.000	0.000	0.000	2.172
On-street Residential Charging	0.551	0.389	0.162	0.000	0.000	0.000	0.162	0.151	0.000	0.000	0.000	0.011	0.162
Park Lane – Ayreshire Way, Congleton Walking and Cycling	0.482	0.433	0.049	0.000	0.000	0.000	0.049	0.049	0.000	0.000	0.000	0.000	0.049
Sustainable Travel Access Prog	2.245	2.059	0.186	0.000	0.000	0.000	0.186	0.186	0.000	0.000	0.000	0.000	0.186
Sustainable Modes of Travel to Schools Strategy (SMOTSS)	1.117	0.883	0.234	0.000	0.000	0.000	0.234	0.234	0.000	0.000	0.000	0.000	0.234
Public Transport Infrastructure	2.765	1.586	1.094	0.085	0.000	0.000	1.179	1.179	0.000	0.000	0.000	0.000	1.179
Bus Priority	0.755	0.000	0.413	0.341	0.000	0.000	0.755	0.755	0.000	0.000	0.000	0.000	0.755
Real Time Passenger Information (RTPi)	0.750	0.000	0.600	0.030	0.030	0.090	0.750	0.750	0.000	0.000	0.000	0.000	0.750
Macclesfield Bus Station	0.050	0.000	0.050	0.000	0.000	0.000	0.050	0.050	0.000	0.000	0.000	0.000	0.050
Local Access - Crewe Transport Access Studies	0.400	0.088	0.312	0.000	0.000	0.000	0.312	0.312	0.000	0.000	0.000	0.000	0.312
Local Access - Macclesfield Transport Access Studies	0.300	0.061	0.239	0.000	0.000	0.000	0.239	0.239	0.000	0.000	0.000	0.000	0.239
Local Transport Grant	7.754	0.000	7.754	0.000	0.000	0.000	7.754	7.754	0.000	0.000	0.000	0.000	7.754
Middlewich Rail Study	0.020	0.000	0.020	0.000	0.000	0.000	0.020	0.020	0.000	0.000	0.000	0.000	0.020
LTP Development & Monitoring Studies	0.900	0.460	0.220	0.221	0.000	0.000	0.441	0.441	0.000	0.000	0.000	0.000	0.441
Digital Car Parking Solutions	0.140	0.097	0.044	0.000	0.000	0.000	0.044	0.016	0.000	0.000	0.000	0.027	0.044
Pay and Display Parking Meters	0.620	0.607	0.013	0.000	0.000	0.000	0.013	0.000	0.000	0.000	0.000	0.013	0.013
Car Parking Improvements (including residents parking)	0.322	0.266	0.056	0.000	0.000	0.000	0.056	0.000	0.000	0.000	0.000	0.056	0.056
Total Committed Schemes	682.578	425.904	62.230	57.526	43.985	92.933	256.674	193.162	45.621	0.325	1.000	16.566	256.674

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding £m
	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	
New Schemes													
Highways													
Highways Maintenance Capital	41.846	0.000	7.340	11.502	11.502	11.502	41.846	27.773	0.000	0.000	0.000	14.073	41.846
Highways: Depots (Macclesfield)	2.386	0.000	0.250	0.911	1.225	0.000	2.386	0.000	0.000	0.000	0.000	2.386	2.386
Highways: Depots (Wardle)	0.696	0.000	0.146	0.458	0.092	0.000	0.696	0.000	0.000	0.000	0.060	0.636	0.696
Strategic Transport & Parking Services													
Strategic Transport Model	0.750	0.000	0.050	0.450	0.250	0.000	0.750	0.000	0.000	0.000	0.000	0.750	0.750
Total New Schemes	45.678	0.000	7.786	13.321	13.069	11.502	45.678	27.773	0.000	0.000	0.060	17.845	45.678
Total Highways & Transport	728.256	425.904	70.016	70.847	57.054	104.435	302.351	220.935	45.621	0.325	1.060	34.411	302.351

