

Environment and Communities Committee

Date of Meeting:	2 February 2023
Report Title:	Medium-Term Financial Strategy 2023-27 Consultation
Report of:	Alex Thompson – Director of Finance and Customer Services (Section 151 Officer)
Report Reference No:	EC/04/22- 23
Ward(s) Affected:	All

1. Purpose of Report

- 1.1. The Environment and Communities Committee is being asked to provide feedback, as consultees, on the development of the Cheshire East Medium-Term Financial Strategy 2023/24 to 2026/27. Feedback is requested in relation to the responsibilities of the Committee.
- 1.2. The Medium-Term Financial Strategy (MTFS) sets out how the Council will resource the achievement of the Corporate Plan and is subject to consultation and approval on an annual basis.
- 1.3. Developing the strategy requires a wide range of stakeholder engagement, including all Members. Feedback will be presented to the Corporate Policy Committee for consideration on, 9 February 2023, before a balanced budget is presented to the full Council meeting of 22 February 2023 for final review and approval.
- 1.4. The full consultation document can be accessed on the [Cheshire East Council](#) website.

2. Executive Summary

- 2.1. Financial strategies underpin how Cheshire East Council will allocate resources, achieve the Corporate Plan and provide in the region of 500 local services every day. The strategies must be affordable, based on robust estimates and balanced against adequate reserves.

- 2.2.** In February 2021 the Council approved the Corporate Plan 2021-2025 which articulates the vision of how these services will make Cheshire East an Open, Fair and Green borough:
- 2.2.1.** Open - We will provide strong community leadership and work transparently with our residents, businesses and partners to deliver our ambition in Cheshire East.
- 2.2.2.** Fair - We aim to reduce inequalities, promote fairness and opportunity for all and support our most vulnerable residents.
- 2.2.3.** Green - We will lead our communities to protect and enhance our environment, tackle the climate emergency and drive sustainable development.
- 2.3.** Committees are responsible for overseeing the achievement of these priorities. Resources, including Revenue, Capital and Reserves were allocated by the Finance Sub-Committee in March 2022, following the budget Council. All resources are allocated to a specific Service Committee or the Finance Sub-Committee.
- 2.4.** Each Committee plays an important role in developing the Strategy before it is approved by Council on 22 February 2023.
- 2.5.** The full MTFS is provided on the Council's website along with supporting consultation material. Each Committee is receiving an extract from the Full MTFS to assist with focusing on the Constitutional responsibilities of the Committee.

3. Recommendations

- 3.1.** That the Committee notes:
- 3.1.1.** The year-end forecast outturn position for 2022/23 (**Appendix 1**).
- 3.1.2.** The financial context and proposals contained within the Executive Summary of the Medium-Term Financial Strategy (**MTFS report Annex C, Section 1**).
- 3.1.3.** Revenue Grant Funding (**Appendix 4**).
- 3.1.4.** Earmarked Reserves (**Appendix 5**).
- 3.2.** That the Committee provides feedback on the proposals within the MTFS, as related to the Committee's responsibilities, that can support and advise Full Council in fulfilling its responsibilities to approve a balanced budget for 2023/24, in the following areas:
- 3.2.1.** Revenue Proposals (Details are at **Appendix 2**).

MTFS Section 1 Ref No	Detailed List of Proposed Budget Changes – Service Budgets
	Environment and Communities Committee
80	Waste Disposal - Contract Inflation and Tonnage Growth
81	Pay Inflation – Wholly Owned Companies
82	Pay inflation - CEC
83	Planning and Building Control income
84	Environmental Hub maintenance
85	Review of governance of Council Wholly Owned Companies and seeking increased opportunities for savings / commercial opportunities
86	Orbitas management fee uplift
87	Bereavement income
88	Closed Cemeteries
89	Local Plan Review
90	Strategic Leisure Review
91	Maintenance of green spaces
92	Review Waste Collection Service - Green Waste
93	Libraries - Service Review
94	Pension Costs Adjustment
95	Investment in improving the customer experience in Planning Services
96	Restructuring Potential
97	Review Closed Landfill Sites
98	Move to a single contractor to maintain all Council owned green spaces
99	Environment Strategy and Carbon Neutrality
100	CCTV
101	Household Waste and Recycling Centres - introduce residency checks

3.2.2. Capital Programme (**Appendix 3**).

4. Reasons for Recommendations

4.1. In accordance with the Constitution Committees play an important role in planning, monitoring and reporting on the Council’s finances. Each Committee has specific financial responsibilities.

