

# Finance Sub-Committee

## Agenda

---

<b>Date:</b>	<b>Thursday, 1st July, 2021</b>
<b>Time:</b>	<b>2.00 pm</b>
<b>Venue:</b>	<b>Council Chamber, Municipal Buildings, Earle Street, Crewe CW1 2BJ</b>

---

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 in the report.

It should be noted that Part 1 items of Cheshire East Council decision-making meetings are audio recorded and the recordings are 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 and non-pecuniary interests in any item on the agenda.

3. **Public Speaking/Open Session**

In accordance with paragraph 2.24 of the 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 Sub-Committee on any matter relating to this agenda. Each member of the public will be allowed up to two minutes to speak; 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.

4. **Aligning the Medium Term Financial Strategy (MTFS) to the Committee Structure**  
(Pages 3 - 56)

To consider a report which will determine the allocation of the approved capital and revenue budgets to each of the service committees and review the MTFS assumptions

---

**Contact:** Paul Mountford, Democratic Services  
**Tel:** 01270 686472  
**E-Mail:** paul.mountford@cheshireeast.gov.uk

and timelines.

5. **Committee Training** (Pages 57 - 62)

To approve the outline of a training programme for members of the Sub-Committee.

6. **Work Programme** (Pages 63 - 82)

To consider the Sub-Committee's work programme and determine any required amendments.

**THERE ARE NO PART 2 ITEMS**

**Membership:** Councillors Q Abel, D Brown, S Carter (Vice-Chair), J Clowes, S Gardiner, S Hogben, B Puddicombe and A Stott (Chair)



*Working for a brighter future together*

## **Finance Sub-Committee**

---

<b>Date of Meeting:</b>	1 July 2021
<b>Report Title:</b>	Aligning the Medium Term Financial Strategy (MTFS) to the Committee Structure
<b>Report of:</b>	Alex Thompson, Director of Finance & Customer Services
<b>Report Reference No:</b>	FSC/01/21-22
<b>Ward(s) Affected:</b>	All wards and all members will be affected and impacted by the content of the MTFS and Corporate Plan.

---

### **1. Executive Summary**

- 1.1. The Corporate Plan and Medium Term Financial Strategy (MTFS) for Cheshire East Council for the four years 2021/22 to 2024/25 was approved by full Council on 17<sup>th</sup> February 2021.
- 1.2. This report will determine the allocation of the approved capital and revenue budgets to each of the service committees and review the MTFS assumptions and timelines.
- 1.3. Cheshire East Council provides in the region of 500 local services every day. During 2020/21 the Council drafted and consulted on a new Corporate Plan to articulate a vision of how these services will make Cheshire East an Open, Fairer and Greener Borough. The MTFS matches forecast resources to the costs associated with achieving the Council's vision.

### **2. Recommendations**

That Finance Sub-Committee:

- 2.1. Approve allocation of the capital and revenue budgets, policy proposals and earmarked reserves to the following Committees in accordance with the MTFS approved in February 2021, as set out in Appendix A:
  - Adults & Health
  - Highways & Transport

- Children & Families
- Economy & Growth
- Environment & Communities
- Corporate Policy
- Finance Sub-Committee

- 2.2. Note MTFS assumptions, set out in paragraph 5.10 and Appendix C.
- 2.3. Note the MTFS timelines, as set out in paragraphs 5.11 – 5.14.
- 2.4. Approve the formation of a task group, to work with the finance team in reviewing the assumptions and to report on the outcomes to the Finance Sub-Committee (see 3.3 below).
- 2.5. Approve the supplementary estimates as set out in Appendix D and to notify the relevant committees.
- 2.6. Recommend to Council to approve:
  - fully funded supplementary estimates above £1,000,000 in accordance with Financial Procedure Rules as detailed in Appendix D - Table B.

### **3. Reasons for Recommendations**

- 3.1. In accordance with the Corporate Plan and the Policy Framework the Finance Sub-Committee has the responsibility to co-ordinate the management and oversight of the Council's finances, performance and risk management arrangements.
- 3.2. The Committee is responsible for allocating budgets across the Service Committees. This responsibility includes the allocation of Revenue and Capital Budgets as well relevant Earmarked Reserves.
- 3.3. The process to develop the Medium Term Financial Strategy was ratified at Council on 19<sup>th</sup> April, and is to be noted again here by the Committee to support communication to the other Committees. In addition to the process the Committee is asked to review the financial assumptions within the MTFS. As these assumptions are numerous it is recommended that a task group is established to work with the Finance Team to report back to the Committee in September. The Task Group should be made up of at least three members with the Chair or Vice Chair taking the responsibility to report back to the Committee.
- 3.4. The Committee has responsibilities within the Constitution to approve, or recommend for approval, Virement and Supplementary Estimates that will amend the MTFS. Such requests are brought to the Committee as they arise.

### **4. Other Options Considered**

- 4.1. Not applicable.

## 5. Background

- 5.1. All councils are legally required to set a balanced budget each year. The Budget Setting Process 2021-2025 was developed and endorsed by the Cabinet and Corporate Leadership Team in May 2020 and the MTFS was approved by full Council in February 2021.
- 5.2. Page 17 of the MTFS includes a Report from the Chief Finance Officer in line with the Section 25(1) of the Local Government Finance Act 2003. This report confirms that the MTFS is balanced and that the Chief Finance Officer is satisfied with the robustness of the estimates and the adequacy of the financial reserves of the Council. The report also highlights the factors taken in to account in arriving at this judgement including relevant financial issues and risks facing the Council during the medium term.
- 5.3. Finance Procedure Rules set limits and responsibilities for movement of funds, treating reserves as part of this overall balanced position. Any movement within this balanced position is treated as a virement. To increase the overall size of the MTFS requires a supplementary estimate, which must be backed with appropriate new funding and approved in line with the Procedure Rules.
- 5.4. On 19<sup>th</sup> November 2020 the Council resolved to cease operating the existing Leader and Cabinet model of governance and implement a committee system model of governance to take effect from the Annual Council meeting on 4<sup>th</sup> May 2021.
- 5.5. To support accountability and financial control under the new system the 2021/22 budget is being reported across the Committees based on their associated functions. This report sets out the allocation of the revenue and capital budgets and earmarked reserves to the relevant service committee in accordance with their functions.
- 5.6. Each committee Function has been associated with a Director budget. Budget holders are responsible for budget management. Where a team supports multiple Directors (most notable in Corporate Services) the budget remains with the Director and is not split, for example, Governance and Democratic Services are aligned to the Corporate Policy Committee even though the activity of the team is split across all teams.
- 5.7. The financial alignment of budgets to each Committee is set out in Table 1 with further details in Appendix A.

**Table 1: Revenue and Capital Budgets allocated to service committees as per the approved MTFS**

Committee	Expenditure £m	Income £m	Net Budget £m	Total Capital Budget £m	Total Rev + Cap £m
Adults and Health	178.348	-59.304	119.044	<b>1.434</b>	<b>120.478</b>
Highways and Transport	23.090	-11.849	11.241	<b>90.996</b>	<b>102.237</b>
Children and Families	74.100	-5.906	68.194	<b>22.683</b>	<b>90.877</b>
Economy and Growth	32.692	-10.866	21.826	<b>31.459</b>	<b>53.285</b>
Environment and Communities	52.512	-10.613	41.899	<b>11.220</b>	<b>53.119</b>
Corporate Policy	112.635	-76.421	36.214	<b>6.451</b>	<b>42.665</b>
Finance Sub Committee	19.340	-6.662	12.678	<b>7.030</b>	<b>19.708</b>
			-311.096	<b>-171.274</b>	<b>-482.370</b>
<b>Original Budget (MTFS Feb 21)</b>	<b>492.717</b>	<b>-181.621</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>

- 5.8.** The 2021-25 MTFS includes a net revenue budget of £311.1m and an approved capital programme of £171.3m for the financial year 2021/22. Further details on the schemes within the capital programme are provided in Appendix A.
- 5.9.** The Finance Sub-Committee has additional responsibility for the oversight, scrutiny and budget review of the following functions: Land and Property; Central Budgets; Pensions; Grants; Council Tax; Business Rates; Reserves; and Other Funding as set out in Appendix A.
- 5.10.** The estimated balance of general reserves as at 1<sup>st</sup> April 2021 is £10.3m and earmarked reserves totalling £67.2m, further details are provided in Appendix B.

### MTFS Assumptions

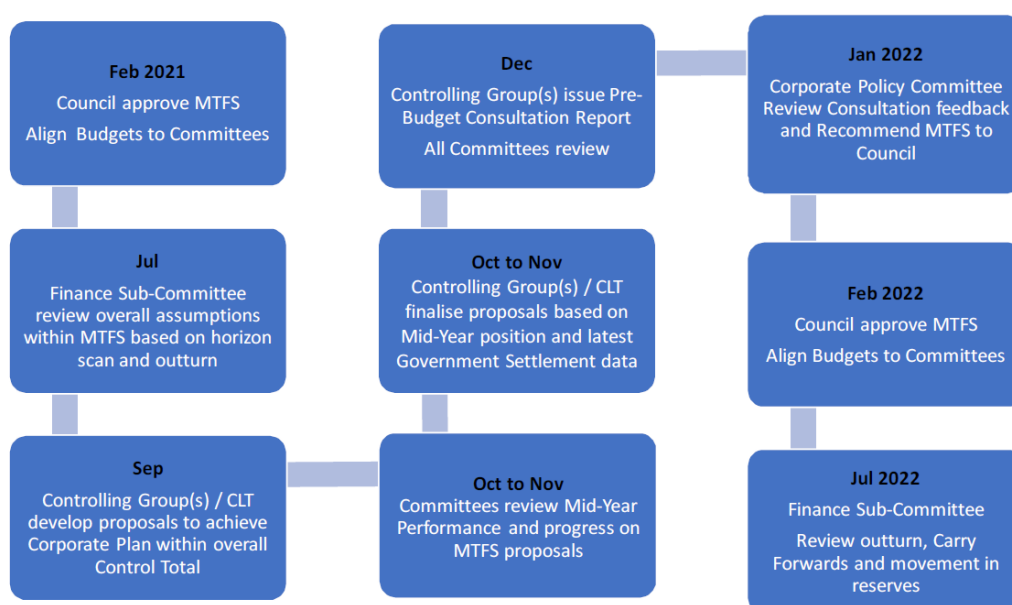
- 5.11.** The 2021-25 MTFS includes assumptions related to central budgets and future funding levels under the following headings:
- Capital financing
  - Cheshire Pension Fund valuations and contributions
  - Levels of General and Earmarked reserves
  - Council tax increases
  - Tax base - including discretionary elements
  - Local council tax support (CTS) scheme
  - BRRS (Business Rates Retention Scheme) - including discretionary elements
  - Government Grants

Further detail is provided in Appendix C. A review of these assumptions and the impact of revised calculations will be progressed during the financial year 2021/22.

## MTFS Timelines

- 5.12.** Council wide budget control rests with the Corporate Policy Committee (and Finance Sub Committee) and Council. Budgets have been aligned with service committees to facilitate expenditure assurance but committees do not hold 'a budget'. Responsibility for budget management remains with officers but the Committee is responsible for assuring the budget is spent on delivering the objectives set out in the policy framework of the Corporate Plan.
- 5.13.** The new budget process will provide each committee with a review of the mid year position and the opportunity to comment on future proposals relating to their areas, by individual service area, which can be considered with the new budgetary consultation process and will be considered by Corporate Policy Committee for recommendation to Council.
- 5.14.** Sessions will be arranged for all members in advance of the wider consultation on proposals. This will increase opportunities for all members to engage with the process to review the Medium Term Financial Strategy. Members will be invited to attend sessions that will allow them to share ideas to support development of future proposals in an informal setting. This approach was well received when trialled in 2019, but, due to circumstances, could not be re-run in 2020.
- 5.15.** The budget setting process is set out below:

## Indicative Budget Setting Process



## **6. Consultation and Engagement**

- 6.1.** The annual business planning process involves engagement with local people and organisations. Local authorities have a statutory duty to consult on their Budget with certain stakeholder groups including the Schools Forum and businesses. 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.
- 6.2.** Cheshire East Council conducted an engagement process on its Medium-Term Financial Plans through a number of stages running from December 2020 to Council in February 2021.
- 6.3.** The budget consultation launched on-line on the 2<sup>nd</sup> December 2020, included details of the proposals against each (draft) Corporate Plan aim. This consultation was made available to various stakeholder groups and through a number of forums.

