

Corporate Policy Committee

Agenda

Date:	Thursday, 20th March, 2025
Time:	10.00 am
Venue:	Capesthorne Room, Macclesfield Town Hall

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

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

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

1. **Apologies for Absence**

To note any apologies for absence from Members.

2. **Declarations of Interest**

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

3. **Minutes of Previous Meeting** (Pages 5 - 18)

To approve as a correct record the minutes of the previous meeting held on 6 February 2025.

For requests for further information

Contact: Nikki Bishop, Democratic Services Officer

Tel: 01270 686462

E-Mail: nikki.bishop@cheshireeast.gov.uk

4. **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 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.

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

5. **Service Budgets 2025/26 (Corporate Policy Committee)** (Pages 19 - 60)

To receive the allocation of approved budgets for 2025-26.

6. **Performance Report - Cheshire East Plan Q3 2024/25** (Pages 61 - 88)

To consider the report which provides oversight of organisational performance against the priorities and vision set out in the Cheshire East Plan 2024/25.

7. **Response to Government consultation for principles of Devolution in Cheshire & Warrington** (Pages 89 - 134)

To confirm the response from Cheshire East Council to the government consultation on the principles of a proposal developed by government for devolution in the Cheshire and Warrington area.

8. **Generative AI Policy Briefing** (Pages 135 - 166)

The briefing report provides an update on the use (and potential use) of Generative Artificial Intelligence by the Council and seeks approval for a new AI policy.

9. **Artificial Intelligence (AI) Deployment** (Pages 167 - 176)

To obtain permission to extend the councils corporate AI platform framework as part of the Digital acceleration and wider Transformation Programme initiatives, which will take the total spend on the CE AI Transformation contract over £1Million.

10. **Minutes of Sub-Committees** (Pages 177 - 188)

To receive the minutes of the following Sub Committees:

- General Appeals Sub Committee, 3 February 2025
- Finance Sub Committee, 9 January 2025

11. **Work Programme** (Pages 189 - 194)

To consider the Work Programme and determine any required amendments.

12. **Strategic Risk Assurance Report Q 3 2024/25** (Pages 195 - 250)

To receive an update of the activity of the strategic risk register.

13. **ASDV Review - Update on ASDV Transfer and Alliance Environmental Services Ltd** (Pages 251 - 270)

To receive an update on the transition process of the staff and services provided by the Council's two wholly owned companies ANSA Environmental Services Ltd ("ANSA") and Orbitas Bereavement Services Ltd ("Orbitas").

14. **Exclusion of the Press and Public**

The reports relating to the remaining items on the agenda have been withheld from public circulation and deposit pursuant to Section 100(B)(2) of the Local Government Act 1972 on the grounds that the matters may be determined with the press and public excluded. The Committee may decide that the press and public be excluded from the meeting during consideration of the following items pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

PART 2 – MATTERS TO BE CONSIDERED WITHOUT THE PUBLIC AND PRESS PRESENT

15. **Strategic Risk Assurance Report Q3 2024-25** (Pages 271 - 296)

To consider Appendix B.

16. **ASDV Review - Update on ASDV Transfer and Alliance Environmental Services Ltd** (Pages 297 - 318)

To consider the Part 2 report.

Membership: Councillors C Bulman, D Clark, J Clowes, S Gardiner, M Goldsmith, M Gorman (Vice-Chair), A Harrison, N Mannion (Chair), C O'Leary, J Pearson, R Chadwick, J Rhodes, J Saunders, F Wilson, M Warren and G Marshall

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CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Corporate Policy Committee**
held on Thursday, 6th February, 2025 in the Capesthorne Room, Macclesfield
Town Hall, SK10 1EA

PRESENT

Councillor N Mannion (Chair)
Councillor M Gorman (Vice-Chair)

Councillors C Bulman, D Clark, J Clowes, M Goldsmith, A Harrison,
C O'Leary, J Pearson, J Rhodes, S Gardiner, F Wilson and A Moran

OFFICERS IN ATTENDANCE

Rob Polkinghorne, Chief Executive
Janet Witkowski, Acting Governance, Compliance and Monitoring Officer
Philip Cresswell, Executive Director of Place
Adele Taylor, Interim Executive Director of Resources and S151 Officer
Karen Wheeler, Interim Assistant Chief Executive
Brian Reed, Head of Democratic Services
Gareth Pawlett, Director of Digital
Dan Coyne, Head of Integrated Commissioning
Charles Jarvis, Head of Economic Development
Sara Duncalf, Head of HR
Nikki Bishop, Democratic Services Officer

60 APOLOGIES FOR ABSENCE

Apologies were received from Councillor Jos Saunders and Mick Warren.
Councillors Stewart Gardiner and Arthur Moran were present as substitutes.

61 DECLARATIONS OF INTEREST

In the interests of openness and transparency, Councillor Stewart Gardiner declared, in relation to agenda item 8: Supporting Effective Engagement - Cheshire and Warrington Devolution, that he was the Deputy Leader of the Conservative Group.

62 MINUTES OF PREVIOUS MEETING**RESOLVED:**

That the minutes of the meeting held on 28 November 2024 be agreed as a correct record and signed by the Chair.

63 PUBLIC SPEAKING/OPEN SESSION

There were no members of the public registered to speak.

64 **THIRD FINANCIAL REVIEW 24/25**

The committee considered the report which set out the forecast outturn position for the financial year 2024/25 based on income, expenditure and known commitments as at the end of October 2024. The Third Financial Review (FR3) position shown an adverse variance of £18.3m (prior to the application of any Exceptional Financial Support - EFS) this was a slight improvement of £1.8m from FR2. The committee noted that whilst there was an improvement from the last Financial Review, the forecast overspend of £18.3m remained a significant financial challenge for the council. FR3 forecast reserves, after agreed movements budgeted for in 2024/25, were currently £14.0m, being £4.5m of General Fund Reserves and £9.5m of Earmarked Reserves. The council's level of reserves was therefore insufficient to cover the current forecast revenue outturn for the year without further action.

Table 3 (paragraph 17) of the report set out the capital programme profiling changes from FR2. It was queried why the grants and contributions figures were estimated to rise so sharply between 2025/26 – 2027/28 and if this level of grants and contributions would likely be received. Officers committed to providing a detailed breakdown via a written response.

Cllr Bulman arrived at 10.07am.

The committee noted the proposed use of EFS and reserves and also queried when government would likely give approval for the use of EFS for 2025-26. Approval had been received for the use of EFS during 2023-24 and 2024-25 however the council had requested to combine the two-years, for use in 2024/25. No confirmation had yet been received however it was anticipated that this would be received before budget setting council, also including confirmation for the EFS required for the 2025/26 year. Should approval not be granted, it was likely that the Executive Director of Resources and S151 Officer would need to consider issuing a S114 Notice.

RESOLVED:

That the Corporate Policy Committee

1. Note the factors leading to a forecast adverse Net Revenue financial pressure of £18.3m against a revised budget of £390.5m (4.7%).
2. Note the contents of Annex 1, Section 2 and review progress on the delivery of the MTFS approved budget policy change items, the RAG ratings and latest forecasts, and the actions to be taken to address any adverse variances from the approved budget.
3. Note the in-year forecast capital spending of £144.7m against an approved MTFS budget of £215.8m, due to slippage that has been re-profiled into future years.
4. Note the available reserves position as per Annex 1, Section 5.
5. Note the Capital Virements above £500,000 up to and including £5,000,000 as per Annex 1, Section 4, Table 4.

**65 MEDIUM TERM FINANCIAL STRATEGY 2025/26-2028/29
(CORPORATE POLICY COMMITTEE)**

The committee considered the report which presented the Medium-Term Financial Strategy (MTFS) for the four years 2025-26 to 2028-29. It was highlighted that the officer report had been prepared prior to the receipt of the Final Local Government Finance Settlement, which was received on Monday 3 February 2025. The Local Government Finance Settlement (LGFS) provided clarity on a number of grant contributions which were as finance officers had anticipated. Therefore, there were no material changes arising from the LGFS that needed to be reflected in the MTFS. The request for the Council to consider increasing Council Tax above the referendum limit was declined by central government and recommendation f4 would not need to be considered by the committee.

The committee noted the S151 Officer's Section 25 report which advised members on the robustness of the estimates set out in the budget and the adequacy of the proposed reserves. The low level of reserves was highlighted within the report as a significant risk that needed to be addressed urgently. The reserves strategy sets out how the level of reserves could be built up over the life of the MTFS. Robust management of the budget was critical.

The committee noted the financial implications of the transformation programme. It was suggested that a separate line in the budget for the costs associated with the transformation programme would be more helpful for members. It was highlighted that the gross transformation savings were estimated to be in the region of £72m over the period of the MTFS and that the £10.8m for digital programmes would help support and deliver on some transformation savings. Officers commented that it was important to account for costs and savings from transformation in respective service areas, but that it was intended that there would be other supporting information reported, that would show the totality of transformation savings and the costs of achieving the changes.

The MTFS set out assumptions relating to likely capital receipts over the life of the MTFS from the sale of any assets via the Disposal Programme. The committee requested detail around the assets that might be sold. The committee noted that no capital schemes had been stopped but there had been a review of the capital programme to ensure that profiling of projects was right. The committee requested detail on all projects so that they could fully understand the impact. Officers committed to providing the committee with further information on capital projects and the assets being considered through the Disposal Programme as soon as possible.

The committee debated the impact that any increase in council tax would have on residents across the borough. Members agreed that work needed to continue to ensure that the impact on vulnerable individuals was fully understood.

The committee considered the recommendations in blocks, as set out below.

RESOLVED:

That the Corporate Policy Committee notes

1. The summary results of the Budget Engagement exercise undertaken by the Council, as set out in Appendix B and the implications for the MTFS.
2. The draft report of the Council's Section 151 Officer, contained within the MTFS report, regarding the robustness of estimates and level of reserves held by the Council based on these budget proposals (Appendix A, Section 2, Section 25 Statement). *This remains a draft report and will be finalised following a recommendation by the Corporate Policy Committee to Full Council.*
3. The Council's Finance Procedure Rules remain unchanged and will always apply to ensure proper approval should any changes in spending requirements be identified (Appendix A, Annex 9).
4. The report includes a change in MRP Accounting Policy, with effect from 1 April 2024 the effects for 2025/26 being reflected in the MTFS (Appendix A, Annex 5, Section 3, para 5.52).

That the Corporate Policy Committee recommends that Full Council notes:

5. The report of the Council's Chief Finance Officer (Section 151 Officer), contained within the MTFS report, regarding the robustness of estimates and level of reserves held by the Council based on these budget proposals (Appendix A, Section 2, Section 25 Statement).

RESOLVED (by majority)

That the Corporate Policy Committee recommends that Full Council:

6. Approve the Revenue estimates for the 2025/26 budget (Appendix A, Section 2, Overview) and the medium-term Capital Programme estimates 2025-2029, as detailed in the Medium-Term Financial Strategy report (MTFS) 2025-2029 (Appendix A, Section 2, Capital budget).

RESOLVED (by majority)

That the Corporate Policy Committee recommends that Full Council:

7. Approve the setting of B and D Council Tax of £1,882.04 representing an increase of 4.99%. This is below the referendum limit (including 2% ringfenced for Adult Social Care) and arises from the provisional finance settlement (Appendix A, Section 1, Key Funding Assumptions).

RESOLVED (by majority)

That the Corporate Policy Committee recommends that Full Council:

8. Approve the utilisation of up to £25.3m conditional EFS (Capitalisation Direction) via borrowing to balance the 2025/26 budget shortfall (as reflected in Appendix A, Section 2, Balancing the Budget) and to delegate to the Chief Finance Officer (Section 151 Officer) to review the basis of funding through the 2025/26 year and report to the appropriate committee any recommended change to the funding basis of the EFS. The 2024/25 planned use of Flexible Capital Receipts is increased to £1.518m, an increase of £0.518m from the £1m approved in the 2024-28 Medium-Term

Financial Strategy Report to fund transformational projects within the Council (Appendix A, Section 1, Key Funding Assumptions).

9. Approve the 2025/26 planned use of Flexible Capital Receipts as £1.0m (Appendix A, Annex 5, Section 3).
10. Approve the allocation of Revenue Grant Funding for 2025/26 of £397.080m (Appendix A, Annex 3), and delegates authority to the Chief Finance Officer, to approve supplementary estimates if the value of any named grant changes from the figures contained within Appendix A, Annex 3 (noting that all such variations will subsequently be reported to the appropriate committee, and that any new, previously unnamed, grants are subject to approval in-line with the Constitution).
11. Approve the allocation of Capital Grant Funding for 2025/26 of £99.122m (Appendix A, Annex 4), and delegates authority to the Chief Finance Officer, to approve supplementary estimates if the value of any named grant changes from the figures contained within Appendix A, Annex 4 (noting that all such variations will subsequently be reported to the appropriate committee, and that any new, previously unnamed, grants are subject to approval in-line with the Constitution).
12. Approve the Capital Strategy (Appendix A, Annex 5).
13. Approve the Prudential Indicators for Capital Financing (Appendix A, Annex 5).
14. Approve the Investment Strategy; including the financial limits for various classifications of investment, and the investment decision making process set out in the Strategy (Appendix A, Annex 6).
15. Approve the Treasury Management Strategy (Appendix A, Annex 7) and the Minimum Revenue Position (MRP) Statement for 2025/26 to 2028/29 (Appendix A, Annex 5) which includes a change in the MRP Policy, with effect from 1 April 2024.
16. Approve the Reserves Strategy (Appendix A, Annex 8), which includes proposed movements to and from reserves.

That Council recognises that Corporate Policy Committee considered:

17. The Budget Engagement exercise undertaken by the Council, as set out in the attached (Appendix B) and the results contained within that report.

The meeting adjourned for a short break at 11.05 and reconvened at 11.15 am

66 CHESHIRE EAST CORPORATE PLAN 2025-29

The committee considered the report on the Cheshire East Corporate Plan 2025-29. The Plan set out the council's overall vision and commitments for the borough and provided clarity of purpose and strategic direction for the organisation, residents and partners and aligned to the Medium-Term Financial Strategy.

The committee welcomed the draft plan and its aspiration to ensure effective and responsive governance, compliance and evidence-based decision-making across the council.

It was highlighted that Page 4 of the draft Plan referenced 500 plus services and it was suggested that this be removed until such a time a full list of services provided by council could be composed. It was confirmed that this page on the plan would be further developed. It was agreed that this page should also include reference to the Rail Industry in Crewe.

A friendly amendment in relation to recommendation 2 was proposed and accepted by the committee, as set out below.

'That the Corporate Policy Committee delegates authority to make any final amendments to the Interim Assistant Chief Executive in consultation with the council's Group Leaders prior to submission to Full Council'

RESOLVED (unanimously):

That the Corporate Policy Committee

1. Agree the draft Cheshire East Plan 2025-29 at Appendix 1.
2. Delegate authority to make any final amendments to the interim Assistant Chief Executive in consultation with the Council's Group Leaders prior to submission to Full Council.
3. Support the development of an annual delivery plan as part of a new corporate performance management framework.
4. Agree that the committee receives at least quarterly updates on progress with the Cheshire East Plan 2025-29 and delivery plan.
5. Recommends to Full Council the Cheshire East Plan 2025-29 as amended in accordance with the delegation set out in recommendation 2.

67 SUPPORTING EFFECTIVE ENGAGEMENT: CHESHIRE AND WARRINGTON DEVOLUTION

The committee considered the report which provided an update on Cheshire and Warrington Devolution. The report proposed that the membership of the Member Reference Group for Devolution be expanded to broaden the advice and guidance provided to officers, and also sought approval to proposed amendments to the Cheshire and Warrington Joint Committee terms of reference, to allow the arrangements for the Chair and Vice Chair of the Joint Committee to continue for a further year.

It was noted that the Member Reference Group had no Councillor representative from Crewe. The Leader, a member of both the Reference Group and Crewe Town Board, provided assurance that Crewe would continue to be key on the devolution agenda as a principal town for Cheshire East.

Some concerns were raised in relation to the decision-making functions of the Joint Committee and its role to approve capital expenditure. To date, no government transition funding had been announced and permission had been granted to transfer monies from Enterprise Zones to fund the devolution process. The committee sought assurance that monies identified for Enterprise Zone projects were not being inappropriately diverted. Concerns were raised at the last Finance Sub Committee in relation to the delivery programme of Enterprise Cheshire and Warrington (key projects/activities/timelines). It was agreed that a written response would be circulated to the committee. It was requested that any response be published on the council website and shared with members of the Economy and Growth Committee.

The committee discussed Mayoral Candidacy, and concerns were raised in relation to those who may have a conflict of interest should they decide to stand as a candidate for Mayor. The Monitoring Officer confirmed that the issue was being monitored by the Monitoring Officer Governance Workstream and advice would be given as appropriate to individuals in due course.

RESOLVED (unanimously):

That the Corporate Policy Committee recommends that Full Council

1. Approves the expansion of the membership of Member Reference Group (MRG) to include the Deputy Leader of the Conservative Group. This will increase its membership to seven.
2. To approve the Deputy Leader of the Liberal Democrat Group to attend as a substitute to the MRG, in the event that the Leader of the Group cannot.
3. That the MRG continues to provide guidance and advice towards identifying a devolution proposal for Cheshire and Warrington, enabling officers to further progress opportunities and discussions with government officials.
4. Authority be delegated to the MRG, to make any further amendments to its membership, such amendments to be approved by a majority of the members of the MRG.
5. The Terms of Reference for the Cheshire and Warrington Joint Committee be amended to extend the rotation of the current Chair (Cheshire West and Chester Council) for a further 12 months to May 2026 and amend accordingly the dates for the following rotations by the same period, including the Vice Chair, as set out in the attached Appendix 1.

68 UK SHARED PROSPERITY FUND TRANSITION YEAR 25/26

The committee considered the report which provided an update on the allocation of an additional year of funding under the UK Shared Prosperity Fund for 2025-26.

The committee queried the proposed split of the UKSPF 25/26 funding which proposed to allocate £151,067 for Fund Management and Administration and sought assurances on how this would be spent. It was confirmed that the costs

would cover a wide range of administrative roles including the employment of independent appraisals of projects and evaluations, accountants, lawyers and other officers across the corporate team.

The committee noted that no announcement had yet been made regarding the separately allocated Rural England Prosperity Fund and queried what impact this could have on the projects that the council managed. It was confirmed that officers continued to work with MHCLG and the Department for Environment Food and Rural Affairs on this matter.

It was acknowledged the difficulties that government parameters caused when allocating and spending funding, particularly for Town and Parish Councils. It was agreed that this should be raised with colleagues in MHCLG where possible.

RESOLVED (unanimously):

That the Corporate Policy Committee

1. Approve the split of the UKSPF 25/26 allocation as follows: £151,067 for Fund Management and Administration, £1,771,000 for Communities and Place Initiatives, £1,302,000 for Supporting Local Business Initiatives and £566,170 for People and Skills Interventions.
2. Approve the use of £566,170 of the People and Skills allocation for the continuation of employment support for economically inactive people, and the use of £500,000 of the Communities and Place allocation for the continuation of Macclesfield Market Refurbishment, such allocations to be embedded into the MTFS.
3. Delegate authority to the Director of Growth & Enterprise to manage the Cheshire East UKSPF programme, taking all necessary actions in the interests of maximising the impacts of the fund aligned to the fund parameters and local priorities, including but not limited to allocation of remaining funds to specific interventions, and reallocation of funds and movement of revenue funds to capital if required

69 PAY POLICY STATEMENT 2025-26

The committee considered the report which outlined the Pay Policy Statement 2025-26 which would be recommended to Full Council for approval. The committee noted the changes to the Pay Policy Statement as set out within Section 11 of the officer report.

The committee thanked officers for their work on this matter.

RESOLVED (unanimously):

That Corporate Policy Committee

1. Note the changes to the Pay Policy Statement as outlined in section 11 of the report.

2. Recommend to Full Council on 26 February 2025 that Council approve:

- a) the Pay Policy Statement for 2025/26.
- b) for the Pay Policy Statement 2025/26, any in-year changes are approved by the Council's Monitoring Officer and published accordingly.

70 ABSENCE MANAGEMENT POLICY AND PROCEDURE

The committee considered the report which outlined changes to the council's Absence Management Policy and Procedure. The changes to the policy and procedure would allow better support to those suffering with long term health conditions, be easier to follow and provide more flexibility.

The committee welcomed the revisions to the policy however agreed that communication with individuals who were suffering with mental health problems should be considered very carefully as to ensure that the wellbeing of the individual is not worsened.

It was highlighted that the amended policy did not refer to Veterans within the scope of 'Special Cases'. It was confirmed that whilst it was not explicit in the policy, the background of these individuals would be captured under the revisions of the revised policy which would provide more flexibility to individual circumstances. Officers agreed to ensure this aspect was picked up as part of the roll-out of training and guidance documents with managers across the organisation to ensure that the Armed Forces Covenant Gold Award standards was maintained.

It was queried if the list of special cases should also include the issue of menopause given the impact that menopause can have on a women's working life. Officers committed to providing a written response but confirmed that there was a separate policy on this issue.

RESOLVED (unanimously):

That the Corporate Policy Committee

1. Approve the changes to the Absence Management Policy and Procedure.

71 NOTICE OF MOTION - COUNCIL DECISION MAKING AND GOVERNANCE

The committee considered the report, prepared in response to a Notice of Motion submitted to Full Council on 16 October 2024 relating to the governance and decision-making of the council. The report also provided background information upon the recommendations of the LGA Peer Challenge report which proposed that the council 'urgently review its decision-making framework'.

Councillor Mannion addressed the committee as the Proposer of the Motion and stated that this was an area raised by LGA Corporate Peer Challenge and something that the LGA would continue to closely monitor. Councillor Mannion

proposed the recommendations in the report, subject to an amendment to Recommendation 1, which was supported by the committee, as set out below.

'that a politically proportionate Task and Finish Group be established to drive forward the council's review of its decision-making and governance arrangements, comprising nine members (4 Conservative: 3 Labour: 2 Independent with a standing invitation to a representative of the Liberal Democratic Group to attend on a non-voting basis)'.

Cllr Mannion stated that the key challenges for the Task and Finish Group would be to ensure that the council was making good decisions, timely decisions and undertaking effective scrutiny.

It was agreed that appointing members to the Task and Finish Group would be a matter for each political group to consider however the committee agreed that it would be advantageous for the Task and Finish Group to comprise of some members of the Constitution Working Group who would be able to offer guidance and experience on any constitutional changes that may arise.

Councillor Gorman addressed the committee as the Seconder of the Motion and spoke in relation to the recommendations of the LGA Corporate Peer Review Report and the importance of progressing this work as soon as possible to improve the current governance framework model.

The committee agreed that the work of the Task and Finish Group needed to progress quickly to identify improvements that could be made to the current system to address the issues raised by the LGA Peer Review, with updates scheduled as a standing item on future Corporate Policy Committee agendas. Members raised concerns around the length of time it would take to approve and implement any constitutional change. It was suggested that the first set of improvements identified be considered formally by the Corporate Policy Committee in June 2025, to enable a decision to be made at Full Council in July.

RESOLVED (unanimously):

That the Corporate Policy Committee

1. That a politically proportionate Task and Finish Group be established to drive forward the council's review of its decision-making and governance arrangements, comprising nine members (4 Conservative: 3 Labour: 2 Independent with a standing invitation to a representative of the Liberal Democratic Group to attend on a non-voting basis).
2. Approve the terms of reference the Task and Finish Group as set out in Appendix 9 to this report.
3. Agree the Scope of the review, as set out in Appendix 8 to this report.
4. Agree adapted Design Principles as set out in part 2 of Appendix 3 to this report.
5. Note the progress made so far to improve existing arrangements, including changes to scrutiny work programming, scrutiny training and officer reporting, and call for officers to identify and report to the Working

Group upon further immediate improvements which might be made, where these can be identified (paragraphs 3.17 onwards refer).

6. Note the indicative review process, as set out in Appendix 5 to this report.
7. Agree that reports will be brought back to the Committee upon such improvements as are referred to in Recommendation 5, as well as upon the progress of the review.

72 NOTICE OF MOTION – BROADCASTING AND RECORDING EQUIPMENT

The committee considered the report, prepared in response to a Notice of Motion submitted to Full Council on 16 October 2024 relating to the broadcasting and recording equipment used at committee meetings.

Councillor J Clowes read out a statement on behalf of Councillor L Wardlaw, the Proposer of the Motion, who was unable to attend the meeting. Councillor Wardlaw raised concerns in relation to the financial quotations relating to improvements to the council's broadcasting and recording equipment and suggested that there were a number of simple, low/no cost options available to improve the council's audio/recording offer. Other options not mentioned in report included offering instructions on effective microphone techniques, methods of improving sound in rooms including reducing echo. It was felt that there were a lot of options that could be considered and implemented without the need to spend vast amounts of monies.

The committee discussed the various options set out within the report and agreed that further work was needed in order to make a decision. The committee agreed to defer the report and asked that officers consider the comments provided by the committee, as summarised below.

- The quotes provided within the report seemed significant, and members were unsure what the quotes included. It was agreed that a review of the quotes provided was needed and that 'less expensive' options should be sourced for members to consider.
- It was felt that a Committee Suite should be developed in the North of the Borough and that this should be the Capesthorne Room.
- AI options to be considered.
- Archiving facilities to be reviewed to ensure that these were accessible and could be easily located by members of the public and councillors.
- Consultation and engagement with Elected Members was needed to provide clarity on what facilities members wanted to see implemented (including the types of technology and the preferred venue for meetings).
- Options for portable equipment to be explored to allow council meetings to be held in community buildings across the borough.
- Consider the options for leasing equipment – in light of changing technology.

RESOLVED (unanimously):

That the Corporate Policy Committee

1. Note the content of the report and ask officers to undertake further consultation and engagement with members and report back to a future meeting.

73 NOTICE OF MOTION - AGREED FRAMEWORK FOR DELIVERY OF SERVICES AT A LOCAL LEVEL

The committee considered the report, prepared in response to a Notice of Motion submitted to Full Council on 16 October 2024 which proposed that the council developed an agreed framework for delivery of services at a local level.