- 4.2. The Council's annual budget must be balanced. The proposals within it must be robust and the strategy should be supported by adequate reserves. The assessment of these criteria is supported by each Committee having the opportunity to help develop the financial proposals before they are approved by Full Council.

5. Other Options Considered

- 5.1. The Council has a legal duty to set a balanced annual budget taking regard of the report from the Chief Finance Officer. As such options cannot be considered that would breach this duty. Any feedback from the Committee must still recognise the requirement for Council to fulfil this duty.
- 5.2. There is no option to "do nothing". The Council has statutory obligations to provide certain services, which would be unaffordable if the Council failed to levy an appropriate Council Tax.

6. Background

- 6.1. The Council's financial resources are provided from a combination of local taxes, government grants, investment returns on assets and other direct contributions from individuals or organisations. Financial plans are based on estimated spending and income over the next four years and the report of the Chief Finance Officer brings Members attention to the processes and risks associated with developing these estimates.
- 6.2. The Council aims to achieve value for money based on Economy (how much we pay for things), Efficiency (how well we use things) and Effectiveness (how we use things to achieve outcomes). Public feedback and internal and external scrutiny create the necessary framework to hold the Council to account for achieving these aims.
- 6.3. All councils are legally required to set a balanced budget each year.
- 6.4. The Budget Setting Process 2023-2027 has enabled a set of proposals to be developed for consultation.
- 6.5. The MTFs report is based on the Provisional Local Government Finance Settlement for 2023/24. This was released on 19 December 2022. The final settlement is expected in early February 2023 with a debate by Members of Parliament in the House of Commons expected in mid-February (after the publication date of this report to Committee) to agree the position.
- 6.6. The MTFs report continues to include estimated grant allocations in relation to several Specific Grants (**Appendix C, Annex 7** and Committee specific at **Appendix 4** of this report). These will be refined as appropriate in due course.
- 6.7. Any changes made as a result of the engagement process and further debate will be reported to Members at the Council meeting on 22 February 2023.

7. Consultation and Engagement

- 7.1. The business planning process involved a series of events during 2022. Details of how this process was managed is included within the **MTFS report Appendix C, Annex 2**.

8. Implications

8.1. Legal

- 8.1.1. The Council should have robust processes so that it can meet statutory requirements and fulfil its fiduciary duty.

8.2. Finance

- 8.2.1. Please see all Sections of this report.

8.3. Policy

- 8.3.1. The MTFS report outlines policy and budget proposals which will impact on service delivery arrangements.

- 8.3.2. The Corporate Plan will drive and inform Council policy and priorities for service delivery. The priorities and actions listed may have direct policy implications will be considered on a case-by-case basis.

8.4. Equality

- 8.4.1. Under the Equality Act 2010, decision makers must show 'due regard' to the need to:
- Eliminate unlawful discrimination, harassment and victimisation;
 - Advance equality of opportunity between those who share a protected characteristic and those who do not share it; and
 - Foster good relations between those groups.
- 8.4.2. The protected characteristics are age, disability, sex, race, religion and belief, sexual orientation, gender re-assignment, pregnancy and maternity, and marriage and civil partnership.
- 8.4.3. Having "due regard" is a legal term which requires the Council to consider what is proportionate and relevant in terms of the decisions they take.
- 8.4.4. The Council needs to ensure that in taking decisions on the Medium-Term Financial Strategy and the Budget that 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.

8.4.5. The proposals within the MTFS include positive and negative impacts. A separate Equality Impact Assessment has been produced and is included in **Appendix C, Annex 3**.

8.4.6. The Corporate Plan's vision reinforces the Council's commitment to meeting its equalities duties, promoting fairness and working openly for everyone. Cheshire East is a diverse place and we want to make sure that people are able to live, work and enjoy Cheshire East regardless of their background, needs or characteristics.

8.5. Human Resources

8.5.1. A number of the proposals will impact on staff. See **MTFS report Appendix C, Section 1** for full list of change proposals.

8.6. Risk Management

8.6.1. The steps outlined in this report mitigate the four main legal and financial risks to the Council's financial management arrangements:

- The Council must set a balanced Budget.
- Setting the Council Tax for 2023/24 must follow a compliant process.
- The Council should provide high quality evidence to support submissions for external assessment.
- That Council borrowing will comply with the Treasury Management Strategy which is underpinned by the Prudential Code.