## **7. Implications**

### **7.1. Legal**

- 7.1.1.** The legal implications surrounding the process of setting the 2021 to 2025 Medium Term Financial Strategy were dealt with in the reports relating to that process.

### **7.2. Finance**

- 7.2.1.** Contained within the main body of the report.

### **7.3. Policy**

- 7.3.1.** The Corporate 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 within the individual reports to Members or Officer Decision Records to which they relate.

### **7.4. Equality**

- 7.4.1.** The Council needs to ensure that in taking decisions on the Medium Term Financial Strategy, the Budget and the Corporate Plan, the impacts on those with protected characteristics are considered. The Council undertakes equality impact assessments where necessary and continues to do so as proposals and projects develop across the lifetime of the Corporate Plan. The process assists us to consider what actions could mitigate any adverse impacts identified. Completed equality impact assessments form part of any detailed Business Cases.

- 7.4.2.** 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.

## **7.5. Human Resources**

- 7.5.1.** 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.

## **7.6. Risk Management**

- 7.6.1.** Financial risks are assessed and reported on a regular basis, and remedial action taken if and when required. Risks associated with the achievement of the 2021/22 budget and the level of general reserves were factored into the 2021/22 financial scenario, budget and reserves strategy.

## **7.7. Rural Communities**

- 7.7.1.** The report provides details of service provision across the borough.

## **7.8. Children and Young People/Cared for Children**

- 7.8.1.** The report provides details of service provision across the borough.

## **7.9. Public Health**

- 7.9.1.** Public health implications that arise from activities that this report deals with will be dealt with as separate reports to Members or Officer Decision Records as required.

## **7.10. Climate Change**

- 7.10.1.** Any climate change 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.

<b>Access to Information</b>	
Contact Officer:	Alex Thompson Director of Finance and Customer Services (Section 151 Officer) <a href="mailto:alex.thompson@cheshireeast.gov.uk">alex.thompson@cheshireeast.gov.uk</a>
Appendices:	<b>A</b> - Allocation of capital and revenue budgets, earmarked reserves and policy proposals to service committees <b>B</b> - Earmarked Reserves <b>C</b> - Financial Scenario Assumptions MTFS 2021-2025 <b>D</b> - Supplementary Estimates
Background Papers:	The following are links to key background documents: <a href="#">Medium Term Financial Strategy 2021-25</a>

This page is intentionally left blank

**Appendix A – Allocation of capital and revenue budgets, earmarked reserves and policy proposals to service committees.**

<b>2021/22 Adults &amp; Health Committee MTFS pages 162,164,168</b>	<b>Exp £m</b>	<b>Inc £m</b>	<b>Revenue Budget £m</b>	<b>Capital Budget £m</b>	<b>Total Rev + Cap £m</b>
<b>Commissioning</b>	128.002	-36.923	<b>91.079</b>	-	<b>91.079</b>
<b>Adults Social Care Operations</b>	33.298	-5.333	<b>27.965</b>	0.379	<b>28.344</b>
<b>Public Health</b>	17.048	-17.048	<b>0</b>	-	<b>0</b>
<b>Directorate</b>				1.055	<b>1.055</b>
<b>Total</b>	<b>178.348</b>	<b>-59.304</b>	<b>119.044</b>	<b>1.434</b>	<b>120.478</b>
<b>Earmarked Reserves</b>		<b>Estimated Opening Balance as at 1st April 2021 £m</b>			
PFI Equalisation Reserve - Extra Care Housing		2.62			
Public Health		1.84			
Public Health (DHSC ringfenced Covid Grant)		5.04			

# Adults and Health Committee

## CAPITAL PROGRAMME 2021/22 - 2024/25

Scheme Description	Forecast Expenditure						Total Budget £000
	Prior Years £000	Budget 2021/22 £000	Budget 2022/23 £000	Budget 2023/24 £000	Budget 2024/25 £000		
<b>Committed Schemes - In Progress</b>							
<b>Adult Social Care Operations</b>							
Electronic Call Monitoring System	10	379	0	0	0		389
<b>Transformation</b>							
Care Act Phase 2	3,655	1,055	1,604	0	0		6,314
<b>Total Committed Schemes - In Progress</b>	<b>3,665</b>	<b>1,434</b>	<b>1,604</b>	<b>0</b>	<b>0</b>		<b>6,703</b>

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
[67] Electronic Call Monitoring Reclamation	-245	-30		
[57] Investment in Adult Social Care	4,000	4,000	4,000	4,000
[82] Fixed Penalty Income target	118			
[59] Extra Care Housing – Catering / Restaurant Provision	300			
[58] Growth for Care Fees in Adult Social Care	2,441			
[61] Direction of travel for the Communities Team to focus more on the Intervention and Prevention Agenda to make cost savings, growth and future cost avoidance	-250	-500	-750	
[12] Reduce Base budget assigned to Community Grants	-50	-100		
[55] Pathfinder Cheshire East - Cheshire Community Action	-100			
[73] Learning Disabilities Future Service Development and Review	-750	-1,000	-1,250	

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
[8] Direct Payments	-1,000			
[63] Day Opportunities Redesign, Strategy and Savings	-30	-70	-150	
[68] Cheshire Care Record	-138			
[48] Productivity and Efficiency in Adult Social Care		-500	-500	
[56] Mental Health Floating Support	-120			
[64] Mental Health Services Review	-500	-500		
[9] Continuing Healthcare Reviews	-500	-1,000	-500	
[35] Contract savings in the People Directorate	-500			
[52] Increased Useage of Digital Technology	-125			
[65] Review agreements linked to intermediate care beds	-268			

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
[36] Client Income in the People Directorate	-100			
[60] Investment in Advocacy Service	112			

2021/22 Highways & Transport Committee MTFS page 173	Exp £m	Inc £m	Revenue Budget £m	Capital Budget £m	Total Rev + Cap £m
Strategic Transport & Parking	6.737	-6.569	0.168	0.459	0.627
Highways & Infrastructure	15.633	-5.178	10.455	84.915	95.370
HS2	0.720	-0.102	0.618	5.622	6.240
Total	23.090	70.949	11.241	90.966	102.237

# Highways and Transport Committee

CAPITAL PROGRAMME 2021/22 - 2024/25						
Scheme Description	Forecast Expenditure					Total Budget £000
	Prior Years £000	Budget 2021/22 £000	Budget 2022/23 £000	Budget 2023/24 £000	Budget 2024/25 £000	
<b>Committed Schemes - In Progress</b>						
<b>Highways and Infrastructure</b>						
A500 Dualling Scheme	8,503	825	0	0	0	9,328
A51/A500 Corridor Nantwich	237	13	0	0	0	250
A54/A533 Leadsmithy St, M'wich	129	335	99	0	0	563
A556 Knutsford to Bowdon	358	146	0	0	0	504
A6 MARR CMM - Disley	1,641	280	200	0	0	2,122
A6 MARR CMM Handforth	460	140	200	0	0	800
A6MARR Design Checks & TA	333	140	0	0	0	473
Air Quality Action Plan	328	44	0	0	0	372
Alderley Edge By-Pass Scheme	60,255	356	0	0	0	60,611
Car Parking Improvements (including Residents Parking	273	20	28	0	0	321
Congleton Link Road	69,289	4,654	2,111	3,383	11,005	90,443
Crewe Green Link Road PH2	24,898	850	0	0	0	25,748
Crewe Green Roundabout	7,021	240	238	0	0	7,500
Crewe HS2 Hub Project Dev	7,078	5,622	0	0	0	12,700
Flowerpot Phs 1 & pinch point	1,002	3,565	919	15	0	5,500
Highway Pothole/Challenge Fund	8,171	200	0	0	0	8,371
Highways Contract Team Programme Delivery	272	145	0	0	0	417
Highway S106 Schemes	993	494	34	0	0	1,520
Highway S278 Schemes	2,168	647	104	0	0	2,919
Hough Bridge	290	0	10	0	0	300
Jack Mills Way	280	20	0	0	0	300
Macclesfield Movement Strategy	31	0	69	0	0	100
Middlewich Eastern Bypass	12,955	12,563	0	0	0	25,518
Middlewich Rail Study	0	0	20	0	0	20
North-West Crewe Package	6,375	17,876	10,921	128	1,200	36,500
Old Mill Rd/ The Hill Junction	108	640	576	0	0	1,325
Parking Meters	0	350	0	0	0	350
Part 1 Claims	36	38	38	0	0	112
Pay and Display Parking Meters	531	89	0	0	0	620
Poynton Relief Road	17,163	17,326	6,638	349	9,180	50,657
Programme Management	659	100	0	0	0	759
Roundabout London Rd Holmes Chapel (S106)	75	339	189	0	0	603
Safer Roads Scheme A532	427	603	0	0	0	1,030
Safer Roads Scheme A536	450	1,777	83	0	0	2,310
Sustainable Travel Access Prog	1,445	1,679	0	0	0	3,124
Sydney Road Bridge	10,249	0	252	0	0	10,501
Winter Service Facility	299	109	436	0	0	843
<b>Total Committed Schemes - In Progress</b>	<b>244,784</b>	<b>72,224</b>	<b>23,165</b>	<b>3,875</b>	<b>21,385</b>	<b>365,433</b>
<b>New Schemes</b>						
<b>Highways and Infrastructure</b>						
Integrated Transport Block - LTP		1,987	1,987	1,987	1,987	7,948
Maintenance Block - LTP		8,409	8,409	8,409	8,409	33,636
Incentive Fund - LTP		1,751	1,751	1,751	1,751	7,004
Managing and Maintaining Highways		6,000	0	0	0	6,000
Traffic Signs and Bollards - LED Replacement		625	625	0	0	1,250
<b>Total New Schemes</b>		<b>18,772</b>	<b>12,772</b>	<b>12,147</b>	<b>12,147</b>	<b>55,838</b>
<b>Total Capital Schemes</b>	<b>244,784</b>	<b>90,996</b>	<b>35,937</b>	<b>16,022</b>	<b>33,532</b>	<b>421,271</b>

OFFICIAL

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
[90] Community Transport	-25			
[88] Parking Strategy – Review of Charges	-327	-955		
[23] Urban Grass Cutting	-67			
[24] Improving customer experience – Highways correspondence	-50	-50		
[33] Commercialisation of the Highway Service Contract	-80			
[87] Carbon Reduction - Replacement of existing illuminated signs and bollards with LED units		30	-4	-31
[89] Local Supported Buses	-33	-117		

<b>2021/22 Children &amp; Families Committee MTFS pages 163,167-168</b>	<b>Exp £m</b>	<b>Inc £m</b>	<b>Revenue Budget £m</b>	<b>Capital Budget £m</b>	<b>Total Rev + Cap £m</b>
<b>Children's Social Care</b>	45.782	-2.860	<b>42.922</b>	-	<b>42.922</b>
<b>Education &amp; 16-19 Skills</b>	18.519	-2.414	<b>16.105</b>	22.683	<b>38.788</b>
<b>Prevention and Support</b>	8.691	-0.412	<b>8.279</b>	-	<b>8.279</b>
<b>Directorate</b>	1.108	-0.220	<b>0.888</b>	-	<b>0.888</b>
<b>Total</b>	<b>74.100</b>	<b>-5.906</b>	<b>68.194</b>	<b>22.683</b>	<b>90.877</b>