The committee queried the capacity of the Cheshire Association of Local Councils (ChALC) to support and co-produce the framework. The council had a positive long-standing relationship with ChALC, and assurance was provided that ChALC had both the capacity and expertise to help develop the framework.

The committee agreed that planning and early conversations with Town and Parish Council's was essential to ensure that any additional responsibilities could be factored into the budget setting process, and to enable a proper assessment of the wider impacts and local needs.

The committee noted the difficulties faced by rural Town and Parishes and agreed that it would be beneficial for these parishes to consider coming together to work collaboratively as a consortium.

It was agreed that the Association of Town Clerks should be involved in the development of the framework.

RESOLVED (by majority):

That the Corporate Policy Committee.

1. Agree the development of a framework for delivery of services at a local level, as set out within the report.
2. Agree the proposed approach to develop the framework utilising the toolkit outlined.
3. Agree that support and capacity be provided by Cheshire Association of Local Council to coproduce and implement the framework.

74 CALENDAR OF MEETINGS 2025-2026

The committee considered the draft calendar of meetings for the council municipal year 2025-26 and a draft calendar of dates of meetings for the period June – October 2026.

A friendly amendment was proposed, and supported by the committee, in relation to recommendation 3. As set out below.

'That each committee determine whether their committee meetings during the 2025-26 municipal year should include twilight meetings, which should start no earlier than 5.30pm'.

It was agreed that there needed to be consistency around the start-time of twilight meetings and that such meetings would be vital to assisting working members and members with caring commitments.

Members referred to the proposed dates for Full Council meetings and requested that under no circumstances were these dates changed as changes to these meetings caused working members great difficulty in attending and ensuring they maintained their councillor attendance record.

RESOLVED (unanimously):

That the Corporate Policy Committee recommend to Full Council

1. The approval of the draft calendar of meetings for Cheshire East Council for the municipal year 2025-26 and that the draft calendar for June to October 2026 be noted.
2. That the start time for morning meetings, excluding Full Council, be 10.30am.
3. That each committee determine whether their committee meetings during the 2025-36 municipal year should include twilight meetings, which should start no earlier than 5.30pm.

75 WORK PROGRAMME

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

1. Governance Task and Finish Group Feedback to be included as a standing item on future Corporate Policy Committee agendas.
2. Governance Task and Finish Group: immediate changes to be presented to the Corporate Policy Committee on 12 June, to ensure any changes could be considered by Full Council in July.
3. Framework for Delivery of Local Services: Update on the implementation of the framework to be added to the Corporate Policy Committee Work Programme (approx. 3 months).

RESOLVED:

That the Work Programme be received and noted.

76 MINUTES OF SUB-COMMITTEES

RESOLVED:

That the minutes of the Finance Sub Committee held on 7 November 2024 be received and noted.

77 ICT SHARED SERVICE - HYBRID OPERATING MODEL UPDATE

The committee considered the report which set out progress on the mobilisation and designs for a new hybrid model for ICT Shared Services and to seek approval to proceed to formal consultation with staff.

The committee queried the links between the workstream and the transformation programme. It was confirmed that InnerCircle colleagues had been engaged throughout the process and had undertaken a deep dive into ICT and service designs ensuring there would be the right capacity, in the right organisation, minimising any impact on the delivery of transformation during the redesign process.

The committee agreed that this was a significant piece of shared services work, and that whilst updates were provided to the Shared Services Joint Committee, it would be beneficial to engage and re-establish the ICT Joint Scrutiny Working Group which had not met for a significant time. Officers committed to taking this away and providing a written response.

The Chair proposed an amendment to the recommendations, to request that an update report be added to the committee Work Programme during Q1 of 2025-26. This was supported by the committee.

RESOLVED (unanimously):

That the Corporate Policy Committee

1. Note the progress made by the programme, in delivering the new hybrid model for ICT.
2. Approve that the programme moves into formal consultation with trade unions and staff on the disaggregation process and proposed new structure for Cheshire East Council.
3. Delegate authority to the Executive Director of Resources and S151 Officer to implement the revised structure following consultation.
4. Note the potential financial impact of the new service designs and the existing commitment to a shared liability for all costs.
5. A further update report be added to the Work Programme during Q1 2025-26.

The meeting commenced at 10.00 am and concluded at 2.23 pm

Councillor N Mannion (Chair)

OPEN

Corporate Policy Committee

20 March 2025

Service Budgets 2025/26 (Corporate Policy Committee)

Report of: Adele Taylor, Interim Executive Director of Resources (s151 Officer)

Report Reference No: CP/22/24-25

Ward(s) Affected: All Wards

Purpose of Report

- 1 This report sets out the allocation of the approved budgets for 2025/26 to the Corporate Policy Committee.
- 2 The report contributes to the commitment of being an effective and enabling Council.

Executive Summary

- 3 The Medium-Term Financial Strategy (MTFS) for Cheshire East Council for the four years 2025/26 to 2028/29 was approved by full Council on 26 February 2025.
- 4 Service committees are being allocated budgets for 2025/26 in line with the approved MTFS. The financial reporting cycle will provide regular updates on progress on delivery of the budget change items, the forecast outturn position, progress on capital schemes, movement on reserves and details of any supplementary estimates and virements.
- 5 The financial reporting timetable for 2025/26 was approved by Finance Sub-Committee on 10 March 2025 and is included at Annex B.
- 6 Following on from the implementation in 2024/25, in addition to the usual comprehensive reporting at First, Second and Third Financial Reviews (September, November and January cycles) and in recognition of the Council's continuing challenging financial position and the

importance of achieving a balanced outturn, service committee meetings during 2025/26 will continue to receive an update report on the delivery of the approved budget change items. This will be based on the Section 2 items shown in Annex A, for each respective committee, and will include RAG-rating and accompanying commentary in respect of each item.

RECOMMENDATIONS

The Corporate Policy Committee is recommended:

1. To note the decision of the Finance Sub-Committee to allocate the approved revenue and capital budgets, related budget changes items and earmarked reserves to the Corporate Policy Committee, as set out in Annex A.
2. To note the financial reporting timetable for 2025/26 set out in Annex B as approved at Finance Sub-Committee on 10 March 2025.

Background

- 7 All councils are legally required to set a balanced budget each year. The MTFS for 2025-29 was approved by full Council on 26 February 2025.
- 8 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 for 2025/26 with the use of Exceptional Financial Support. The report also highlights the factors taken into account in arriving at this judgement including relevant financial issues and risks facing the Council during the medium term.
- 9 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 Finance Procedure Rules.
- 10 To support accountability and financial control under the committee system the 2025/26 budget is being reported across the service 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.

- 11 Each committee function has been associated with a Director budget. Budget holders are responsible for budget management. Where a team supports multiple Directorates (most notably in Corporate Services) the budget remains with the Service Director and is not split; for example, Governance and Democratic Services budgets are aligned to the Corporate Policy Committee even though the activities of the team relate to services provided to all Directorates of the Council.
- 12 The financial alignment of budgets to each Committee is set out in Table 1 with further details in Annex A.

Table 1: Revenue and capital budgets allocated to service committees as per the approved MTFS				Capital Budget	Total Revenue and Capital Budget
Service Area	Expenditure £000	Income £000	Net Budget £000	£000	£000
Adults and Health	252,154	-92,705	159,449	389	159,838
Children and Families	107,383	-10,095	97,288	37,723	135,011
Corporate Policy	108,802	-66,014	42,788	12,745	55,533
Corporate Policy – Council Wide Transformation	-12,702	-750	-13,452		-13,452
Economy and Growth	38,144	-9,703	28,441	36,081	64,522
Environment and Communities	68,964	-23,263	45,701	19,357	65,058
Highways and Transport	28,370	-11,469	16,901	66,782	83,683
Finance Sub – Central	54,012	-3,492	50,520		50,520
Total Cost of Service	645,127	-217,491	427,636	173,077	600,713
Total Funding		-402,375	-402,375		
Exceptional Financial Support	-25,261		-25,261		
Net Position	619,866	-619,866	-		

- 13 The MTFS 2025-29 includes a net revenue budget of £402.4m and an approved capital programme of £173.0m for the financial year 2025/26. Further details on the schemes within the capital programme are provided in Annex A.
- 14 Annex A sets out the list of budget change items that were approved as part of the MTFS. All budget changes must be successfully delivered during 2025/26 to avoid a further overspend in the coming financial

year. Detailed monitoring of these items will continue at every reporting opportunity and the Council's reporting 'masterplan' and committee work programmes will reflect reporting on the monitoring and delivery of all MTFS change items, including matters requiring consultation and/ or decisions. This will ensure regular reporting to Corporate Leadership Team and all service committees on implementation of the MTFS and achievement of savings, throughout the coming year. In addition to reporting at the formal 'financial review' points in the year, other progress reports will be scheduled for reporting to particular service committees, on their items as appropriate.

- 15 Annex A sets out the capital programme tables by committee. The four-year capital programme includes investment plans of around £0.6bn. It is proposed that it will be funded through a mixture of Government grants, contributions from other external partners and Council resources. During 2024/25 all schemes requiring borrowing as part of their funding have been subject to review with a view to reducing their impact on the revenue budget and this has mainly been achieved through reprofiling and some budget reductions. There remains a significant amount of borrowing required to fund the programme in 2025/26 and the Capital Programme Board will provide review of and challenge to projects with a view to reducing the revenue cost impact.
- 16 The 2025/26 budget was approved at full Council in February 2025 including the use of up to £25.3m of Exceptional Financial Support to balance the overall budget, as expenditure outweighed the income forecast. Further information on this can be found in the MTFS, Appendix A, Section 2.

Transformational savings

- 17 During 2024/25, in developing this MTFS, the Council has worked with an external partner, Inner Circle, to develop a Transformation Plan. The Transformation Plan is designed to ensure that Council can deliver sustainable services and support infrastructure projects that reflect 'whole life' costs. The production and implementation of a Transformation Plan to deliver key Council objectives and secure the medium-term financial position is also a pre-condition of MHCLG approving the Council's bid for Exceptional Financial Support.
- 18 The Transformation Plan will support the delivery of approved/proposed savings, cost avoidance, cost mitigation and identify new savings for the coming years. There are six programmes within the plan agreed in 2024/25, each containing a range of projects and other initiatives across:
 - Workforce

- Social Care
- Place
- Early Intervention and Prevention
- Digital
- Special Projects

The approved Transformation Plan can be accessed here:

<https://moderngov.cheshireeast.gov.uk/ecminutes/documents/s119437/Transformation%20Plan%20V1%20Final%20CPC%20003.pdf>

- 19 The revenue and capital implications for growth, investment and savings associated with the above initiatives have been reflected in the MTFS 2025-29. For the financial year 2025/26, there are 19 Transformation projects which are also MTFS approved budget changes; in total these will deliver net budget savings of £24.4m for 2025/26. Within this total budget saving, there are £13.452m of Council wide cross cutting savings which are held centrally; work is continuing to refine how these savings will be delivered in detail and these savings will be allocated to service committee budgets as soon as possible.
- 20 Progress on the delivery of Transformation projects and their associated budget savings will be reported on a monthly basis to the Council's Transformation Board. In addition, all Transformation savings will form an integral part of the Council's existing comprehensive financial reporting process which is set out in paragraph 13.
- 21 The headline reserves table, as included in the MTFS, is shown below:

	Opening Balance 2024/25 £m	Forecast Closing Balance 2024/25 £m	Forecast Closing Balance 2025/26 £m	Change from closing 2024/25 £m
General Reserves	5,580	3,696	5,000	1,304
Earmarked Reserves**	32,277	11,539	9,386	-2,153
Total Revenue Reserves	37,857	15,235	14,386	-849

* Closing and Opening balances are dependent on outturn at 31 March 2025.

** All remaining Earmarked reserves, excluding those held for ring-fenced purposes or forecast for use in 2025/26, are being transferred into the General Fund reserve during 2024/25 to support the forecast deficit position.

- 22 The detail behind the earmarked reserve balances included in the table above, for the Corporate Policy Committee, is set out in Annex A.
- 23 Further background information on the reserves balances is available in the Reserves Strategy and the S.25 statement which was approved as

part of the MTFS for 2025/26 at the Council meeting on 26 February (MTFS - Appendix A, Annex 8 (Reserves Strategy) and Page 42 (S.25 statement)).

- 24 The table below summarises the estimated four-year position, as included in the MTFS. Early work on business planning for 2026/27 and future years will continue, as part of the Transformation Programme.

	Approved Net Budget 2025/26 £m	Estimated Net Budget 2026/27 £m	Estimated Net Budget 2027/28 £m	Estimated Net Budget 2028/29 £m
Total Service Expenditure	377.1	362.6	356.3	366.1
Central Budgets:				
Capital Financing	35.0	38.8	41.9	43.2
Income from Capital Receipts	-1.0	-1.0	-1.0	-1.0
Bad Debt Provision (change)	-0.1	-0.1	-0.1	-0.1
Contingency Budget	16.0	30.9	42.8	55.7
Risk Budget	0.0	3.8	2.0	0.8
Pension adjustment	-0.7	-0.7	-0.7	-0.7
Use of Reserves	1.3	5.0	8.9	8.9
Total Central Budgets	50.5	76.6	93.7	106.9
TOTAL: SERVICE + CENTRAL	427.6	439.3	450.0	473.0
Funded by:				
Council Tax	-307.3	-325.6	-345.0	-365.5
Business Rates Retention	-57.1	-57.1	-57.1	-57.1
Revenue Support Grant	-0.8	-0.8	-0.8	-0.8
Specific Unringfenced Grants	-37.1	-34.1	-34.1	-34.1
TOTAL: FUNDED BY	-402.4	-417.7	-437.0	-457.6
Exceptional Financial Support - Capitalisation Direction	-25.3			
FUNDING POSITION	0.0	21.6	13.0	15.4

Note – table may not add across/down due to roundings

Consultation and Engagement

- 25 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.

- 26 The Medium-Term Financial Strategy has been developed during 2024 and an online budget engagement survey was published on 19 December 2024.

Reasons for Recommendations

- 27 In accordance with the Cheshire East 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.
- 28 The Sub-Committee is responsible for allocating budgets across the service committees. This responsibility includes the allocation of revenue and capital budgets as well as relevant earmarked reserves.
- 29 The Sub-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.

Other Options Considered

- 30 Not applicable.

Implications and Comments

Monitoring Officer/Legal

- 31 The legal implications surrounding the process of setting the 2025 to 2029 Medium-Term Financial Strategy were dealt with in the reports relating to that process.

Section 151 Officer/Finance

- 32 Contained within the main body of the report.

Policy

- 33 The Cheshire East Plan sets the policy context for the MTFS and the two documents are aligned. Any policy implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

Commitment 3: An effective and enabling council
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Equality, Diversity and Inclusion

- 34 Under the Equality Act 2010, decision makers must show ‘due regard’ to the need to:
- 35 - Eliminate unlawful discrimination, harassment and victimisation;
- 36 - Advance equality of opportunity between those who share a protected characteristic and those who do not share it; and
- 37 - Foster good relations between those groups.
- 38 The protected characteristics are age, disability, sex, race, religion and belief, sexual orientation, gender re-assignment, pregnancy and maternity, and marriage and civil partnership.
- 39 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.
- 40 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.
- 41 Positive impacts include significant investment in services for children and adults (protected characteristics primarily age and disability).
- 42 The Cheshire East 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.

Human Resources

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

Risk Management

- 44 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 2025/26 budget and the level of general reserves

were factored into the 2025/26 financial scenario, budget and reserves strategy.

Rural Communities

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

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

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

Public Health

47 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.

Climate Change

48 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.

Access to Information	
Contact Officer:	<p>Adele Taylor</p> <p>Interim Executive Director of Resources Services (Section 151 Officer)</p> <p>adele.taylor@cheshireeast.gov.uk</p>
Appendices:	<p>Annex A - Allocation of revenue and capital budgets, budget change items and earmarked reserves to service committees</p> <p>Annex B – Draft Financial Reporting Timetable 2025/26</p>
Background Papers:	<p>The following are links to key background documents:</p> <p>Medium-Term Financial Strategy 2025-2029</p>

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Service Budgets 2025/26

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Section 1: Allocation of Revenue and Capital Budgets 2025/26

Cheshire East Council - Summary	Revenue Budget			Capital Budget	Total Revenue and Capital Budget
Service Area	Expenditure £000	Income £000	Net Budget £000	£000	£000
Adults and Health	252,154	-92,705	159,449	389	159,838
Children and Families	107,383	-10,095	97,288	37,723	135,011
Corporate Policy	108,802	-66,014	42,788	12,745	55,533
Corporate Policy – Council Wide Transformation	-12,702	-750	-13,452		-13,452
Economy and Growth	38,144	-9,703	28,441	36,081	64,522
Environment and Communities	68,964	-23,263	45,701	19,357	65,058
Highways and Transport	28,370	-11,469	16,901	66,782	83,683
Finance Sub – Central	54,012	-3,492	50,520		50,520
Total Cost of Service	645,127	-217,491	427,636	173,077	600,713
Total Funding		-402,375	-402,375		
Exceptional Financial Support	-25,261		-25,261		
Net Position	619,866	-619,866	-		

Adults and Health	Revenue Budget			Capital Budget	Total Revenue and Capital Budget
Service Area	Expenditure £000	Income £000	Net Budget £000	£000	£000
Directorate	515	-8,379	-7,864		-7,864
Adult Social Care Operations	214,610	-47,056	167,554	389	167,943
Commissioning	17,407	-17,648	-241		-241
Public Health	19,622	-19,622	-		-
Total Cost of Service	252,154	-92,705	159,449	389	159,838

Children and Families	Revenue Budget			Capital Budget	Total Revenue and Capital Budget
Service Area	Expenditure £000	Income £000	Net Budget £000	£000	£000
Directorate	6,391	-1,125	5,266		5,266
Family Help and Children's Social Care	61,865	-1,448	60,417	3,061	63,478
Education, Strong Start and Integration	36,365	-7,491	28,874	34,662	63,536
Commissioning, QA and Partnerships	2,762	-31	2,731		2,731
Total Cost of Service	107,383	-10,095	97,288	37,723	135,011

Corporate Policy	Revenue Budget			Capital Budget	Total Revenue and Capital Budget
Service Area	Expenditure £000	Income £000	Net Budget £000	£000	£000
Resources (Finance)	58,887	-47,831	11,056	1,021	12,077
Governance and Compliance Services	15,499	-4,155	11,344		11,344
Resources (People)	6,022	-461	5,561		5,561
Resources (Digital)	24,414	-12,719	11,695	11,724	23,419
Assistant Chief Executive	3,980	-848	3,132		3,132
Total Cost of Service	108,802	-66,014	42,788	12,745	55,533

Corporate Policy – Council Wide Transformation	Revenue Budget			Capital Budget	Total Revenue and Capital Budget
Service Area	Expenditure £000	Income £000	Net Budget £000	£000	£000
Transformation Programme - Council Wide	-12,702	-750	-13,452		-13,452
Total Cost of Service	-12,702	-750	-13,452		-13,452

Economy and Growth	Revenue Budget			Capital Budget	Total Revenue and Capital Budget
Service Area	Expenditure £000	Income £000	Net Budget £000	£000	£000
Directorate	303		303		303
Assets	3,078	-2,587	491	2,250	2,741
Growth and Enterprise Management	147		147		147
Facilities Management	17,702	-270	17,432	5,927	23,359
Farms	437	-785	-348		-348
Economic Development	1,985	-551	1,434	12,854	14,288
Housing	3,996	-414	3,582	6,893	10,475
Rural and Cultural Management	165		165	8,157	8,322
Tatton Park	5,653	-4,445	1,208		1,208
Green Infrastructure	2,124	-302	1,822		1,822
Cultural Economy	1,113		1,113		1,113
Visitor Economy	558	-349	209		209
Pay Inflation	883		883		883
Total Cost of Service	38,144	-9,703	28,441	36,081	64,522

Environment and Communities	Revenue Budget			Capital Budget	Total Revenue and Capital Budget
Service Area	Expenditure £000	Income £000	Net Budget £000	£000	£000
Director of Environmental and Neighbourhood Services	143		143		143
Development Management	4,471	-2,767	1,704		1,704
Building Control	1,222	-918	304		304
Local Land Charges and Planning Support	748	-407	341		341
Strategic Planning	1,436		1,436		1,436
Neighbourhood Planning	283	-220	63		63
Environmental – Commissioning ANSA*	45,037	-1,745	43,292	14,217	57,509
Environmental – Commissioning Orbitas*	2,094	-2,927	-833	600	-233
Environmental – Management Services	2,207	-12,290	-10,083	3,540	-6,543
Regulatory Services	4,050	-1,228	2,822		2,822
Libraries	3,329	-297	3,032		3,032
Leisure Commissioning	948	-420	528	1,000	1,528
Emergency Planning	237	-61	176		176
Head of Neighbourhood Services & ASB/CEO	648	17	665		665
Pay Inflation	2,111		2,111		2,111
Total Cost of Service	68,964	-23,263	45,701	19,357	65,058

*The companies are coming back in house in 2025/26 therefore commissioning budgets will be realigned to the correct service area

Highways and Transport	Revenue Budget			Capital Budget	Total Revenue and Capital Budget
Service Area	Expenditure £000	Income £000	Net Budget £000	£000	£000
Car Parking	2,266	-7,446	-5,180	83	-5,097
Strategic Transport	8,700	-503	8,197	2,964	11,161
ANSA Transport Commissioning (Management Fee)*	1,235		1,235		1,235
Highways	14,625	-2,820	11,805	30,971	42,776
Integrated Rail and Transport (formerly HS2)	450		450		450
Highways and Infrastructure Director	145		145		145
Infrastructure	776	-700	76	32,764	32,840
Pay Inflation	173		173		173
Total Cost of Service	28,370	-11,469	16,901	66,782	83,683

*The companies are coming back in house in 2025/26 therefore commissioning budgets will be realigned to the correct service area

Finance Sub – Central Budgets	Revenue Budget			Capital Budget	Total Revenue and Capital Budget
Service Area	Expenditure £000	Income £000	Net Budget £000	£000	£000
Capital Financing	37,531	-2,492	35,039		35,039
Income from use of Capital Receipts		-1,000	-1,000		-1,000
Pension Cost adjustment	-727		-727		-727
Contingency Budget	15,953		15,953		15,953
Transfer to/(from) Reserves	1,304		1,304		1,304
Bad Debt Provision adjustment	-50		-50		-50
Other Income/Expenditure	1		1		1
Total Cost of Service	54,012	-3,492	50,520		50,520

Section 2: Approved Budget Change Items 2025/26

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
	Adults and Health	+21.494	-2.204	+1.516	+1.480
1	Client Contributions	-5.182	-0.879	-1.654	-1.706
2	Revenue Grants for Adult Social Care	-0.220			
3	Pensions Cost Adjustment	-0.517	-1.019	-0.171	-0.184
4	Demand in Adult Social Care	+5.000	+5.000	+5.000	+5.000
5	Pay Inflation	+2.251	+1.142	+1.171	+1.200
6	Funding the staffing establishment	+3.800			
7	Fully Funding current care demand levels 2024/25	+24.500			
8	Remodel extra care housing catering service	-0.270			
9T	Prevent, Reduce, Enable - Older People	-1.500	-2.830	-2.830	-2.830
10T	Learning Disability service transformation	-2.500	-2.500		
11T	Commissioning and brokerage transformation	-0.500	-0.250		
12T	Preparing for Adulthood	-0.868	-0.868		
13T	Health and Social Care Partnership Case Review	-2.500			

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
	Childrens and Families	+8.659	-0.064	-0.201	-0.258
14	Pension costs adjustment	-0.537	-0.923	-0.155	-0.167
15	Growth to deliver statutory Youth Justice service, and meet Safeguarding Partnership duties	+0.203	+0.167	+0.031	+0.034
16	Growth in School, SEND and Social Care Transport budget	+1.501	+1.548	+0.476	
17	Pay Inflation	+2.624	+1.096	+1.124	+1.152
18	Fully Funding current care demand levels 2024/25	+3.295			
19	Court Progression Improvement	+0.023			
20	Growth for annual contribution to the Regional Adoption Agency	+0.213	+0.048	+0.048	+0.048
21	Growth for Unaccompanied Asylum Seeking Children due to emerging pressures	+0.500			
22	Reversal of a one year policy change for traded services	+0.120			
23	Schools Improvement	+0.175			
24	Funding the staffing establishment	+2.739		-1.000	-0.600
25	Safe Walking Routes to School	-0.250			
26T	New accommodation with support offer for 16-25 young people	-1.100	-0.700		
27T	Birth to Thrive	-0.500			
28T	Right Child, Right Home	-1.320	-1.300	-0.725	-0.725
29	Extended Rights to Free Transport	+0.388			
30	Children's Social Care Prevention Grant – Expenditure	+0.905			
31	Children's Social Care Prevention Grant – Grant Income	-0.905			
32	Foster4	+0.114			
33	Foster Carers uplift of National Minimum Allowance (NMA)	+0.471			

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
	Corporate Policy	+1.078	+4.396	+1.890	+1.485
34	Enforce prompt debt recovery and increase charges for costs	-0.077			
35	Pension costs adjustment	-0.396	-0.685	-0.115	-0.124
36	Pay Inflation	+1.494	+1.531	+1.570	+1.609
37	Shared Services Review - Move to Hybrid Model for ICT	-0.733			
38	The achievement of additional Registration Service income, over and above that which is currently identified as required	-0.350			
39	Recognising the annual receipt of £45k of Police and Crime Panel grant income	-0.045			
40	Remove unspent element of phones budgets in corporate services	-0.060			
41T	Digital Acceleration Revenue Growth		+1.150		
42T	Digital Blueprint Revenue Growth		+2.400	+0.435	
43	Transactional Shared Services stabilisation plan	+0.270			
44	Additional cost of External Audit Fees	+0.265			
45	Reduce Members Allowances budget	-0.100			
46	Additional Cost of Bank Charges from 2025/26	+0.120			
47	Reverse reduction in leadership and management costs as posts are being retained	+0.540			
48	Reinstatement of a one-off saving of £150,000 from election budgets for 2024/25	+0.150			
	Council Wide Transformation	-13.452	-20.730	-11.030	-
49T	Digital Customer Enablement Invest to Save	-0.750	-0.750	-0.700	
50T	Digital Acceleration Invest to Save	-0.600	-6.250	-5.250	
51T	Digital Blueprint - Invest to Save	-4.000	-6.000	-4.500	
52T	Target Operating Model (TOM)	-3.000	-7.000		
53T	Agency Staffing	-0.352			
54T	Workforce Productivity	-1.000			
55T	Fees and Charges	-0.750	-0.040	-0.040	
56T	Third Party Spend	-3.000	-0.690	-0.540	