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OPEN

Highways and Transport Committee

20 November 2025

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

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

Report Reference No: HTC/06/25-26

Ward(s) Affected: Not applicable

For Scrutiny

Purpose of Report

- 1 The Highways and Transport 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 Highways and Transport 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 Highways and Transport 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 Highways and Transport 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

- 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	Executive Director of Resources, Section 151 Officer	05/11/2025	05/11/2025
Kevin O'Keefe	Interim Director of Law and Governance (Monitoring Officer)	05/11/2025	10/11/2025
Legal and Finance			
Chris Benham	Director of Finance	05/11/2025	10/11/2025
Hilary Irving	Interim Head of Legal Services	05/11/2025	10/11/2025
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: <u>MTFS 2025-2029</u> <u>Financial Review 1 2025/26</u> <u>Corporate Policy Committee – MTFS Consultation full report</u>
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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
	Highways and Transport		(0.257)	(0.154)	(0.238)	(0.283)
92	Transport and Infrastructure Strategy Team - Restructure	This item relates to the saving arising from changes to the Strategy Teams, which fill existing staff vacancies and reduce reliance on agency consultancy staff. The approach is intended to improve organisational capacity for transport planning, improving responsiveness and resilience.	(0.150)	-	-	-
95T	Advertising Income. Initial project scoping work being undertaken to understand scale/complexity and resourcing needs	Maximise opportunities to sell targeted advertising through use of Council assets, focusing on high value opportunities. This includes Bus Stop advertising.	(0.075)	-	-	-
100	Highways Depots	The highways depots need investment to reduce the risk that facilities could be unusable for reactive and winter maintenance. Investment will enable some operational efficiencies, providing winter service resilience and a reduction in highways depots from 3 to 2, delivering a capital receipt. Operational savings will need to be calculated once specific proposals are finalised.	-	(0.050)	(0.051)	-
New	Street Lighting Dimming / Switching Down	The council has over 40,000 street lights, with 39,287 currently "dimmed" (i.e. reduced light output) via fixed photocell regimes. Changing this requires replacing photocells and installing a Central Management System (CMS) for remote control. This proposal requires £5.311m capital funding over six years from 2026–33. Full payback is achieved in Y12. CMS is the recommended approach to light output changes and anticipated costs are similar to alternative, less flexible options.	(0.032)	(0.104)	(0.187)	(0.283)

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Highways & Transport 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	Is the report for decision or scrutiny?
22 January 2026								
HTC/08/25-26	Medium Term Financial Strategy Consultation 2026/27 to 2029/30 Provisional Settlement	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, and S151 Officer	No	No	Yes	No	Scrutiny and Decision
HTC/12/25-26	Decision to Let a Construction Contract for the Middlewich Eastern Bypass	To consider the options for funding and the letting of a construction contract for the Middlewich Eastern Bypass	Executive Director of Place	No	No	Yes	No	Decision
HTC/20/25-26	Response to Notice of Motion: Historical Rural Signage	This Motion seeks to safeguard Cheshire East's historic rural signage—our fingerposts, milestones, and traditional wayfinding features. These signs are more than practical markers; they are part of our shared heritage, linking us to past generations and shaping the distinct character of our countryside.	Executive Director of Place	No	No	No	No	Scrutiny
2 April 2026								
HTC/09/25-26	Service Budgets 2026/27	To set out the allocation of approved budgets for 2025/26 for services under the Committee's remit, as determined by Finance Sub Committee	Executive Director Resources, and S151 Officer	No	No	Yes	No	Scrutiny
HTC/07/25-26	Third Financial Review 2025/26	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, and S151 Officer	No	No	Yes	No	Scrutiny
HTC/18/25-26	Local Transport Plan - Approval	To present an updated Local Transport Plan (LTP) for approval by Highways and Transport Committee prior to submission to Full Council for adoption. The LTP provides a policy framework for prioritising future investment in transport.	Executive Director of Place	Yes	Yes	Yes	No	Decision