8.6.2. A risk assessment of the significant proposals being put forward has been carried out by each service and is included as part of the planning process.

8.6.3. It is important to note that the Council faces significant financial challenges in achieving its desired outcomes. Management of risk is embedded within the organisation to ensure the Council can seize opportunities, introduce new, innovative models of service delivery, focus on improving outcomes for residents and review its range of services whilst identifying and controlling any resulting risks. The approach to risk management will continue to be assessed as the Council's plans and financial strategy are implemented.

8.6.4. See **MTFS report Appendix C, Annex 4** for further information.

8.7. Rural Communities

8.7.1. The Corporate Plan, along with the 'Green' aim and supporting priorities will have direct and indirect implications for our rural communities across Cheshire East. These impacts will be considered and reported through individual work programmes as they are developed.

8.7.2. The MTFS report provides details of service provision across the borough. See **Appendix C, Section 1**.

8.8. Children and Young People/Cared for Children

8.8.1. The Corporate Plan, along with the 'Fair' aim and supporting priorities will have direct and indirect implications for children and young people and cared for children which will be considered individually and in line with the actions required. These impacts will be considered and reported through individual work programmes as they are developed.

8.8.2. See **MTFS report Appendix C, Section 1.**

8.9. Public Health

8.9.1. The Corporate Plan, along with the 'Fair' aim and supporting priorities will have direct and indirect implications for public health which will be considered individually and in line with the actions required. These impacts will be considered and reported through individual work programmes as they are developed.

8.9.2. See **MTFS report Appendix C, Section 1.**

8.10. Climate Change

8.10.1. The Corporate Plan has a very strong environmental thread throughout with a specific aim for the Council to be 'Greener'.

8.10.2. A number of priorities and activities are listed which will support the Council's commitment of being carbon neutral by 2025, including the ongoing delivery of an Environmental Strategy and a Carbon Action Plan.

8.10.3. Also see **MTFS report Appendix C, Annex 3** for further information.

Access to Information	
Contact Officer:	Alex Thompson Director of Finance and Customer Services (Section 151 Officer) Email: alex.thompson@cheshireeast.gov.uk
Appendices:	Appendix 1 – Forecast Outturn 2022/23 Appendix 2 – Revenue Budget Changes for the Period 2023/24 to 2026/27 Appendix 3 – Capital Programme 2023/24 to 2026/27 Appendix 4 – Revenue Grant Funding Appendix 5 – Earmarked Reserves

Background Papers:

[Outturn Report 2021/22 \(Finance Sub Committee Meeting\)](#)

[Medium-Term Financial Strategy 2022-26](#)

[First Financial Review \(Corporate Policy Meeting\)](#)

[Financial Review 2022/23 \(Finance Sub-Committee\)](#)

[Financial Update 2022/23 \(Corporate Policy Meeting\)](#)

[Council 14 December 2022: Domestic Taxbase Report and Council Tax Support Scheme](#)

[Medium-Term Financial Strategy 2023-27 Consultation](#)

Appendix 1 - Forecast Outturn 2022/23

- The Council aims to operate a financial cycle of planning, monitoring and reporting throughout the year. The First Financial Review 2022/23 was reported to Corporate Policy Committee on 6 October 2022 with a Financial Review 2022/23 report going to all other Committees during November.
- A Financial Review Update was presented at Corporate Policy Committee on 1 December. A forecast outturn of £8.7m net overspend was reported at this meeting (The full report can be found [Agenda for Corporate Policy Committee on Monday, 1 December, 2022, 10.00 am, Item 10 | Cheshire East Council](#)).
- The outturn position is now forecast to be an overspend of £7.7m. Table 1 shows a summary of the forecast outturn by Committee.