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
	Economy and Growth	+0.534	+0.695	+0.432	+0.328
57	Office estate rationalisation	-0.150			
58	Pension Costs Adjustment	-0.164	-0.313	-0.053	-0.057
59	Tatton Park ticketing and EPOS upgrade	+0.001	+0.001	+0.001	+0.001
60	CEC Archives	+0.014	+0.093	+0.004	
61	Rural and Visitor Economy Electricity costs	-0.021			
62	Minimum energy efficiency standards (MEES) - Estates - Revenue Adjustment	+0.023		-0.055	-0.047
63	Pay Inflation	+1.064	+0.429	+0.440	+0.450
64	Maintenance and operation of new assets in Crewe town centre	+0.205	+0.279	+0.118	+0.006
65	Land Fill Site Assessments Revenue Adjustment - Estates – Review and Risk Assessment of Council owned Landfill sites (53 sites) Review and Risk Assessment completions	+0.010			
66	Tatton Park Estate Dwellings Refurbishment	+0.015			
67	Improving Crewe Rented Housing Standards	+0.188	-0.188		
68	Maximise potential of Countryside Access Management System	+0.020	-0.018		
69	Assets - building and operational – Energy	-0.860			
70	Assets - building and operational – Maintenance	+0.465	+0.533		
71	Tatton Park - Increase Fees and Charges	-0.126	-0.021	-0.023	-0.025
72T	Corporate Landlord Model Refresh	-0.050			
73T	Asset Strategy Refresh	-0.100	-0.100		

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
	Environment and Communities	-2.741	+3.269	+0.982	+6.792
74	Strategic Leisure Review (Stage 2)	+0.403	-0.203	-0.166	
75	Libraries Strategy - Stage 1	-0.100			
76	Reduce revenue impact of carbon reduction capital schemes	+0.171			
77	Pay Inflation	+2.270	+1.380	+1.409	+1.436
78	Pension Costs Adjustment	-0.159	-0.315	-0.053	-0.057
79	Explore a Trust delivery model for Libraries and other services	-0.150			
80	Land Charge Income Adjustment	+0.147			
81	Local Plan Review	+0.315	-0.090	+0.005	-0.005
82	Review of CCTV service - service efficiencies and income generation from existing services	-0.040			
83	Environmental Services Growth 2025/26 onwards	+3.041	+1.882	+0.690	+0.710
84	Environmental Services Savings 2025/26 onwards	-2.366	-2.580	-1.181	-0.549
85	Environmental Services Growth - Pensions	+0.727	-0.395	-0.066	-0.071
86	Environmental Services – expected income from Extended Producer Responsibility for packaging	-7.000	+3.590	+0.344	+5.328

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
	Highways and Transport	+1.061	+0.152	+0.068	+0.030
87	Increase parking charges	-0.450	-0.186	-0.191	-0.197
88	Safe Haven outside schools (Parking)	+0.010			
89	Parking PDA / Back Office System contract - fall out of one off set up cost	-0.030			
90	Parking - Part-year effect of strategy changes	-0.720			
91	Parking - Staff and member parking	-0.250			
92	Transport and Infrastructure Strategy Team – Restructure		-0.150		
93	Local Bus	+1.545			
94	FlexiLink Service Improvement Plan - invest to save	+0.592	+0.294	-0.003	-0.135
95T	Advertising Income. Initial project scoping work being undertaken to understand scale/complexity and resourcing needs	-0.025	-0.075	-0.050	
96	Pension Costs Adjustment	-0.055	-0.108	-0.018	-0.020
97	Pay Inflation	+0.228	+0.111	+0.114	+0.117
98	Flood and Water Management Act 2010 SuDS and SABs Schedule 3 Implementation		+0.050	+0.050	+0.100
99	Highways: Revenue Service	+0.216	+0.216	+0.216	+0.216
100	Highways: Depots			-0.050	-0.051

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m
	Finance Sub (central budgets)	+35.294	+26.123	+17.082	+13.104
101	Capital Financing - Minimum Revenue Provision	+3.387	+3.719	+3.102	+1.388
102	Creation of Contingency Budget	+15.953	+14.908	+11.922	+12.926
103	Risk of unachievable budget savings or growth demands exceeding estimates		+3.800	-1.840	-1.210
104	Pension adjustment – linked to E&C growth item	-0.727			
105	Use of Earmarked Reserves (reversal of 2024/25 one off use of central EMRs)	+3.723			
106	Top up of Earmarked Reserves			+3.898	
107	Use of General Reserves (reversal of one off use in 2024/25)	+11.654			
108	Top up General Reserves	+1.304	+3.696		
	Finance Sub (funding budgets)	-26.666	-15.285	-19.391	-20.515
109	Council Tax increase % growth	-14.326	-15.290	-16.204	-17.214
110	Council Tax increase base growth	-5.852	-3.037	-3.187	-3.301
111	Business Rates Retention	-0.495			
112	Unringfenced general grants change	-3.012	+3.042		
113	National Insurance increase contribution	-2.981			

Section 3: Capital Programme 2025/26

Adults and Health												CAPITAL	
CAPITAL PROGRAMME 2025/26 - 2028/29													
Scheme Description		Forecast Expenditure						Forecast Funding					Total Funding
	Total Approved Budget £000	Prior Years £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Forecast Budget 2027/28 £000	Forecast Budget 2028/29 £000	Total Forecast Budget 2025-29 £000	Government Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Committed Schemes													
Adult Social Care													
Electronic Call Monitoring System	389	0	389	0	0	0	389	0	0	389	0	0	389
Total Adults Social Care Schemes	389	0	389	0	0	0	389	0	0	389	0	0	389

CAPITAL PROGRAMME 2025/26-2028/29													
Scheme Description	Total Approved Budget £000	Forecast Expenditure						Forecast Funding					Total Funding £000
		Prior Years £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Forecast Budget 2027/28 £000	Forecast Budget 2028/29 £000	Total Forecast Budget 2025-29 £000	Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Committed Schemes													
Childrens Social Care													
Children's Home Sufficiency Scheme	1,404	904	500	0	0	0	500	0	0	0	0	500	500
Crewe Youth Zone	4,826	2,420	2,406	0	0	0	2,406	1,559	0	0	0	847	2,406
Family Hubs Transformation	236	131	105	0	0	0	105	105	0	0	0	0	105
Foster Carer Capacity Scheme	534	484	50	0	0	0	50	0	0	0	0	50	50
Total Children's Social Care	7,000	3,939	3,061	0	0	0	3,061	1,664	0	0	0	1,397	3,061
Strong Start, Family Help & Integration													
Childcare Capital Expansion	749	449	300	0	0	0	300	300	0	0	0	-	300
Early Years Sufficiency Capital Fund	1,036	957	79	0	0	0	79	79	0	0	0	-	79
Total Strong Start, Family Help & Integration	1,785	1,406	379	0	0	0	379	379	0	0	0	0	379
Education and 14-19 Skills													
Adelaide Academy	903	155	748	0	0	0	748	578	0	0	0	170	748
Basic Need Grant Allocation	7,569	5,127	2,442	0	0	0	2,442	2,442	0	0	0	0	2,442
Congleton Planning Area - Primary (1)	2,209	179	2,030	0	0	0	2,030	764	1,266	0	0	0	2,030
Congleton Planning Area - Primary (3)	7,504	54	0	2,200	5,250	0	7,450	4,250	3,200	0	0	0	7,450
Devolved Formula Grant - Schools	1,533	893	330	310	0	0	640	640	0	0	0	0	640
Energy Efficiency Grant - Schools	672	672	0	0	0	0	0	0	0	0	0	0	0
Gainsborough Primary - Flooring	304	50	254	0	0	0	254	254	0	0	0	0	254
Handforth Planning Area - New School	13,002	103	400	4,000	8,499	0	12,899	126	12,773	0	0	0	12,899
Macclesfield Planning Area - Secondary New places	730	5	725	0	0	0	725	725	0	0	0	0	725
Macclesfield Planning Area - New School	4,001	1	0	0	4,000	0	4,000	0	4,000	0	0	0	4,000

Children and Families

CAPITAL

CAPITAL PROGRAMME 2025/26-2028/29

Scheme Description	Total Approved Budget £000	Forecast Expenditure						Forecast Funding					Total Funding £000
		Prior Years £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Forecast Budget 2027/28 £000	Forecast Budget 2028/29 £000	Total Forecast Budget 2025-29 £000	Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Committed Schemes													
Mobberley Primary School	1,207	37	609	561	0	0	1,170	870	0	0	300	0	1,170
Nantwich Planning Area - Kingsbourne Primary Academy (New school)	9,061	1,233	7,328	500	0	0	7,828	5,308	2,520	0	0	0	7,828
New AP Free School	500	0	500	0	0	0	500	500	0	0	0	0	500
New Satellite school - 2	9,000	50	950	5,000	3,000	0	8,950	8,950	0	0	0	0	8,950
New SEN places - Springfields Wilmslow /Dean Row Community Centre	1,089	339	750	0	0	0	750	750	0	0	0	0	750
New SEN Free School	998	5	745	248	0	0	993	993	0	0	0	0	993
Poynton Planning Area - Vernon Primary	1,500	113	1,387	0	0	0	1,387	584	803	0	0	0	1,387
Provision of Sufficient School Places - SEND (Springfield Crewe)	7,183	6,861	322	0	0	0	322	0	0	0	0	322	322
Schools Condition Capital Grant	7,828	3,828	2,000	2,000	0	0	4,000	4,000	0	0	0	0	4,000
SEN/High Needs Capital Allocation	4,827	327	2,000	2,500	0	0	4,500	4,500	0	0	0	0	4,500
Shavington Planning Area - Basford New Primary School	8,040	256	1,000	6,784	0	0	7,784	5,449	2,335	0	0	0	7,784
Springfield Satellite Site - Middlewich	6,000	500	5,500	0	0	0	5,500	5,500	0	0	0	0	5,500
Tytherington High School	2,800	272	2,528	0	0	0	2,528	2,528	0	0	0	0	2,528
Wheelock Primary School	2,411	1,201	1,210	0	0	0	1,210	1,210	0	0	0	0	1,210
Wilmslow High School BN	14,179	13,654	525	0	0	0	525	0	477	0	0	48	525
Total Education & 14-19 Skills	115,050	35,915	34,283	24,103	20,749	0	79,135	50,921	27,374	0	300	540	79,135
													0
Total Committed Schemes	123,835	41,260	37,723	24,103	20,749	0	82,575	52,964	27,374	0	300	1,937	82,575
Total New Schemes	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Children and Families Schemes	123,835	41,260	37,723	24,103	20,749	0	82,575	52,964	27,374	0	300	1,937	82,575

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Total Approved Budget £000	Forecast Expenditure					Total Forecast Budget 2025-29 £000	Forecast Funding					Total Funding £000
		Prior Years £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Forecast Budget 2027/28 £000	Forecast Budget 2028/29 £000		Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Committed Schemes													
ICT Services													
Accelerate Digital	1,460	760	700	0	0	0	700	0	0	0	0	700	700
Care Act Phase 2	6,314	5,234	1,080	0	0	0	1,080	0	0	0	0	1,080	1,080
ICT Device Replacement	1,912	1,412	500	0	0	0	500	0	0	0	0	500	500
IADM (Information Assurance and Data Management)	19,465	18,065	1,400	0	0	0	1,400	0	0	0	0	1,400	1,400
Infrastructure Investment Programme (IIP)	34,429	31,796	1,804	830	0	0	2,634	0	0	0	0	2,634	2,634
Vendor Management	1,006	788	218	0	0	0	218	0	0	0	0	218	218
Total ICT Services Schemes	64,586	58,054	5,702	830	0	0	6,532	0	0	0	0	6,532	6,532
Finance & Customer Services													
Core Financials	11,317	10,362	662	293	0	0	955	0	0	0	0	955	955
Vendor Management - Phase 2	99	24	25	50	0	0	75	0	0	0	0	75	75
Total Finance & Customer Services Schemes	11,417	10,386	687	343	0	0	1,030	0	0	0	0	1,030	1,030
Total Committed Schemes	76,003	68,440	6,389	1,173	0	0	7,562	0	0	0	0	7,562	7,562
New Schemes													
Finance & Customer Services													
Core Business Systems	1,826	0	334	492	800	200	1,826	0	0	0	0	1,826	1,826
ICT Services													
Accelerate Digital – (Digital efficiencies) Capital	4,259	0	1,532	1,350	1,377	0	4,259	0	0	0	0	4,259	4,259
Digital Blueprint - Capital	6,530	0	3,490	1,663	1,377	0	6,530	0	0	0	0	6,530	6,530
ICT Device Replacement		0	1,000	250	200	400	1,850	0	0	0	0	1,850	1,850
Total New Schemes	12,615	0	6,356	3,755	3,754	600	14,465	0	0	0	0	14,465	14,465
Total Corporate Policy	88,618	68,440	12,745	4,928	3,754	600	22,027	0	0	0	0	22,027	22,027

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Total Approved Budget £000	Forecast Expenditure					Total Forecast Budget 2025-29 £000	Forecast Funding					Total Funding £000
		Prior Years £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Forecast Budget 2027/28 £000	Forecast Budget 2028/29 £000		Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Committed Schemes													
Culture & Tourism													
Countryside Vehicles	1,579	790	355	217	217	0	789	0	0	0	0	789	789
Culture & Tourism S106 Schemes	509	97	385	5	5	17	412	0	412	0	0	0	412
Green Infrastructure Structures Investment	384	0	271	113	0	0	384	0	0	0	0	384	384
New Archives Premises CTC1	7,115	442	6,433	240	0	0	6,673	0	0	0	0	6,673	6,673
PROW CMM A6 MARR	103	74	29	0	0	0	29	29	0	0	0	0	29
Tatton Park Investment Phase 2	2,843	1,434	684	725	0	0	1,409	0	0	0	0	1,409	1,409
Total Culture & Tourism Committed Schemes	12,533	2,837	8,157	1,300	222	17	9,696	29	412	0	0	9,255	9,696
Economic Development													
Crewe Towns Fund - Mill Street Corridor	4,027	3,229	798	0	0	0	798	798	0	0	0	0	798
Crewe Towns Fund - Crewe Youth Zone non-grant costs	351	188	163	0	0	0	163	163	0	0	0	0	163
Crewe Towns Fund - Repurposing Our High Streets	1,132	625	507	0	0	0	507	507	0	0	0	0	507
Crewe Town Centre Regeneration	32,293	31,293	1,000	0	0	0	1,000	0	0	0	0	1,000	1,000
Connecting Cheshire Phase 3	8,000	928	2,000	2,200	2,000	872	7,072	0	7,072	0	0	0	7,072
Connecting Cheshire 2020	9,250	6,265	0	0	0	2,985	2,985	2,985	0	0	0	0	2,985
Handforth Heat Network	13,219	680	50	450	12,039	0	12,539	1,924	7,428	0	0	3,187	12,539
History Centre Public Realm & ICV (Crewe Towns Fund) CTC1	580	210	370	0	0	0	370	370	0	0	0	0	370
Leighton Green	2,096	1,618	478	0	0	0	478	0	0	0	0	478	478
South Macclesfield Development Area	34,630	3,359	100	0	0	31,171	31,271	10,000	10,000	0	11,271	0	31,271
Macclesfield Indoor Market Refurbishment (MIMR)	2,213	1,713	500	0	0	0	500	500	0	0	0	0	500
Nantwich Town Centre Public Realm Improvements	100	0	100	0	0	0	100	0	100	0	0	0	100
North Cheshire Garden Village	57,866	12,287	6,588	17,285	21,706	0	45,579	15,044	0	0	21,700	8,835	45,579
Handforth Garden Village s106 Obligations	6,841	0	0	2,740	0	4,101	6,841	0	0	0	0	6,841	6,841
UK Shared Prosperity Fund - Core	1,150	950	200	0	0	0	200	200	0	0	0	0	200
Total Economic Development Committed Schemes	173,748	63,345	12,854	22,675	35,745	39,129	110,403	32,491	24,600	0	32,971	20,341	110,403

CAPITAL PROGRAMME 2025/26 - 2028/29													
Scheme Description	Total Approved Budget £000	Forecast Expenditure					Total Forecast Budget 2025-29 £000	Forecast Funding					Total Funding £000
		Prior Years £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Forecast Budget 2027/28 £000	Forecast Budget 2028/29 £000		Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Facilities Management													
PSDS - 3B - Lot 1	1,028	904	124	0	0	0	124	124	0	0	0	0	124
PSDS - 3C	1,672	324	1,348	0	0	0	1,348	1,159	0	0	0	189	1,348
Septic Tanks	636	310	75	251	0	0	326	0	0	0	0	326	326
Schools Capital Maintenance	8,315	7,271	1,044	0	0	0	1,044	1,044	0	0	0	0	1,044
Premises Capital (FM)	39,690	36,053	2,488	1,149	0	0	3,637	0	0	0	0	3,637	3,637
Poynton Pool Spillway	1,380	744	636	0	0	0	636	0	0	0	0	636	636
Total Facilities Management Committed Schemes	52,721	45,606	5,715	1,400	0	0	7,115	2,327	0	0	0	4,788	7,115
Estates													
Corporate Landlord - Non-Operational	1,336	0	1,336	0	0	0	1,336	0	0	0	0	1,336	1,336
Malkins Bank Landfill Site	1,360	777	583	0	0	0	583	0	0	0	0	583	583
Farms Strategy	2,910	1,744	331	209	209	417	1,166	0	0	0	1,166	0	1,166
Total Estates Committed Schemes	5,606	2,521	2,250	209	209	417	3,085	0	0	0	1,166	1,919	3,085
Housing													
Crewe Towns Fund - Warm and Healthy Homes	2,126	858	1,268	0	0	0	1,268	1,268	0	0	0	0	1,268
Disabled Facilities	22,025	13,761	2,664	2,800	2,800	0	8,264	8,264	0	0	0	0	8,264
Green Homes Grant	3,105	2,427	339	339	0	0	678	678	0	0	0	0	678
Home Repairs Vulnerable People	1,338	936	402	0	0	0	402	0	0	0	0	402	402
Home Upgrade Grant Phase 2	4,409	2,740	1,669	0	0	0	1,669	1,669	0	0	0	0	1,669
Local Authority Housing Fund	742	433	309	0	0	0	309	309	0	0	0	0	309
Total Housing Committed Schemes	33,746	21,156	6,651	3,139	2,800	0	12,590	12,188	0	0	0	402	12,590
Total Committed Schemes	278,355	135,466	35,627	28,723	38,976	39,563	142,889	47,035	25,012	0	34,137	36,705	142,889
New Schemes													
Culture & Tourism													
Green Structures investment (Public Rights of Way)	512	0	0	126	195	191	512	0	0	0	0	512	512
Housing													
Disabled Facilities	3,360	0	242	106	106	2,906	3,360	3,360	0	0	0	0	3,360
Facilities Management													
Septic Tanks	949	0	0	149	400	400	949	0	0	0	0	949	949
Premises Capital * see note 1	7,163	0	212	1,551	2,700	2,700	7,163	0	0	0	0	7,163	7,163
Total Economic Development New Schemes	11,984	0	454	1,933	3,401	6,197	11,984	3,360	0	0	0	8,624	11,984
Total Economy and Growth Schemes	290,339	135,466	36,081	30,656	42,377	45,760	154,873	50,395	25,012	0	34,137	45,329	154,873

Note 1 : Approval for this scheme is for 2025-26 only. Future years to be considered for approval in 2026-30 MTFs

Environment and Communities

CAPITAL

CAPITAL PROGRAMME 2025/26 - 2028/29													
Scheme Description	Total Approved Budget £000	Forecast Expenditure					Total Forecast Budget 2025-29 £000	Forecast Funding					Total Funding £000
		Prior Years £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Forecast Budget 2027/28 £000	Forecast Budget 2028/29 £000		Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Committed Schemes													
Environment Services													
Booth Bed Lane, Goostrey	140	40	100	0	0	0	100	0	100	0	0	0	100
Bosley Village Play Area	20	10	10	0	0	0	10	0	10	0	0	0	10
Carbon Offset Investment	568	268	75	75	75	75	300	0	0	0	0	300	300
Carnival Fields	42	0	42	0	0	0	42	0	42	0	0	0	42
Closed Cemeteries	152	50	102	0	0	0	102	0	0	0	0	102	102
Fleet EV Transition	6,897	1,596	2,974	327	1,000	1,000	5,301	0	0	0	0	5,301	5,301
Fleet Vehicle Electric Charging	585	305	140	140	0	0	280	0	0	0	0	280	280
Green Investment Scheme (Solar Farm)	4,150	3,944	51	155	0	0	206	0	0	0	0	206	206
Household Waste Recycling Centres	860	270	590	0	0	0	590	0	0	0	0	590	590
Jim Evison Playing Fields	161	0	161	0	0	0	161	0	161	0	0	0	161
Litter and Recycling Bins	208	136	25	25	22	0	72	0	0	0	0	72	72
Macclesfield Chapel Refurbishment	429	29	400	0	0	0	400	0	0	400	0	0	400
Park Development Fund	846	723	36	87	0	0	123	0	0	0	0	123	123
Review of Household Waste Recycling Centres	1,000	100	900	0	0	0	900	0	0	0	0	900	900
Carbon Neutral 2030 Investments	13,980	101	300	300	4,400	8,879	13,879	0	0	0	0	13,879	13,879
The Carrs Improvement Project	61	15	46	0	0	0	46	0	46	0	0	0	46
Weekly Food Waste Collections	2,712	80	2,132	500	0	0	2,632	2,632	0	0	0	0	2,632
Woodland South of Coppice Way, Handforth	89	73	16	0	0	0	16	0	16	0	0	0	16
Wybunbury St Chad's Closed Cemetery	219	0	219	0	0	0	219	0	0	0	0	219	219
Total Environment Services Schemes	33,119	7,740	8,319	1,609	5,497	9,954	25,379	2,632	375	400	0	21,972	25,379
Neighbourhood Services											0		
Crewe Towns Fund - Valley Brook Green Corridor	3,339	1,699	1,640	0	0	0	1,640	1,640	0	0	0	0	1,640
Crewe Towns Fund - Cumberland Arena	3,093	2,268	825	0	0	0	825	825	0	0	0	0	825
Crewe Towns Fund - Pocket Parks	1,481	1,088	393	0	0	0	393	393	0	0	0	0	393
Strategic Leisure Review	3,400	1,750	1,000	650	0	0	1,650	0	0	0	0	1,650	1,650
Total Neighbourhood Services	11,313	6,805	3,858	650	0	0	4,508	2,858	0	0	0	1,650	4,508
Total Committed Schemes	44,432	14,545	12,177	2,259	5,497	9,954	29,887	5,490	375	400	0	23,622	29,887
New Schemes													
Environment Services													
Weekly Food Waste Collections - Additional Capital Requirement	5,497	0	5,497	0	0	0	5,497	0	0	5,497	0	0	5,497
Macclesfield Cemetery Second Chapel - Additional requirement	200	0	200	0	0	0	200	0	0	200	0	0	200
Parks	1,483	0	1,483	0	0	0	1,483	0	1,483	0	0	0	1,483
Total New Schemes	7,180	0	7,180	0	0	0	7,180	0	1,483	5,697	0	0	7,180
Total Environment and Communities Schemes	51,612	14,545	19,357	2,259	5,497	9,954	37,067	5,490	1,858	6,097	0	23,622	37,067

CAPITAL PROGRAMME 2025/26- 2028/29

Scheme Description	Total Approved Budget £000	Forecast Expenditure					Total Forecast Budget 2025-29 £000	Forecast Funding					Total Funding £000
		Prior Years £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Forecast Budget 2027/28 £000	Forecast Budget 2028/29 £000		Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Committed Schemes													
Strategic Infrastructure													
A500 Dualling scheme	89,456	11,131	950	0	0	77,375	78,325	74,025	4,300	0	0	0	78,325
A500 Corridor OBC Update	1,705	150	1,555	0	0	0	1,555	1,555	0	0	0	0	1,555
A50 / A54 Holmes Chapel	603	100	0	0	0	503	503	0	503	0	0	0	503
A54 / A533 Leadsmithy Street, Middlewich	563	176	0	0	0	387	387	0	387	0	0	0	387
A6 MARR Technical Design	473	279	194	0	0	0	194	70	124	0	0	0	194
A556 Knutsford to Bowdon	504	417	87	0	0	0	87	0	87	0	0	0	87
Peacock Roundabout Junction	750	52	500	0	0	198	698	0	698	0	0	0	698
Congleton Link Road	83,991	72,837	1,254	1,279	1,000	7,621	11,154	316	10,838	0	0	0	11,154
Crewe Green Roundabout	7,500	7,057	443	0	0	0	443	0	443	0	0	0	443
Flowerpot Phs 1 & Pinchpoint	5,519	1,609	588	336	337	2,649	3,910	3,187	723	0	0	0	3,910
Future High Street Funding - Flag Lane Link	1,558	1,249	309	0	0	0	309	309	0	0	0	0	309
Highways & Infrastructure S106 Funded Schemes	4,701	1,790	1,179	494	0	1,238	2,911	107	2,804	0	0	0	2,911
Transport & Infrastructure Development Studies	350	60	290	0	0	0	290	290	0	0	0	0	290
Middlewich Eastern Bypass	96,599	27,268	22,140	22,876	19,848	4,467	69,331	45,747	14,611	0	0	8,973	69,331
Mill Street Corridor - Station Link Project	1,534	992	542	0	0	0	542	0	242	0	0	300	542
North-West Crewe Package	51,367	50,167	300	300	300	300	1,200	0	1,200	0	0	0	1,200
Old Mill Road / The Hill Junction	1,324	187	1,137	0	0	0	1,137	0	1,137	0	0	0	1,137
Poynton Relief Road	54,848	48,906	1,096	1,146	1,435	2,265	5,942	0	2,751	0	1,000	2,191	5,942
Sydney Road Bridge	10,502	10,137	200	165	0	0	365	0	365	0	0	0	365
Total Strategic Infrastructure Schemes	413,847	234,564	32,764	26,596	22,920	97,003	179,283	125,606	41,213	0	1,000	11,464	179,283
Highways													
Alderley Edge Bypass Scheme Implementation	60,611	60,384	227	0	0	0	227	0	0	0	0	227	227
Integrated Block - LTP	8,012	0	2,003	2,003	2,003	2,003	8,012	8,012	0	0	0	0	8,012
Incentive Fund - LTP	5,800	0	1,450	1,450	1,450	1,450	5,800	5,800	0	0	0	0	5,800
Maintenance Block - LTP	25,275	0	7,878	5,799	5,799	5,799	25,275	23,196	0	0	0	2,079	25,275
Managing and Maintaining Highways	4,712	0	4,712	0	0	0	4,712	0	0	0	0	4,712	4,712
Pothole Funding	23,196	0	5,799	5,799	5,799	5,799	23,196	23,196	0	0	0	0	23,196
Programme Management	1,548	1,515	33	0	0	0	33	33	0	0	0	0	33
Road Safety Schemes Minor Wks	6,423	6,323	100	0	0	0	100	0	0	0	0	100	100
Traffic Signal Maintenance	1,095	835	260	0	0	0	260	260	0	0	0	0	260
Ward Members Local Highway Measures	872	357	515	0	0	0	515	139	0	0	0	376	515
Winter Service Facility	958	772	97	89	0	0	186	0	0	0	0	186	186
Total Highways Schemes	138,502	70,186	23,074	15,140	15,051	15,051	68,316	60,636	0	0	0	7,680	68,316