# Children and Families Committee

## CAPITAL PROGRAMME 2021/22 - 2024/25

Scheme Description	Forecast Expenditure					
	Prior Years £000	Budget 2021/22 £000	Budget 2022/23 £000	Budget 2023/24 £000	Budget 2024/25 £000	Total Budget £000
<b>Committed Schemes - In Progress</b>						
<b>Children's Social Care</b>						
Foster Carer Capacity Scheme	0	0	283	0	0	283
<b>Education and 14-19 Skills</b>						
Adelaide Academy	30	317	0	0	0	347
Congleton Planning Area	813	787	2,400	0	0	4,000
Devolved Formula Grant	6,269	537	390	385	370	7,951
Elworth CoE Primary School	1,191	325	0	0	0	1,515
Expansion of Park Lane School	1,372	1,271	0	0	0	2,643
Holmes Chapel Planning Area	50	1,950	0	0	0	2,000
Macclesfield Planning Area - Secondary	500	2,950	0	0	0	3,450
Middlewich Planning Area	0	750	750	0	0	1,500
Monks Coppenhall SEN Expansion	0	100	0	0	0	100
Nantwich Planning Area - Primary	0	800	900	1,800	0	3,500
Nantwich Planning Area - Secondary	200	250	250	0	0	700
Puss Bank SEN Expansion	472	52	0	0	0	524
Sandbach High School - Basic Need	691	432	0	0	0	1,123
Schools Condition Capital Grant	5,532	2,179	1,560	1,560	1,400	12,231
SEN Placement Expn - Phase 2	100	1,835	0	0	0	1,935
Special Provision Fund Capital Grant	193	830	0	0	0	1,023
St Johns CoE Primary School	338	138	0	0	0	476
Wilmslow High School BN	1,007	6,300	4,725	0	0	12,032
Wilmslow Primary Planning Area	0	0	1,400	0	0	1,400
<b>Prevention and Early Help</b>						
Ash Grove Nursery Expansion	196	30	0	0	0	226
Beechwood Nursery Expansion	101	600	0	0	0	701
Early Years Sufficiency Capital Fund	847	0	290	0	0	1,137
<b>Total Committed Schemes - In Progress</b>	<b>19,902</b>	<b>22,433</b>	<b>12,949</b>	<b>3,745</b>	<b>1,770</b>	<b>60,799</b>
<b>New Schemes</b>						
<b>Education and 14-19 Skills</b>						
Shavington Planning Area - Secondary	0	250	1,250	1,000	0	2,500
<b>Total New Schemes</b>	<b>0</b>	<b>250</b>	<b>1,250</b>	<b>1,000</b>	<b>0</b>	<b>2,500</b>
<b>Total Capital Schemes</b>	<b>19,902</b>	<b>22,683</b>	<b>14,199</b>	<b>4,745</b>	<b>1,770</b>	<b>63,299</b>

OFFICIAL

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
[40] Increase income from hire of Children's Centres	-10			
[78] Reduction in contribution to Cheshire Youth Justice Service	-45			
[72] Move to Integrated Early Help Locality Service model		-167		
Review of Children and Families Transport Policies and delivery arrangements		-200	-300	-200
Transport Management Fee savings will not be delivered due to Covid-19 placing additional pressure on transport to school	1,000			
[77] Investment in Cared for Children and Care Leavers	1,300	1,300	1,300	
[11] Reduce the numbers of Business Support staff in line with the repurposing of Children and Family Centres		-200		
[50] Prevention and Early Help Service – Locality working and changes to the management structure of the Family Service		-140		

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
[10] Prevention and Early Help Service – Reduction of the cost of Prevention Services			-200	
[19] Reduced travel, supplies and services for Early Help services	-26			
[74] Reduce supplies and services in Children's Centres by 20%.	-32			
[66] Reduced capacity in Family Information Service	-50			
[76] Development and Partnerships Service			-300	
[20] Reduce pensions budget to match latest forecasts	-140			
[53] To review use of School Improvement Grant to provide capacity to support maintained schools	-60			
[71] Increase capacity in SEND service to meet continuing demands on the service	380			
[69] Review the use of the Cheshire East Lifelong Learning Service grant to reduce the requirement of Council funding	-110			

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
[37] Establish an Education Psychologist traded service to enable a proactive early support and intervention offer		-25	-75	
[70] To reduce costs of School Liaison and Governance service with less use of external support	-10			
[62] Fund the Cygnet programme for cared for children from pupil premium	-15			
[38] Establish a traded service for non-statutory elements of Attendance Service		-35	-35	
Children's Social Care Transformation and OFSTED Response	1,500	-1,500		
[75] Reduction in cost of external placements for cared for children		-1,530	-2,171	-707

<b>2021/22 Economy &amp; Growth Committee MTFS page 172</b>	<b>Exp £m</b>	<b>Inc £m</b>	<b>Revenue Budget £m</b>	<b>Capital Budget £m</b>	<b>Total Rev + Cap £m</b>
<b>Estates</b>	17.154	-3.858	<b>13.296</b>		
<b>Economic Development</b>	1.662	-0.510	<b>1.152</b>		
<b>Rural &amp; Visitor Economy</b>	8.404	-5.086	<b>3.318</b>		
<b>Housing</b>	3.830	-0.883	<b>2.947</b>		
<b>Directorate</b>	1.642	-0.529	<b>1.113</b>		
<b>Capital Programme</b>				31.459	
<b>Total</b>	<b>32.692</b>	<b>-10.856</b>	<b>21.826</b>	<b>31.459</b>	<b>53.285</b>
<b>Earmarked Reserves</b>		<b>Estimated Opening Balance as at 1st April 2021 £m</b>			
Sustainability & Investment Portfolio		0.34			

# Economy and Growth Committee

## CAPITAL PROGRAMME 2021/22 - 2024/25

Scheme Description	Forecast Expenditure					Total Budget £000
	Prior Years £000	Budget 2021/22 £000	Budget 2022/23 £000	Budget 2023/24 £000	Budget 2024/25 £000	
<b>Committed Schemes - In Progress</b>						
<b>Growth and Enterprise</b>						
Archive Option Development	276	120	0	0	0	396
Astbury Marsh Caravan Park	100	147	0	0	0	247
Connecting Cheshire 2020	1,207	4,810	1,234	0	0	7,250
Connecting Cheshire Phase 2	5,366	536	332	0	0	6,234
Connecting Cheshire	28,929	300	295	0	0	29,524
Corporate Landlord - Operational	999	18	5	0	0	1,022
Countryside Capital Projects	600	5	0	0	0	605
Countryside Vehicles	518	101	0	0	0	619
Crewe Town Centre Regeneration	11,795	975	15,139	314	3,781	32,004
Disabled Facilities	14,680	2,400	2,400	0	0	19,480
Farms Strategy	1,762	300	300	1,018	0	3,380
Gypsy and Traveller Sites	1,170	2,096	0	0	0	3,266
Home Repairs for Vulnerable People	100	300	200	0	0	600
Leighton Green	1,548	200	150	198	0	2,096
Macclesfield Town Centre	639	1,580	0	0	0	2,219
Malkins Bank Golf Course - Phase 3	0	0	0	0	0	0
North Cheshire Garden Village	5,470	3,732	10,500	10,025	0	29,727
Premises Capital (FM)	26,098	4,375	0	0	0	30,473
PROW CMM A6 MARR	2	98	0	0	0	100
Public Rights of Way: Capital Structures Investments	62	37	0	0	0	99
Public Rights of Way Capital Works	788	10	0	0	0	798
Public Rights of Way: Flood Damage Capital Investment	93	29	0	0	0	122
Rural & Green S106 Schemes	74	21	22	0	0	117
Schools Capital Maintenance	3,468	135	0	0	0	3,603
Septic Tanks	317	319	0	0	0	636
South Macclesfield Development Area	3,011	3,534	10,395	7,873	0	24,814
St Annes Car Park	173	5	0	0	0	178
Tatton Park Investment Phase 2	1,414	1,470	401	0	0	3,285
<b>Total Committed Schemes - In Progress</b>	<b>110,660</b>	<b>27,654</b>	<b>41,373</b>	<b>19,428</b>	<b>3,781</b>	<b>202,895</b>
<b>New Schemes</b>						
<b>Environment and Neighbourhood Services</b>						
Green Investment Costs	0	3,600	350	0	0	3,950
Replacement CCTV Cameras	0	205	0	0	0	205
<b>Total New Schemes</b>	<b>0</b>	<b>3,805</b>	<b>350</b>	<b>0</b>	<b>0</b>	<b>4,155</b>
<b>Total Capital Schemes</b>	<b>110,660</b>	<b>31,459</b>	<b>41,723</b>	<b>19,428</b>	<b>3,781</b>	<b>207,050</b>

OFFICIAL

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
[80] Tatton Park		-6	-28	-46
[30] Public Rights of Way Resources (Revenue implications of Capital)	10			
[49] Estates Transformation - Office Accommodation	-44	-100	-460	
[51] Neighbourhood Estate Review	-90	-260		
[81] Asset / Service Transfer	-50	-30	-20	
[83] Housing Services	-45			
[79] Development of a Transit Site (Revenue implications of Capital)	27			
[25] Transfer of Congleton Visitor Information Centre	1	-20	-10	-20
Investment Income: Income Target Adjustment	575			

<b>2021/22 Environment and Communities Committee MTFS page 171</b>	<b>Expenditure £000</b>	<b>Income £000</b>	<b>Net £000</b>
Environmental Services	34,827	-2,852	<b>31,975</b>
ASB and Community Enforcement	545	-5	<b>540</b>
Leisure Commissioning	1,763	0	<b>1,763</b>
Libraries	3,944	-305	<b>3,639</b>
Strategic / Neighbourhood Planning	1,087	-180	<b>907</b>
Development Management	3,758	-4,087	<b>-329</b>
Building Control and Planning Support	1,847	-1,755	<b>92</b>
Regulatory Services	4,008	-1,372	<b>2,636</b>
Emergency Planning	213	-57	<b>156</b>
Director / Pay inflation	520	0	<b>520</b>
<b>Total</b>	<b>52,512</b>	<b>-10,613</b>	<b>41,899</b>

Earmarked Reserves	Estimated Opening Balance as at 1st April 2021 £m
Strategic Planning	0.48
Trees/Structure Risk Management	0.40

# Environment and Communities Committee

## CAPITAL PROGRAMME 2021/22 - 2024/25

Scheme Description	Forecast Expenditure					
	Prior Years £000	Budget 2021/22 £000	Budget 2022/23 £000	Budget 2023/24 £000	Budget 2024/25 £000	Total Budget £000
<b>Committed Schemes - In Progress</b>						
<b>Environment and Neighbourhood Services</b>						
Bereavement Service Data System	0	35	0	0	0	35
Congleton Household Waste Recycling Centre Development	20	30	0	0	0	50
Congleton Leisure Centre	953	5,647	4,700	0	0	11,300
Environment S106 Schemes	1,684	151	0	0	0	1,835
Kerbside wheeled bins	1,817	50	50	50	0	1,967
Litter and Recycling Bins	58	50	50	50	0	208
Nantwich Pool Improvements	157	1,567	0	0	0	1,724
Park Development Fund	511	115	0	0	0	626
Pastures Wood Farm - Carbon Offet Scheme	17	8	0	0	0	25
Planning & Building Control Replacement System	464	67	0	0	0	531
Poynton Leisure Centre	419	3,500	687	0	0	4,606
<b>Total Committed Schemes - In Progress</b>	<b>6,099</b>	<b>11,220</b>	<b>5,487</b>	<b>100</b>	<b>0</b>	<b>22,907</b>

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
[41] Ansa income generation and efficiencies	-259			
[84] Waste contract inflation and tonnage growth	810	644	657	613
[39] ASDV governance review / commercial income	-315	-225	-100	
[85] Carbon Neutral Action Plan delivery	96	20	-81	
[29] Orbitas income and management fee	32	21		
[31] ESAR Annual Management fee	-43	-42	-41	-40
[42] Strategic leisure review		-250		
[86] Tree Risk Management		500		
[26] Regulatory Services ICT system		-9		
[22] Flexible resourcing	-50			

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
[27] CCTV Migration to wireless		-85		

2021/22 Corporate Policy MTFS pages 176-178	Exp £m	Inc £m	Revenue Budget £m	Capital Budget £m	Total Rev + Cap £m
<b>Directorate (Corporate)</b>	0.35	0.00	<b>0.35</b>	0.00	<b>0.35</b>
<b>Finance &amp; Customer Services</b>	59.58	-49.73	<b>9.86</b>	1.19	<b>11.04</b>
<b>Transformation</b>	39.12	-23.30	<b>15.81</b>	5.26	<b>21.08</b>
<b>Governance &amp; Compliance</b>	13.59	-3.39	<b>10.20</b>	0.00	<b>10.20</b>
<b>Total</b>	<b>112.64</b>	<b>-76.42</b>	<b>36.21</b>	<b>6.45</b>	<b>42.67</b>

Earmarked Reserves	Estimated Opening Balance as at 1st April 2021 £m
Transformation Programme	0.74
Other reserves	0.66

# Corporate Policy

## CAPITAL PROGRAMME 2021/22 - 2024/25

Scheme Description	Forecast Expenditure					
	Prior Years £000	Budget 2021/22 £000	Budget 2022/23 £000	Budget 2023/24 £000	Budget 2024/25 £000	Total Budget £000
<b>Committed Schemes - In Progress</b>						
<b>Transformation</b>						
Core Financials	7,522	1,167	0	0	0	8,689
IADM (Information Assurance and Data Management)	13,465	1,500	0	0	0	14,965
Unified Communications Project	366	300	310	230	0	1,206
Vendor Management	487	519	0	0	0	1,006
Infrastructure Investment Programme (IIP)	27,073	1,777	0	0	0	28,850
<b>Finance and Customer Services</b>						
Best4Business Programme	22,553	1,188	0	0	0	23,741
<b>Total Committed Schemes - In Progress</b>	<b>71,466</b>	<b>6,451</b>	<b>310</b>	<b>230</b>	<b>0</b>	<b>78,457</b>