Highways & Transport Committee Work Programme 2025 - 26

HTC/19/25-26	Local Transport Grant - Delivery Programme	The report will present the proposed delivery programme for the Department for Transport (DfT) Local Transport Grant (LTG) capital funding allocation for Cheshire East.	Executive Director of Place	No	Yes	No	No	Decision
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Task and Finish Groups

Group	Membership	Established	Purpose
Home to School Transport – Cross Directorate with Children & Families Committee	H & T Members M Goldsmith H Faddes M Muldoon C & F Members M Beanland L Crane E Gilman B Puddicombe	May 2025	This project will enable members of both Highways & Transport Committee and Children & Families Committee to jointly scrutinise the Councils' arrangements for provision of Home-to-School Transport, including SEND. The Council provides transport for approximately 4000 students to educational establishments in the borough and beyond. The MTFS provides an increase in budget (FY2025-26) of £1.5 million with further growth expected in future years. Transport services make up 17% of the overall children's revenue budget. There have been recent planned changes to the council's policies, procedures and procurement arrangements for home-to-school transport and members are interested to understand the effectiveness of these and what else can be done to ensure services provide value-for-money.

Briefing Reports/Reports for noting

Title	Purpose of Report	Lead Officer	Expected Circulation Date via the Members Hub
Public Rights of Way Annual report 2024 - 25	To inform members about the work of the Public Rights of Way (PROW) team, including achievements and challenges.	Nicola Lewis-Smith -Public Rights of Way Manager	TBC

Note: These reports will be circulated outside of committee meetings.

[Library folder - Reports for Noting - Reports for Noting | Cheshire East Council](#)

OFFICIAL

Highways and Transport Committee

20th November 2025

Town and Country Planning Act 1990 Section 257

Proposed Diversion of Public Footpath No. 2 in the Parish of Somerford (Part)

Report of: Philip Cresswell, Executive Director of Place

Report Reference No: HTC/17/25-26

Ward(s) Affected: Somerford

For Decision

Purpose of Report

1. The report outlines the investigation into a proposed diversion of Public Footpath No.2 in the Parish of Somerford following receipt of an application from Anwyl Group Limited under the provisions of Section 257 of the Town and Country Planning Act 1990.

Executive Summary

2. This report sets out the investigation that has been carried out in respect of the proposal to divert part of Public Footpath No. 2 in the Parish of Somerford. It summarises the consultations undertaken, including any objections received and considers the relevant legal tests. The report addresses both the public interest and the interests of affected landowners and describes the proposed new route with reference to accompanying plans. The diversion proposal has been submitted by the Public Rights of Way team in accordance with the Council's statutory duties. The recommendation is that a Public Path Diversion Order is made under Section 257 of Town and Country Planning Act 1990 on the grounds that Cheshire East Borough Council ("the Council") is satisfied that the diversion is necessary to enable the approved development to take place.

RECOMMENDATIONS

The Highways & Transport Committee is recommended to:

1. Approve that a Public Path Diversion Order is made under section 257 of the Town and Country Planning Act 1990 for part of Public Footpath No. 2 in the Parish of Somerford as shown on Plan No. TCPA083 on the grounds that Cheshire East Borough Council is satisfied that it is necessary to do so to enable the construction of an approved development.
2. Approve that public notice of the making of the Order be given and that, in the event no objections are received within the statutory notice period, the Order be confirmed in the exercise of the powers conferred on the Council by the said Act.
3. Note that should any objections be received, Cheshire East Borough Council will be responsible for the conduct of any hearing or Public Inquiry relating to the Order.