CAPITAL PROGRAMME 2025/26- 2028/29

Scheme Description		Forecast Expenditure						Forecast Funding					
	Total Approved Budget £000	Prior Years £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Forecast Budget 2027/28 £000	Forecast Budget 2028/29 £000	Total Forecast Budget 2025-29 £000	Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	Total Funding £000
Committed Schemes													
Strategic Transport & Parking Services													
Active Travel Fund	3,100	1,680	1,420	0	0	0	1,420	1,420	0	0	0	0	1,420
LEVI Capital Fund 23/24	2,172	0	543	543	543	543	2,172	2,172	0	0	0	0	2,172
Sustainable Travel Access Prog	2,438	2,238	200	0	0	0	200	200	0	0	0	0	200
Local Access - Crewe Transport Access Studies	400	188	212	0	0	0	212	212	0	0	0	0	212
Local Access - Macclesfield Transport Access Studies	300	161	139	0	0	0	139	139	0	0	0	0	139
LTP Development & Monitoring Studies	901	480	200	221	0	0	421	421	0	0	0	0	421
Digital Car Parking Solutions	140	113	27	0	0	0	27	0	0	0	0	27	27
Car Parking Improvements (including residents parking)	322	266	56	0	0	0	56	0	0	0	0	56	56
Total Strategic Transport & Parking Services Schemes	9,773	5,126	2,797	764	543	543	4,647	4,564	0	0	0	83	4,647
Total Committed Schemes	562,122	309,876	58,635	42,500	38,514	112,597	252,246	190,806	41,213	0	1,000	19,227	252,246
New Schemes													
Highways													
Highways Maintenance Capital	41,846	0	7,340	11,502	11,502	11,502	41,846	27,773	0	0	0	14,073	41,846
Highways: Depots (Macclesfield)	2,386	0	411	750	1,225	0	2,386	0	0	0	0	2,386	2,386
Highways: Depots (Wardle)	696	0	146	458	92	0	696	0	0	0	60	636	696
Strategic Transport & Parking Services													
Strategic Transport Model	750	0	250	250	250	0	750	0	0	0	0	750	750
Total New Schemes	45,678	0	8,147	12,960	13,070	11,502	45,679	27,773	0	0	60	17,845	45,679
Total Highways & Transport Schemes	607,800	309,876	66,782	55,460	51,584	124,099	297,925	218,579	41,213	0	1,060	37,072	297,925

Section 4: Reserves 2025/26

Adults and Health Reserve Account	Opening Balance 01 April 2024 £000	Transfers to General Fund - MTFS Feb 2024 £000	2024/25 Net Movement on Reserve £000	Transfers to General Fund Feb 2025 £000	Closing Balance Forecast 31 March 2025 £000	2025/26 Net Movement on Reserve £000	Closing Balance Forecast 31 March 2026 £000
PFI Equalisation - Extra Care Housing	2,857	(2,795)	0	(62)	0	46	46
Public Health Reserve	2,369	0	9	0	2,378	(1,025)	1,353
Adults and Health Reserves Total	5,226	(2,795)	9	(62)	2,378	(979)	1,399

Children and Families Reserve Account	Opening Balance 01 April 2024 £000	Transfers to General Fund - MTFS Feb 2024 £000	2024/25 Net Movement on Reserve £000	Transfers to General Fund Feb 2025 £000	Closing Balance Forecast 31 March 2025 £000	2025/26 Net Movement on Reserve £000	Closing Balance Forecast 31 March 2026 £000
Domestic Abuse Partnership	131	0	(131)	0	0	0	0
Troubled Families Initiative	1,593	0	(1,593)	0	0	0	0
Children and Families Reserves Total	1,724	0	(1,724)	0	0	0	0

Corporate Policy and Central Reserves	Opening Balance 01 April 2024	Transfers to General Fund - MTFS Feb 2024	2024/25 Net Movement on Reserve	Transfers to General Fund Feb 2025	Closing Balance Forecast 31 March 2025	2025/26 Net Movement on Reserve	Closing Balance Forecast 31 March 2026
Reserve Account	£000	£000	£000	£000	£000	£000	£000
Corporate Directorate Reserve	1,164	(935)	0	(229)	0	0	0
Collection Fund Management	8,154	(1,235)	(2,933)	0	3,986	3,469	7,455
Capital Financing Reserve	4,530	0	(4,530)	0	0	0	0
MTFS Reserve	2,914	(741)	255	(2,428)	0	0	0
2025/26 Transformation	0	0	3,500	0	3,500	(3,500)	0
Brighter Futures Transformation Programme	490	(470)	(20)	0	0	0	0
Section 31 Revenue Grants	14	0	0	(14)	0	0	0
Insurance Reserve	3,098	(3,098)	0	0	0	0	0
Elections General	132	0	0	0	132	0	132
Brexit Funding	13	(13)	0	0	0	0	0
HR	59	(59)	0	0	0	0	0
Pay Structure	54	0	0	(54)	0	0	0
Digital Solutions Architect	150	0	(150)	0	0	0	0
Corporate Policy and Central Reserves Total	20,772	(6,551)	(3,878)	(2,725)	7,618	(31)	7,587

Economy and Growth	Opening Balance 01 April 2024	Transfers to General Fund - MTFS Feb 2024	2024/25 Net Movement on Reserve	Transfers to General Fund Feb 2025	Closing Balance Forecast 31 March 2025	2025/26 Net Movement on Reserve	Closing Balance Forecast 31 March 2026
Reserve Account	£000	£000	£000	£000	£000	£000	£000
Place Directorate Reserve	1,164	0	(612)	(306)	246	(246)	0
Investment (Sustainability)	610	0	(21)	(40)	549	(549)	0
Legal Proceedings	212	0	(104)	0	108	(108)	0
Investment Portfolio	534	(534)	0	0	0	0	0
Homelessness & Housing Options - Revenue Grants	129	0	(129)	0	0	0	0
Tatton Park Trading Reserve	128	(128)	0	0	0	0	0
Economy and Growth Reserves Total	2,777	(662)	(866)	(346)	903	(903)	0

Environment and Communities	Opening Balance 01 April 2024	Transfers to General Fund - MTFS Feb 2024	2024/25 Net Movement on Reserve	Transfers to General Fund Feb 2025	Closing Balance Forecast 31 March 2025	2025/26 Net Movement on Reserve	Closing Balance Forecast 31 March 2026
Reserve Account	£000	£000	£000	£000	£000	£000	£000
Strategic Planning	568	(281)	(287)	0	0	0	0
Trees / Structures Risk Management	139	(55)	(30)	0	54	(54)	0
Air Quality	36	0	(5)	0	31	(31)	0
Licensing Enforcement	8	0	0	0	8	(8)	0
Flood Water Management (Emergency Planning)	2	0	(2)	0	0	0	0
Neighbourhood Planning	82	(41)	0	0	41	(41)	0
Spatial Planning - revenue grant	13	(13)	0	0	0	0	0
Street Cleansing	22	0	(4)	0	18	(18)	0
Environment and Communities Reserve Total	870	(390)	(328)	(0)	152	(152)	0

Highways and Transport Reserve Account	Opening Balance 01 April 2024 £000	Transfers to General Fund - MTFS Feb 2024 £000	2024/25 Net Movement on Reserve £000	Transfers to General Fund Feb 2025 £000	Closing Balance Forecast 31 March 2025 £000	2025/26 Net Movement on Reserve £000	Closing Balance Forecast 31 March 2026 £000
Rail and Transport Integration	385	(185)	(200)	0	0	0	0
Flood Risk and Adverse Weather Events	400	0	0	0	400	0	400
Highways Procurement Project	104	(20)	(15)	0	69	(69)	0
LEP-Local Transport Body	19	0	0	0	19	(19)	0
Highways and Transport Reserve Total	908	(205)	(215)	0	488	(88)	400

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Annex B - Draft Financial Reporting Timetable

Report	Financial Cycle	Committee	When
Service Budgets 2025/26	Planning	All Service Committees	March/April 2025
Cheshire Pension Fund update	Reporting	Finance Sub Committee	March 2025 (available on Members hub)
Medium Term Financial Strategy Assumptions and Reporting Cycle for 2026-30	Planning	Finance Sub Committee	June 2025
Financial Management Code update	Reporting	Finance Sub Committee	June 2025
Financial Outturn 2024/25	Reporting	All Committees / Council	June 2025 July 2025 (Council)
Final Outturn and Draft Statement of Accounts 2024/25	Reporting	Audit and Governance	July 2025
Companies Draft Statements of Accounts 2024/25	Reporting	Audit and Governance / Finance Sub Committee	July 2025 September 2025
First Financial Review 2025/26	Monitoring	All Committees / Council	September / October 2025 October 2025 (Council)
ECW (Enterprise Cheshire & Warrington) First Financial Review 2025/26	Monitoring	Finance Sub Committee	September 2025
Companies First Financial Review 2025/26	Monitoring	Finance Sub Committee	September 2025
Cheshire Pension Fund update	Reporting	Finance Sub Committee	June 2025 (available on Members hub)

Annex B - Draft Financial Reporting Timetable

Report	Financial Cycle	Committee	When
Medium Term Financial Planning Assumptions - update	Planning	Finance Sub Committee	September 2025
Cheshire Pension Fund update	Monitoring	Finance Sub Committee	September 2025
ECW (Enterprise Cheshire & Warrington) 2024/25 Accounts - Audit & Governance Committee	Reporting	Audit and Governance / Council	September 2025 October 2025 (Council)
Medium Term Financial Strategy Consultation for 2026/27-2029/30 - launch	Planning	Corporate Policy Committee	October 2025
Second Financial Review 2025/26	Monitoring	All Committees / Council	November 2025 December 2025 (Council)
ECW (Enterprise Cheshire & Warrington) Second Financial Review 2025/26	Monitoring	Finance Sub Committee	November 2025
Companies Second Financial Review 2025/26	Monitoring	Finance Sub Committee	November 2025
Medium Term Financial Strategy Consultation 2026/27-2029/30 - committees to review their respective Service proposals	Planning	All Committees	November 2025
Final Statement of Accounts 2024/25	Reporting	Audit and Governance / Council	December 2025
Audit of Accounts 2024/25 - report from A&G Committee to Council on main items from the external auditors report	Reporting	Audit and Governance / Council	December 2025
Companies Audited Financial Statements 2024/25	Reporting	Audit and Governance / Council	December 2025

Annex B - Draft Financial Reporting Timetable

Report	Financial Cycle	Committee	When
Council Tax Base 2026/27	Reporting	Corporate Policy Committee / Council	November 2025 December 2025 (Council)
Financial Management Code – In Year update	Monitoring	Finance Sub Committee	January 2026
Cheshire Pension Fund update	Monitoring	Finance Sub Committee	January 2026
Third Financial Review 2025/26	Monitoring	All Committees / Council	January / February 2026 February 2026 (Council)
ECW (Enterprise Cheshire & Warrington) Third Financial Review 2025/26	Monitoring	Finance Sub Committee	January 2026
Companies Third Financial Review 2025/26	Monitoring	Finance Sub Committee	January 2026
Medium Term Financial Strategy Consultation 2026/27 to 2029/30 plus Provisional Settlement update	Planning	All Committees	January / February 2026
Medium Term Financial Strategy 2026/27-2029/30 - including any supplementary updates	Reporting	Corporate Policy Committee / Council	February 2026
Cheshire Pension Fund update	Monitoring	Finance Sub Committee	March 2026
Service Budgets 2026/27	Planning	Finance Sub Committee	March 2026

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OPEN

Corporate Policy Committee

20 March 2025

Performance Report – Cheshire East Plan, Quarter 3 2024/25

Report of: Karen Wheeler – Interim Assistant Chief Executive

Report Reference No: CPC/35/24-25

Ward(s) Affected: All

Decision or Scrutiny: Scrutiny

Purpose of Report

- 1 To provide the Committee with oversight of organisational performance against the priorities and vision set out in the Cheshire East Plan 2024/25. The report covers Quarter 3 2024/25, 1st October 2024 to 31st December 2024. This report supports the responsibility of the Corporate Policy Committee to have a co-ordinating role across all committees and to exercise corporate oversight of outcomes, performance, budget monitoring and risk management.
- 2 The committee can comment on performance and direction of travel and consider any amendments in reporting, and/or additional data and intelligence that should be included.
- 3 Appendix 1 provides the detail of progress against the Cheshire East Plan priorities for Quarters 2 and 3, and Appendix 2 provides a summary of performance against the organisational health indicators.

Executive Summary

- 4 This report gives an update on delivery and performance against the priorities in the Cheshire East Plan 2024/25 for Quarter 3 (October 2024 to December 2024) including progress since Quarter 2.

- 5 Appendix 1 of the report shows that there are 66 priority actions included within the Cheshire East Plan 2024/25 and progress can be summarised as follows:

	Q2	Q3	
Green – on track	50	44	↓
Amber – mainly on track, some minor issues	9	8	↓
Red – off track with major issues	2	2	↔
Complete	2	4	↑
Not yet started	3	0	↓
To be updated	0	8	↑
	66	66	

- 6 Appendix 2 provides a summary of key organisational health performance indicators.
- 7 The Corporate Plan 2021-25 has three key themes - Open, Fair and Green. The Plan has been refreshed for 2024/25 to better reflect the financial context.
- 8 A new Cheshire East Plan 2025-29 has now been approved by full Council and will provide our residents, partners and the organisation with clarity of purpose and strategic direction aligned to the Medium-Term Financial Strategy. The new Plan will commence from April 2025. A delivery plan will be created to set out the specific activity the council will prioritise and lead. It will be agreed by Corporate Policy Committee. Progress will be reported regularly with an annual review. Reporting on the current plan will continue with Quarter 4 2024/25 being reported to Committee in June 2025.

RECOMMENDATION

The Corporate Policy Committee is recommended to:

1. Note and comment on progress and performance against delivery of the Cheshire East Plan 2024/25 in Quarter 3 2024/25.

Background

- 9 The Cheshire East Plan 2024/25 outlines three aims and 20 priorities for the Council aligned with the vision of being an “Open, Fairer and Greener Cheshire East”.
- 10 This report reviews progress with delivery and performance against the priorities and actions in the Cheshire East Plan and focuses upon a

“One Council” approach to performance management. This includes a balance of quantitative and qualitative data.

- 11 Appendix 1 of the report shows that there are 66 priority actions included within the Cheshire East Plan 2024/25 and progress can be summarised as follows:

	Q2	Q3	
Green – on track	50	44	↓
Amber – mainly on track, some minor issues	9	8	↓
Red – off track with major issues	2	2	↔
Complete	2	4	↑
Not yet started	3	0	↓
To be updated	0	8	↑
	66	66	

- 12 Feedback from Corporate Policy Committee in November on the Quarter 2 report has been taken on board with a review of the RAG ratings applied to ensure consistency e.g. where action is yet to be taken and in line with other reporting. The Quarter 2 position is included alongside Quarter 3 so that Members can see the direction of travel.
- 13 The actions which are amber are set out below with an explanation and mitigating actions to be taken:

Priority Action	What will we do	Lead Officer	Q3 update
A1.1.3	Member training to clarify roles and responsibilities for decision-making within the committee system	Head of Democratic Services	New draft Member Development Strategy and report to go to Governance, Risk and Assurance Board on 12th March. CLT to have sight of the documents prior to the revised report (if changes are needed) being submitted to Audit and Governance Committee on 31st March.
A1.1.4	A clear and transparent budget setting process, where opportunities to inform and influence decision-making are clearly understood by stakeholders	Head of Finance	Strongly linked to the progression of the Transformation Programme and the development of change/ savings proposals, the budget setting process over a number of months included Member briefings and engagement, and consultation with external stakeholders. The process and briefings were also shaped and informed by the timing and nature of central Government's policy announcements and both provisional and final local government finance settlements. Whilst noting the generally challenging environment for the local government finance system nationally - and also both the scale of transformation change and further

Priority Action	What will we do	Lead Officer	Q3 update
			Exceptional Financial Support required for the 2025/26 year – the process concluded with a budget being set by Council on 26 February 2025. A similarly robust process will be required, commencing early in the new financial year, to manage delivery of the transformational change; and also develop further proposals to help build balanced budget projections for the medium term, from 2026/27.
A1.3.3	Deliver the savings set out in MTFS 2024-28 proposals within the agreed timescales to contribute to a balanced the budget and build sustainable reserves	Head of Finance	The Third Financial Review (FR3) as reported to the January cycle of service committee meetings showed a latest forecast overspend of £18.3m; this was an improvement of Second Financial Review, by some £1.8m, but reaffirmed the likelihood of the Council needing to take up Exceptional Financial Support, in the form of capitalisation direction, of up to the £17.3m requested, in order to balance the 2024/25 financial year, and protect remaining reserves levels. The detail reporting in FR3 showed that a number of savings items had been achieved, or positive progress made; but the overall outturn will reflect additional demand/ costs, particularly in adults and children's social care.
A2.3.3	Update the Cheshire East Domestic Abuse and Sexual Violence Strategy	Head of Service Early Help and Prevention	The Cheshire East Domestic and Sexual Abuse Partnership (CEDSAP) Strategy and Strategy Delivery Plans will be consulted on following the CE Domestic and Sexual Abuse Board meeting on 4 Feb 2025. These have been coproduced and codesigned with the following subgroups: 1) Joint Commissioning 2) Early Intervention/Prevention 3) Community Engagement 4) Survivor Voice The draft strategy will form the basis of a whole service review to be conducted during 2025/26, looking at the whole domestic abuse and sexual violence offer in Cheshire East.
A2.4.2	Prioritise care experienced adults as part of our recovery work to improve employment and training opportunities.	Head of Service: Cared for Children and Care Leavers	We now have 5 Care Leaver ambassadors – they have been attending a number of activities and meetings to help shape the service. There is an improved offer for work experience and apprenticeships and we are offering increased sessions around employment in the care leaver hubs.
A2.4.3	Deliver the priorities of the Cared for children	Head of Cared for Children	The workstreams for the cared for children and care leaver strategy are all operational and priorities are being identified for each of

Priority Action	What will we do	Lead Officer	Q3 update
	and care leavers strategy 2022-26	and Care Leavers	these. There is a clear process for care leavers aged 21+ to access support. We have a tracker in place to ensure that we are recording contact with young people aged 21 to 25, with management oversight and allocation to a Personal Advisor where this is identified as being necessary. The work around accommodation for young people aged 16 to 25 is part of a project group and we have already seen an increased offer of suitable accommodation. However, there is further work to do in this area. Lifestory training has been commissioned and will be part of our ongoing offer to ensure that cared for children and care leavers understand their journey and decisions made. Our Care Leaver Ambassadors have been involved in a range of activities to ensure that there is collaboration and involvement in service development.
A3.1.1	Develop and begin consultation upon 'New style' Local Plan Strategy	Head of Planning	New NPPF and change to housing figures published 12 December which will lead to significant unplanned development ahead of a Local Plan. Updated Local Development Scheme required early Q4 but still significant uncertainty of actual process for 'new style' plan with further guidance not due until later in 2025. Local Plan project and associated governance established. Update to Environment and Communities Committee planned for March 2025.
A3.6.1	Deliver actions to achieve the objectives of the Carbon Neutral Action Plan 2027 (updated timescale)	Head of Environmental Services	Progress against capital grant funded initiatives continues to be excellent. Due to a variety of factors officers have recommended that the interim 2027 Council carbon neutral target is removed, and focus is instead on the already committed 2030 carbon neutral with minimum offset. As such the associated capital funded initiatives will be re-considered against this with the focus being on investments to addressing baseline carbon emissions from the likes of the corporate estate and fleet.

14 The actions which are red and not meeting target are:

Priority Action	What will we do	Lead Officer	Q3 update
A2.7.1	Deliver the Kingsbourne Academy primary school in Nantwich	Head of Education	The delivery of this primary school has been further delayed due to the ongoing legal issues. Discussions are underway and we expect to achieve a resolution imminently. We will then be in a position to confirm the opening date for the new school. In the interim, we are working with local schools to ensure that provision for school places is available within the locality.
A3.5.3	Continue to pursue a compensation package following scrapping of HS2 Phase 2	Programme Director HS2	Letters sent to the new Rail Minister and Secretary of State but no offer of potential compensation.

- 15 The Quarter 3 organisational health performance report is at Appendix 2. This gives further details on progress made against delivery of the Cheshire East Plan during Quarter 3 of the 2024/25 municipal year.
- 16 There are 2,717 FTE staff in Cheshire East Council as at quarter 3, a reduction in the level reported in quarter 1 (2,829). The vacancy rate across the Council has increased from 14.24% in Q2 to 16.62% in Q3 2024/25.
- 17 The greatest level of vacancies are reported in Corporate (17.8%) and Children's (15.7%) directorates.
- 18 Levels of staff turnover have decreased from 5.5% in Q2 to 2.5% in Q3. However, following Q2 it was agreed with Human Resources that TUPE figures would impact actual figures for staff turnover. Figures for Q3 are provided without TUPE data. (31/12/24 explains the Q2 spike).
- 19 There has been an increase in the number of agency staff from 246 in Q2, to 267 in Q3 2024/25.
- 20 There has been a decrease in the variance between the forecast outturn and total net budget, decreasing from 5.1% in Q2 to 4.70% in Q3 2024/25. Full details of finance reporting period 3 is a separate item on the committee's agenda.

- 21 Service committees receive performance information on a regular basis through their subject matter expert officers, specific to the subject of the committee. This performance report offers an oversight of progress against the Cheshire East (Corporate) Plan 2024/25 and should complement the more detailed performance and service specific dashboards that are considered at service committees.
- 22 The Corporate Plan 2021-25 has three key themes - Open, Fair and Green. Although the Cheshire East Plan has been refreshed for 2024/25 to better reflect the financial context, development of a new Plan for 2025 onwards has now been completed and will provide our residents, partners and the organisation with clarity of purpose and strategic direction aligned to a new operating model and MTFS.
- 23 The new Plan will commence from April 2025. A delivery plan will be created to set out the specific activity the council will prioritise and lead. It will be agreed by Corporate Policy Committee. Progress will be reported regularly with an annual review. Reporting on the current plan will continue with Quarter 4 2024/25 being reported to Committee in June 2025.

Consultation and Engagement

- 24 Consultation was undertaken in developing the Cheshire East Plan and priority actions within it.

Reasons for Recommendations

- 25 The Corporate Policy Committee is responsible for reviewing and scrutinising performance against the strategic aims and objectives in the Cheshire East Plan 2024/25.
- 26 The performance management framework continues to be developed and seeks to provide a robust, customer focussed view of performance. Member input into this development is valued to ensure that performance management reports are of use.
- 27 Performance management is a tool to allow oversight of the Council's key activities and to enable transparency and understanding around where the Council is performing well, and what are the areas of challenge and improvement.

Other Options Considered

- 28 Not applicable.

Implications and Comments

Monitoring Officer/Legal

29 There are no legal implications arising from this report.

Section 151 Officer/Finance

30 There are no direct financial implications arising from this report. Any financial implications arising from performance matters will be covered in other reports to respective service committees, including separate financial reporting in-year, as well as in further development and reporting of the Medium-Term Financial Strategy, as required.

Policy

31 This report demonstrates progress against all priorities within the Cheshire East Corporate Plan 2021-25.

An open and enabling organisation.	A council which empowers and cares about people.	A thriving and sustainable place.

Equality, Diversity and Inclusion

32 The range of council activities covered in the Corporate Plan aim to meet the Public Sector Equality Duty and the obligations under the Equality Act 2010.

Human Resources

33 There are no direct human resources implications arising from this report.

Risk Management

34 Performance and risk are intrinsically linked. Where risks are identified, performance data can evidence the likelihood of the risk and can also show if risks materialise. The performance report identifies areas where performance is strong and areas for development and improvement. This supports the risk management process by providing the opportunity to review progress and identify areas for improvement and any necessary mitigating actions.

Rural Communities

35 The Corporate Plan aims to support greater inclusion for rural communities. In 2022/23 a Rural Action Plan was approved by the Economy and Growth committee, which includes priorities around digital

connectivity, access, housing, visitor economy and support for rural based businesses.

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

- 36 Performance management of the priorities relating to children and young people and cared for children ensure that there is a focus on children receiving the best start in life and that we deliver on our commitments to children and young people in Cheshire East.