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
[17] Capital Programme Review	-1,000	1,000		
[1] Local Election Costs	150			
[2] Census 2021	-20			
[45] People Directorate - ICT Procurements 2020-24 (Revenue implications of Capital)	60	63	66	19
[46] Place Directorate - ICT Procurements 2020-24 (Revenue implications of Capital)	11	11	11	11
[47] Corporate Directorate - ICT Procurements 2020-24 (Revenue implications of Capital)	2	2	2	2
[44] Unified Communications (Revenue implications of Capital)	251	283	296	
[43] Infrastructure Investment Programme (Revenue implications of Capital)	59	127	224	
[54] Reduce central training budget	-80			

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
[21] Review of corporate subscriptions	-35	-15		
[13] Efficiency savings and Restructures within Corporate Services	-200	-350		
[15] Shared services review			-200	
[32] Commercial Workstream	-100			
[16] Improved Debt Recovery and correcting budgeted court costs income targets to reflect actual levels	-290	225	50	50
[14] Review Staff Terms and Conditions	-50	-350	-100	
[18] Member allowances and reduced mileage	-30			
[5] Core Financial System	764	-459		
[4] Housing Benefit – Supported Accommodation	1,300			
[6+7] Mitigation of reduction in the Dedicated Schools Grant	150	107	122	136

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
34] Brighter Futures Together Programme Customer Experience	-120	-133	-81	
[3] Pay inflationary increase	1,662	3,753	3,833	3,922

<b>Finance Sub-Committee</b>	<b>Expenditure £m</b>	<b>Income £m</b>	<b>Net Budget £m</b>
Capital Financing	15.4	-1.4	<b>14.0</b>
Past Service Pensions	1.7	-4.6	<b>-2.9</b>
Transfer to/from Earmarked Reserves (includes Place Capital proposal)	2.0	-0.7	<b>1.3</b>
Bad Debt Provision top up	0.2	-	<b>0.2</b>
Council Tax	-	-242.8	<b>-242.8</b>
Business Rates	-	-49.1	<b>-49.1</b>
Un-ringfenced Grants	-	-19.2	<b>-19.2</b>
<b>Revenue Total</b>	<b>19.3</b>	<b>-317.8</b>	<b>-298.5</b>
<b>Capital Total</b>	<b>7.0</b>	<b>-171.2</b>	<b>-164.2</b>

# Finance Sub Committee

## CAPITAL PROGRAMME 2021/22 - 2024/25

Scheme Description	Forecast Expenditure						Total Budget £000
	Prior Years £000	Budget 2021/22 £000	Budget 2022/23 £000	Budget 2023/24 £000	Budget 2024/25 £000		
<b>Committed Schemes - In Progress</b>							
Strategic Capital Projects	6,624	7,030	7,031	7,030	7,030		34,745
<b>Total Committed Schemes - In Progress</b>	<b>6,624</b>	<b>7,030</b>	<b>7,031</b>	<b>7,030</b>	<b>7,030</b>		<b>34,745</b>

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Minimum Revenue Provision	2,000	4,000	1,000	1,000
Central Pension adjustment	-4,567	-1,900	1,500	
Bad Debt Provision	200			
Capital Receipts Income	1,000			
Use of Earmarked Reserves (MTFS Feb 20) plus increase to include funds set aside for VR costs	3,022	-873	-253	-1,476
Top up to General Reserves		600		-600
Increase forecast Domestic Tax Base Growth. Taxbase growth estimated at 1,800 new homes + reduction for increased Council Tax Support	-1,892	-2,435	-2,483	-2,533
Increase forecast Domestic Tax Base Growth (change from previous year budget) % increase planned at 1.99%	-11,452	-4,833	-4,977	-5,126
Business Rates Retention Government Policy change Compensation Grants	700			

Budget Policy Proposal	2021/22 £000	2022/23 £000	2023/24 £000	2024/25 £000
Change in specific grants estimated	-1,002	387	49	46
Change to NHB funding estimate	3,352	3,920	1,960	980
Deficit on Collection Fund	147			

## Appendix B - Earmarked Reserves

Table 6	Opening Balance 1 <sup>st</sup> April 2021 £000	Movement in 2021/22 £000	Closing Balance 31 <sup>st</sup> March 2022 £000	Notes
Name of Reserve				
<b>People</b>				
PFI Equalisation - Extra Care Housing	2,618	97	2,715	Surplus grant set aside to meet future payments on existing PFI contract which commenced in January 2009.
Public Health	1,837	319	2,156	Ring-fenced underspend to be invested in areas to improve performance against key targets.
Public Health (DHSC ring-fenced Covid grant)	5,038	(4,862)	176	Ring-fenced against covid activities - DHSC funding for Test & Trace + Contain Outbreak Management Fund.
Other Useable reserves (<£500,000 in value)	50	(50)	0	Domestic Abuse Partnership.
<b>Place</b>				
Strategic Planning	478	(262)	216	To meet costs associated with the Local Plan.
Trees / Structures Risk Management	400	(400)	0	To respond to increases in risks relating to the environment, in particular the management of trees, structures and dealing with adverse weather events.
Other Useable reserves (<£500,000 in value)	339	(189)	150	Includes Investment Sustainability and Investment Portfolio.
<b>Corporate</b>				
Financing Reserve	7,428	(2,900)	4,528	To provide for financing of capital schemes, other projects and initiatives.
Collection Fund Management	39,552	(27,368)	12,184	To manage cash flow implications as part of the Business Rates Retention Scheme. Includes liabilities that will not be paid until future years.
Insurance (Cheshire East & Cheshire County Funds)	5,102	0	5,102	To settle insurance claims and manage excess costs.
MTFS Reserve	3,265	1,075	4,340	To support the financial strategy and risk management.
Brighter Future Transformation Programme	738	(117)	621	To fund four year transformation programme.
Other Useable reserves (<£500,000 in value)	659	99	758	Includes Elections, New Homes Bonus Community Fund and HR programme.
<b>Central</b>				
Covid (unringfenced)	5,129	(5,129)	0	Covid (Unringfenced) reserve carried forward into 2022/23
Revenue Grants - Other	2,140	(2,068)	72	Unspent specific use grant carried forward into 2022/23.
Revenue Grants - Dedicated Schools Grant	(7,577)	(3,592)	(11,169)	Overspend of grant carried forward into 2022/23.
<b>TOTAL</b>	<b>67,196</b>	<b>(45,347)</b>	<b>21,849</b>	

This page is intentionally left blank

## Appendix C – Financial Scenario Assumptions MTFS 2021-2025

<b>Revenue Budget:</b>	
<b>Base Budget (including pensions cost)</b>	
	Revenue Budget:
	Quarterly Monitoring / Challenge session feedback
	Process / Proposals
	(Pay) Pay inflation (pay awards, performance related pay, holiday pay, increments) - including impact of ASDVs
	(Pay) Backdated Overtime Claims
	(Pay) NI increase
	(Pay) Living Wage
	(Non Pay) Non pay inflation
	ASDV Management Fees
<b>Capital Budget:</b>	
<b>Capital Addendum Business Case Approvals - HLBC review</b>	
	Quarterly Monitoring / Challenge session feedback
	Process / Proposals
	Cost of Investment
	(Non Pay) S106 Funding
<b>Pensions increase</b>	
	Main contribution rate (as per Actuary)
	Secondary contribution fixed cost (as per Actuary)
	Secondary contribution (converted rate based on 2020/21 staffing costs)
<b>Other Income</b>	
	Charging & Trading - Fees & Charges % increase
	Charging & Trading Strategy
	Fees & Charges
	Return on Wholly Owned Subsidiaries
	CIL
	Bonds
<b>Capital Financing</b>	
	Capital Financing Budget
	Treasury Management
<b>Central Items</b>	
	Contingency
	Income from Capital Receipts
	Early Payover of Past Pensions / central pensions budget
	Bad Debt Provision
	Top up to General reserves (net of VR costs)
<b>Reserves</b>	
	Review the minimum level
	Use of (-) / Contribution to (+) Earmarked reserves
	General Reserves - balance
<b>TOTAL AS PER MTFS FEBRUARY 2021</b>	

Funded By:	
Council Tax -	
	Council Tax Base % Increase
	Council Tax ASC % Increase
	Council Tax Support Scheme
	Taxbase (including, growth, discounts and council tax support)
	Exemption for Foster Carers (from CF EMR)
	Discretionary discounts (S13A)
	Empty Homes Premium 100% (2 to 5 years empty)
	Empty Homes Premium 200% (5 to 10 years empty)
	Empty Homes Premium 300% (over 10 years empty)
	Collection Rate
	Collection Fund Council Tax (to be funded from EMR)
Business Rates Retention -	
	Pooling
	Growth assumptions
	Taxbase
	75% rates retention
	Mandatory Reliefs
	Unoccupied Reliefs
	Discretionary Reliefs (unfunded)
	Hardship
	Levy (paid from EMR)
	BRRS S31 compensation grants for new burdens (excluding covid reliefs)
	Losses on Collection - Write Offs
	Collection costs
	Appeals
	Collection Fund Business Rates (to be funded from EMR)
	Collection Rate
	Business Rate Supplement (BRS)
	Tax Increment Financing (TIF)
	Business Improvement Districts (BIDs)
RSG -	
	Revenue Support Grant
Specific Grants (unringfenced total only)	
	Dedicated Schools Grant (ringfenced)
	Adult Social Care and Health (inc. Better Care Fund)
	Public Health (ringfenced)
	Housing Benefit (ringfenced)
	Social Care Grants (conditions) - assumes 2021/22 allocations continue
	New Homes Bonus - reducing as scheme is phased out
	Others
TOTAL AS PER MTFs FOR 2021/22 = £311.1m	

## Appendix D – Supplementary Estimates

**Table A Supplementary Estimates less than £1,000,000**

Committee	Year	Type of Grant	£000	Details
Environment & Communities	2020/21	Covid-19 National Leisure Recovery Fund (Specific Purpose)	964	<p>Everybody Sport &amp; Recreation (ES&amp;R) has seen very significant reductions in its income due to the pandemic, with receipts from fees and charges effectively reduced to zero during periods of closure required under lockdown rules. Whilst the Trust has been able to reduce costs and access government schemes (including furloughing) to support the Trust's ambition to remain a going concern, it has been necessary for the Council to provide advance payments of management fee to ES&amp;R to ensure service continuity for the Council's leisure centres during and after the coronavirus pandemic.</p> <p>The Council submitted a bid to the National Leisure Recovery Fund in January 2021 and was informed on 22<sup>nd</sup> February 2021 that it had been successful. As a result, the Council has been awarded £901,542 of funding (£900,000 NLRf funding plus £1,542 Monitoring and Evaluation Grant). A further National Leisure Recovery Fund top-up grant of £61,971 was received on the 31<sup>st</sup> March 2021.</p>
Corporate Policy	2020/21 2021/22	Covid-19 Test and Trace Support (Specific Purpose)	369 120	Standard grant, discretionary grant and grant administration. This payment is designed to support people on low incomes, if they will lose income as a result of self-isolating, and to encourage them to get tested if they have symptoms. This is important to help stop the transmission of COVID-19 and avoid further economic and societal restrictions.

Committee	Year	Type of Grant	£000	Details
Highways & Transport	2020/21	Covid-19 Bus Services Support Grant (Restart) - Tranche 4 (Specific Purpose)	183	Covid-19 Bus Services Support Grant can only be spent on supporting bus services that have been affected by or need to be adjusted because of the impact of Covid-19. It is to be used as additional support on top of normal funding for local bus services, not as a replacement of that funding.
Highways & Transport	2020/21	Covid-19 Bus Services Support Grant (Restart) - Tranche 5 (Specific Purpose)	12	Covid-19 Bus Services Support Grant can only be spent on supporting bus services that have been affected by or need to be adjusted because of the impact of Covid-19. It is to be used as additional support on top of normal funding for local bus services, not as a replacement of that funding.
Highways & Transport	2021/22	Covid-19 Bus Services Support Grant (Restart) - Tranche 6 (Specific Purpose)	36	Covid-19 Bus Services Support Grant can only be spent on supporting bus services that have been affected by or need to be adjusted because of the impact of Covid-19. It is to be used as additional support on top of normal funding for local bus services, not as a replacement of that funding.
Corporate Policy	2020/21	Additional Individual Electoral Registration Grant (General Purpose)	93	The funding is to cover the additional costs of Individual Electoral Registration (IER) already incurred from Electoral Services budget in 2020/21 financial year.
Corporate Policy	2020/21	Covid-19 LA Framework/ Practical Support for those Self Isolating	71	The purpose of the grant is to provide funding to local authorities to provide practical support for those self-isolating.