Background

4. An application has been received from Anwyl Group Limited Homes requesting that the Council make an order under section 257 of the Town and Country Planning Act 1990 to divert part of Public Footpath No.2 in the Parish of Somerford as it is deemed necessary to allow the construction of a fenced children's play area. Planning documents can be accessed via the planning portal using reference [23/2713C](#). Planning approval consent was approved on 20th December 2024.
5. The section of Public Footpath No. 2 in the parish of Somerford proposed for diversion is shown as a bold black line on Plan No. TCPA083 between Points A and B. It begins at Point A and follows a grassed field surface in a generally north-north-west direction for approximately 213 metres, terminating at Point B.
6. The proposed diversion route is shown as a bold dashed black line between points A, C, D, E, and B. The diverted route begins at Point A and proceeds generally west for approximately 2 metres to Point C. It then continues in a generally north-north-west direction for approximately 203 metres to Point D, followed by a west-north-west direction for approximately 5 metres to Point E. From there, it runs generally north for approximately 5 metres to Point B, where it re-joins the definitive alignment of Public Footpath No. 2.
7. The proposed surface between points A and C will comprise a 2-metre-wide compacted gravel path, bordered on both sides by a timber knee rail. To the north of this section, the landscaping will include a grassed

border and the planting of semi-mature trees. To the south, the layout will include a seating area, sculpture, ornamental trees, shrubs and grass planting. A secondary gravel path will connect from the south and join the public right of way at point C.

8. From Point C, the proposed surface will consist of a 2-metre-wide compacted gravel path, bordered by a timber knee rail. The adjacent landscaping will include tree planting, wetland rain garden depressions, a wildflower meadow attenuation pond, and grassed areas. The path will cross the development access road and pavements, which will be surfaced with tarmac, before continuing along a 2-metre-wide gravel path, bordered by a timber knee rail. Landscaping along this continued section will again incorporate trees, wetland rain garden, wildflower meadow, an attenuation pond, and grass. Prior to reaching Point D, the landscaping will include a wildflower meadow and a fenced children's play area to the west, and additional seating and a planted ornamental hedge to the east.
9. The proposed path between points D, E and B will consist of a 2-metre-wide grassed surface. The surrounding area will be landscaped to include a wildflower meadow and tree planting.

Consultation and Engagement

10. The ward members, Somerford Parish Council, user groups, utility companies, and the council's Nature Conservation Officer have been consulted, with three submitted written responses received.
11. The Congleton Ramblers are 'happy with the proposal as described in the informal consultation documents.'
12. The Peak and Northern Footpath Society replied stating that 'The diversion request seems reasonable in that the proposed route diverts little from the present route the plan shows landscaping, and it looks well planned' before continuing and stating 'it is unfortunate that the Society was not consulted at the planning stage, when any issues could have been resolved to the satisfaction of all concerned.'
13. Somerford Parish Council raised an objection to the proposed diverted route through the estate's landscaped centre, preferring a natural path along the western edge. See Appendix 1 for a copy of the statement.

Reasons for Recommendations

14. In accordance with Section 257 of the Town and Country Planning Act 1990 ("TCPA") as amended by Section 12 of the Growth and Infrastructure Act 2013:

‘(1A) Subject to section 259 (TCPA), a competent authority may by Order authorise the stopping up or diversion of any footpath, bridleway or restricted byway if they are satisfied that—

(a) an application for planning permission in respect of development has been made under Part 3, and

(b) if the application were granted it would be necessary to authorise the stopping up or diversion in order to enable the development to be carried out.’

Section 259 of the TCPA states: ‘An Order made under section 257 or 258 shall not take effect unless confirmed by the Secretary of State, or unless confirmed, as an unopposed Order, by the authority who made it.’

15. It is considered that it is necessary to divert part of Public Footpath No. 2 in the Parish of Somerford as illustrated on Plan No. TCPA083, to allow the construction of children’s play area as detailed within planning reference [23/2713C](#).
16. Where objections to the making of an Order are received and not withdrawn, the Order must be referred to the Secretary of State for determination. In considering whether to confirm the Order the Secretary must have regard to the matters discussed in paragraph 15 below.
17. The Public Right of Way team’s work supports Cheshire East Borough Council’s Corporate Plan outcome 1.5 which is keeping ‘Communities connected through an improved accessible, rural and urban transport network including active travel’. This includes commitments to unlocking prosperity, improving health and wellbeing. The proposed diversion also aligns with the policies and objectives set out in the Council’s statutory Rights of Way Improvement Plan.