Public Health

- 37 This report supports our Public Health priorities using the Joint Strategic Needs Assessment and Tartan Rug to ensure that we work with partners to address issues of poor housing, poverty, employment and education across urban and rural communities.

Climate Change

- 38 Performance against the Corporate Plan contributes to overall achievement of the net zero targets for the council and for the borough.

Access to Information	
Contact Officer:	Karen Wheeler – Interim Assistant Chief Executive karen.wheeler@cheshireeast.gov.uk
Appendices:	Appendix 1 – The Cheshire East Plan Progress and Performance Report Q3 Appendix 2 – Organisational Health Performance Report Q3
Background Papers:	Cheshire East Plan 2024/25

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Cheshire East plan 2024-25



Open

Fair

Green

Vision

An open, fairer, greener Cheshire East

Aims

Aim 1 - An open and enabling organisation

We will provide strong community leadership and work transparently with our residents, businesses and partners to deliver our ambition in Cheshire East.

Aim 2 - A council which empowers and cares about people

We aim to reduce inequalities, promote fairness and opportunity for all and support our most vulnerable residents.

Aim 3 - A thriving and sustainable place

We will lead our communities to protect and enhance our environment, tackle the climate emergency and drive sustainable development.

Priorities

P1.1) Ensure that there is transparency in all aspects of council decision making
P1.2) Listen, learn and respond to our residents, promoting opportunities for a two-way conversation
P1.3) Support a sustainable financial future for the council, through service development, improvement and transformation
P1.4) Look at opportunities to bring more income into the borough
P1.5) Support and develop our workforce to be confident, motivated, innovative, resilient and empowered
P1.6) Promote and develop the services of the council through regular communication and engagement with all residents

P2.1) Work together with residents and partners to support people and communities to be strong and resilient
P2.2) Reduce health inequalities across the borough
P2.3) Protect and support our communities and safeguard children, adults at risk and families from abuse, neglect and exploitation
P2.4) Be the best Corporate Parents to our children in care
P2.5) Support all children to have the best start in life
P2.6) Increase opportunities for all children and young adults with additional needs
P2.7) Ensure all children have a high quality, enjoyable education that enables them to achieve their full potential
P2.8) Reduce the reliance on long term care by improving services closer to home and providing more extra care facilities, including dementia services

P3.1) A great place for people to live, work and visit
P3.2) Welcoming, safe and clean neighbourhoods
P3.3) Reduce impact on the environment
P3.4) A transport network that is safe and promotes active travel
P3.5) Thriving urban and rural economies with opportunities for all
P3.6) Be a carbon neutral council by 2027

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

Scheduled - not yet started

Completed (B)

OFFICIAL

What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
P1.1	A1.1.1	Introduce a new decision-making framework to streamline the current arrangements and improve quality and clarity of reports.	Head of Democratic Services	CPC	G	A	G	Scrutiny training completed and new member development strategy to go to A&G on 31 March. Officer report writing group meeting regularly and have reviewed and refreshed report template, guidance and style guide, a new flow chart has been produced, e-learning module is being devised and comms to go out in March post CLT approval. New schemes of delegation and Constitution updates on target for approval at CPC in March. At its February meeting, Corporate Policy Committee agreed to establish a Task and Finish Group to complete a full analysis of the Council's decision-making and governance arrangements, as they currently are, in order to establish how these might be changed/improved. Final nominations for this group are awaited and the first meeting is expected to take place soon after the meeting of Full Council on 26 February 2025.
	A1.1.2	Improve understanding of effective scrutiny in a committee system of decision-making	Head of Democratic Services	CPC	G	G	G	Training sessions completed in January and February.
	A1.1.3	Member training to clarify roles and responsibilities for decision-making within the committee system	Head of Democratic Services	CPC	G	G	A	New draft Member Development Strategy and report to go to Governance, Risk and Assurance Board on 12th March. CLT to have sight of the documents prior to the revised report (if changes are needed) being submitted to Audit and Governance Committee on 31st March.
	A1.1.4	A clear and transparent budget setting process, where opportunities to inform and influence decision-making are clearly understood by stakeholders	Head of Finance	CPC	R	R	A	Strongly linked to the progression of the Transformation Programme and the development of change/ savings proposals, the budget setting process over a number of months included Member briefings and engagement, and consultation with external stakeholders. The process and briefings were also shaped and informed by the timing and nature of central Government's policy announcements and both provisional and final local government finance settlements. Whilst noting the generally challenging environment for the local government finance system nationally - and also both the scale of transformation change and further Exceptional Financial Support required for the 2025/26 year – the process concluded with a

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

Scheduled - not yet started

Completed (B)

What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
								budget being set by Council on 26 February 2025. A similarly robust process will be required, commencing early in the new financial year, to manage delivery of the transformational change; and also develop further proposals to help build balanced budget projections for the medium term, from 2026/27.
P1.2	A1.2.1	Review and embed consultation and engagement approach across the organisation to put resident and customer voice at the heart of evidence base for decisions, including assessing alternative approaches such as a 'people panel' to embed citizen voice into key decisions and policy development	Head of Communications	CPC	G	G	G	Work has continued to align and coordinate consultation work alongside broader communications activity. A new approach to budget engagement being one example. An interim approach to developing a new community panel engagement model is being developed, with a trial planned for Q4 as part of engagement around council priorities and budget setting.
	A1.2.2	Review equality, diversity and inclusion strategy and EIAs to embed the voices of seldom-heard audiences and those with protected characteristics at the heart of decision-making and service redesign across the organisation.	Assistant Chief Executive	CPC			G	Recruitment to equality, diversity and inclusion officer post has concluded. Development of the new strategy will begin once the candidate joins the council.
	A1.2.3	Review and refresh the aims and priorities in the Customer Experience Strategy as part of a wider review of customer experience and resident engagement.	Head of Customer Services	CPC			G	The Customer Experience Strategy has progressed to the STEP stage and is set to be presented to the Executive Director of Resources and Director of People for strategic direction confirmation. This comprehensive strategy aligns closely with the Target Operating Model (TOM) and the Councils broader direction of travel, ensuring a cohesive and customer-centric approach. A key pillar of this strategy is the one front door, and digital enhanced customer journey principle, designed to create a seamless and integrated experience for customers. The strategy remains on track for delivery in July. Digital Transformation & Enhancements Significant strides are being made in digital innovation to enhance customer interactions and streamline service delivery: AI Chatbot Implementation: The chatbot is currently in an advanced testing phase ahead of its official rollout. This process is crucial in identifying and resolving any emerging issues, ensuring a smooth and effective deployment. Netcall CRM change from existing CRM: The test and change process is actively underway, refining system capabilities to enhance

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

Scheduled - not yet started

Completed (B)

What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
								customer relationship management and service efficiency. Digital Programme Milestones: While the digital transformation programme is progressing towards its target implementation, it is important to acknowledge that ongoing testing may surface unforeseen challenges, which could impact delivery timelines. The focus remains on delivering a high-quality, customer-first digital experience, with rigorous testing and refinement ensuring a seamless transition to these new systems
	A1.2.4	Achieve the Armed Forces Covenant Gold Award	Head of Communities and Integration	E+C	B	B	B	Cheshire East Council gained Gold award. Armed Forces Officer supports veterans with clubs, events and crisis aid. Further promotion of the Veterans Staff Network taking place.
P1.3	A1.3.1	Embark on a whole organisation transformation and improvement programme – The primary aim in the short term must be to ensure that the Council is financially stable and delivering support to those who need it most.	Director of Transformation	CPC	G	G	G	Focus in Q3 was the development of and refinement of proposals, further staff events took place and an analysis of savings against MTFS was also carried. Transformation Board undertook a lesson's learnt exercise along in preparation for the detailed discussion around Phase 3.
	A1.3.2	Review commissioning approach across all directorates	Head of Integrated Commissioning	A+H/C+F	G	G		Significant work done in the last quarter to align the commissioning approach to transformation.
	A1.3.3	Deliver the savings set out in MTFS 2024-28 proposals within the agreed timescales to contribute to a balanced the budget and build sustainable reserves	Head of Finance	CPC	A	A	A	The Third Financial Review (FR3) as reported to the January cycle of service committee meetings showed a latest forecast overspend of £18.3m; this was an improvement of Second Financial Review, by some £1.8m, but reaffirmed the likelihood of the Council needing to take up Exceptional Financial Support, in the form of capitalisation direction, of up to the £17.3m requested, in order to balance the 2024/25 financial year, and protect remaining reserves levels. The detail reporting in FR3 showed that a number of savings items had been achieved, or positive progress made; but the overall outturn will reflect additional demand/ costs, particularly in adults and children's social care.
	A1.3.4	We will refresh the council's Digital Strategy and delivery programme. The Digital Strategy identifies forty-seven digital projects and	Head of ICT	CPC	G	G	G	This work is now governed and falls under the Digital Workstream as part of Transformation. The scope of the work has been reviewed and includes key Digital

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

Scheduled - not yet started

Completed (B)

What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
		emphasises a digital-by-design approach to offering services to customers.						Transformation activity in the shape of Digital Acceleration and Digital Blueprint projects. Workshops with service areas are underway and business cases are being developed, due in Q4. The scope of the programme has now been extended to include ICT Shared Services Disaggregation (Gemini) and Unit4 Improvement and Optimisation.
P1.4	A1.4.1	Comprehensive review of each existing alternative service delivery vehicle (ASDV) including review of governance, management, business planning and performance management arrangements.	Director of Environment	FSC	B	B	B	Review complete
P1.5	A1.5.1	Review Workforce Strategy and update for 2025 onwards.	Head of HR	CPC		G	G	Draft Strategy is under development and engagement will start post March staff events. Strategy is being aligned with Cheshire East Council Plan and will underpin delivery of people related components of Target Operating Model.
	A1.5.2	Complete the office moves related WorkplaCE programme, making more efficient use of the council's office estate and technology to support modern ways of working	Executive Director – Place	CPC, E+G	G	G	G	Office moves to relocate staff to main corporate premises completed. Westfields Closed as 31st Dec 2024. Works now in progress to form Committee Suites and Members accommodation are under development.
	A1.5.3	Review and update the Brighter Future culture programme	Head of HR	CPC		G	G	Values and behaviour sessions being held at Staff Events 12th March 2025.
	A1.5.4	Complete the DMA review of senior capacity and extend DMA across the organisation as part of service re-design	Head of HR	CPC	G	G	G	Starfish appointed and recruitment is underway. Executive Director of Resources (S151) is appointed and will start 01062025. Assistant Chief Executive starts 17032025. Director of People and Customer Services & Director of Planning and Environment appointed. Remaining roles in progress.
P1.6	A1.6.1	Review and refresh communications and engagement strategy and resourcing as part of a wider review of customer experience and resident engagement.	Head of Communications	CPC	G	G	G	Work has continued in Q3 to research and develop communications and engagement strategy alongside and to support delivery of new Cheshire East Plan 2025-29 and delivery plans.
	A1.6.2	Establish a range of subscriber e-newsletters and digital content to share key updates and council services, support and decisions with a	Head of Communications	CPC		G	G	Evaluation of existing e-newsletter continues in Q3 as part of wider review of digital communications and engagement content and channels to inform new communications and engagement strategy and approach.

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

Scheduled - not yet started

Completed (B)

What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
		range of stakeholders – to extend reach of messages						
	A1.6.3	Review and update the approach, across the organisation, to employee communications and workforce engagement	Head of Communications	CPC	G	G	G	New approach to workforce engagement to support the transformation programme has been developed to be fully implemented in Q4. New approach to be evaluated and adapted to support delivery of new People Strategy (expected Q1 2025-26).

Priority	What we will do - Priority actions for 2024/25		Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
P2.1	A2.1.1	Support VCFSE to build upon the People Helping People initiative and work collaboratively through 'Growing our communities'.	Head of Communities and Integration	A+H	G	G	G	Supporting vulnerable adults out of hospital with voluntary support: 1318 patients on Pathway 1, 2 or 3 that consequently returned to their normal place of residence following the support of the Community Support Connectors / Number of bed days avoided following Connector input.
	A2.1.2	Complete construction of the Traveller transit site	Head of Housing	E+G	G	G	B	The Transit site is now complete and operational.
	A2.1.3	Support and contribute to the achievements of the borough's eight care communities and neighbourhood partnerships	Head of Communities and Integration	A+H	G	G	G	Place based communities: 26 New projects/groups/events created 42 Community Groups receiving support through Grant finder searches 14 Neighbourhood Partnership Meetings 60 Care Community wider & Planning Group Meetings 105 Community Newsletters have been sent out across all Care Communities to more than 2,500 organisations & residents.
P2.2	A2.2.1	Focus delivery of targeted activity to reduce alcohol and substance misuse, smoking, domestic abuse and violence and increase healthy eating and physical exercise in areas that experience worse health outcomes.	Director of Public Health	A+H	G	G	G	The Reducing Drug and Alcohol Harm Strategy has now been approved by the Committee and the Health and Wellbeing Board. A Synthetic Opioid Response Plan has been submitted to the national Joint Combatting Drugs Unit following a request from the Home Office to all Community Drug Partnerships. Approval has been sought to utilise new procurement guidance to permit an extension of the

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

Scheduled - not yet started

Completed (B)

Priority What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
								contract for the existing service provider CGL to continue to provide local drug and alcohol treatment services. Agreement has been reached between the nine public health teams in Cheshire and Merseyside to continue to jointly commission residential substance misuse treatment services as this is a more cost-effective approach that commissioning individually.
	A2.2.2	Continue to deliver activity to deliver the Cheshire East Harm and Suicide Prevention Action Plan 2023-2025	Director of Public Health	A+H	G	G	G	The 2-year action plan is reviewed and updated at each quarterly partnership meeting. Third qtr. summary Sept/Dec 2024 - Network Rail Regional lead delivered online awareness on Samaritans service to partners and all Care community groups - Lightworks Audlem Men's mental health in farming rural communities 1 year engagement evaluation - Children and young people mental health Keep Safe plans delivered at the Public Mental Health Conference - Employment and wellbeing engagement event in Macclesfield Grosvenor centre. - Opening of Survivors of Bereaved by Suicide support group in Macclesfield. - Half Day training delivered to cohorts reaching 60 professionals
	A2.2.3	Continue to deliver activity to deliver the Living Well in Crewe plan	Director of Public Health	A+H	G	G	G	Towns Fund projects in Crewe are continuing to progress and building work has begun on the site of the Crewe History Centre. Council officers continue to engage with the Healthier Futures programme team at Mid-Cheshire Hospitals Foundation Trust. Tentative discussions have got underway in relation to the feasibility of a Crewe Town Centre Health Hub development.
	A2.2.4	Continue to deliver activity to deliver the Cheshire East Place Mental Health Plan 2024-2029	Director of Public Health	A+H	G	G	G	SMI Health Checks and Self Harm and Suicide Prevention - we (Public Health) also update re: Physical Activity, the PH commissioned integrated health and wellbeing service, and the PH commissioned Green Spaces Project.
P2.3	A2.3.1	Continue to embed our Signs of Safety practice model	Principal Social Worker (Children)	C+F			G	The roll out of restorative practice continues with training for approx. 20-22 people each month, alternating between north and south venues. We also have a Restorative 'community of practice' where the trainers and others interested in being workplace champions meet up bi-monthly to discuss how we deliver the training roll out, measure impact and also embed the practice into our daily

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

Scheduled - not yet started

Completed (B)

Priority What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
								work, e.g. starting the monthly Reflective Circles in November. In January, we started our own Train the Trainer model with 9 members of staff so we can offer more training and have been able to add in an additional 2 dates in the south, now we have more trainers and another training room available.
	A2.3.2	Update the Cheshire East Safeguarding Adults Board Strategic Plan	Head of Adult Safeguarding	A+H	G	G		Quarterly Safeguarding Board held in July 2024. Safeguarding continues SAR agreed and is progressing Mental Capacity YouTube produced by CEC to enhance professional practice
	A2.3.3	Update the Cheshire East Domestic Abuse and Sexual Violence Strategy	Head of Service Early Help and Prevention	C+F	A	A	A	The Cheshire East Domestic and Sexual Abuse Partnership (CEDSAP) Strategy and Strategy Delivery Plans will be consulted on following the CE Domestic and Sexual Abuse Board meeting on 4 Feb 2025. These have been coproduced and codesigned with the following subgroups: 1) Joint Commissioning 2) Early Intervention/Prevention 3) Community Engagement 4) Survivor Voice The draft strategy will form the basis of a whole service review to be conducted during 2025/26, looking at the whole domestic abuse and sexual violence offer in Cheshire East.
P2.4	A2.4.1	Attract more foster carers to support Cheshire East children through the Foster4 collaboration	Head of Provider Services	C+F	A	A	G	We continue to work closely with Foster4, the collaborative across 8 local authorities, to attract new foster carers. There is an increase in enquiries into the service that demonstrates that marketing is more effective. More detailed data will be reported at Q4
	A2.4.2	Prioritise care experienced adults as part of our recovery work to improve employment and training opportunities.	Head of Service: Cared for Children and Care Leavers	C+F	A	A	A	We now have 5 Care Leaver ambassadors – they have been attending a number of activities and meetings to help shape the service. There is an improved offer for work experience and apprenticeships and we are offering increased sessions around employment in the care leaver hubs.
	A2.4.3	Deliver the priorities of the Cared for children and care leavers strategy 2022-26	Head of Cared for Children and Care Leavers	C+F	A	A	A	The workstreams for the cared for children and care leaver strategy are all operational and priorities are being identified for each of these. There is a clear process for care leavers aged 21+ to access support. We have a tracker in place to

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

Scheduled - not yet started

Completed (B)

Priority What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
								ensure that we are recording contact with young people aged 21 to 25, with management oversight and allocation to a Personal Advisor where this is identified as being necessary. The work around accommodation for young people aged 16 to 25 is part of a project group and we have already seen an increased offer of suitable accommodation. However, there is further work to do in this area. Lifestory training has been commissioned and will be part of our ongoing offer to ensure that cared for children and care leavers understand their journey and decisions made. Our Care Leaver Ambassadors have been involved in a range of activities to ensure that there is collaboration and involvement in service development.
P2.5	A2.5.1	Continue to develop services and support offered through Family Hub model and promote the Parenting Journey	Head of Early Years	C+F	A	G	G	On the 11th November 2024 Children & Families Committee approved the proposal to repurpose up to 6 of our children's centre's for alternative education purposes and to develop a family hubs outreach model targeting our start for life delivery in the 0-30% most deprived LSOAS across the borough. Since approval we set up regular meetings with colleagues in Education, Property and legal to progress with the ending of the transfer of control agreements where schools have confirmed their wishes to proceed. In Q3 Hurdfield was confirmed as the priority for ending of the TOCA and instructions were given to legal to proceed as soon as possible. The current model of service delivery across the family hubs and children's centres continues until the buildings are repurposed.
	A2.5.2	Continue work to build Crewe Youth Zone	Director Education, Strong Start and Integration	C+F	G	G	G	Preliminary works will commence on site In February 2025, located on the Oak Street car Park site. The project is funded by a range of private and public sector contributions including Cheshire East Council and the Government's Youth Investment Fund and Towns Fund. Recruitment is underway for key roles in the Youth Zone.
	A2.5.3	Continue to deliver the Emotionally Healthy Children and Young People programme	Consultant in Public Health (children and young people)	C+F	G	G	G	We continue to empower schools to become trauma informed and mentally healthy places for all our children and young people. Analysis from information sent by schools in December 2024 showed 94% have a Senior Mental Health Lead (SMHL). The Healthy Young Minds

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

Scheduled - not yet started

Completed (B)

Priority What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
								launch event took place in September 2024. We have also mobilised the Solihull online evidence-based courses, developed by psychologists and professionals, for all professionals within Cheshire East's Children's workforce to support practice. Leadership modules have been delivered to 31 strategic leads from across the system through the implementation of iTHRIVE, the council's needs-led approach to delivering mental health services for children, young people and families. An evaluation of the THRIVE framework completed with partners has identified potential areas for improvement.
P2.6	A2.6.1	Establish and deliver against the Dedicated Schools Grant (DSG) management plan	Strategic lead for SEND and inclusion	C+F	A	G	G	The financial position at Q3 has improved since Q1 and Q2. The forecast shows an in-year deficit of £37.1m, resulting in the overall forecast deficit to £115.8m by March 2025. For the calendar year 2024, the growth of Education Health and Care (EHC) assessment is 6.4% (2023 represented 13.6% growth, 2022 represented 18% growth). Not only is the reduced growth an improvement on previous years but is also an improvement on the target figure of 8% growth within the DSG management plan. The total number of EHC plans in Cheshire East stands at 4,893 (as of January 2025). The statistics detailed here indicate that our mitigations which focus on right support, at the right time, in the right place are starting to have an impact, strengthening inclusion and embedding the graduated approach
	A2.6.2	Capital programme to increase in-borough provision	Head of Education	C+F	G	G	G	We are continuing to progress capital schemes as per the capital programme. A number of schemes were handed over during 2024 including Wilmslow High School expansion, Springfield (Crewe) expansion, The Dingle Primary expansion and completion of Shavington Academy scheme for additional places. We are progressing with a number of schemes on site and taking forward a number of feasibility studies, in particular to provide additional SEN places across the borough.
	A2.6.3	Grow organisational capacity to support transformation of SEND support (MTFS 24)	Strategic lead for SEND and inclusion	C+F	G	G	G	The SEND Transformation team is in place, however there are currently some vacant posts. A review of the transformation team structure is required to ensure that correct positions are in place to drive the forward the SEND

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

Scheduled - not yet started

Completed (B)

Priority What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
								transformation programme. The SEND operational team is in the process of increasing capacity in order to lower caseloads. The council has established a new multi-agency Governance Structure and are continuing to deliver the actions identified through the development plans that sit in this area
P2.7	A2.7.1	Deliver the Kingsbourne Academy primary school in Nantwich	Head of Education	C+F	R	R	R	The delivery of this primary school has been further delayed due to the ongoing legal issues. Discussions are underway and we expect to achieve a resolution imminently. We will then be in a position to confirm the opening date for the new school. In the interim, we are working with local schools to ensure that provision for school places is available within the locality.
	A2.7.2	Process primary and secondary applications efficiently, offering parental choice places where possible.	Head of Education	C+F	G	G	G	Secondary applications closed 31.10.24. There were 4203 applications received from Cheshire East residents. Mitigations were considered for late applications (including vulnerability) to enable them to be managed as in time. Primary applications remain open until January 2025, approximately 3800 are expected to be received.
P2.8	A2.8.1	Investment in Adult Social Care (MTFS 8)	Director of Adult Social Care	A+H	G	A		Growth included in budget for 2024/25 and under review for future years in line with MTFS development and transformation plan.
	A2.8.2	Continue to develop and promote the Shared Lives service	Head of Care4CE	A+H	G	G		Continuing as Q1
	A2.8.3	Use technology to digitally enable people to support themselves (Digital Inclusion Plan 2023 – 2026)	Corporate Manager, Health Improvement	A+H	G	G	G	Connecting Cheshire has now appointed a Digital Inclusion Officer who will start in February/March. The Cheshire and Merseyside Digital Inclusion heatmap is being updated (includes information about where support to become digitally enabled can be accessed).
	A2.8.4	Deliver the objectives of the All Age Carers Strategy 2021-25	Head of Integrated Commissioning	A+H	G	G		A formal Service Improvement Plan Process was instigated in September to review progress and ensure work commences at pace.

Off track – with major issues (R)	Mainly on track – minor issues (A)	On Track (G)	Scheduled - not yet started	Completed (B)
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Priority What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
P3.1	A3.1.1	Develop and begin consultation upon 'New style' Local Plan Strategy	Head of Planning	E+C	A	G	A	New NPPF and change to housing figures published 12 December which will lead to significant unplanned development ahead of a Local Plan. Updated Local Development Scheme required early Q4 but still significant uncertainty of actual process for 'new style' plan with further guidance not due until later in 2025. Local Plan project and associated governance established. Update to Environment and Communities Committee planned for March 2025.
	A3.1.2	Deliver the Planning Service Improvement Plan	Head of Planning	E+C	A	G	G	Good progress has continued on the Planning Service Improvement Plan (PSIP). Recruitment to a range of roles within the Service has now substantially and successfully completed. Tree Risk Management Strategy update has been completed and separate governance, monitoring and reporting process set up; progress on set up of KPIs for Building Control is largely complete; remaining S106 audit work has been completed and quarterly monitoring meetings now embedded. Day-to-day use of the new IT system has now settled following some initial customer concerns but will need careful monitoring going forward outside of the PSIP.
	A3.1.3	Deliver cultural development activities, including continued activity towards the Cheshire Archives – a Story Shared project (MTFS 56)	Head of Rural and Cultural Economy	E+G	G	G	G	Construction of the new Archives centres in Crewe and Chester has started and they will open in 2026. The online archive services are still available, and you are able to order copies of documents and request research services. Libraries across Cheshire continue to provide access to local history books and maps as well as providing free online access to family history websites.
	A3.1.4	Update the Statement of Licensing Policy	Head of Regulatory Services	Council	G	G	G	The Statement of Licensing Policy (2024-2029) was approved by Full Council in December 2024. The Policy has been published on the Cheshire East website.
P3.2	A3.2.1	Monitor the continued successful delivery of the Cleaner Crewe project.	Head of Neighbourhood Services	E+C	G	G	G	A relaunched and extended version of the Cleaner Crewe project was agreed at E&C Committee in November 2024 as one strand of mitigation to impacts of shift to 3 weekly residual waste collections and weekly food waste. Project governance is now

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

Scheduled - not yet started

Completed (B)

Priority What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
								established with a range of stakeholders engaged including ward Members, Crewe Town Council and local MP. Recruitment to a range of roles required to support its delivery is ongoing, with a communications and engagement plan in development. A formal launch event is planned for late April with a scrutiny focussed report on progress in re-establishing the project scheduled to be presented to Committee in June 2025.
	A3.2.2	Update and deliver the Air Quality Strategy, following consultation.	Head of Regulatory Services	E+C	G	G	G	AQS is approved and in use. Updates on work discussed at AQSG on a quarterly basis. Updated Strategy approved by E&C Committee in July 2024
	A3.2.3	Update the Safer Cheshire East Partnership Plan	Locality Manager, Community Safety	E+C	A	G	G	Statutory responsibility to undertake Domestic Death Related Death Reviews (Formerly Domestic Homicide Reviews). Currently managing 6 Reviews all at varying stages with those completed with 'Action Planning' in place.
P3.3	A3.3.1	Continue implementation and monitoring of the Green Spaces Maintenance Policy	Head of Environmental Services	E+C	G	G	G	New Policy is fully implemented and has been delivered to across a full season. Works are ongoing to combine the Parks and Green Spaces maintenance functions with those of the highway service to drive out further efficiencies in the medium term.
	A3.3.2	Update the Cheshire Local Nature Recovery Strategy	Head of Planning	E+C		G	G	Progress towards a public consultation on the Local Nature Recovery Strategy continues, with this expected to be launched early next quarter with appropriate briefings.
	A3.3.3	Finalise and implement the Biodiversity Net Gain Supplementary Planning Document	Head of Planning	E+C	G	G	B	Activity complete.
P3.4	A3.4.1	Complete Bus Service Review and refresh Bus Service Improvement Plan	Head of Strategic Transport and Parking	H+T	G	G		Procurement has been planned for inviting bids to operate 20 services to commence April 2025.
	A3.4.2	Deliver an integrated borough-wide demand-responsive transport service (Go-Too and Flexilink)	Head of Strategic Transport and Parking	H+T	G	G		Short term developments to the provision of services has been completed. Additional journeys and extended fares and concessions have been introduced.
	A3.4.3	Secure further funding for active travel routes	Head of Strategic Transport and Parking	H+T	G	G		Additional funding will be considered as part of the annual LTP capital programme.