Table 1: Forecast Outturn 2022/23 summary by Committee

2022/23	Revised Budget	Forecast Outturn	Forecast Variance	Change since Second Review
(GROSS Revenue Budget £474.2m)	(NET) £m	£m	£m	£m
Service Committee				
Adults and Health	121.1	130.0	8.9	0.0
Children and Families	74.2	77.7	3.5	(0.5)
Corporate Policy	40.6	41.0	0.4	(0.0)
Economy and Growth	23.6	22.8	(0.8)	(1.0)
Environment and Communities	44.4	47.3	2.9	1.2
Highways and Transport	13.8	13.6	(0.2)	(0.7)
Sub-Committee				
Finance Sub	(317.7)	(324.7)	(7.0)	-
TOTAL	-	7.7	7.7	(1.0)

Table 2: Forecast Outturn 2022/23 for Environment and Communities Committee

2022/23	Revised Budget	Forecast Outturn	Forecast Variance
(GROSS Revenue Budget £474.2m)	(NET) £m	£m	£m
SERVICE DIRECTORATES			
Environment & Neighbourhood Services	44.4	47.3	2.9
Environment and Communities Committee	44.4	47.3	2.9

- The forecast variance of £2.9m for Environment and Communities Committee is due to the following changes since the second review:
 - Environment and Neighbourhood Services forecast pressures have changed by £1.2m. Environmental services operational costs of £1.3m are partially offset by lower premises costs, and vacancies within the Planning service which will not be filled before the year end.
- This forecast may be subject to variation in the final quarter, as budget managers will continue to take robust actions to control costs and reduce non-essential expenditure to improve this position further.
- Individual pressures identified above are reflected in the MTFs for 2023/24 to 2026/27. Any betterment to the forecast outturn position should be utilised to replenish reserves in line with the priority of the Corporate Plan.

Appendix 2 - Revenue Budget Changes for the Period 2023/24 to 2026/27

Executive Director Commentary:

Significant pressures have been observed in a number of places across the Environment and Communities budget, most notably in;

- Waste collection and disposal costs – this is due to inflation across both internal and externally procured prices, uncertainty caused by the lack of clarity around the National Waste Strategy and also the increase in fuel duty in 2022 which has had a significant impact on fleet running costs.
- Pay inflation – the nationally negotiated pay awards as well as being applicable to Council staff also apply across the wholly owned companies which collectively have large staffing establishments in their own right.
- Planning income – whilst a large volume of applications are received each year a high percentage of these are not major applications and hence the shortfall of income against target.

The initial part of the budget strategy for this area seeks to focus on containing prices and cost inflation as much as possible, through amongst other things enhanced financial monitoring, robust procurement activities and alternative ways of working.

Aligned to other areas of the Place Directorate the response to the impact of pay inflation, the focus will be to seek to offset existing employee costs through proactive vacancy management, prioritising statutory services and ensuring that income generation opportunities are maximized. Similarly, officers will work with the management teams of the Council's wholly owned companies to undertake the same exercise.

Through opportunities released by restructuring seek to address better alignment of related services and management across Place, as well as continuing to explore and identify operational efficiencies in how key frontline services interface. As part of any restructure there will be a focus on investing in staff development, whilst increasing numbers of apprenticeships and career graded roles where appropriate. This is to ensure organizational futureproofing and building in a greater level of resilience in to staffing structures.

The key areas of focus for Environment and Communities will be;

- In line with neighbouring authorities the introduction of a subscription charge for kerbside collections of green waste;

- Review of grounds maintenance frequencies in line with other Local Authorities;
- Commercialisation opportunities to generate additional income for the Council;
- Avoiding closures but introducing weekday opening hours reductions across all libraries and;

- Undertaking a strategic review of leisure services looking at synergies with health provision.

Where appropriate opportunities to work with communities, Town and Parish Councils will be explored to directly deliver services at a local level.

Proposals to vary the Budget in the Environment and Communities Budget are focused on these areas:

Environment and Communities Committee Policy Proposals	2023/24 £m*	2024/25 £m	2025/26 £m	2026/27 £m
<p>[80] Waste Disposal - Contract Inflation and Tonnage Growth [MTFS 22-26 [53]]</p> <p>Additional increase to existing MTFS proposal. This proposal protects the current frequency of bin collections, but also recognises that waste and recycling collection and waste transfer costs are forecast to be higher. This is due to increased waste tonnages driven by changing behaviours following the pandemic and an increase in demand from new housing. This results in increased vehicles and crews and increased fuel usage. In addition, a statutory change in fuel duty applied from April 2022.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	+3.998	+1.189	+1.030	+0.871
<p>[81] Pay Inflation – Wholly Owned Companies [MTFS 22-26 [3&4]]</p> <p>This proposal includes incremental increases for eligible staff in the Council’s wholly owned companies and reflects nationally negotiated pay awards. Average increases are forecast at c.5% for 2023/24. This may not apply evenly across pay bands due to implications of the Living Wage. The proposals recognise the additional delayed impact of the 2022/23 pay negotiations that also affect the 2023/24 budget.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	+1.378	+0.440	+0.507	+0.519
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2022/23 Subsequent years are the incremental change from the previous year</i></p>				