Other Options Considered

18. If the authority was to do nothing the development of the fenced children’s play area would obstruct the Public Right of Way.

Implications and Comments

Monitoring Officer/Legal

19. The legal framework governing this proposal is set out in Section 257 of the Town and Country Planning Act 1990, which provides the Council with the discretionary power to make a Public Path Diversion Order where it appears necessary to do so to allow a development to be carried out. Legal considerations are set out in paragraph 12 of this report.

20. Once an Order is made, it may be subject to public objection. If any objections are received and not withdrawn, the Council loses the power to confirm the Order. In such cases, the matter must be referred to the Secretary of State, which may result in a hearing or Public Inquiry. As a result, the decision may ultimately be confirmed or overturned. This process may require additional legal resources and officer time.

Section 151 Officer/Finance

21. The applicant is responsible for all costs associated with the diversion application and construction of the proposed surface and any landscaping required for the alternative route. If objections result in a hearing or inquiry, the Council would be responsible for any associated costs, including preparation and legal representation. Under the planning consent, the developer will be responsible for maintenance of the diverted routes

Human Resources

22. There are no direct implications for Human Resources.

Risk Management

23. There are no direct implications for risk management

Impact on other Committees

24. There are no direct implications on other Committees

Policy

25. The Public Right of Way team's work supports the Council's Corporate Plan vision of enabling prosperity and wellbeing for all in Cheshire East. This includes commitments to unlocking prosperity, improving health and wellbeing. The proposed diversion also aligns with the policies and objectives set out in the Council's statutory Rights of Way Improvement Plan.

Corporate Plan 2025-2029

Vision: Enabling prosperity and wellbeing for all in Cheshire East

Commitments –

- Unlocking prosperity for all
- Improving health & wellbeing

Equality, Diversity and Inclusion

26. An assessment in relation to the Equality Act 2010 has been carried out by the Public Rights of Way Network Management and Enforcement Officer for the area and it is considered that the proposed diversion would be no less convenient to use than the current one.

Other Implications

Rural Communities

27. There are no direct implications for Rural Communities.

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

28. There are no direct implications for Children and Young People.

Public Health

29. The recommendations are anticipated to offer a positive overall impact on the health and wellbeing of Cheshire East residents.

Climate Change

30. The work of Public Rights of Way team encourages a reduction in carbon emissions and increased environmental sustainability by reducing energy consumption and promoting healthy lifestyles through active travel and leisure.