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

Scheduled - not yet started

Completed (B)

Priority What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
	A3.4.4	Update business cases for Middlewich Eastern Bypass and A500 dualling	Head of Strategic Infrastructure	H+T	G	G	G	A decision from the Secretary of State on grant funding is awaited (due end Feb 2025) Work towards an updated Outline Business Case for A500 scheme remains on programme
P3.5	A3.5.1	Deliver the Cheshire East Rural Action Plan 2022-26	Head of Rural and Cultural Economy	E+G	G	G	G	Progress is being made on various elements of the Rural Action Plan including digital connectivity, access, support for communities and businesses, natural capital and environmental, visitor and cultural economy and the local nature recovery strategy. There are continuing opportunities and challenges that impact on the rural economy and a refreshed Plan will be developed for 2026 - 2030.
	A3.5.2	Continue to deliver Connected Cheshire digital infrastructure	Head of Economic Development	E+G	G		G	Note, while progress was made during this period, as an advisory Q4 looks to be less certain with a number of external factors likely to change/impact delivery models, this also has to potential to delay progress, but impact is yet to be fully understood (pending external developments)
	A3.5.3	Continue to pursue a compensation package following scrapping of HS2 Phase 2	Programme Director HS2	E+G		A	A	Letters sent to the new Rail Minister and Secretary of State but no offer of potential compensation.
	A3.5.4	Develop a clear place marketing approach	Head of Economic Development	E+G	G	G	G	Crewe vision, Crewe Hub, Handforth Garden Village propositions in development ahead of key development and place event, UKREIIF (May 2025). Inward investment engagement programme continues as part of Business & Growth Team core activity.
	A3.5.5	Enable the delivery of Handforth Garden Village	Head of Economic Development	E+G	G	G	G	A paper is being considered by Economy and Growth Committee on 11th March 2025 recommending exploration of the potential of forming a joint venture with MADE Partnership. If a joint venture is formed, it means the council and MADE Partnership would work together as 'master developers' and be responsible for all aspects of the Handforth Garden Village until the scheme is delivered in full. This decision will boost the resources, experience and capacity available to progress this project.

Off track – with major issues (R)

Mainly on track – minor issues (A)

On Track (G)

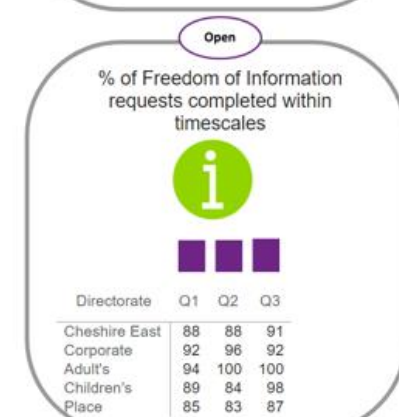
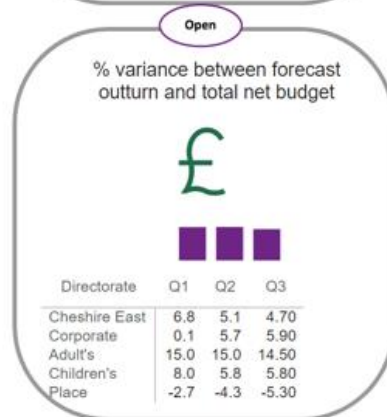
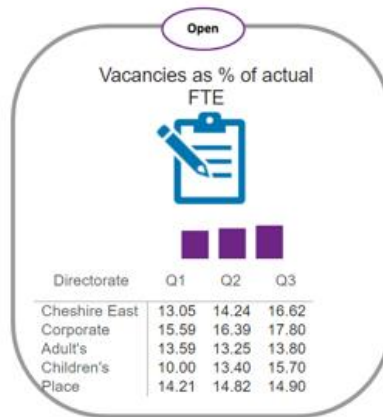
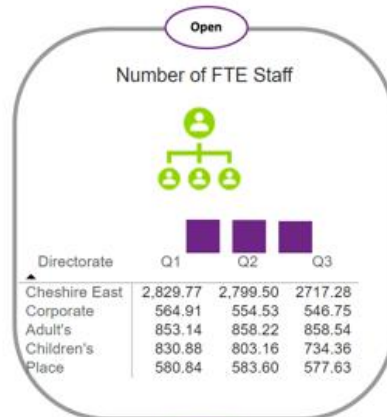
Scheduled - not yet started

Completed (B)

Priority What we will do - Priority actions for 2024/25			Lead Officer	Committee	Q1 RAG	Q2 RAG	Q3 RAG	Update
P3.6	A3.6.1	Deliver actions to achieve the objectives of the Carbon Neutral Action Plan 2027 (updated timescale)	Head of Environmental Services	E+C	A	A	A	Progress against capital grant funded initiatives continues to be excellent. Due to a variety of factors officers have recommended that the interim 2027 Council carbon neutral target is removed, and focus is instead on the already committed 2030 carbon neutral with minimum offset. As such the associated capital funded initiatives will be re-considered against this with the focus being on investments to addressing baseline carbon emissions from the likes of the corporate estate and fleet.
	A3.6.2	Update the borough-wide Carbon-Neutrality Action Plan 2045 following public consultation	Head of Environmental Services	E+C	G	G	G	The initial 2025-2030, 5-year action plan towards the 2045 borough carbon neutral target, informed by the outputs of public consultation, was approved by Environment and Communities Committee in January 2025.

Off track – with major issues (R)	Mainly on track – minor issues (A)	On Track (G)	Scheduled - not yet started	Completed (B)
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2024/25 Quarter 3 Organisation Health



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CORPORATE POLICY COMMITTEE

20 March 2025

Response to Government consultation for principles of Devolution in Cheshire & Warrington

Report of: Philip Cresswell, Executive Director of Place

Report Reference No: CPC/59/24-25

Ward(s) Affected: All

For Decision or Scrutiny: Decision

Purpose of Report

- 1 To confirm the response from Cheshire East Council to the government consultation on the principles of a proposal developed by government for devolution in the Cheshire and Warrington area.
- 2 This report covers two areas for consideration:
 - Noting that the Cheshire & Warrington area, including Cheshire East, has been confirmed as part of the government's Devolution Priority Programme.
 - The submission of a response to the government's consultation on behalf of Cheshire East Council.

Executive Summary

- 3 The Government published its Devolution White Paper in December 2024, and it is expected that the English Devolution Bill will pass through Parliament in 2025/26.
- 4 The Government announced details of a Devolution Priority Programme for those areas wishing to proceed as soon as possible, and Council Leaders and Deputy Leaders from Cheshire and Warrington expressed an interest in being included in the Programme.

- 5 On the 5 February 2025, it was confirmed that Cheshire & Warrington would be part of the Devolution Priority Programme, working to a timetable to see the creation of a Strategic / Combined Authority following Mayoral Elections by May 2026.
- 6 As part of the priority timetable, the government has launched its consultation on the principles of devolution within the Cheshire & Warrington area, and responses to this consultation are required by 13th April 2025.
- 7 Cheshire East Council is seeking to submit a response to this consultation as outlined in this report.

RECOMMENDATIONS

The Corporate Policy Committee

1. Note that the Cheshire & Warrington area, including Cheshire East, has been confirmed as part of the Devolution Priority Programme.
2. Approve the submission of the Council's response to the seven questions requested as part of the government consultation as outlined in this report.

Background

- 8 Since election in July 2024 the government has continued to focus on the opportunity of Devolution across all of England, seeking to advance to agreements with those areas without existing devolved powers. Through devolution, such areas and their local leaders could receive more powers, functions and funding to take decisions about local priorities.
- 9 In December 2024, the government published the [English Devolution White Paper](#), which set out a new Devolution Framework for English devolution which will move power out of central government and into the regions and sub regions.
- 10 Devolution could achieve this through enabling more decisions to be taken at a more local level, thereby making it easier to tailor decisions to local needs and priorities. The potential outcome being more coordinated action in a place, giving communities a greater say in decisions that affect them and creating opportunities in policy and delivery.
- 11 The government's ambition on devolution is universal coverage across England, with a strong preference for every area to have a Mayor, so

that every part of the country could unlock the benefits and opportunities that devolution brings.

- 12 Within the English Devolution White Paper launched in December 2024, the government established the Devolution Priority Programme, to provide a fast-track to creating Mayoral Combined Authorities for areas ready to come together over sensible geographies which meet the criteria set out in the White Paper. These areas would receive the full backing of government to deliver to timescales.
- 13 Cheshire East Council, along with Cheshire West and Chester Council, and Warrington Borough Council expressed an interest to join the Devolution Priority Programme.
- 14 On the 5 February 2025, Cheshire and Warrington was confirmed to be part of the Devolution Priority Programme, along with the five other areas listed below:
 - Cumbria (Cumberland Council, Westmorland and Furness Council);
 - Hampshire and the Solent (Hampshire County Council, Portsmouth City Council, Isle of Wight Council, Southampton City Council);
 - Greater Essex (Essex County Council, Thurrock Council, Southend-on-Sea City Council);
 - Norfolk and Suffolk (Norfolk County Council, Suffolk County Council); and
 - Sussex and Brighton (East Sussex County Council, West Sussex County Council, Brighton and Hove City Council).
- 15 The Priority programme sets the objective to seek to establish the Mayoral Combined Authority by May 2026, holding Mayoral elections on the 7th May 2026.
- 16 To achieve that objective the government will require the implementation of key statutory processes, and this includes a public consultation to seek local views and inform a final decision by government.
- 17 The Government has stated that it is minded to establish a Mayoral Combined Authority for Cheshire and Warrington.
- 18 Government will take a decision on whether to proceed with the necessary implementing legislation after considering responses to a consultation and whether a series of statutory tests have been met.

- 19 In particular, Government will need to decide:
- Whether they consider that the establishment of a Combined Authority in the area is likely to improve the economic, social and environmental wellbeing of some or all of the people who live or work in the area;
 - Whether establishing a Combined Authority in the area is appropriate, having regard to the need to:
 - secure effective and convenient local government; and,
 - reflect the identities and interests of local communities.
- 20 Government will also consider all factors in the round when taking the decision on whether to proceed with the necessary implementing legislation.
- 21 The public consultation by Government was launched on the 17th February 2025, and will last for 8 weeks. The closing date will be 13th April 2025 at 23:59.

Government Consultation

- 22 The Government consultation is seeking the views from interested parties and those who live and work across Cheshire and Warrington, on the effect of establishing a Mayoral Combined Authority in the area.
- 23 It comprises of seven questions on whether or not respondents consider a combined authority will improve the economic, social and environmental wellbeing in the Cheshire & Warrington area.
- 24 All members, businesses, and residents can submit a response, and this report seeks to confirm the response from Cheshire East Council.
- 25 Any response does not commit the Council to a Mayoral Combined Authority, this report is purely to confirm the answers to be submitted as part of the Council's response to the consultation.
- 26 The seven questions and proposed responses are outlined later in the report.
- 27 If the proposal proceeds, then Corporate Policy Committee and, following their recommendation, Full Council will be presented with a full report to consider with further detail of the proposed Combined Authority. Full Council will be required to provide final consent.

- 28 Similarly, the formal consent of the Councils of Cheshire West and Chester Council, and Warrington Borough Council will also be required.

Key considerations of the proposed Combined Authority outlined in the Government Consultation.

- 29 With the Launch of the public Consultation the Government provided further guidance and explanation of the potential workings of a combined Authority on the Gov.UK website, with the appropriate link [Cheshire and Warrington devolution - GOV.UK](#).
- 30 An extracted copy of the webpage is attached in Appendix B, and the key elements for noting ;
- Membership
 - Decision Making
 - Oversight
 - Funding

Membership

- 31 Constituent councils - Cheshire East, Cheshire West and Chester, and Warrington Borough Councils would be the constituent councils of the proposed Combined Authority.
- 32 Each council would appoint two representatives to be constituent members. This means that there would be six constituent council members in total.
- 33 Constituent councils would each be able to appoint the same number of substitute members as they appoint constituent members to act in the absence of their constituent members.
- 34 The Mayor - A Combined Authority would have a Mayor, directly elected by those eligible to vote in local council across the 3 constituent council areas.
- 35 The first mayoral election would potentially take place on 7 May 2026, and Mayors are typically elected on 4-year terms.
- 36 The Mayor would be a constituent member of the Combined Authority.
- 37 The Mayor would be required to appoint a deputy Mayor from among the constituent members to act in their absence or if the office of the Mayor is vacant.

- 38 Non-constituent and associate members – the constituent members would be able to appoint a maximum of six non-constituent and associate members to support the delivery of their work programme.
- 39 Non-constituent members could be representatives of an organisation; for example, a district council, local NHS trust, the Police and Crime Commissioner, or a local registered provider. Associate members are named individuals who can provide particular experience or expertise – for example, on active travel, or local businesses.

Decision making at the Combined Authority

- 40 The Combined Authority's constituent members (the Mayor and six constituent council members) would be the decision makers within the Combined Authority.
- Constituent members would automatically have voting rights.
 - Non-constituent members could be given voting rights at the discretion of the Combined Authority.
 - Associate members would not be able to be given voting rights.
- 41 All members would have a single vote. The default voting arrangement for Combined Authority decisions to be approved would be a simple majority in favour, including the Mayor (i.e. 4 out of 7).
- 42 No decisions can be made at a Combined Authority meeting unless the Mayor (or deputy Mayor) and at least 4 constituent council members are present.

Oversight

- 43 To ensure effective scrutiny of decision making and audit of how resources are used, the Combined Authority would have at least one Overview and Scrutiny Committee, and one Audit Committee, in line with the requirements of the Local Democracy, Economic Development and Construction Act 2009.

Funding

- 44 The Mayoral Combined Authority would receive devolved funding from central government, including those relating to the following policies
- Housing and regeneration.
 - Local growth.
 - Adult skills (except apprenticeships).
 - Local transport.

- 45 The Mayoral Combined Authority would therefore have control over how funding is spent in the sub region, including how it is spent to meet local needs in the area. As with all current government programmes, the precise programmes that will be devolved (and the amount of funding) will be determined through the Spending Review in June.
- 46 The Mayoral Combined Authority would also receive capacity funding from central government to help set up the new organisation.
- 47 The Mayoral Combined Authority would have the ability to introduce a mayoral precept on council tax should they choose to do so. This allows the authority to raise money to fund local priorities.

Consultation Questions

- 48 The responses to the seven questions are outlined in Appendix A, and Committee is asked to confirm the answers for submission:

Consultation and Engagement

- 49 Cheshire East Council has reported updates and matters connected with devolution to its Corporate Policy Committee on 13th June 2024 and 21st August 2024, 30th August 2024, and 6th February 2025. Corporate Policy Committee has also set up a small cross party Member Reference Group which has subsequently met on eight occasions to discuss key issues and progress.
- 50 Full Council also considered a matter concerning the terms of reference of the Joint Committee on 11th February 2024.
- 51 All Member Briefings relating to sub regional working and the wider Devolution debate have been held on 5th December 2024, 7th January 2025, and 10th March 2025
- 52 Engagement is continuing with the Cheshire and Warrington Leaders Board (including representatives from the voluntary and community sector, health, fire and police) as well as the Cheshire and Warrington Business Advisory Board (representing the private sector and business representative organisations such as the Chambers of Commerce).
- 53 Engagement has also been held previously with all local MPs.
- 54 Further to the consultation, comprehensive communications and engagement plan will be developed to ensure that stakeholders, business and residents are fully engaged in exploring the impacts of devolution.

- 55 Cheshire & Warrington Joint Committee have established a website to provide updates, information and news – the link is www.cheshireandwarringtondevolution.com.

Reasons for Recommendations

- 56 The Council wishes to respond as a consultee to the Government consultation on the proposals for devolution across Cheshire & Warrington Sub Regional area.

Other Options Considered

- 57 No further options were considered and reasons for recommendations are clarified above.

Implications and Comments

Monitoring Officer/Legal

- 58 A response submitted as part of the Government's consultation process does not commit the Council to a Mayoral Combined Authority. This report sets out the answers that are proposed to be submitted as the Council's response to the consultation.
- 59 Any decision to create a strategic/combined authority would need to be approved by Full Council for each constituent authority in due course, and are contingent on any proposals being brought forward.

Section 151 Officer/Finance

- 60 There are no immediate financial implications as a consequence of this report, as relating to the Terms of Reference of the Joint Committee. Any financial implications relating to potential devolution will be reported and considered at a later time, to respective councils and the Joint Committee.

Policy

61

An open and enabling organisation <i>Ensure there is transparency in our decision making</i>	A thriving and sustainable place <i>A great place for people to live, work and visit</i> <i>Thriving urban and rural economies</i>
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Equality, Diversity and Inclusion

- 62 There are no direct equality implications as a result of this report.

Human Resources

63 There are no direct HR implications as a result of this report.

Risk Management

64 A full risk register will be established if the decision is taken to move towards devolution.

Rural Communities

65 There are no direct implications for rural communities.

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

66 There are no direct implications for children and young people as a result of this report.

Public Health

67 There are no direct public health implications.

Climate Change

68 There are no direct climate change implications as a result of this report.

Access to Information	
Contact Officer(s):	<p>Janet Witkowski, Acting Governance, Compliance and Monitoring Officer.</p> <p>Phil Cresswell, Executive Director for Place.</p> <p>Philip.cresswell@cheshireeast.gov.uk or</p> <p>Janet.witkowski@cheshireeast.gov.uk</p>
Appendices:	<p>Appendix A – Response to Government Consultation Questions</p> <p>Appendix B – Extracted copy of Government Webpage</p>
Background Papers:	<p>Reports to Corporate Policy Committee;</p> <ul style="list-style-type: none"> • 13 February 2024 • 3 June 2024

- 21 August 2024
- 6th February 2025

Report to Full Council :

- 11 December 2024

Appendix A

The Government questions along with the proposed responses are outlined below:

Consultees are to respond to the questions, that they:

- Strongly agree.
- Agree.
- Neither agree nor disagree.
- Disagree.
- Strongly disagree.
- Don't know.
- Prefer not to say.

Consultees are also be invited to explain answers.

.....

Question 1: To what extent do you agree or disagree that establishing a Mayoral Combined Authority over the proposed geography will deliver benefits to the area?

Response : Strongly agree

Further Detail for inclusion in the response:

- Devolution and an MCA is about making more decisions locally - we know our region and its residents best.
- Through devolution/MCA, Cheshire East will have more say, more power and more funding.
- It will help us improve our transport, invest in more training and better jobs, supporting thriving town centres and prosperous rural communities.
- Devolution/MCA will help us to ensure that Cheshire and Warrington has the healthiest, most sustainable and growing economy in the UK.
- For residents, devolution/MCA will mean better transport, more jobs and more opportunities to thrive.
- For businesses, it will drive growth and investment in our world-leading sectors - life sciences, clean energy, advanced manufacturing and

agriculture - and help provide direct support to our wider sectors (including SMEs).

- A Mayor will also support a louder voice for Cheshire and Warrington on the UK and world stage - with a seat around the table at the Council of Nations and Regions and the Mayoral Council across England.
- Devolution will help support the Cheshire East Corporate Plan and its aims and objectives.

Question 2: To what extent do you agree or disagree with the proposed governance arrangements for the Mayoral Combined Authority?

Response : Agree

Further Detail for inclusion in the response:

The response is Agree as Cheshire East would wish to see some additional improvements to governance structuring

- An MCA will ensure the Council receive the most effective powers and significant investment - with the ability to shape how investment decisions are made locally.
- All of the Councils will be represented around the decision-making table alongside the Mayor to ensure transparent and effective governance.
- A Mayor will also support a louder voice for Cheshire and Warrington on the UK and world stage - with a seat around the table at the Council of Nations and Regions and the Mayoral Council across England.
- Working as an equal partner with our neighbours - especially Greater Manchester CA and the Liverpool City Region CA.
- With respect to the quorum – Cheshire East considers the arrangements proposed have key areas that warrant improvement to ensure positive and collaborative decision making across the sub region. Accordingly, it is critical that one representative member from each council is in attendance to be quorate.
- On Finance and reserved matters all members of the constituent councils should be in agreement.

Question 3: To what extent do you agree or disagree that working across the proposed geography through the Mayoral Combined Authority will support the economy of the area?

Response : Strongly agree

Further Detail for inclusion in the response:

- Our proposals for Crewe Hub, in the south of Cheshire East is a vital cross-pollinator for the entire agenda and agreement
- In the north of the Borough we believe the opportunity of strategic investment funds and Investment Zones will be a key support for major employment locations in the Science Corridor such as Astra Zeneca and Alderley Park.
- Across Cheshire East investment funds will enable our towns and town centres to access funding to support vitality and inclusion.
- We need affordable and convenient transport, good-quality homes and a workforce with the skills our businesses need. We believe devolution and an MCA will help us to deliver against these challenges.

For example:

- Exploiting opportunities offered by the Bus Services (No.2) Bill to deliver improvements in bus services to better connect people to jobs and learning.
- Unlock transformational investment for our major mixed-use sites around our strategic transport hubs in Crewe, Chester, and Warrington - delivering jobs, homes and 21st Century transport connectivity.
- Delivering employer-led skills and training to support the labour market needs of our businesses and grow our world-leading expertise in decarbonised energy through a green skills revolution.
- Unlocking the supply of sites to deliver the right homes in the right places across our subregion.
- Expand the opportunities of our Science Corridor through investment in business-led growth and targeted innovation in our priority sectors.
- Supporting our SME community through locally based support to scale-up and access new markets.

- Improving our rural economy and the sectors therein, improving connectivity

Question 4: To what extent do you agree or disagree that working across the proposed geography through the Mayoral Combined Authority will improve social outcomes in the area?

Response : Agree

Further Detail for inclusion in the response:

The response is 'agree' as Cheshire East recognises that differing boundaries between the Cheshire & Merseyside ICB and Cheshire & Warrington Devolution area will present a further need to clarify how services can be further improved.

- Working closely with our schools and colleges to design learning and training packages which support our young people on a clear pathway to employment - with a specific focus on higher level skills for our growth sectors that need a better qualified workforce.
- Support employment opportunities in high vacancy sectors (such as health and social care) and for people who might need extra support towards accessing training and jobs.
- Working across the subregion to deliver measures to tackle health inequality - and embedding this across all policy areas for the MCA.
- Working at scale to deliver real impacts addressing fuel poverty and transportation.
- Delivering affordable housing options for our rural communities and ensuring that they are better served by good public transport to enable them to access employment and learning opportunities.
- Will provide opportunities to support Joint Strategic Needs Assessments and joint health and wellbeing strategies, and therefore the addressing the measured health & wellbeing statistics across the Borough.
- Cheshire East would wish to see targeted funding at a local sub regional level would provide investment into bus services, digital connectivity, and key services to reduce social isolation in Rural communities.
- With the Leighton Hospital redevelopment and the wider clinical & business neighbourhood opportunity, devolution can generate and enable further investment in the health sector.

Question 5: To what extent do you agree or disagree that working across the proposed geography through a Mayoral Combined Authority will improve local government services in the area?

Response : Strongly agree

Further Detail for inclusion in the response:

- Improve local government services with more powers in local control - so decisions about us aren't made in London.
- Working across key services to deliver a more cohesive approach - e.g. health and public safety. We already do this, but having a subregional authority with additional powers and statutory duties to ensure more effective delivery will result in better outcomes.
- Asset management processes and options can be maximised
- Using the opportunity of the MCA to work across the constituent councils to explore double devolution - seeking to involve and empower local communities about how we're looking to design, deliver and communicate services in a more local way and involve local people in that design and delivery.
- A Mayor will also support a louder voice for Cheshire and Warrington on the UK and world stage - with a seat around the table at the Council of Nations and Regions and the Mayoral Council across England.
- Devolution will further enable Cheshire & Warrington to continue to work cross boundary with partner Combined and Strategic Authorities such as Greater Manchester, and Liverpool City Region, as well as across national boundaries with North Wales.

Question 6: To what extent do you agree or disagree that working across the proposed geography through a Mayoral Combined Authority will improve the local natural environment and overall national environment?

Response : Strongly agree

Further Detail for inclusion in the response:

- Better co-ordination of local energy plans to deliver a net zero electricity grid that has the capacity to deliver the power businesses and homes in

all locations in C&W will need if we are to deliver C&W's net zero ambition by 2045.

- Local responsibility to encourage sharing of best environmental practice and approaches to reduce flooding and improve water quality.
- Rural communities can benefit from devolution as the key to unlock and maximise natural environments, habitats and agriculture as a key sector within our approaches to the rural economy

Question 7: To what extent do you agree or disagree that working across the proposed geography through the Mayoral Combined Authority will support the interests and needs of local communities and reflect local identities?