Environment and Communities Committee Policy Proposals	2023/24 £m*	2024/25 £m	2025/26 £m	2026/27 £m
<p>[82] Pay Inflation - CEC [MTFS 22-26 [3&4]]</p> <p>This proposal includes incremental increases for eligible staff and nationally negotiated pay awards. Average increases are forecast at c.5% for 2023/24. This may not apply evenly across pay bands due to implications of the Living Wage. The proposals recognise the additional delayed impact of the 2022/23 pay negotiations that also affect the 2023/24 budget.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	+1.250	+0.503	+0.431	+0.443
<p>[83] Planning and Building Control income [NEW]</p> <p>Reducing income levels, compared to previous forecasts, are causing financial pressure, which is being mitigated by an increase in the budget. There are proposals through national planning reforms to increase planning application fees by 25-35% that may mitigate this pressure in the future. But at present it is unclear when these increases will take effect. The national proposal is subject to consultation and legislative change.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	+0.800			
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2022/23 Subsequent years are the incremental change from the previous year</i></p>				

Environment and Communities Committee Policy Proposals	2023/24 £m*	2024/25 £m	2025/26 £m	2026/27 £m
<p>[84] Environmental Hub maintenance [NEW]</p> <p>This facility is a key operational site used to support the Council's waste services. Since opening the facility the regular maintenance of this site has been funded from within the Council's Facilities Management budget. This is not a permanent solution for such an important site, so this proposal now fully reflects the ongoing increased costs of operating such a modern waste transfer station facility. This approach also ensures ongoing compliance with statutory environmental permits, specifically relating to the requirement for an odour control system.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	+0.447	+0.023	+0.018	+0.012
<p>[85] Review of governance of Council Wholly Owned Companies and seeking increased opportunities for savings / commercial opportunities [MTFS 22-26 [20]]</p> <p>The Council owns or partly owns several companies. A budget item from the 2021/22 year included cost savings from a review of company governance arrangements and seeking increased opportunities from commercial activities. Several changes have been made to the governance structures, but the work is not yet complete. This proposal removes some of the proposed savings from the MTFS at this point. This proposal recognises that funding is still required by the commissioning service, pending conclusion of the governance review and the refresh of company business plans for the medium term.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	+0.240			
<p>*Values represent a +/- variation to the Cheshire East Council approved budget for 2022/23 Subsequent years are the incremental change from the previous year</p>				

Environment and Communities Committee Policy Proposals	2023/24 £m*	2024/25 £m	2025/26 £m	2026/27 £m
<p>[86 & 87] Bereavement income / Orbitas management fee uplift [NEW]</p> <p>The costs of running bereavement services by Orbitas (a wholly owned company of the Council) are increasing. The additional management fee can however be mitigated in full through forecast increases in bereavement income.</p> <p style="text-align: right;"><i>Bereavement Income Target =</i> -0.175</p> <p style="text-align: right;"><i>Impact on service budget =</i> +0.175</p>				
<p>[88] Closed Cemeteries [NEW]</p> <p>Closed cemeteries are likely to be coming over to CEC as a statutory obligation to maintain - revenue implications relate to forecast costs of future annual grounds maintenance activities.</p> <p style="text-align: right;"><i>Impact on service budget =</i> +0.093</p>	+0.093	+0.005	+0.005	+0.005
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2022/23 Subsequent years are the incremental change from the previous year</i></p>				

Environment and Communities Committee Policy Proposals	2023/24 £m*	2024/25 £m	2025/26 £m	2026/27 £m
<p>[89] Local Plan Review [NEW]</p> <p>Costs to progress the Local Plan Review and the Waste and Minerals Local Plan. This figure does not account for the expected but currently unknown detailed legislative change. The required growth will be reviewed in the next MTFS cycle once the scope of the review is better understood. The Council will need to look forward to the adoption of the Local Plan in 2027/28. Risks include national policy changes and unexpected evidence/ studies that may be needed which cannot be costed for at the present time.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	+0.070	+0.390	+0.110	+0.110
<p>[90] Strategic Leisure Review [NEW]</p> <p>Review of current leisure service provision, including buildings costs and subsidies for services across the borough. The review in the medium term will explore opportunities to reduce costs including options to co-locate with other Council services. In 2023/24 the Council will start to progress commissioning of leisure services aligned to health needs, while implanting the appropriate oversight required to support access of Public Health funding.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	-1.291	+1.056	-0.207	-0.037
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2022/23 Subsequent years are the incremental change from the previous year</i></p>				