Committee	Year	Type of Grant	£000	Details
		(Specific Purpose)		
Environment & Communities	2020/21	Neighbourhood Planning Grant for Local Planning Authorities (General Purpose)	60	The conditions of the grant mean that this funding could be used across the wider Spatial Planning area. This level of funding would be intended to support a number of Community Neighbourhood Plans across the borough.
Economy & Growth	2021/22	Rough Sleeping Initiative (Specific Purpose)	371	Funding has been used to establish or continue Rough Sleeping Initiative services agreed by the Ministry of Housing Communities and Local Government (MHCLG) to immediately intervene in, prevent and reduce rough sleeping in financial year 2021/22.
Economy & Growth	2021/22	Homelessness Prevention (Specific Purpose)	560	Homelessness Prevention Fund is to be used for the following: <ul style="list-style-type: none"> <li>- To fully enforce the Homelessness Reduction Act and contribute to ending rough sleeping by increasing activity to prevent single homelessness</li> <li>- To reduce family temporary accommodation numbers through maximising family homelessness prevention</li> <li>- To eliminate the use of unsuitable bed and breakfast accommodation for families for longer than the statutory six week limit</li> </ul>
Corporate Policy	2020/21	Covid-19 Housing Benefit Administration Subsidy – Additional 2020/21 Funding (General Purpose)	36	This is a one-off payment by the Department for Work and Pensions for maintaining the Housing Benefit service during the COVID-19 pandemic and acknowledging the cost impact on service delivery throughout this period.

Committee	Year	Type of Grant	£000	Details
Corporate Policy	2020/21	New Burdens - Council Tax Hardship Fund and Business Rate Reliefs (Specific Purpose)	33	Administration of Council Tax Hardship Relief and Business Rate Reliefs.
Corporate Policy	2020/21	Local Government Transparency Code - New Burdens (General Purpose)	13	New burdens in relation to the Council's obligation to publish information in line with the Government's Transparency Code 2014.
Economy & Growth	2021/22	COVID-19 Cold Weather Fund (Specific Purpose)	6	The Cold Weather Fund is to be used to enhance accommodation provision such as access to the private rented sector, provide space in existing supported housing projects and fund more emergency accommodation for rough sleepers.
Highways & Transport	2020/21	Better Deal for Buses - Rural Mobility Fund (Specific Purpose)	5	Additional funding provided to local authorities to support them with the development of their business cases and to deliver programme-wide monitoring and evaluation.
Children & Families	2020/21	Covid-19 Unaccompanied Asylum Seeking Children (UASC) Covid-19 Fund	3	Spend must either have been incurred in order to meet public health requirements relating to unaccompanied asylum seeking children, including the border health measures introduced on 8 June, or to meet increased costs of caring for unaccompanied asylum seeking children and former unaccompanied children

Committee	Year	Type of Grant	£000	Details
		(Specific Purpose)		who are now care leavers as a result of coronavirus (COVID-19). The latter includes costs incurred for this cohort as a result of wider pressures on services during the pandemic and costs incurred as a result of caring for children received through the National Transfer Scheme (NTS) in response to the urgent situation on the south coast.
Children & Families	2020/21	Alternative Provision Yr11 Transition Fund (Specific Purpose)	6	This funding is in response to the impact of the coronavirus (COVID-19) pandemic and intended to fund additional transition support provided by AP settings for year 11 pupils from now to the end of February 2022
Children & Families	2020/21	National Tutoring Programme (Specific Purpose)	12	The National Tutoring Programme is designed to reach the most disadvantaged pupils in England to support schools and address the impact of Covid-19 on pupils' progress and learning.
Children & Families	2020/21	COVID-19 (Coronavirus) National Testing Programme (Specific Purpose)	167	Schools and colleges will receive funding to support them with costs they have incurred to conduct ATS on-site testing, in line with departmental testing policy.
Children & Families	2020/21	COVID-19 (Coronavirus) Free School Meals Additional Costs (Specific Purpose)	25	To recognise the additional cost of provision for pupils who were learning at home between 4 January until 5 March, schools were able to make a claim for additional funding.

Committee	Year	Type of Grant	£000	Details
Children & Families	2021/22	Covid-19 Winter Grant Scheme (Specific Purpose)	307	Funding to provide direct assistance to vulnerable households and families with children particularly affected by the pandemic. This will include some families who normally have access to Free School Meals during term time.
Environment & Communities	2020/21	Mobile Homes Fit and Proper Person Test (General Purpose)	1	The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred by them in addressing applications under the 'fit and proper person' requirements implemented by the Mobile Homes Act 2013.
Corporate Policy	2021/22	Covid-19 Business Support Grant New Burdens (Specific Purpose)	353	Administration of Business Support Grants; This grant is intended to fund costs incurred in the administration of business support grants including staff costs, software updates, print & postage and other 3rd party support.
Corporate Policy	2021/22	Covid-19 Welcome Back Fund (Specific Purpose)	339	Funding to support the return to high streets safely and help build back better from the pandemic.
Adults & Health	2021/22	Public Health Grant (Specific Purpose)	172	Public Health Grant received was higher than estimated in the MTFS. The grant Income value will increase by £171,714 in 2021/22 to £16,928,979.
Children & Families	2021/22	Extended Personal Adviser Duty Implementation Grant	56	The Children and Social Work Act 2017 introduced a new duty on local authorities, requiring them to offer Personal Adviser support to all care leavers up to age 25. Young people may

Committee	Year	Type of Grant	£000	Details
		(Specific Purpose)		request such support from the local authority after the age of 21 and up to their 25th birthday.
Children & Families	2021/22	Supporting Families (Payments by Results) Upfront Grant (Specific Purpose)	590	Local Councils and partners supporting vulnerable families to thrive. Providing help to those families who need support so they get it at the right point, in the right way, as early as possible.
Corporate Policy	2021/22	Covid-19 Local Elections (Specific Purpose)	14	The funding is to cover the costs of Covid-19 safety measures for the Borough by-election, Town and Parish by-elections and Neighbourhood Planning Referendums (NPRs) taking place on Thursday 6 May 2021.
Environment & Communities	2021/22	Phase 2 of the Public Sector Decarbonisation Scheme	604	Decarbonisation of heating system at Macclesfield Town Hall Air source heat pump (air to water).
<b>Total Grants £1m or Below</b>			<b>5,581</b>	

**Table B - For recommendation to Council - Supplementary Estimates over £1,000,000**

Committee		Type of Grant	£000	Details
Corporate Policy	2021/22	Covid-19 Business Rates Reliefs 2021/22 (Specific Purpose)	15,983	HM Treasury announced a new business rates relief fund worth £1.5 billion for businesses affected by COVID-19 that have been unable to benefit from the existing reliefs package for retail, hospitality and leisure businesses.
Corporate Policy	2021/22	Covid-19 Local Authority Support Grant (General Purpose)	8,508	Funding to manage the immediate and long-term impacts of the pandemic.
Corporate Policy	2021/22	Covid-19 Additional Restrictions Grant Top-up Allocation (Specific Purpose)	3,405	Supports businesses that are not covered by other grant schemes or where additional funding is needed.
Corporate Policy	2021/22	Covid-19 Council Tax Support Scheme (Specific Purpose)	3,373	To enable councils to continue reducing council tax bills for those least able to pay, including households financially hard-hit by the pandemic.
Public Health	2020/21	COVID-19 Contain Outbreak Management Fund (Tranches 4-6) (Specific Purpose)	5,927	Contain Outbreak Management Fund (COMF) for the Financial Year 2020/21.

Adults & Health	2021/22	Covid-19 Contain Outbreak Management Fund (Tranche 7) (Specific Purpose)	2,195	Contain Outbreak Management Fund (COMF) for the Financial Year 2021/22.
Environment & Communities	2020/21	Rural Mobility Fund (Specific Purpose)	1,260	The Rural Mobility Fund is part of the government's better deal for bus users. The primary objective of the fund is to trial demand-responsive transport solutions in providing transport services which work better for local residents of rural and suburban areas.
<b>Total Grants over £1m Recommendation to Council</b>			<b>40,651</b>	

**Table C – Urgent Decisions already made for noting**

Committee	Year	Type of Grant	£000	Details
Adults & Health Children & Families	2020/21	Covid-19 Workforce Capacity (Specific Purpose)	686 39	The new £120 million funding will help local authorities to boost staffing levels, a direct ask of the sector. The funding can: <ul style="list-style-type: none"> <li>• provide additional care staff where shortages arise</li> <li>• support administrative tasks so experienced and skilled staff can focus on providing care</li> </ul> help existing staff to take on additional hours if they wish with overtime payments or by covering childcare costs.
Adults & Health	2020/21	Covid-19 Rapid Testing Fund (Specific Purpose)	1,361	This grant is ringfenced for lateral flow device testing in adult social care. Local authorities will be required to pass on 80% of the funding to care homes on a per beds basis, with 20% used at the local authorities discretion to support the care sector in delivering additional lateral flow device testing.

Committee	Year	Type of Grant	£000	Details
Adults & Health	2020/21	Covid-19 Shielding Grant for the Clinically Extremely Vulnerable Cohort (Specific Purpose)	844	This funding has been allocated to Cheshire East to support our residents throughout that period, who have registered on the National Shielding Service System (NSSS) as Clinically Extremely Vulnerable (CEV). The funding will be spent on contacting CEVs, triaging individuals' needs, and providing support via connection with community groups (Dec-Mar 2021).
Corporate Policy	2020/21	Covid-19 Local Restrictions Grant (Specific Purpose)	10,247	Additional Restrictions Support as part of the wider set of measures to support the nation's economy and its businesses in response to Coronavirus (Covid-19).
Corporate Policy	2021/22	Covid-19 Business Restart Grants (Specific Purpose)	21,295	Urgent Decision made by Chief Executive. The new 'Restart Grants' will offer hospitality, hotels, gyms, hair and beauty salons up to £18,000 per premises, allocated based on the rateable value of the property. Local councils will distribute the grants.
Adults & Health	2021/22	Covid-19 Infection control measures and rapid testing (Specific Purpose)	3,028	Urgent Decision made by Chief Executive. Funding for adult social care to enable the continuation of rigorous infection prevention control measures and to support rapid testing to keep staff and residents safe in day care, respite care, care homes and other community care settings.
Economy & Growth	2020/21	Covid-19 Towns Fund Initial Capacity Funding (Specific Purpose)	40	June Council. Towns Fund Capacity Grant for Crewe - £40,000 of capacity funding to support the development of the business case over the next 12 months. The Ministry of Housing, Communities and Local Government require, over the next 12 months, that the Council and the Town Board provide detailed business cases for projects identified in its initial submission for the Towns Fund on 29 <sup>th</sup> January 2021.

Committee	Year	Type of Grant	£000	Details
Children & Families	2020/21 2021/22	Covid-19 Local Support Grant (General Purpose) and Holiday Activities and Food Grant (Specific Purpose)	1,089	Extended Winter Grant now renamed, Covid Local Support Grant in recognition that "some restrictions on the economy continue".  Holiday Activities and Food grant funding made available to local authorities to coordinate free holiday provision, including healthy food and enriching activities. The programme will cover the Easter, summer and Christmas holidays in 2021.
Children & Families	2021/22	Domestic Abuse Safe Accommodation Housing Grant (Specific Purpose)	648	June Council. The grant only covers revenue expenditure relating to the functions set out in the new statutory duty (within the Domestic Abuse Bill) on Tier 1 Local Authorities relating to the provision of support to victims of domestic abuse and their children residing within safe accommodation.
Children & Families	2020/21	Covid-19 Additional Dedicated Home to School and College Transport (Specific Purpose)	589	The purpose of the grant is to provide support to local transport authorities in England towards expenditure lawfully incurred or to be incurred by them in respect of the provision of the additional transport capacity for both Home to School and Further Education colleges.
Children & Families	2021/22	Covid-19 Additional Dedicated Home to School and College Transport (Specific Purpose)	26	June Council. The purpose of the grant is to provide support to local transport authorities in England towards expenditure lawfully incurred or to be incurred by them in respect of the provision of the additional transport capacity for both Home to School and Further Education colleges.