Response: Strongly agree

Further Detail for inclusion in the response:

- Exploring opportunities of 'double devolution' whereby Cheshire East can deliver 'onward' devolution (where devolution happens twice – first from national to regional and then from regional to local) and putting more power into the hands of our local residents across services.
- Building on many years of successful joint working, investment funding will enable additional support for projects and programmes of Town & Parish Council's, thereby supporting the interests of local communities.
- Devolution will provide opportunities to support our Town Centres, promoting their revitalisation and regeneration.
- Want to embed culture, heritage and tourism at the heart of our subregional agenda - celebrating the diversity of our local identities as well as the strength of our subregional proposition.
- Our industrial heritage in and round Crewe will be vital to recognise
- Cheshire East, and the Cheshire and Warrington area, has unique benefits underpinned by its Rurality, and therefore investment and opportunities from devolution should be key and instrumental in this respect. Investment in our Rural Communities in connectivity, infrastructure, and affordable housing should be a clear focus going forward, and to support for the broad spectrum of businesses and employment.

- Cheshire East would wish to explore further how devolution, and the potential of devolving powers from DEFRA, can provide stability, support, and investment into the rural economy and rural communities.
- Devolution will raise the profile of our subregion and highlighting our specific issues on a regional and national platform.

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Appendix B:

Establishing a Mayoral Combined Authority across Cheshire East, Cheshire West and Chester, and Warrington

Topic of this consultation:

This consultation seeks views on a proposal to form a Mayoral Combined Authority for the local government areas of Cheshire East Council, Cheshire West and Chester Council, and Warrington Borough Council (referred to as Cheshire and Warrington in this consultation).

In December 2024, the government published the [English Devolution White Paper](#). This sets out plans to move power out of Westminster and back to local communities, ensuring that every part of England is covered by devolution. The council leaders from Cheshire East Council, Cheshire West and Chester Council, and Warrington Borough Council have since written to government expressing their interest in taking forward devolution within their area through the establishment of a Mayoral Combined Authority, with the first election for a Mayor taking place in May 2026. Before taking a decision on whether to proceed with the making of the necessary legislation, the government is seeking views from interested parties, including those who live and work in the area.

Scope of this consultation:

This consultation seeks views, particularly from interested parties, including those who live and work across Cheshire and Warrington on the effect of establishing a Mayoral Combined Authority in the area. It includes questions on the proposed geography and how the Combined Authority will make decisions, together with questions on the effects of working across this geography through a Mayoral Combined Authority.

In some parts of the country, there may be proposals for reorganisation of existing councils. This is a separate process and is not covered by this consultation.

Geographical scope:

These proposals only have direct effect within the geographical area covered by the local councils listed above.

Basic information

Body/bodies responsible for the consultation:

Ministry of Housing, Communities and Local Government

Duration:

This consultation will last until 13 April 2025 at 23:59.

How to respond:

We encourage everyone to use this opportunity to share your opinions on the proposal for the establishment of a Mayoral Combined Authority across this area.

The easiest way for you to respond and engage in the consultation is by completing the online form - <https://consult.communities.gov.uk/lggc/cheshire-and-warrington-devolution-consultation>. Once you are on the website, you will be guided through the specific questions on which we are seeking views.

If you are unable to provide your views through the online form, you can alternatively email or post your response to the questions. Details on how to do this are set out in Annex B. Please follow the format of the questions as set out in Annex B. For email and postal responses, please make clear which area consultation you are responding to (there are a number of live consultations on English devolution). This consultation is about a proposal to form a Mayoral Combined Authority for the local government areas of Cheshire East Council, Cheshire West and Chester Council, and Warrington Borough Council.

1. Background

1.1 Devolution context

Through devolution, areas and their local leaders receive more powers, functions and funding to take decisions about local priorities. Currently, over 34 million people – around 61% of the population of England – are covered by a devolution arrangement. However, England remains one of the most centralised countries in the developed world, meaning decisions are too often taken by central government rather than by local leaders.

In December 2024, the government published the [English Devolution White Paper](#), which set out a new Devolution Framework for English devolution which will move power out of Westminster and into the hands of those who know their area best. The White Paper sets out how further devolution to local areas within England can help deliver economic growth and more joined-up delivery of public services, and increase trust in politics.

Devolution can achieve this through enabling more decisions to be taken at a more local level, thereby making it easier to tailor decisions to local needs and priorities; enabling more coordinated action in a place; giving communities a greater say in decisions that affect them; and driving innovation in policy and delivery.

The government's ultimate ambition on devolution is universal coverage across England, with a strong preference for every area to have a Mayor, so that every part of the country can unlock the benefits and opportunities that devolution brings.

1.2 Introduction to Combined Authorities and Mayors

Combined Authorities are organisations made up of a group of councils who come together over larger areas that people recognise and work in. They allow councils to work together in a structured way and take decisions over a wider area footprint, with powers and responsibilities being held by that Combined Authority. Combined Authorities do not replace the councils in your area – and services such as social care, libraries and education that are provided by the council continue to be provided by the council.

A Combined Authority can be led by a directly elected Mayor. This is then known as a Mayoral Combined Authority. The government is supportive of places having Mayors because they have a mandate to take big decisions affecting more people, they have convening power to tackle shared problems, and they are accountable to the local electorate for the decisions they take. Mayors in other parts of the country have become vital local leaders, delivering on the promise of change in their area to drive growth, more joined-up delivery, and earning trust.

1.3 The Devolution Priority Programme

Many parts of the country (such as Greater Manchester, Liverpool City Region, the East Midlands, York and North Yorkshire, and the West of England) now have Mayoral Combined Authorities or Mayoral Combined County Authorities. London also has a directly elected Mayor and the Greater London Authority. These institutions have received funding, powers and functions in areas like skills, transport, and housing. However, many parts of the country do not yet have devolution arrangements like this.

In the English Devolution White Paper, the government set out the ambition of delivering devolution to more parts of England, aiming to establish new Combined Authorities or Combined County Authorities that would have Mayors elected in May 2026.

To achieve this, the government has established the Devolution Priority Programme, to provide a fast-track to creating Mayoral Combined Authorities or Mayoral Combined County Authorities for areas ready to come together over sensible geographies which meet the criteria set out in the White Paper. These places will receive the full backing of government to deliver to these ambitious timescales.

In July 2024, the government invited areas currently without devolution arrangements to put forward proposals for how they would like to take on devolution in their area. Following the publication of the White Paper, these areas had the opportunity to seek to join the Devolution Priority Programme. The government received positive responses

from a number of different places, and local council leaders of Cheshire East Council, Cheshire West and Chester Council, and Warrington Borough Council applied to join the Devolution Priority Programme to establish a Mayoral Combined Authority over the geography of those local councils.

Following an assessment of geography and readiness, the government announced that Cheshire and Warrington will be part of the Devolution Priority Programme, along with the five other areas listed below:

- Cumbria (Cumberland Council, Westmorland and Furness Council);
- Hampshire and the Solent (Hampshire County Council, Portsmouth City Council, Isle of Wight Council, Southampton City Council);
- Greater Essex (Essex County Council, Thurrock Council, Southend-on-Sea City Council);
- Norfolk and Suffolk (Norfolk County Council, Suffolk County Council); and
- Sussex and Brighton (East Sussex County Council, West Sussex County Council, Brighton and Hove City Council).

1.4 Implementing devolution in Cheshire and Warrington

There is a statutory process that has to be followed to establish a Combined Authority. This includes a public consultation to seek local views and inform a final decision by government.

The government is minded to establish a Mayoral Combined Authority for Cheshire and Warrington. It will take a decision on whether to proceed with the necessary implementing legislation after considering responses to this consultation and whether a series of statutory tests have been met. In particular, Ministers will need to decide:

- Whether they consider that the establishment of a Combined Authority in the area is likely to improve the economic, social and environmental wellbeing of some or all of the people who live or work in the area;
- Whether establishing a Combined Authority in the area is appropriate, having regard to the need to:
 - secure effective and convenient local government; and,
 - reflect the identities and interests of local communities.

Ministers will also consider all factors in the round when taking the decision on whether to proceed with the necessary implementing legislation, including an equalities impact assessment and an environmental principles policy statement.

If a decision is taken to proceed, and providing councils consent, the next stage is for ministers to make secondary legislation establishing the Combined Authority and providing for the election of a Mayor. This legislation will also confer some transport and economic regeneration functions onto the Combined Authority. This will allow the Combined Authority to begin work on delivering local priorities from day one.

The Mayor for the area would then also represent the area on the Council of Nations and Regions, which includes the Prime Minister, the First Minister of Scotland, the First Minister of Wales, the First and Deputy First Minister of Northern Ireland, and the Mayors of Combined Authorities and Combined County Authorities of England. The Mayor would also represent the area on the Mayoral Council (which includes the Deputy Prime Minister and the Mayors of Combined Authorities and Combined County Authorities of England) to enable the area's voice to be heard at a national level.

If the decision is taken not to proceed, then the Mayoral Combined Authority would not be established to the timelines of the Devolution Priority Programme. This would mean that the area would not receive the full suite of powers, funding and functions as set out in Section 3 of this consultation, and the area would not be represented on the Council of Nations and Regions. The government will continue to work with local councils on the best devolution approach for their area.

The government will introduce an English Devolution Bill to Parliament in due course. The intention of that Bill is to automatically confer all the powers and functions in the Devolution Framework to the Mayoral Combined Authority once it is established. Section 3 of this consultation outlines what these functions would be and explains the Devolution Framework.

If the Bill does not receive Royal Assent and its provisions do not come into force, the government intends to bring forward secondary legislation to confer the functions in the Devolution Framework to the Mayoral Combined Authority.

2. Proposed Institution, Governance and Decision Making Arrangements

2.1 Name and geographic area

It is proposed that a Mayoral Combined Authority is established over the local council areas of Cheshire East Council, Cheshire West and Chester Council, and Warrington Borough Council. The government's proposal is that the Combined Authority would be formally known as the Cheshire and Warrington Combined Authority.

2.2 Membership

Constituent councils

The councils of Cheshire East, Cheshire West and Chester, and Warrington Borough would be the constituent councils of the proposed Combined Authority. Each council would appoint two representatives to be constituent members. This means that there would be six constituent council members in total. Constituent councils would each be able to appoint the same number of substitute members as they appoint constituent members to act in the absence of their constituent members.

The Mayor

The Combined Authority would have a Mayor, directly elected by local government electors (which are those eligible to vote in local council elections who are on the electoral register) across the 3 constituent council areas. The first mayoral election would take place on 7 May 2026. Mayors are typically elected on 4-year terms. The Mayor would be a constituent member of the Combined Authority, and exercise the mayoral functions outlined in the Devolution Framework on behalf of the Combined Authority.

The Mayor would be required to appoint a deputy Mayor from among the constituent members to act in their absence or if the office of the Mayor is vacant.

The Mayor would be permitted to appoint a maximum of one political advisor.

Non-constituent and associate members

Cheshire and Warrington Combined Authority's constituent members would be able to appoint a maximum of six non-constituent and associate members to support the delivery of their work programme. Non-constituent members are representatives of an organisation; for example, a district council, local NHS trust, the Police and Crime Commissioner, or a local registered provider. Associate members are named individuals who can provide particular experience or expertise – for example, on active travel, or local businesses.

2.3 Combined Authority powers, functions and funding

The Combined Authority and its Mayor would have some functions conferred onto them as part of the secondary legislation establishing the Combined Authority as an institution. These functions would enable them to begin work on delivering local priorities from day one and are expected to include economic development and transport.

The [English Devolution White Paper](#) sets out the government's ambitions for devolution. This includes the powers, functions and funding available to Combined Authorities – a summary table is included at Annex A.

The collection of powers, functions and funding is known as the Devolution Framework. The powers, functions and funding of a Combined Authority vary depending on its governance and maturity. The government's intention would be for the Cheshire and Warrington Combined Authority to have the powers, functions and funding set out at the

mayoral level of the framework. These functions would give the Combined Authority and the Mayor greater local control over areas such as transport, adult education and skills, and housing to enable improvements in local connectivity, educational outcomes, economic development, driving economic growth and improved social wellbeing.

The government intends to implement the Devolution Framework via the English Devolution Bill; the functions within it would then automatically be conferred onto any existing Combined Authority if the Bill receives Royal Assent, and the provisions come into force.

2.4 Decision making at the Combined Authority

The Combined Authority's constituent members (the Mayor and six constituent council members) would be the decision makers within the Combined Authority. Constituent members would automatically have voting rights. Non-constituent members could be given voting rights at the discretion of the Combined Authority; associate members would not be able to be given voting rights.

All members would have a single vote. The default voting arrangement for Combined Authority decisions to be approved would be a simple majority in favour, including the Mayor (i.e. 4 out of 7). No decisions can be made at a Combined Authority meeting unless the Mayor (or deputy Mayor) and at least 4 constituent council members are present.

2.5 Oversight

To ensure effective scrutiny of decision making and audit of how resources are used, the Combined Authority would have at least one Overview and Scrutiny Committee, and one Audit Committee, in line with the requirements of the Local Democracy, Economic Development and Construction Act 2009.

Further improvements to accountability and oversight are in development and are included in Section 5 of the English Devolution White Paper ahead of legislation being laid.

2.6 Remuneration

Cheshire and Warrington Combined Authority would approve a scheme for the allowances for constituent members, following consideration of a report from an Independent Remuneration Panel. The Mayor can be paid an allowance as agreed by the constituent council members, also following consideration of a report from an Independent Remuneration Panel.

3. What powers would be available

The [English Devolution White Paper](#) sets out the powers, functions and funding for all Combined Authorities such as the one proposed in this consultation. This is known as the Devolution Framework. The framework is the floor, not the ceiling, of the government's ambitions, which means it will be reviewed regularly to consider whether it can be deepened, with more powers being given to local areas that have a Combined Authority with a Mayor.

The framework has 3 tiers – Foundation, Mayoral, and Established Mayoral. If the Mayoral Combined Authority in this consultation was created, it would be set up at the 'Mayoral' tier. The institution could then progress in the future to the 'Established Mayoral' tier, subject to meeting certain eligibility criteria (see section 2.2.4 of the White Paper). This means that, at the Established Mayoral tier, it would be eligible to receive more powers and funding from central government.

The framework is to be implemented through the English Devolution Bill, subject to its passage through Parliament and receiving Royal Assent. A table summarising the devolution framework is provided in Annex A, and a more detailed summary of what powers, functions and funding the Combined Authority would receive under that Bill is set out below. For full detail of the powers, functions and funding that the Combined Authority would receive based on being in the Mayoral tier, please refer to Chapter 3 of the English Devolution White Paper.

3.1 Funding

The below sets out the types of funding available to Mayoral Combined Authorities.

The Mayoral Combined Authority would receive devolved funding from central government, including those relating to the following policies:

- Housing and regeneration.
- Local growth.
- Adult skills (except apprenticeships).
- Local transport.

This gives the Mayoral Combined Authority control over how funding is spent, including to tailor how it is spent to meet local needs in the area. As with all government programmes, the precise programmes that will be devolved (and the amount of funding) will be determined through the Spending Review in June (which is central government's process for setting budgets, which determines which government programmes exist and their funding amount).

However, Mayoral Combined Authorities that were in existence in the Spending Review period 2021-2024 received funding from central government, such as:

- Funding to support housing on brownfield sites in the area.
- Funding for local growth in the area.
- Devolved funding for skills, such as the Adult Skills Fund, which is used to fund education and training for adults aged 19 and above.
- Devolved funding for local transport, such as funding to support maintaining and improving the highways network and funding to support bus services and keep fares down.

In addition, the Mayoral Combined Authority would receive a 30-year 'Investment Fund' from central government. The amount of this fund would be confirmed at the government's Spending Review in June 2025. However, the parameters of it are:

- It is a flexible fund for local leaders to drive economic growth. The priorities for it are set locally through the Mayoral Combined Authority – not by central government.
- It is long term, covering a period of 30 years. The intention of this is to give certainty when local leaders (through the Mayoral Combined Authority) make decisions on investments.
- It is a mix of revenue spending (which can be spent on 'day-to-day' policies like adult skills) and capital spending (which is money spent on investment in policies like housing).

The Mayoral Combined Authority would also receive capacity funding from central government to help set up the new organisation.

The Mayoral Combined Authority would have the ability to introduce a mayoral precept on council tax should they choose to do so. This allows the authority to raise money to fund local priorities.

3.2 Transport and local infrastructure

The government believes that high quality transport infrastructure and services support growth and opportunity, and that bringing decisions about transport closer to people is key to improving the transport networks everyone relies on. The Combined Authority would become the Local Transport Authority for its area, which means it is responsible for public transport services, like buses, instead of local authorities.

Buses and active travel

In many parts of England, bus services have been deregulated since the Transport Act 1985. This means services are run by private bus operators who set the routes, fares, and timetables.

As a Local Transport Authority, the Mayoral Combined Authority would be empowered (but not required) to change this approach across the whole area in order to improve local bus services. They could decide to pursue:

- An Enhanced Partnership, under which Local Transport Authorities (like the Mayoral Combined Authority) have more powers to work with bus operators to set a vision for bus services across the whole area and a plan to help achieve these improvements.
- A franchised system, under which the Mayoral Combined Authority awards contracts for buses in their area (or in specific routes), and these contracts can be used to determine things like routes, timetables, fares and branding. This is the model used in London and introduced recently in Greater Manchester.
- Publicly owned bus companies, which could work alongside either an Enhanced Partnership or a franchised bus system.

The powers for this are set out in the government's Bus Services Bill and more information on the powers available to Local Transport Authorities (such as the Mayoral Combined Authority) is set out in the [overview of the Bus Services Bill](#).

The Combined Authority would play an important role in decarbonising transport and reducing the environmental and health impacts of transport. The government would expect the Combined Authority to develop plans to decarbonise and reduce air pollution from their local bus fleet, including how and when emissions reductions will be delivered.

Active travel (such as walking, wheeling, and cycling) delivers a range of benefits for people and communities. Active Travel England (which is a central government organisation sponsored by the Department for Transport) would support the Combined Authority to increase capability and address skill gaps to ensure a consistent approach to safety and accessibility for all users, with a right to request capability assessments for their constituent authorities.

Rail

The government is seeking to put passengers and local communities back at the heart of railways and to protect their interests. The proposed Mayoral Combined Authority would play an important role in this:

- The Mayor would have a statutory role (meaning a role set out in law) in governing, managing, planning, and developing the rail network. The intention is that the Mayor can use this role to embed the voice of their community in decisions on the rail network. Government will consult on this role ahead of the legislation required.
- If they meet transparent criteria, the Mayor would also be given the option for greater control over local rail stations. Rail stations are generally currently controlled either by central government, through a body known as Network Rail, or by train operating companies. Mayors will be given the option of greater control so they can capitalise on the opportunities in and around rail stations for local people, for economic growth, accessibility, and intermodal connectivity. For example, this might include regenerating the area around the rail station, working to join up different forms of transport, or building homes.
- Engagement with the Department for Transport on its national rail planning processes. This has been trialled with Greater Manchester and West Midlands Combined Authorities already, and is intended to allow local ambitions to be better reflected in national policy.
- The government would work in close collaboration with the Mayoral Combined Authority to deliver shared ambitions on ticketing. London has shown how ticketing systems that are integrated across different forms of transport can help to get more people onto public transport. The Department for Transport (through an organisation known as Great British Railways) is committed to working in partnership with Mayoral Combined Authorities to deliver these sorts of ambitions, building on existing 'pay-as-you-go rail pilots' (which are trials that allow passengers to tap in and out of stations using a contactless card or device).

Roads

The Mayoral Combined Authority would play a key coordination role in the local road network. It would work with National Highways on the strategic road network (which covers motorways and some A roads), and its constituent councils on local roads. Responsibility for local roads would remain with the councils, and not with the Mayoral Combined Authority.

This includes:

- The Mayoral Combined Authority would set up and coordinate a ‘Key Route Network’ (KRN) on behalf of the Mayor. A KRN is a collection of locally important roads – the aim of setting it up is to allow for major roads to be managed in a strategic way, to improve traffic flow, reduce congestion, introduce bus priority, or cycle infrastructure across an area. Mayors would also hold a ‘power of direction’ over this network to support delivery of their agreed Local Transport Plan. This means they can require a constituent council to use their road powers in a way that is consistent with the KRN.
- As the Local Transport Authority, the Mayoral Combined Authority would be empowered to regulate on-street micromobility schemes (like hire bikes), so local areas can shape these schemes around their needs, connect people to public transport, and tackle the problem of badly-parked cycles and e-cycles.
- Subject to a separate consultation, it is proposed that the government will devolve approval of local Lane Rental schemes to Mayoral Combined Authorities. This would enable constituent councils to charge the companies undertaking roadworks on busy roads at busy times with the aim of minimising disruption by seeking the Mayoral Combined Authority’s approval, rather than the Department for Transport.
- National Highways are committed to formalising and strengthening its relationship with Mayoral Combined Authorities, which will ensure a more cohesive approach to the management and development of England’s strategic road network alongside local roads.

3.3 Skills and employment support

The Mayoral Combined Authority would receive:

- Devolved adult skills funding and functions from the Department for Education. Adult skills funding is intended to support adults aged over 19 to participate in education and training.
- Devolution of future ‘supported employment’ funding from the Department for Work and Pensions – which is funding to help disabled people, people with health conditions, and those with more complex barriers to work to find a suitable job and sustain work. It can also be used to help those in work but at risk of falling out of the labour market to retain their job.

These funds would support the Mayoral Combined Authority to do things like tailor the training and support for adults in the area to the types of jobs available locally, and to local priorities. The government has also committed to giving Mayoral Combined Authorities a substantive role in co-designing any future national employment support programmes that is additional to the core work done by Jobcentre Plus. The Mayoral Combined Authority would also be asked to produce a local Get Britain Working Plan for its area, which would be focused on reducing economic inactivity and driving integration between national and local health, work, and skills provision in the area.

The Mayoral Combined Authority would also take on joint ownership of the Local Skills Improvement Plan model with Employer Representative Bodies. These Plans set the strategic direction for skills provision in the area and could help to facilitate opportunities for 16-19-year-olds to undertake apprenticeships, education and training that lead to good quality employment opportunities.

3.4 Housing and strategic planning

The government is committed to delivering 1.5 million new homes in this Parliament, and Mayoral Combined Authorities are integral to meeting that commitment:

- The Mayoral Combined Authority would be given control of funding to support regeneration and housing delivery. As set out in section 3.1 the precise funds and amount would be determined through the next

Spending Review. However, as context, Mayoral Combined Authorities that existed in the period 2021 to 2024 received control of funding from the Ministry of Housing, Communities and Local Government to support the delivery of housing on brownfield sites.

- The Mayoral Combined Authority would have a strategic place partnership with Homes England (which is a central government organisation sponsored by the Ministry for Housing, Communities, and Local Government) – a formal partnership arrangement which brings together their respective strengths and resources.
- The Mayoral Combined Authority would also have powers to drive regeneration in their area. For example, they would have powers to establish Mayoral Development Corporations, which are statutory bodies created to help deliver regeneration schemes. Housing and strategic planning powers are set out in Section 3.5 of the English Devolution White Paper.
- The government has recently announced that, in all parts of the country, groups of councils will be required to work together to develop Spatial Development Strategies (SDS). In this area, that work would be led by the Mayoral Combined Authority, with the Mayor empowered to develop and propose the SDS. Once an SDS is in place, the Mayor would also be given powers, similar to those held by the Mayor of London, to ‘call in’ planning applications of ‘strategic importance’. These powers will enable Mayors to scrutinise the most significant planning proposals in their area to ensure they support the SDS. The Mayor would also receive the ability to charge new developments (such as developments led by private sector housebuilders) in their area. This is known as a ‘Mayoral Community Infrastructure Levy’ and the revenue collected is used to help deliver local infrastructure.

3.5 Economic development and regeneration

The Mayoral Combined Authority would play a crucial role in attracting international investment for the area – supporting business to thrive and grow, and creating vibrant places where people want to live and work.

To help achieve this, the Mayoral Combined Authority would take lead responsibility for managing and focusing local programmes that provide businesses with support and advice on things like introductions to local supply chains or help with starting a new business (known as ‘business support’ programmes). This involves hosting the local Growth Hub, which is part of a national Business Growth Service but can tailor its services to the needs of the local economy and local businesses. The Mayoral Combined Authority and the Department for Business and Trade would form a strategic partnership to align national and local policymaking. The partnership would also ensure effective delivery of interventions to boost domestic business growth, boost exports, encourage inward investment and grow the co-operative and mutual economy.

To support the Mayoral Combined Authority to unlock their area’s innovation potential, working in partnership with businesses and universities, there would be stronger direct connections with UK Research and Innovation (UKRI), which is a central government organisation that directs research and innovation funding, funded through the science budget of the Department for Science, Innovation and Technology.

Given the importance of culture, heritage, sport, and tourism to local economies and communities, the Department of Culture, Media and Sport (and its Arm’s Length Bodies, such as Historic England) would explore a deeper, collaborative partnership with the Mayoral Combined Authority.

3.6 Environment and climate change

Making Britain a clean energy superpower is one of the government’s five defining missions. The decarbonisation journey will support efforts to protect the natural environment and biodiversity. The Mayoral Combined Authority would be a crucial partner in transitioning Great Britain to a low-cost, clean power energy system by 2030, and in implementing the Warm Homes Plan to save households money on their bills and to reduce the UK’s carbon emissions. The Combined Authority would have a role in co-ordinating the zoning of local heat networks, meaning they would play a role in the delivery of heat decarbonisation.

The Combined Authority would also have a strategic role on net zero including on Great British Energy's Local Power Plan and Warm Homes Plan. In order to provide local, place-based environmental leadership, the Combined Authority would play a leadership role in Local Nature Recovery Strategies, through convening partnerships and coordinating action, funding and delivery.