Environment and Communities Committee Policy Proposals	2023/24 £m*	2024/25 £m	2025/26 £m	2026/27 £m
<p>[91] Maintenance of green spaces [NEW]</p> <p>Reduction in existing maintenance regimes to parks, public open spaces and other green spaces - specifically but not limited to frequency of grass cutting, tree and flower bed planting and other related grounds maintenance activities. Opportunity to allow rewilding of specific areas and promote increase in biodiversity.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	-0.900	-0.200		
<p>[92] Review Waste Collection Service - Green Waste [NEW]</p> <p>Introduce subscription charging for green waste collections. Subject to consultation with residents this proposal would align Cheshire East Council to most other Local Authorities in charging for the kerbside collection and subsequent disposal of Green Waste. Average charges compared to neighbouring boroughs could raise as much as £4.05m per annum. Changes following consultation would also require significant communication and engagement with residents. Changes could require food waste to be placed in black bins. Any proposal may be subject to review if government guidance is amended in relation to waste collection services.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	-0.900	-3.150		
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2022/23 Subsequent years are the incremental change from the previous year</i></p>				

Environment and Communities Committee Policy Proposals	2023/24 £m*	2024/25 £m	2025/26 £m	2026/27 £m
<p>[93] Libraries - Service Review [NEW]</p> <p>The Council is not proposing any library closures, but to ensure ongoing affordability of services across the borough this proposal would reduce current opening hours of libraries both during the week and on a Saturday, a review of the mobile library service and funding for purchase of new books and newspapers. Aligned to this and as part of the review seek options to co-locate library sites in to other facilities and at the same time move forward with opportunities for additional income generation based within these sites. Proposals would consider options to work with Town and Parish Councils to mitigate impacts where viable.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	-0.812	-0.244		
<p>[94] Pension Costs Adjustment [NEW]</p> <p>This item relates to pension contributions funded by the Council. Contributions can be reduced now. This results from a successful financial strategy to secure stability in the funding of future pension liabilities. The effect is a reduction in overheads in pay cost budgets following a change in the employer's contribution rate confirmed by the Cheshire Pension Fund.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	-0.640	-0.151	-0.159	
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2022/23 Subsequent years are the incremental change from the previous year</i></p>				

Environment and Communities Committee Policy Proposals	2023/24 £m*	2024/25 £m	2025/26 £m	2026/27 £m
<p>[95] Investment in improving the customer experience in Planning Services [MTFS 22-26 [58]]</p> <p>The Council provided temporary investment in 2022/23 to develop and implement recommendations from the Planning Deep Dive review. It included measures to help reduce the application backlog that has built up over the last two years due to above average numbers of applications, improve performance and customer experience and help retain/attract staff. This proposal removes the temporary funding from the budget.</p> <p><i>* Item represented a one-off spend in 2022/23. As it is not a permanent part of the budget the value of the proposal is reversed in 2023/24</i></p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	-0.500*			
<p>[96] Restructuring Potential [NEW]</p> <p>Vacancy management – slow down or don't fill posts across Place in non-statutory services / non-income generating posts. Reductions in staffing could result in statutory services responding more slowly where we can. To note this is a cross cutting proposal across Place and therefore actual figures may change from one committee to another.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	-0.500	-0.403		
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2022/23 Subsequent years are the incremental change from the previous year</i></p>				

Environment and Communities Committee Policy Proposals	2023/24 £m*	2024/25 £m	2025/26 £m	2026/27 £m
<p>[97] Review Closed Landfill Sites [NEW]</p> <p>The Council has responsibility for a number of closed landfill sites across the borough for which it holds a provision. The proposal relates to a risk-based review of these closed landfill sites to understand their residual liability for the coming years.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	-0.300	+0.300		
<p>[98] Move to a single contractor to maintain all Council owned green spaces (Highways and Parks) [NEW]</p> <p>Generate operational efficiencies by moving to a single contractor to maintain all Council owned green spaces. This will minimise the impact of reduction in scope of similar services currently provided, including those out-sourced.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	-0.075			
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2022/23 Subsequent years are the incremental change from the previous year</i></p>				