Committee	Year	Type of Grant	£000	Details
Children & Families	2021/22	Wellbeing for Education Recovery (General Purpose)	48	This Grant is to build on the previous Wellbeing for Education Return project, offering further support to local schools and colleges to better meet the wellbeing and mental health needs of their pupils and students into this recovery period.
Children & Families	2021/22	Staying Put Implementation (General Purpose)	113	The purpose of the grant is to provide support for local authorities in England for expenditure lawfully incurred or to be incurred by them, in respect of a young person aged 18 and their former foster carer, who wish to continue living together in a 'Staying Put' arrangement. For the purposes of this grant 'young person' means a former relevant child who was looked after immediately prior to their 18 <sup>th</sup> birthday. This supported arrangement can continue until the young person's 21 <sup>st</sup> birthday.
Adults & Health	2020/21 2021/22	Covid-19 Community Testing (Specific Purpose)	119 237	Funding for Community Testing in response to the COVID-19 outbreak.
<b>Decisions Already Made</b>			<b>40,409</b>	



*Working for a brighter future together*

## **Finance Sub-Committee**

---

<b>Date of Meeting:</b>	01 July 2021
<b>Report Title:</b>	Committee Training
<b>Report of:</b>	Alex Thompson: Director of Finance and Customer Services
<b>Report Reference No:</b>	FSC/02/21-22
<b>Ward(s) Affected:</b>	Not applicable

---

### **1. Executive Summary**

- 1.1.** The responsibilities of the Sub-Committee require members to possess an appropriate level of understanding of Local Government financing as it relates to Cheshire East Council. To support this requirement training will be provided on several key topics, including:
  - 1.1.1.** The Financial Management Code
  - 1.1.2.** The Financial Cycle
  - 1.1.3.** Revenue and Capital Financing
  - 1.1.4.** Management of Reserves
  - 1.1.5.** Treasury Management
- 1.2.** Providing training to members of this Sub-Committee is in direct support of the Council's vision to be an "Open and enabling organisation". Priorities within this vision include:
  - 1.2.1.** Ensure that there is transparency in all aspects of council decision making
  - 1.2.2.** Support a sustainable financial future for the council, through service development, improvement and transformation
- 1.3.** Training will improve members' ability to make appropriate financial decisions as well as engage in relevant scrutiny of reports brought to the Sub-Committee.

- 1.4. Initial training will be provided by professionally qualified members of the Council's Finance Team. If further beneficial training requirements are identified during this process, then more specialist follow-up training will be developed.

## **2. Recommendations**

- 2.1. To approve the outline of a training programme for members of the Sub-Committee as follows:

- 2.1.1. The Financial Management Code
- 2.1.2. The Financial Cycle
- 2.1.3. Revenue and Capital Financing
- 2.1.4. Management of Reserves
- 2.1.5. Treasury Management

(Additional descriptions of each item are set out in the Background section of this report.)

## **3. Reasons for Recommendations**

- 3.1. It is important that the Council makes appropriately informed decisions to implement the Corporate Plan 2021 to 2025. The Corporate Plan is financed by a balanced Medium-Term Financial Strategy (MTFS) and the Finance Sub-Committee members should have significant understanding of the relationships between each element of the MTFS.
- 3.2. Understanding the elements of the MTFS will ensure that the consequences of decisions and emerging risks are clearly articulated, understood and managed. This approach will be supported by appropriate training that allows all Sub-Committee members to be engaged in their role.
- 3.3. The 'Chartered Institute of Public Finance and Accountancy - Financial Management Code' (the FM Code) sets out six principles of good financial management. These will be developed and evidenced to the Sub-Committee over time, and training will ensure greater compliance with the FM Code across the Council.

## **4. Other Options Considered**

- 4.1. There is an option not to develop further training material for members, effectively do nothing additional to existing processes and support. Members of the Sub-Committee have fulfilled various roles within the Council since election in May 2019, which will have included engagement with the financial cycle and relevant associated decisions. Members have also received induction training. Additional training may not therefore be essential in all cases. This option is not recommended, based on early feedback from the inaugural session of the Sub-Committee. Training

across all members of the Sub-Committee is being favoured to create a level of shared understanding.

## 5. Background

- 5.1.** The Financial Management Code provides guidance for good and sustainable financial management in local authorities. By complying with the principles and standards within the code, authorities are able to demonstrate their financial sustainability. It requires authorities to demonstrate that the processes they have in place satisfy the principles of good financial management. The FM Code identifies risks to financial sustainability and introduces a framework of assurance. This framework is built on existing successful practices and sets explicit standards of financial management. Complying with the standards set out in the FM Code is the collective responsibility of elected members, the chief finance officer and their professional colleagues in the leadership team.
- 5.2.** The Financial Cycle commences on 1 April and ends on 31 March; it includes three main stages of Planning, Monitoring and Reporting which run concurrently in any one financial year.

FINANCIAL CYCLE	April - June	July - August	September - December	January - March
<b>PLANNING</b>	Agree process, Update for Outturn, Identify Funding Gap	Collate Budget Changes - Savings / Growth	Finalise Options & Consult	Final Updates & Approval of Budget & Council Tax
<b>MONITORING &amp; FORECASTING</b>	Quarter 4/Outturn to Committee/Boards	Quarter 1 to Committee/Boards	Quarter 2 to Committee/Boards	Quarter 3 to Committee/Boards
<b>REPORTING</b>	Preparation of Statement of Accounts	Draft Group Accounts 31 July External Audit	Group Accounts audited, approved and published	Tax Returns

- 5.3.** The MTFS includes an annual revenue budget and a multi-year capital programme. The budgets are held separately as there are restrictions on what public money can be spent on particularly for capital purposes. Although separated there are important links and dependencies between the expenditure and funding decisions of each budget. Proposals must be robust to support the financial stability of the Council.
- 5.4.** When reviewing medium term financial plans and preparing annual budgets the Council considers the establishment and maintenance of reserves. Two types of Revenue Reserves are held: General Reserves which represent the non-ring-fenced balance of Council funds and Earmarked Reserves which provide a means of building up funds, for use in a later financial year, to meet known or predicted policy initiatives. Reserves must be adequate to support the overall resource requirements and financial risks of the Council.

- 5.5.** Treasury Management is the management of the Council's cash flows, borrowing and investments, and the associated risks. Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. Whilst Treasury Management deals with cash flows there are associated links and implications on the management of the MTFS.

## **6. Consultation and Engagement**

- 6.1.** The business planning process involves engagement with members, local residents and organisations.
- 6.2.** Sessions will be arranged for all members in advance of the wider consultation on budget proposals. This will increase opportunities for all members to engage with the process to review the Medium Term Financial Strategy. Members will be invited to attend sessions that will allow them to share ideas to support development of future proposals in an informal setting.

## **7. Implications**

### **Legal**

- 7.1.1.** There are no legal implications identified.

### **7.2. Finance**

- 7.2.1.** The training will be delivered by professionally qualified members of the Council's finance team and does not present an additional cost compared to the current MTFS. If specialist training is procured this will be funded from existing training budgets.
- 7.2.2.** There is an expectation that training will be carried out remotely, therefore minimising expenditure associated with travel.

### **7.3. Policy**

- 7.3.1.** The Corporate Plan sets the policy context for the MTFS and the two documents are aligned.

### **7.4. Equality**

- 7.4.1.** The Council needs to ensure that in taking decisions on the Medium Term Financial Strategy, the Budget and the Corporate Plan, the impacts on those with protected characteristics are considered. The Council undertakes equality impact assessments where necessary and continues to do so as proposals and projects develop across the lifetime of the Corporate Plan.

## **7.5. Human Resources**

**7.5.1.** There are no human resources implications identified.

## **7.6. Risk Management**

**7.6.1.** Management of risk is embedded within the organisation. The approach to risk management will continue to be assessed as the Council's plans and financial strategy are implemented.

## **7.7. Rural Communities**

**7.7.1.** There are no direct implications for rural communities.

## **7.8. Children and Young People/Cared for Children**

**7.8.1.** There are no direct implications for children and young people.

## **7.9. Public Health**

**7.9.1.** There are no direct implications for public health.

## **7.10. Climate Change**

**7.10.1.** There are no direct implications for climate change.

<b>Access to Information</b>	
Contact Officer:	Alex Thompson Director of Finance and Customer Services (Section 151 Officer) <a href="mailto:alex.thompson@cheshireeast.gov.uk">alex.thompson@cheshireeast.gov.uk</a>
Appendices:	None
Background Papers:	The following are links to key background documents: <a href="#">Medium Term Financial Strategy 2021-25</a>

This page is intentionally left blank

## Finance Sub-Committee Work Programme

Date	Report title	Purpose of Report	Report Author / Senior Officer	Consultation and Engagement Process and Timeline	EIA Required and Published (Y/N)	Part of Budget and Policy Framework (Y/N)	Strategic Link Corporate Plan Priority	Exempt Item and Paragraph Number (Y/N)
2 Sept 21	2020/21 Group Outturn	<p>To receive the Cheshire East Council Outturn Report and note the financial performance in 2020/21</p> <p>To note the impact on the 2021 to 2025 MTFS</p> <p>To note the outturn of the specific areas of the Committee responsibilities</p> <p>Approve carry-forwards and reserves balances for CEC and WOCs as appropriate and report these to any affected committees.</p>	Jo Wilcox / Alex Thompson	N/A	No	Yes	Open and Enabling Organisation	No
2 Sept 2021	Treasury Management Annual Report for 2020/21	<p>Receive update on Treasury Management Activity for 2020/21</p> <p>To note the investments and borrowing related to the 2020/21 Financial Year</p>	Jo Wilcox / Alex Thompson	N/A	No	Yes	Open and Enabling Organisation	No
2 Sept 2021	Appoint Shareholder Working Group	<p>Approve Terms of Reference for a Shareholder Working Group to review the Business Plans of the Wholly Owned Companies of the Council.</p> <p>Appoint members to the Shareholder Working Group to report back to the Committee in November 2022.</p>	Vicki Godfrey / Alex Thompson	N/A	No	No	Open and Enabling Organisation	No

## Finance Sub-Committee Work Programme

2 Sept 2021	Procurement Pipeline	<p>To note the procurement pipeline of the Council.</p> <p>To note the procurement activity to date, as contained within the Council's Open Data.</p> <p>To note progress with the Council's Procurement system implementation.</p> <p>To recommend the review of significant procurements by relevant Committees.</p> <p>To review the future reporting of contract Waivers and Non-Adherences to Committee.</p>	Lianne Halliday / Alex Thompson	N/A	No	Yes	Open and Enabling Organisation	No
2 Sept 2021	MTFS Assumptions feedback from working group	<p>To receive feedback from the working Group on assumptions within the MTFS.</p> <p>To note / approve recommendations to amend the assumptions or areas of discretion</p>	Jo Wilcox / Alex Thompson	N/A	No	Yes	Open and Enabling Organisation	No
1 Nov 2021	Mid-Year Review (inc WOCs)	<p>To receive an update on the financial forecasts for 2021/22 and note any actions associated with the position reported.</p> <p>To note or approve virements and supplementary estimates as required.</p>	Jo Wilcox / Alex Thompson	N/A	No	Yes	Open and Enabling Organisation	No
1 Nov 2021	Wholly Owned Companies Business Plans	<p>To receive feedback from the Shareholder Working Group.#</p> <p>To obtain key assurances for council as shareholder on the WOC's overall governance and performance arrangements incl appropriate attention to commercial growth activity.</p>	Vicki Godfrey / Alex Thompson	N/A	No	Yes	Open and Enabling Organisation	No

## Finance Sub-Committee Work Programme

1 Nov 2021	Asset Management	<p>To receive a report on the Council's acquisitions and disposals of property.</p> <p>To note or approve activity as required by the Constitution.</p> <p>To note the impact of this activity on the MTFS.</p> <p>Note: Commercial content, linked to ongoing transactions within this report may require consideration under Part 2.</p>	Peter Skates	N/A	No	Yes	Open and Enabling Organisation	Possibly
4 Jan 22	Treasury Management Strategy 2022/23	Review Draft Strategy as part of the performance management framework.	Jo Wilcox / Alex Thompson	N/A	No	Yes	Open and Enabling Organisation	No
4 Jan 22	Third Quarter Review (inc WOCs)	<p>To receive an update on the financial position for 2021/22</p> <p>To note or approve virements and supplementary estimates as required.</p>	Jo Wilcox / Alex Thompson	N/A	No	Yes	Open and Enabling Organisation	No
4 Jan 22	MTFS 2022/23	<p>Review the MTFS Consultation Document and provide feedback to the Corporate Policy Committee</p> <p>Review the assumptions, funding envelope and impact of the local government financial settlement (inc WOCs).</p> <p>Recommend the 2022/23 budgets, for the specific areas of the Committees responsibilities, to the Corporate Policy Committee.</p>	Jo Wilcox / Alex Thompson	N/A	No	Yes	Open and Enabling Organisation	No