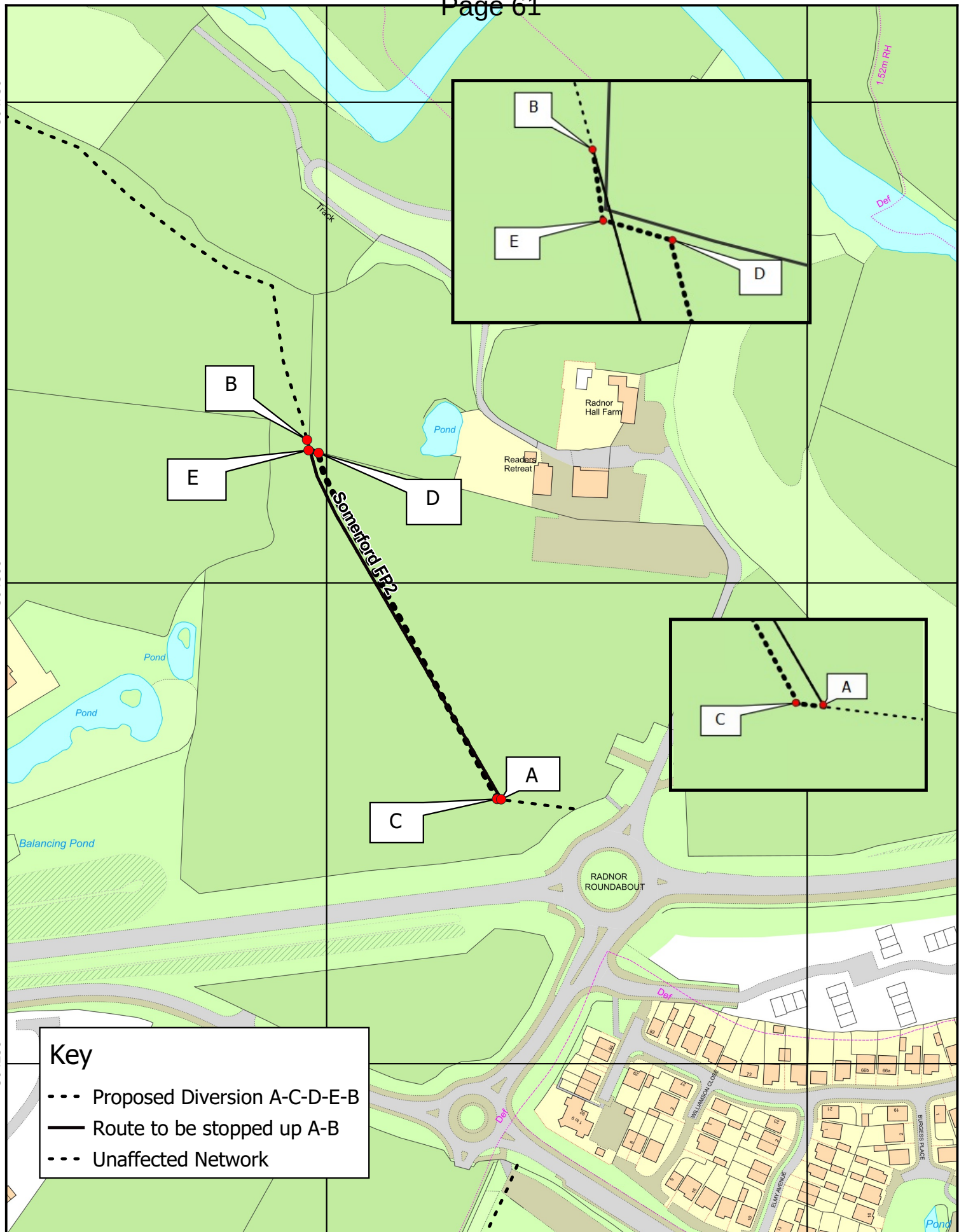
Name of Consultee	Post held	Date sent	Date returned
<i>Statutory Officer (or deputy) :</i>			
Ashley Hughes	Executive Director of Resources, Section 151 Officer	24/10/25	28/10/25
Kevin O'Keefe	Interim Director of Law & Governance (Monitoring Officer)	21/10/25	22/10/25

<i>Legal and Finance</i>			
Bethany Hill	Solicitor	13/10/25	13/10/25
Wendy Broadhurst	Principal Accountant (Lead Business Partner)	07/10/25	13/10/25

Access to Information	
Contact Officer:	Richard Chamberlain – Richard.chamberlain2@cheshireeast.gov.uk
Appendices:	Appendix 1 – Somerford Parish Council statement Appendix 2 - Plan - Proposed Diversion Footpath No. 2 (Part) in the Parish of Somerford
Background Papers:	The background papers and files relating to this report can be inspected by contacting the report writer.

Appendix 1 – Somerford Parish Council statement

‘The Council is a little disappointed that the proposal is still that the PROW should pass through the centre paved area of the estate, rather than through the more natural grassed area at the perimeter to the West. Those who walk public footpaths do not, in our experience, want to walk through the middle of a busy housing estate with modern, hard, landscaping on either side, they walk to escape into quiet and natural environments. Before the land was sold for development, the footpath was through open fields. Now post-development the footpath bisects the hard landscaping of a housing estate. Altering the footpath by a metre or two to the north and southern end is a missed opportunity, and in practice, walkers and dog walkers are likely to use the area planted with wildflowers and marginal plants shown on the landscape plans regardless. For this reason, the Council objects to the proposal.’



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