Environment and Communities Committee Policy Proposals	2023/24 £m*	2024/25 £m	2025/26 £m	2026/27 £m
<p>[99] Environment Strategy and Carbon Neutrality [MTFS 22-26 [56]]</p> <p>We have committed to be carbon neutral by 2025 and to influence carbon reduction across the borough. Our Environment Strategy and Carbon Action Plan sets out how we will achieve this, and the funding to enable its delivery. This is a priority for the Council as outlined in the Corporate Plan and supported by the response to consultation. This proposal is a planned reduction in budget following previous years' growth.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	-0.061			
<p>[100] CCTV [NEW]</p> <p>Opportunities for additional income generation – the £30,000 saving in 2024/25 is a current estimate but is still subject to a business case with potential additional service improvements / investment.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>		-0.030		
<p>[101] Household Waste and Recycling Centres - introduce residency checks [NEW]</p> <p>Introduce residency checks at all HWRC sites to minimise disposal costs of waste being deposited by non-Cheshire East residents.</p> <p style="text-align: right;"><i>Impact on service budget =</i></p>	-0.021			
<p><i>*Values represent a +/- variation to the Cheshire East Council approved budget for 2022/23 Subsequent years are the incremental change from the previous year</i></p>				

Revenue Budget Financial Table:

ENVIRONMENT and COMMUNITIES COMMITTEE - Summary			REVENUE BUDGET			
Budget including Policy Proposals						
Service Area	2023/24			2024/25	2025/26	2026/27
	Expenditure £000	Income £000	Net £000	Net £000	Net £000	Net £000
Environment and Neighbourhood Services	57,267	-10,638	46,629	46,357	48,092	50,015
Total Cost of Service	57,267	-10,638	46,629	46,357	48,092	50,015
Policy Proposals included above						
Environment and Neighbourhood Services	2,551	-275	2,276	-272	1,735	1,923
Financial Impact of Policy Proposals	2,551	-275	2,276	-272	1,735	1,923

Appendix 3 - Capital Programme

Environment and Communities												CAPITAL
CAPITAL PROGRAMME 2023/24-2026/27												
Scheme Description	Forecast Expenditure					Total Forecast Budget 2023/27 £000	Forecast Funding					Total Funding £000
	Prior Years £000	Forecast Budget 2023/24 £000	Forecast Budget 2024/25 £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000		Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Committed Schemes												
Environment Services												
Arnold Rhodes Public Open Space Improvements Phase 2	89	5	0	0	0	5	0	5	0	0	0	5
Barony Skate Park Refurbishment	0	100	0	0	0	100	100	0	0	0	0	100
Carbon Offset Investment	125	125	250	500	0	875	0	0	0	0	875	875
Congleton Household Waste Recycling Centre Development	35	15	0	0	0	15	0	0	0	0	15	15
Energy Improvements at Cledford Lane	845	140	0	0	0	140	0	0	0	0	140	140
Fleet Vehicle Electric Charging	65	225	179	116	0	520	0	0	0	0	520	520
Future High Street Funding - Sustainable Energy Network	302	2,275	0	0	0	2,275	2,275	0	0	0	0	2,275
Green Investment Scheme (Solar Farm)	464	3,486	0	0	0	3,486	0	0	0	0	3,486	3,486
Household Waste Recycling Centres	50	810	0	0	0	810	0	0	0	0	810	810
Litter and Recycling Bins	106	50	52	0	0	102	0	0	0	0	102	102
Park Development Fund	560	236	150	0	0	386	0	0	0	0	386	386
Pastures Wood Decarbonisation	39	12	0	0	0	12	0	0	12	0	0	12
Solar Energy Generation	20	280	13,880	0	0	14,160	0	0	0	0	14,160	14,160
Victoria Park Pitch Improvements	17	12	0	0	0	12	0	12	0	0	0	12
Total Environment Services Schemes	2,718	7,770	14,511	616	0	22,897	2,375	17	12	0	20,493	22,897
Neighbourhood Services												
Congleton Leisure Centre	12,175	50	0	0	0	50	0	0	0	0	50	50
Macclesfield Leisure Centre Improvements	3,398	467	0	0	0	467	0	0	0	0	467	467
Libraries - Next Generation - Self Service	323	51	0	0	0	51	0	0	0	0	51	51
Poynton Leisure Centre	391	2,000	2,215	0	0	4,215	0	0	0	0	4,215	4,215
Total Neighbourhood Services	16,287	2,568	2,215	0	0	4,783	0	0	0	0	4,783	4,783
Planning Services												
Replacement Planning & Building	365	45	0	0	0	45	0	0	0	0	45	45
Regulatory Services & Environmental Health ICT System	290	23	0	0	0	23	0	0	0	0	23	23
Total Planning Services	655	68	0	0	0	68	0	0	0	0	68	68
Total Committed Schemes	19,659	10,406	16,726	616	0	27,748	2,375	17	12	0	25,344	27,748
New Schemes												
Environment Services												
Fleet EV Transition	0	1,605	1,991	3,301	0	6,897	0	0	0	0	6,897	6,897
Total New Schemes	0	1,605	1,991	3,301	0	6,897	0	0	0	0	6,897	6,897
Total Environment and Communities Schemes	19,659	12,011	18,717	3,917	0	34,645	2,375	17	12	0	32,241	34,645