This page is intentionally left blank

# Abbreviations

Term	Meaning
ASC	Adult Social Care
ASDV	Alternative Service Delivery Vehicles – part of the Council’s commissioning approach to funding services
BCF	Better Care Fund
BRRS	Business Rates Retention Scheme – the system of local authority funding introduced on 1 <sup>st</sup> April 2013
CAG	Corporate Assurance Group
CDRP	Crime and Disorder Reduction Partnership
CEC	Cheshire East Council
CEFS	Cheshire East Family Support
CERF	Cheshire East Residents First
CFB	Capital Financing Budget
CFR	Capital Financing Requirement
CIPFA	Chartered Institute of Public Finance and Accountancy
CPI	Consumer Price Index
CSC	Children's Social Care
CTS	Council Tax Support
DfE	Department for Education
DSG	Dedicated Schools Grant – grant received from Government to fund schools
EqIA	Equality Impact Assessment
EIP	Early Intervention and Prevention
ERP	Enterprise Resource Platform
ESG	Education Support Grant
FQR	First Quarter Review (not produced for 2020/21)
FTE	Full Time Equivalent
GP	General Practitioner

Term	Meaning
GVA	Gross Value Added
HLBC	High Level Business Case
HM	Her Majesty's
HR	Human Resources – one of the Council's corporate service areas
ICT	Information and Communication Technology – the service responsible for computers, networks, software, phones, etc.
LA	Local Authority
LED	Light Emitting Diode
LGA	Local Government Association
LOBO	Lenders Option Borrows Option
LSCB	Local Safeguarding Children's Board
MARS	Mutually Agreed Resignation Scheme
MHCLG	Ministry of Housing, Communities and Local Government (formerly Department for Communities and Local Government – DCLG)
MRP	Minimum Revenue Provision
MTFS	Medium Term Financial Strategy
MYR	Mid-Year Review
NEETs	Not in Education, Employment or Training
NFF	National Funding Formula
NHB	New Homes Bonus Grant
NHS	National Health Service
NJC	National Joint Council
NNDR	National Non-Domestic Rates – the contribution to general local authority costs by businesses. The rate is set by central Government
PHE	Public Health England
PiP	Partners in Practice
PWLB	Public Works Loan Board – a Government agency providing loans to public bodies for capital works
RPI	Retail Price Index
RSG	Revenue Support Grant
S151	Section 151 (Officer)
SAGC	Skills and Growth Company

Term	Meaning
SBRR	Small Business Rate Relief
SCIES	Safeguarding Children in Education Settings
SEN	Special Educational Needs
SEND	Special Educational Needs and Disabilities
SLA	Service Level Agreement
SLE	Separate Legal Entity – a delivery model for delivering services in a different way
SOS	Signs of Safety
SSB	Supporting Small Business
TC	Town Centre
TQR	Third Quarter Review
TUPE	Transfer of Undertakings (Protection of Employment) regulations
VIC	Visitor Information Centres

This page is intentionally left blank

## Glossary of Terms

### Accounting Period

The period of time covered by the accounts which, for local authorities, is the twelve months commencing 1<sup>st</sup> April. The 31<sup>st</sup> March is the end of the accounting period and the balance sheet date.

### Accruals

The concept that income and expenditure are recognised as they are earned or incurred, not as cash is received or paid.

### Agency Services

These are services provided by the Council to a third party on behalf of another organisation.

### Appropriations

Amounts transferred between the Comprehensive Income and Expenditure Statement and revenue or capital reserves.

### Asset Valuation

The Council's property, plant and equipment are valued in the balance sheet using the following measurement bases:

- Infrastructure, community assets, assets under construction – depreciated historical cost
- Dwellings – current value, determined using the basis of existing use value (EUV)
- Surplus assets – fair value
- All other assets – current value, determined as the amount that would be paid for the asset in its existing use (existing use value or EUV).

### Assets Held for Sale

An asset is deemed as 'held for sale' if it meets the following criteria:

- the asset must be available for immediate sale in its present condition subject to terms that are usual and customary for sales of such assets;
- the sale must be highly probable, the appropriate level of management must be committed to a plan to sell the asset and an active programme to locate a buyer and complete the plan must have been initiated; and
- the asset must be actively marketed for a sale at a price that is reasonable in relation to the current value.

### Associate Companies

This is an entity other than a subsidiary or joint venture in which the Council has a participating interest and over who's operating and financial policies the Council is able to exercise significant influence.

## Balance Sheet

This statement shows the true and fair value of the assets and liabilities recognised by the Council at the balance sheet date (31<sup>st</sup> March). The net assets of the Council are matched by the reserves held. The following terms are used within the balance sheet:

- **Assets:** Items of worth that are measurable in terms of value. Long term (non-current) assets yield benefit to the Council for a period of more than one year, whereas current assets are cash and items which can be readily converted into cash.
- **Liabilities:** Amounts due to individuals or organisations. Current liabilities are usually payable within one year of the balance sheet date, whereas long term (non-current) liabilities will not become payable for over one year.
- **Net Assets:** The total value of the Council's assets less total liabilities.
- **Reserves:** These are either usable or unusable, see entry for Reserves.

## Budget

A statement of the Council's planned service provision, income and expenditure in respect of the financial year.

## Capital Transactions (excluding reserves)

- **Capital Assets:** See Property, Plant and Equipment.
- **Capital Expenditure:** Expenditure on the acquisition of an item of Property, Plant or Equipment, or expenditure that extends the useful life or operational capability of an existing asset.
- **Capital Financing:** The means by which capital expenditure incurred by the Council is funded. Usually such funding comprises grants, contributions from third parties, receipts from the sale of assets, contributions from Council reserves and borrowing.
- **Capital Programme:** The planned capital schemes the Council intends to carry out over a specified period of time.
- **Capital Receipts:** Proceeds received from the sale of capital assets. The proceeds are set aside in the Capital Reserve in order to repay the Council's borrowings or to finance new capital expenditure.
- **Capitalisation:** The classification of expenditure as capital rather than revenue, subject to the condition that the expenditure yields a benefit to the Council for a period of more than one year.
- **Revenue Expenditure Funded from Capital Resources under Statute (known as REFCUS):** Expenditure incurred that may be capitalised although it does not create a non-current asset.

## Cash and Cash Equivalents

This comprises cash in hand, cash overdrawn and short term investments that are readily convertible into known amounts of cash.

## Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents of the Council during the reporting period. The Statement shows how the Council generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Council are funded by way of taxation and grant income or from the recipients of services provided by the Council. Investing activities represent the extent to which cash out flows have been made for resources which are intended to contribute to the Council's future service delivery. Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Council.

## CIPFA

The Chartered Institute of Public Finance and Accountancy is the accountancy body which recommends accounting practice for the preparation of local authority accounts.

## Collection Fund

This is a statutory fund kept separate from the main accounts of the Council and provides details of Council Tax and Non-Domestic Rate transactions of precepting authorities. As a billing authority the Council will share the risks and rewards that the amount of Council Tax and Non-Domestic Rates collected could be greater or less than that anticipated.

Collection Fund terms include the following:

- **Billing Authority:** Cheshire East Council is classed as a billing authority as it has responsibility for collecting Council Tax and Non-Domestic Rates. It collects Council Tax on behalf of Cheshire Police and Crime Commissioner, Cheshire Fire Authority and Parish Councils (also known as precepting authorities) and collects Non-Domestic Rates on behalf of Central Government and Cheshire Fire Authority.
- **Council Tax:** The means of raising money locally to fund local Council services. This is a property-based tax where the amount levied depends on the valuation of each dwelling.
- **Non-Domestic Rates (NDR):** Also known as business rates, NDR is collected from businesses in the Council's geographic area. The rates are set nationally by the Government.
- **Precept:** The amount the Council is required to raise in Council Tax on behalf of other local authorities, for example Cheshire Police and Crime Commissioner.

## Comprehensive Income and Expenditure Statement (CIES)

The CIES sets out the income and expenditure for all the Council's functions for the financial year, according to the CIPFA Service Reporting Code of Practice (SeRCOP).

The CIES has two sections:

- **Surplus or Deficit on the provision of Services** – the increase or decrease in the net assets of the Authority as a result of incurring expenses and generating income.
- **Other Comprehensive Income and Expenditure** – shows any changes in net assets which have not been reflected in the Surplus or Deficit on the provision of Services. Examples include the increase or decrease in net assets of the Authority as a result of movements in the fair value of its assets and actuarial gains or losses on pension assets and liabilities.

## **Consistency**

The principle that the same accounting treatments are used from year to year so that useful comparisons can be made. Any significant change in policies must be declared in the accounting statements.

## **Constitution**

The fundamental principles by which the Council operates and is governed.

## **Contingencies**

Sums set aside to meet either the potential costs of activities expected to occur during the year, over and above those costs included in the services budgets, or items which are difficult to predict in terms of financial impact or timing.

## **Contingent Assets**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control.

## **Contingent Liabilities**

A contingent liability is either:

- a possible obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain events not wholly with the Council's control; or
- a present obligation arising from past events where it is probable that a transfer of economic benefits will be required, but the amount cannot be measured with sufficient reliability.

## **Creditors**

These are financial liabilities arising from the contractual obligation to pay cash in the future for goods or services or other benefits that have been received or supplied and have been invoiced or formally agreed with the supplier.

## **Debtors**

Debtors (or income due from third parties) are recognised in the balance sheet as an asset. The income is recognised at the point at which a service or good is provided; a debtor is raised for the cash or cash equivalent amount i.e. contract value.

Where there is a risk that a debtor cannot be recovered at its initial contract value, the asset will be reduced to the amount at which it can be recovered in the balance sheet. This is accounted for in a provision for impairment (bad debt) and included in the Comprehensive Income and Expenditure Account in the Surplus or Deficit on the Provision of Services.

## **Deficit**

Arises when expenditure exceeds income or when expenditure exceeds available budget.

## **Delegated Budgets**

Budgets for which schools and other services have complete autonomy in spending decisions.

## Depreciation

Depreciation is a measurement of consumption of the service potential inherent in an item of property, plant or equipment and is recognised in the cost of services.

## Exceptional Items

Items that derive from the ordinary activities of the Council and are material in terms of the Council's overall expenditure and not expected to recur frequently or regularly.

## Financial Instruments

A financial instrument is any contract which gives rise to a financial asset for one party and a financial liability or equity instrument for the other. Terms relating to Financial Instruments include:

- **Amortised cost:** the amount at which the asset or liability is measured at initial recognition (usually 'cost'), minus any repayments of principal, minus any reduction for impairment or uncollectibility, plus or minus the cumulative amortisation of the difference between that initial amount and the maturity amount.
- **Effective rate of interest:** the rate of interest that is used to calculate the value today of any future investment.
- **Equity instrument:** A contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities (such as equity share in a company) – this will only apply to investments in other entities held by the Council.
- **Fair value:** The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction.
- **Financial asset and derivatives:** A right to future economic benefits controlled by the Council that is represented by:
  - cash;
  - an equity instrument of another entity;
  - a contractual right to receive cash (or another financial asset) from another entity; or
  - a contractual right to exchange financial assets or liabilities with another entity under conditions that are potentially favourable to the Council.
- **Financial liability:** An obligation to transfer economic benefits controlled by the Council that is represented by; a contractual obligation to deliver cash (or another financial asset) to another entity / a contractual obligation to exchange financial assets or liabilities with another entity under conditions that are potentially unfavourable to the Council.
- **Market value:** The monetary value of an asset as determined by current market conditions at the balance sheet date.
- **Soft loans:** The Council may sometimes make loans that are interest free or at less than market rates, where a service objective would justify the Council making a concession. Examples include:
  - Loans to lower tier authorities and voluntary organisations to aid service provision;
  - Local businesses to encourage economic development;
  - Employees as part of a relocation package.

## Government Grants

These are amounts received from Central Government towards funding the Council's activities. These represent a significant amount of Council income.