Appendix 4 – Revenue Grant Funding

Corporate Grants Register 2023-27	National Allocation 2022/23 £m	Revised Forecast 2022/23 £000	Forecast 2023/24 £000	Forecast 2024/25 £000	Forecast 2025/26 £000	Forecast 2026/27 £000	Treatment by CEC
SPECIFIC USE (Held within Services)							
Environment and Communities Committee							
Bikeability Grant	not available	240	240	0	0	0	Passported to providers
Enforcement Grant (Planning) - brought forward	not available	30	0	0	0	0	Allocated direct to service
Air Quality Grant - brought forward	not available	18	0	0	0	0	Allocated direct to service
Air Quality Grant scheme	not available	55	0	0	0	0	Allocated direct to service
Offensive weapons	not available	4	0	0	0	0	Allocated direct to service
Cosmetic fillers	not available	7	0	0	0	0	Allocated direct to service
Food Information Grant - Natasha's Law - brought forward	not available	1	0	0	0	0	Allocated direct to service
Food Information Grant - Natasha's Law	not available	10	0	0	0	0	Allocated direct to service
Section 31 grant - Biodiversity net gain	not available	20	0	0	0	0	Allocated direct to service
Natural England - Stewardship scheme	not available	2	0	0	0	0	Allocated direct to service
Total		387	240	0	0	0	
GENERAL PURPOSE (Held Corporately)							
Environment and Communities							
Neighbourhood Planning Grant	not available	35	0	0	0	0	Unring-fenced Grant - Held Centrally
Total		35	0	0	0	0	
Total Environment and Communities Committee		422	240	0	0	0	

Appendix 5 – Earmarked Reserves

Environment and Communities Committee

Name of Reserve	Opening Balance 1st April 2022 £000	Forecast Movement in Reserves 2022/23 £000	Opening Balance 1st April 2023 £000	Forecast Movement in Reserves 2023/24 £000	Forecast Closing Balance 31st March 2024 £000	Notes
Environment and Neighbourhood Services						
Strategic Planning	568	(287)	281	(281)	0	To meet costs associated with the Local Plan - site allocations, minerals and waste DPD.
Trees / Structures Risk Management	202	(52)	150	(50)	100	New reserve to respond to increases in risks relating to the environment, in particular the management of trees, structures and dealing with adverse weather events.
Spatial Planning - revenue grant	89	(47)	42	(14)	28	Funding IT costs over 4 years.
Neighbourhood Planning	82	(38)	44	(44)	0	To match timing of expenditure with the receipt of Government grants.
Air Quality	36	0	36	(36)	0	Air Quality Management - DEFRA Action Plan. Relocating electric vehicle chargepoint in Congleton.
Street Cleansing	26	(26)	0	0	0	Committed expenditure on voluntary litter picking equipment and electric blowers, due to be fully utilised in 2022/23.
Custom Build & Brownfield Register	19	(19)	0	0	0	Due to be fully utilised in 2022/23.
Community Protection	17	(17)	0	0	0	Due to be fully utilised in 2022/23.
Licensing Enforcement	15	(15)	0	0	0	Three year reserve to fund a third party review and update of the Cheshire East Council Taxi Licensing Enforcement Policies.
Flood Water Management (Emergency Planning)	2	0	2	(2)	0	Plans to draw down the reserve in 2023/24 relating to Public Information Works.
ENVIRONMENT AND COMMUNITIES TOTAL	1,056	(501)	555	(427)	128	