## Grants and Contributions

Grants and contributions are defined as assistance in the form of transfers of resources to the Council in return for past or future compliance with certain conditions relating to the operation of activities. Most grants have stipulations as to how they are spent and consequences if resources are not applied in the manner authorised. There are a number of terms used to explain these:

- **Conditions:** specify what future economic benefits or service delivery/potential need to be achieved to avoid having to return funding or assets.
- **Restrictions:** limit what the funding / assets can be used for.
- **Stipulations:** where laws or other binding arrangements form part of the agreement between the grantor and the grantee.

## Heritage Assets

Assets which are preserved in trust for future generations, or which are held for their contribution to knowledge and culture.

## Impairment

Relates to a reduction in book value of either a physical or financial asset, for example:

- A reduction in the book value of an item of property, plant or equipment arising from physical damage to the asset, dilapidation or obsolescence; or
- A reduction in the book value of a financial asset for which the carrying value exceeds the estimated recoverable amount. Bad and doubtful debt falls into this category.

## Income

Amounts which the Council receives, or expects to receive, from any source. Income includes Council Tax, Non-Domestic Rates, Revenue Support Grant and other Government grants, fees, charges, sales and capital receipts.

## Intangible Assets

Expenditure incurred on those assets that do not have physical substance but which are separately identifiable and provide the Council with a right of use for a period in excess of one year.

## International Financial Reporting Interpretations Committee

The IFRS Interpretations Committee is the interpretative body of the IFRS Foundation. Its mandate is to review on a timely basis widespread accounting issues that have arisen within the context of current International Financial Reporting Standards (IFRSs).

## International Financial Reporting Standards

A set of international accounting standards which state how particular types of transactions and other events should be reported in financial statements. IFRS are issued by the International Accounting Standards Board.

## Inventories

These assets are valued at the lower of cost and net realisable value. Inventories include:

- Materials or supplies to be consumed in the provision of services (e.g. road salt, transport fuel);
- Stocks held for sale or distribution (e.g. publications, leaflets).

### Valuation Definitions:

- **Average Cost:** Where goods such as stocks may be purchased at different times and at different prices, an average cost is calculated to give a value to goods held at the balance sheet date.
- **Cost:** Purchase price, costs of conversion and other costs in bringing the inventories to their present location and condition.
- **Net Realisable Value:** the estimated selling price of an asset after all the costs attributed to bringing an asset to a point at which it can be sold, have been deducted.
- **Work in Progress:** The value of rechargeable work which has not been recharged at the end of the financial year.

### Investment Properties

Assets which are held with a view to providing income, capital appreciation or both. Examples of investment properties are:

- Land held for long term capital appreciation;
- A building held under a finance lease and rented out;
- A property under construction or development / redevelopment for future use as an investment property.

### Investments

Short-term investments comprise deposits of temporary surplus funds with banks or similar institutions. Long term investments comprise similar funds held for a period of more than one year.

### Joint Venture

A Joint Venture is an arrangement under which two or more parties have contractually agreed to share control, such that decisions about the activities of the arrangement are given unanimous consent from all parties.

### Leasing

A method of acquiring the use of a non-current asset by paying a rental for a specified period of time, rather than purchasing it outright. There are two categories for leasing:

- **Finance Lease:** An arrangement whereby the owner of an asset (the lessor) accepts a rental in return for allowing another party (the lessee) use of an asset for a specified period, such that substantially all of the risks and rewards associated with ownership are transferred to the lessee.
- **Operating Lease:** An arrangement similar to a finance lease but where the risks and rewards associated with ownership remain with the lessor.

### Loans and Receivables

These are defined as financial assets (excluding derivatives) that have fixed or determinate payments and that are not quoted in an active market, other than those that the Council intends to sell immediately or in the near term and are classified as held for trading.

### Long Term Borrowing

The main element of long term borrowing comprises loans that have been raised to finance capital expenditure projects.

## Materiality

Materiality relates to the significance of transactions, balances and errors contained in the financial statements. Information is material if omitting it or misstating it could influence decisions that users make on the basis of financial information about the Council.

## Minimum Revenue Provision (MRP)

The minimum amount (as laid down in statute) that the Council must charge to the accounts each year in order to meet the costs of repaying amounts borrowed.

## Movement in Reserves Statement (MiRS)

The MiRS shows the movement in the year on the different reserves held by the Authority, analysed into 'usable' reserves (i.e. those that can be applied to fund expenditure or reduce local taxation) and other 'unusable' reserves.

## Non Distributed Costs

Costs which cannot be specifically applied to a service or services and are held centrally, comprising certain pension costs and the costs of unused shares of IT facilities and other assets.

## Pensions

There are a number of terms used when accounting for pension costs:

- **Actuarial Assumptions:** Assumptions made by the Pension Fund Actuary in valuing the Fund's assets and liabilities.
- **Actuarial Gains and Losses:** A combination of the effects of changes in actuarial assumptions and experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred, including reflection of any funding valuation which has taken place since the last report).
- **Actuarial Valuation:** The valuation of the Pension Fund's assets and liabilities. The Actuary then calculates how much needs to be paid into the Fund by both the employer and contributing members to ensure there will be adequate funds to pay pensions when they become due.
- **Actuary:** An independent qualified professional who is engaged in the valuation of pension scheme assets and liabilities. The Local Government Pension Scheme Actuary reassesses the rate of employer contributions to the Pension Fund every three years.
- **Current Service Cost:** The increase in the present value of the defined benefit obligation resulting from employee service in the current period.
- **Curtailments:** costs arising from early payment of accrued pensions in respect of any redundancies during the year.
- **Deferred Benefits:** A future benefit which is being paid for in the current accounting period.
- **Defined Benefit Obligation:** the liability of a pension scheme, as shown on the balance sheet.
- **Defined Benefit Pension Scheme:** A pension scheme which is constructed to provide pre-determined pension benefits for retired members, with employers' and employees' contribution rates being calculated based on actuarial assumptions.
- **Defined Contribution Pension Scheme:** A pension scheme where the level of benefits depends on the value of the contributions paid in respect of each member and the investment performance achieved on those contributions.

- **Net Interest Expense:** The increase during a period in the present value of a defined benefit obligation which arises because the benefits are one period closer to payment.
- **Net Defined Benefit Liability:** the difference between the fair value of the scheme assets and the present value of the defined benefit obligation, shown as either an asset or liability on the balance sheet (depending on whether a surplus or deficit).
- **Past Service Cost:** The increase in the present value of the defined benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, post-employment benefits or other long-term employee benefits. Past service cost may either be positive (where benefits are introduced or improved) or negative (where existing benefits are reduced).
- **Projected Unit Credit Method:** An accrued benefits valuation method in which the Fund liabilities make allowance for projected earnings.
- **Remeasurement Gains/Losses:** changes in the balance sheet value of a scheme liability relating to year on year changes in the assumptions applied by the actuary.
- **Settlements:** liabilities settled at a cost materially different to the IAS 19 reserve during the year.

### Prepayments

Amounts paid by the Council in year that related to goods and services not received until the following year.

### Prior Period Adjustments

Those material adjustments applicable to prior years arising from changes in accounting policies or from the correction of fundamental errors. They do not include minor corrections or adjustments of accounting estimates made in prior years.

### Private Finance Initiative (PFI)

A means of securing new assets and associated services in partnership with the private sector.

### Property, Plant and Equipment (PPE)

This covers all assets held by the Council with physical substance (tangible assets) that are held for use in the provision of services, for rental to others or for administrative purposes.

## Key Definitions used for PPE:

- **Accumulated Depreciation:** The cumulative accounting estimate (excluding the current year) relating to the consumption of a non-current asset.
- **Amortisation:** The process of writing down capitalised expenditure (usually on intangible assets) to the Cost of Services over the estimated useful life of the asset.
- **Community Assets:** Assets that the Council intends to hold in perpetuity, that have no determinable finite useful life and in addition may have restrictions on their disposal (e.g. parks and historic buildings).
- **Depreciated Historic Cost:** The value of an asset shown in the balance sheet calculated from the original cost less depreciation to date.
- **Depreciation:** The process of writing down capitalised expenditure (usually on Plant and Equipment) to the Cost of Services over the estimated useful life of the asset.
- **Disposals:** the value of assets which have been disposed of or decommissioned.
- **Existing Use Value (EUV):** The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction, after proper marketing. The fair value of land and buildings is to be interpreted as the amount that would be paid for an asset in its existing use.
- **Gross Book Value:** The historical cost or the revalued amount of the asset before depreciation.
- **Infrastructure Assets:** Cheshire East Council's network of roads, pavements, and bridges included within Property, Plant and Equipment.
- **Net Book Value:** The amount at which assets are included in the balance sheet, i.e. their historical cost or current value less the cumulative amounts provided for depreciation.
- **Net Current Replacement Cost:** The estimated cost of replacing or recreating the particular asset in its existing condition and in its existing use, i.e. the cost of its replacement or of the nearest equivalent asset, adjusted to reflect the current condition of the existing asset.
- **Net Realisable Value:** The expected proceeds from the sale of an asset when sold on the open market between a willing buyer and a willing seller less all the expenses incurred in selling the asset.
- **Rateable Value:** The annual assumed rental value of a property that is used for business purposes.

## Provisions

Amounts set aside to meet costs that are likely or certain to be incurred but where the amount of cost or timing of payment is uncertain.

## Prudential Code

The Prudential Code for Capital Finance in Local Authorities (2011) (Prudential Code) was introduced in 2004 and was developed as a professional code of practice to support local strategic planning, asset management planning and proper option appraisal for local authorities when developing their programmes for capital investment in fixed assets.

### Public Works Loan Board (PWLB)

The Public Works Loan Board (PWLB) is a statutory body operating within the United Kingdom Debt Management Office, an Executive Agency of HM Treasury. Its function is to lend money from the National Loans Fund to local authorities, and to collect the repayments.

### Receipts in Advance

Amounts received by the Council during the year relating to goods or services to be delivered in the following year.

### Related Party

A person or organisation who or which has influence and control over another person or organisation.

### Reserves

Specific amounts set aside for future policy purposes or to cover contingencies. There are two types of reserve:

- **Usable Reserves:** These include the revenue and capital resources at the Council's disposal which can be used to fund expenditure or reduce local taxation. Usable reserves include:
  - Capital Receipts Reserve
  - Capital Grants Unapplied
  - Reserves and Balances Held by Schools
  - General Fund Earmarked Reserves (various)
  - General Fund Reserve.
- **Unusable Reserves:** These include unrealised gains and losses, particularly in relation to the revaluation of property, plant and equipment where the value of the asset would only become available to fund the provision of services if the asset was sold. Also included are adjustment accounts used to absorb the difference between the outcome of applying proper accounting practices and the requirements of statutory arrangements for funding expenditure. Unusable Reserves include:
  - Revaluation Reserve
  - Available for Sale Financial Instruments Reserve
  - Capital Adjustment Account
  - Capital Receipts Deferred
  - Financial Instrument Adjustment Account
  - Pensions Reserve
  - Collection Fund Adjustment Account
  - Accumulated Absences Account.

### Revenue Expenditure

Revenue expenditure is spending on the day to day running costs of the Council. It includes expenditure on employees, premises, transport and supplies and services.

## **Section 151 Officer**

An Officer appointed under Section 151 of the Local Government Act 1972 which requires every local authority to appoint a suitably qualified officer to assume overall responsibility for the administration of the financial affairs of the Council and preparation of the Statement of Accounts.

## **Share Accruals**

These are the proportional amounts of Net Profit / (Loss) which are shared in accordance with the profit sharing agreement made between Cheshire East Council and its subsidiary and or joint venture entities.

## **Shared Services**

This is a process of merging functions with other organisations to streamline mainstream services, standardise functions and deliver more efficient and effective services. This also enables the Council to have greater leverage and buying power within Government.

## **Slippage**

This is when delays occur in capital works and therefore payments are not made in the financial year originally anticipated.

## **Subsidiary**

This is an entity over which the Council is able to demonstrate it has control, such as a shareholding or representation on the entity's Board of Directors.

## **Surplus**

Arises when income exceeds expenditure or when expenditure is less than available budget.

## **Surplus Assets**

Property, plant and equipment held by the Council which are not currently used in the provision of Council services.

## **'The Code'**

The Code is a code of practice on Local Authority accounting that has been developed by the CIPFA/LASAAC Code Board under the oversight of the Financial Reporting Advisory Board. The Code is based on International Financial Reporting Standards (IFRS), on which local authority accounts are now required to be based.

## **Transfer Payments**

Relates to payments for which no goods or services are received by the Council e.g. rent allowances.

## **Trust Funds**

Accounts for which the Council acts as trustee but for which it is not financially responsible and does not own. These amounts are not included within the Council's balance sheet.