3.7 Health, wellbeing, and public service reform

The government believes that Mayoral Combined Authorities have a key role to play in improving health and wellbeing alongside wider public service reform. To support the Mayoral Combined Authority to drive a "health in all policies" approach, it would have a new bespoke duty in relation to health improvement and health inequalities. This duty would ensure that the Mayoral Combined Authority takes into account the need to improve health outcomes and reduce health inequalities when exercising their powers and functions, giving them a clear stake in improving local health outcomes.

By working with other local leaders, the institution would also be able to bring together local partners to work together on reforming, and driving improvements in, public services. For example, the government has established an expectation that Mayors will be considered for the role of chair for the NHS Integrated Care Partnership. The government would also work with stakeholders in the Mayoral Combined Authority's area to identify areas to facilitate the alignment of public service boundaries and closer working when there is a clear rationale for doing so, and where the benefits significantly exceed any costs and risks incurred.

3.8 Public safety

The Mayoral Combined Authority would have an important role to play in achieving the government's Safer Streets Mission, supporting rehabilitation, and reducing reoffending, and in supporting the safety of their residents and the resilience of their communities. This should complement the role local councils play in this area. To deliver this, the government is committed to increasing the number of Mayors who take on Police and Crime Commissioner (PCC) and Fire and Rescue Authority (FRA) responsibilities. Generally, where devolution geographies align with police force and fire and rescue geographies, Mayors would become responsible for exercising PCC and FRA functions.

3.9 Established Mayoral Status

In time, the Mayoral Combined Authority could apply for 'Established Mayoral' Status, which is a deeper level of devolution – meaning, for example, more powers and funding from central government. If they achieved this status, they would automatically receive the additional powers available at that level, including an Integrated Settlement, which will give the area even greater funding freedom and flexibility. The conditions the Mayoral Combined Authority would need to meet to become eligible are set out in Section 2.2.4 of the English Devolution White Paper; and the deeper powers available to them are summarised in the fourth column of the table in Annex A of this consultation document.

4. What this means for Cheshire and Warrington

4.1 Overview of Cheshire and Warrington

Cheshire and Warrington sits at the gateway to the North West, the Midlands and North Wales. It is home to almost one million people, over 41,000 businesses, over 418,000 employees^{[\[footnote 1\]](#)} and has a long history of successful collaboration across the 3 unitary councils of Cheshire East, Cheshire West and Chester, and Warrington. Cheshire and Warrington is a modern, interconnected economy of vibrant towns and rural areas, which are located to the south of the nearby Mayoral Combined Authorities of Liverpool City Region and Greater Manchester.

The 3 largest settlements within Cheshire and Warrington are Chester, Crewe and Warrington. Beyond these, there is a network of locally important towns such as Congleton, Ellesmere Port, Macclesfield, Middlewich, Northwich and Winsford.

In terms of air, road and rail, the area is very well connected, both to other parts of the country and internationally. Cheshire and Warrington is at the heart of the UK motorway network. The M6 runs north-south, connecting Cheshire to Scotland and London. The M56 and M62 run east-west, providing links to Liverpool, Manchester and Leeds, then

on to Hull. The West Coast Main Line is a vital rail artery for passengers and freight from London and the south coast, through to Scotland and Wales. The cross-Pennine route connects east-west.

Together, these strategic links provide locational advantages for Cheshire and Warrington as a whole. In addition, proximity to the international airports of Liverpool and Manchester is seen as a key advantage for many of Cheshire and Warrington's businesses and residents. Nearly 75% of the journeys in Cheshire and Warrington start and finish in Cheshire and Warrington, which demonstrates the extent to which commuting and other travel patterns are based around this area, as well as the importance of connections to neighbouring Liverpool and Manchester. [\[footnote 2\]](#)

The area's economy is viewed as a northern heavyweight, with its high performance on a range of economic indicators. Economically, Cheshire and Warrington generates over £37 billion in Gross Value Added (GVA) per year. [\[footnote 3\]](#)

Cheshire and Warrington is one of the last of two areas in the North without a devolution arrangement.

4.2 Economic and social outlook

Cheshire and Warrington's location, skilled workforce and ongoing investment from its diverse business base support the area's economic success. Cheshire and Warrington hosts a number of internationally significant sector clusters, including automotive manufacturing, the full life cycle of drug discovery to pharmaceutical manufacturing, and energy fuels, as well as chemicals and glass manufacturing specialisms. Cheshire and Warrington also has major strengths in logistics and financial and professional services.

Long term, multi-million-pound investments by anchor companies such as AstraZeneca, Bentley, EET Fuels and Stellantis, together with smaller investments across wider sector supply chains, drive the area's economic success. Cheshire and Warrington has a global reputation for high value exports of both goods and services.

The 3 Cheshire and Warrington councils, their partners, and government have worked together to provide enabling investment into transport infrastructure, innovation campuses, town centre enhancements, business support and new training facilities. Projects in Alderley Park, Congleton, Ellesmere Port, Warrington, Winsford and Reaseheath have all helped to drive job creation, housing growth, support for high streets, workforce upskilling and further private sector investment.

Many of Cheshire and Warrington's residents have access to excellent quality housing, good schools, colleges and universities. There is a diverse range of amenities and green spaces that contribute to a high quality of life. There is a breadth of city, town and rural attractions spread across the whole area, including: Chester Zoo; Ellesmere Port's Blue Planet Aquarium; Gulliver's World; Warrington Wolves; the National Trust's Lyme Park; Tatton Park; the Sandstone Trail; and the iconic Jodrell Bank Observatory, a UNESCO World Heritage Site. Together, these and other attractions all help to drive the £3.9 billion visitor economy which attracts over 56 million visitors a year. [\[footnote 4\]](#)

All of these strengths, and more, ensure that Cheshire and Warrington's gross domestic product (GDP) per capita, [\[footnote 5\]](#) at £42,698, is around 25-50% higher than that of nearby conurbations. These productivity advantages are supported through its highly skilled workforce, with over 52% of people qualified to Level 4 and above, [\[footnote 6\]](#) 18% higher than the North West average.

Despite these strengths, there are still a range of challenges across Cheshire and Warrington that result in divisions of opportunity and community inequalities, which together constrain growth. Often these are masked in national statistics by the broader prosperity of Cheshire and Warrington.

Some of the communities in Cheshire and Warrington still experience the legacy of past deindustrialisation. Many towns contain significant areas of disadvantage, [\[footnote 7\]](#) where the quality of life is poorer. Here, there is more non-decent housing, people experience greater ill health, crime rates are higher, and incomes are lower. These issues are particularly acute in, for example, parts of Crewe, Ellesmere Port, Macclesfield, Warrington and Winsford. A strong indicator of the extent of this division and disadvantage is the 16-year gap in Healthy Life Expectancy between the most and least prosperous communities in Cheshire and Warrington, with some residents living in poor health for an average of 21 years. Furthermore, around 28,000 local children live in low-income families. [\[footnote 8\]](#) As a Marmot

region,^{[footnote 9](#)} Cheshire and Warrington has a huge ambition to address the social determinants of health and wellbeing.

But disadvantages are not just limited to towns. The rural communities and economies of Cheshire and Warrington experience a number of structural challenges too, some of which are similar to those in towns and others which are more specifically rural. In rural areas, housing is often less affordable, and communities have increasingly found that they have limited access to local services. Access to services further afield is impacted by wider infrastructure deficiencies. Local public transport provision is reliant on buses in the main, with infrequent connections from rural areas to service and employment centres. There are fewer jobs accessible within 60 minutes by public transport than the UK average. Poor local bus and rail provision drive the high car dependency rates seen in Cheshire and Warrington. Accessing services and remote working opportunities online can be problematic due to limited digital capacity, speed and cost.^{[footnote 10](#)}

Population changes are also impacting the economy and driving up the cost of public services. In Cheshire and Warrington as a whole, the population is ageing at a faster rate than the national average, with the rate of change in rural areas higher still.^{[footnote 11](#)} In addition, the area has seen growing levels of ill health and economic inactivity amongst the over 50s, and in younger cohorts too.

These local challenges, when coupled with relevant national issues such as energy costs, grid capacity and ageing utility infrastructure, risk eroding the economic strengths of Cheshire and Warrington. For example, employers are reporting a significant deficit in workforce skills at Level 3.^{[footnote 12](#)}

However, Cheshire and Warrington could be well placed to seize a number of locally and nationally important opportunities over the next decade. For example:

- The HyNet Alliance of private sector businesses aims to become the world's first decarbonised industrial cluster, transitioning energy supplies to a low carbon future across Cheshire and Warrington and the wider North West, ensuring the area's energy intensive sectors remain competitive.
- New nuclear is part of the government's mission to secure Britain's future home-grown clean energy, and this could benefit the nuclear sector based at Birchwood and Capenhurst, and their wider supply chains.
- Automotive companies, such as Bentley at Crewe and Stellantis at Ellesmere Port, are in the vanguard of the push towards full vehicle electrification.
- The Cheshire Science Corridor is a key part of the world class human and animal life sciences cluster that is being developed in partnership with Liverpool and Manchester.
- Continued investment in Cheshire and Warrington's key towns, including the City of Chester, Crewe and Warrington. This will complement the investment in the development of the new Leighton Health Neighbourhood at Crewe and future plans to enhance rail connectivity through Warrington, Chester and Crewe Rail Hubs. There are also many opportunities within the network of smaller towns too.
- Maximising the economic and social benefits from sustaining Cheshire and Warrington's natural capital, such as the Mersey Forest, as well as addressing the impacts of climate change, including flooding resilience.

4.3 Working across Cheshire and Warrington

Cheshire and Warrington partners have worked over a number of years to coordinate strategic functions across the whole area. For example, Enterprise Cheshire and Warrington (a partnership of private, public and voluntary sector organisations in the area) is wholly owned by the 3 councils and works in tandem with them to deliver on the area's shared ambition to become the UK's healthiest, most sustainable, inclusive and growing economy by 2045.^{[footnote 13](#)}

The 3 local councils have worked together on the Cheshire and Warrington Growth Hub which offers advice to businesses and entrepreneurs and have facilitated the new Business Advisory Board to provide strong independent advice to local councils.

Further examples of the 3 councils, and Enterprise Cheshire and Warrington, working together include:

- Driving further innovation and investment across the successful Cheshire Science Corridor that has key sites in all 3 local authority areas.
- Working in partnership with others to guide the investment of Cheshire and Warrington's existing funds in key sectors and locations.
- Responding to the needs identified in the Local Skills Improvement Plan, developed by Cheshire and Warrington's employer representative bodies, through various programmes including Skills Bootcamps, Connect to Work and preparing for the Supported Employment Programme.
- Looking to maximise economic benefits from investing in major road and rail transport infrastructure, including possible future Northern Powerhouse Rail investments.
- Driving forward the net zero agenda and working in partnership with the North West Net Zero Hub to decarbonise the North West Industrial Cluster.
- Developing packages to address economic inactivity and help individuals back in to rewarding work.
- Promoting Cheshire and Warrington as a great place to live, work, study and visit.

In 2024, the 3 local councils formed a new Cheshire and Warrington Joint Committee. This is focused on setting and reviewing priorities for strategic economic development, in order to secure further economic growth and ensure the Cheshire and Warrington economy works for all, leaving no-one behind.

4.4 How devolution could impact Cheshire and Warrington

Based on the powers and funding available, as set out in Section 3, a Mayoral Combined Authority across the proposed geography could have the following impacts:

- **Transport:** New transport powers, including through the Mayoral Combined Authority becoming the Local Transport Authority, could make it easier for people to commute and travel around Cheshire and Warrington. On buses, the Mayoral Combined Authority could decide to pursue opportunities across the whole area such as a single 'enhanced partnership' or 'bus franchising'. This could improve public transport provision, such as in rural areas, and enable more people to access a wider pool of job opportunities. Given the key motorways that go through Cheshire and Warrington, a stronger, more formal relationship with National Highways could be particularly beneficial. The Mayoral Combined Authority could tackle existing transport issues, building on the importance of the West Coast Main Line, through strategic engagement with Great British Railways and a statutory role for the Mayor in governing, managing, planning and developing the rail network.
- **Skills:** The skills powers and funding available could allow the Mayoral Combined Authority to tailor the training and support for adults in the area to the types of jobs available locally and to local priorities. This could allow, for example, a focus on addressing the issue of a significant deficit in workforce skills at Level 3.
- **Housing:** The funding and powers available to deliver new housing across the Mayoral Combined Authority geography could help address issues around housing affordability.
- **Economic development:** The Mayoral Combined Authority would play a key role in attracting investment into Cheshire and Warrington and supporting business growth. This could be particularly beneficial to key industrial sectors, including automotive, energy and life sciences, that are central to the fortunes of towns such as Ellesmere Port, Crewe and Macclesfield, and could support new businesses to grow and succeed.
- **Environment and climate change:** A strong role for the Mayoral Combined Authority, such as playing a leading role in local nature recovery strategies, could help maximise the benefits from Cheshire and

Warrington's natural environment. As a partner in the government's energy and climate change ambitions, the Mayoral Combined Authority could help the UK to meet its clean energy mission, such as through support for the decarbonised industrial cluster and the nuclear energy sector.

- **Health, wellbeing and public service reform:** The Mayoral Combined Authority could play a key role in improving health and wellbeing, underpinned by a new bespoke duty in relation to health improvement and health inequalities. This would mean that the Mayoral Combined Authority would need to have regard to the need to improve health, and reduce health inequalities, in the exercise of its functions. Combined with an expectation that the Mayor would be appointed to one or more of the relevant Integrated Care Partnerships in the area, this could help strengthen the focus and increase the join-up of action to address issues around ill health and inequalities across the area.
- **Representation:** The Mayor would take a seat at the Prime Minister's Council of Nations and Regions as well as the Deputy Prime Minister's Mayoral Council, which would give the area a stronger voice with the government. Cheshire and Warrington is currently one of only 3 areas in the North of England not currently represented.

5. Consultation questions

Having considered all of the above, please respond to the following questions. For each question, you can provide the following answers:

- Strongly agree.
- Agree.
- Neither agree nor disagree.
- Disagree.
- Strongly disagree.
- Don't know.
- Prefer not to say.

You will also be invited to explain your answers.

Question 1: To what extent do you agree or disagree that establishing a Mayoral Combined Authority over the proposed geography will deliver benefits to the area?

Question 2: To what extent do you agree or disagree with the proposed governance arrangements for the Mayoral Combined Authority?

Question 3: To what extent do you agree or disagree that working across the proposed geography through the Mayoral Combined Authority will support the economy of the area?

Question 4: To what extent do you agree or disagree that working across the proposed geography through the Mayoral Combined Authority will improve social outcomes in the area?

Question 5: To what extent do you agree or disagree that working across the proposed geography through a Mayoral Combined Authority will improve local government services in the area?

Question 6: To what extent do you agree or disagree that working across the proposed geography through a Mayoral Combined Authority will improve the local natural environment and overall national environment?

Question 7: To what extent do you agree or disagree that working across the proposed geography through the Mayoral Combined Authority will support the interests and needs of local communities and reflect local identities?

6. Next steps

Following the consultation, the Secretary of State will consider all responses and decide whether to establish a Mayoral Combined Authority. If the Secretary of State decides to proceed, the government will confirm funding (subject to Spending Review) and, provided the constituent councils consent, the necessary secondary legislation will be laid in Parliament. If approved by Parliament, the Combined Authority would be established in time for the first mayoral election to take place in May 2026.

Annex A – Devolution Framework Summary Table

The government intends to implement the Devolution Framework via the English Devolution Bill; the functions within it would then automatically be conferred onto any existing Combined Authority if the Bill receives Royal Assent, and the provisions come into force.

Key

(**) refers to functions for which funding will be included in Integrated Settlements for Established Mayoral Strategic Authorities

(^) refers to functions which apply to Combined and Combined County Authorities only

Detail	Foundation	Mayoral	Established
Funding and investment			
Access to a multi-departmental, long-term integrated funding settlement**			X
Long-term investment fund, with an agreed annual allocation		X	X

Detail	Foundation	Mayoral	Established
Removal of gateway review from investment fund, after Gateway One complete			X
Ability to introduce mayoral precepting on council tax^		X	X
Consolidation of local growth and place funding in a single pot**	X	X	X
Strategic leadership			
A statutory duty to produce Local Growth Plans		X	X
Membership of the Council of Nations and Regions		X	X
Membership of the Mayoral Data Council		X	X
Transport and local infrastructure			
Local Transport Authority and public transport functions, including bus franchising and responsibility for an area-wide Local Transport Plan	X	X	X
Simplification and consolidation of local transport funding**	X	X	X
Removal of certain Secretary of State consents, e.g. on lane rental schemes		X	X
Duty to establish a Key Route Network on the most important local roads^		X	X
Mayoral Power of Direction over use of constituent authority powers on the Key Route Network^		X	X
Priority for strategic rail engagement (including mayoral partnerships) with Great British Railways	X	X	X
Statutory role in governing, managing, planning, and developing the rail network		X	X
An option for greater control over local rail stations		X	X
A 'right to request' further rail devolution			X

Detail	Foundation	Mayoral	Established
Priority for support to deliver multi-modal ticketing			X
A clear, strategic role in the decarbonisation of the local bus fleet	X	X	X
Active Travel England support for constituent authority capability^	X	X	X
Formal partnership with National Highways		X	X
Skills and employment support			
Joint ownership of the Local Skills Improvement Plan model, with Employer Representative Bodies	X	X	X
Devolution of the core Adult Skills Fund	X		
Devolution of non-apprenticeship adult skills functions through a consolidated skills funding pot**		X	X
Central convening of youth careers provision including greater flexibility for Careers hubs		X	X
A clear role in relation to 16-19 education and training		X	X
Responsibility for developing local Get Britain Working Plans	X	X	X
Devolution of supported employment funding**	X	X	X
Co-design of future employment support that is additional to core Jobcentre Plus provision		X	X
Delegated delivery or commissioning of employment support that is additional to core Jobcentre Plus provision			X
Alignment of Jobcentre Plus boundaries with Strategic Authorities			X
Housing and strategic planning			
A duty to produce a Spatial Development Strategy	X	X	X

Detail	Foundation	Mayoral	Established
Strategic development management powers (once the Spatial Development Strategy is in place)		X	X
Ability to raise a Mayoral Community Infrastructure Levy to fund strategic infrastructure (once the Spatial Development Strategy is in place)		X	X
Ability to make Mayoral Development Orders		X	X
Ability to establish Mayoral Development Corporations		X	X
Homes England compulsory purchase powers (held concurrently)	X	X	X
Devolution of wider grant funding to support regeneration and housing delivery**		X	X
Ability to set the strategic direction of any future programme to support affordable housing provision in their area			X
Strategic Place Partnership with Homes England		X	X
Support to establish a public sector land commission			X
Economic development and regeneration			
Partnership working with Department for Science, Industry and Technology and UK Research and Innovation to explore opportunities for closer long-term collaboration in strengthening local research and innovation capacity	X	X	X
Develop joint innovation action plans with Innovate UK to shape long-term strategies and investments		X	X
Embed UK Research and Innovation lead points of contact for enhanced collaborative working on innovation with Mayoral Strategic Authorities that are committed to work collaboratively on innovation		X	X
Responsibility as the accountable body for the delivery of Growth Hubs	X	X	X
Devolution of Growth Hubs funding**			X

Detail	Foundation	Mayoral	Established
A Strategic Partnership with the Department for Business and Trade focused on domestic growth, exports, investment, and delivery of local growth priorities.		X	X
Partnership working with Department for Culture, Media and Sport Arm's Length Bodies to maximise culture, heritage, and sport spending in place	X	X	X
Environment and climate change			
Devolution of retrofit funding this parliament subject to a successful transition period (see 3.7)**			X
Heat network zoning coordination role	X	X	X
Coordinating local energy planning to support development of regional network energy infrastructure	X	X	X
Green jobs and skills coordination role	X	X	X
A strategic role on net zero in collaboration with government, including on Great British Energy's Local Power Plan and Warm Homes Plan	X	X	X
Responsibility for coordinating delivery and monitoring of Local Nature Recovery Strategies^	X	X	X
Health, wellbeing and public service reform			
A bespoke statutory health improvement and health inequalities duty^	X	X	X
Mayors engaged during the Integrated Care Boards chair appointment process		X	X
Mayors as members of local Integrated Care Partnerships, and consideration for position of chair or co-chair		X	X
A role in convening partners and driving cross-cutting public service reform, including looking at areas such as multiple disadvantage	X	X	X
Public safety			

Detail	Foundation	Mayoral	Established
Mayors accountable for the exercise of Police and Crime Commissioner functions where police force and mayoral boundaries align^		X	X
Mayors accountable for the exercise of Fire and Rescue Authority functions where fire and rescue service and mayoral boundaries align		X	X
A clear and defined role in local resilience, working with the Local Resilience Forum to embed resilience into broader policy and delivery^	X	X	X

Annex B – Address details and list of consultation questions

We encourage everyone to use this opportunity to share your opinions on the establishment of a Mayoral Combined Authority across this area.

- The easiest way for you to respond and engage in the consultation is by completing the [online form](#). Once you are on the website, you will be guided through the specific questions on which we are seeking views.
- If you are unable to provide your views through the online form, you can alternatively email or post your response to the questions. For email and postal responses, we would ask that you make clear which area consultation you are responding to (there are a number of live consultations on English devolution).
- You should also make clear whether you disagree or agree with each question to ensure the statistics we collect following the consultation accurately reflect your views. We will categorise responses as ‘do not have a view’ where written responses are unclear. Please also confirm whether you are replying as an individual or submitting an official response on behalf of an organisation and include:
 - your name
 - your position (if applicable)
 - the name of organisation (if applicable)
 - an address (including post-code)
 - an email address
 - a contact telephone number

Written responses to the consultation questions may be sent by email to: CheshireandWarringtonDevolutionConsultation@communities.gov.uk

Or posted to:

Devolution Priority Programme Consultation
 English Devolution and Institutions Team
 Ministry of Housing, Communities and Local Government
 4th Floor
 2 Marsham Street
 London
 SW1P 4DF

The Ministry of Housing, Communities and Local Government will not acknowledge receipt of responses.

Consultation questions

Question 1: To what extent do you agree or disagree that establishing a Mayoral Combined Authority over the proposed geography will deliver benefits to the area?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Please explain your answer.

Question 2: To what extent do you agree or disagree with the proposed governance arrangements for the Mayoral Combined Authority?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Please explain your answer.

Question 3: To what extent do you agree or disagree that working across the proposed geography through the Mayoral Combined Authority will support the economy of the area?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Question 4: To what extent do you agree or disagree that working across the proposed geography through the Mayoral Combined Authority will improve social outcomes in the area?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Please explain your answer.

Question 5: To what extent do you agree or disagree that working across the proposed geography through a Mayoral Combined Authority will improve local government services in the area?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Please explain your answer.

Question 6: To what extent do you agree or disagree that working across the proposed geography through a Mayoral Combined Authority will improve the local natural environment and overall national environment?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree

- Strongly disagree
- Don't know
- Prefer not to say

Please explain your answer.

Question 7: To what extent do you agree or disagree that working across the proposed geography through the Mayoral Combined Authority will support the interests and needs of local communities and reflect local identities?

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Strongly disagree
- Don't know
- Prefer not to say

Please explain your answer.

About You

1. Please tell us how you found out about this consultation?

(select one)

- Social media
- Email
- GOV.UK website
- Local council website
- Poster/ leaflet
- Word of mouth
- News outlet (newspaper / TV / online)
- Other

2. What best describes your response?

(Select one)

- I am a member of the public, giving my views as an individual
- I am responding on behalf of, or as a representative of, a business or organisation

For those responding as a member of the public giving views as an individual

3. What is the first part of the postcode where you live? For example, if your postcode is AB1 2CD, you would write AB1

We ask this so that we can identify what Local Authority you live in and understand a bit more about the area where you live. We do not use this information to identify you.

4. What best describes your gender?

(Select one)

- Female
- Male
- Prefer not to say
- Prefer to self-describe: (Open text box)

5. What is your age group?

(Select one)

- Under 18
- 18-24
- 25-34
- 35-44
- 45-54
- 55-64
- 65-74
- 75+
- Prefer not to say

6. What is your ethnic group?

(Select one)

- White
- Mixed or Multiple ethnic groups
- Asian or Asian British
- Black, Black British, Caribbean or African
- Other ethnic group
- Prefer not to say

7. Do you consider yourself to be a disabled person or to have a long-term, limiting condition?

Please tick one box only

- Yes
- No
- Prefer not to say

8. Which of the following best describes your sexual orientation?

- Heterosexual/Straight

- Gay/Lesbian
- Bisexual
- Prefer not to say
- Other – Please write below

Routing for business/organisation

9. What best describes your organisation?

- Business
- County Council
- Unitary Council
- District Council
- Town Council
- Parish Council
- Health Body
- Voluntary and community sector or charity
- Academic
- Elected representative
- Prefer not to say
- Other (Please Specify)

10. What is the first part of the postcode where your business or organisation is based? For example, if your postcode is AB1 2CD, you would write AB1.

We ask this so that we can identify what Local Authority your business/organisation is based in and understand a bit more about the area where it is located. We do not use this information to identify your organisation.

Annex C: About this consultation

This consultation document and consultation process adhere to the consultation principles issued by the Cabinet Office.

Representative groups are asked to give a summary of the people and organisations they represent and, where relevant, who else they have consulted in reaching their conclusions when they respond.

Information provided in response to this consultation may be published or disclosed in accordance with the access to information regimes (these are primarily the Freedom of Information Act 2000 (FOIA), the Environmental Information Regulations 2004 and UK data protection legislation). In certain circumstances, this may therefore include personal data when required by law.

If you want the information that you provide to be treated as confidential, please be aware that, as a public authority, the department is bound by the information access regimes and may therefore be obliged to disclose all or some of the information you provide. In view of this, it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the department.

The Ministry of Housing, Communities and Local Government will, at all times, process your personal data in accordance with UK data protection legislation and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties. A full privacy notice is included below in Annex D.

The Ministry of Housing, Communities and Local Government will not acknowledge receipt of individual responses.

Your opinions are valuable to us. Thank you for taking the time to read this document and respond.

Are you satisfied that this consultation has followed the consultation principles? If not or you have any other observations about how we can improve the process please contact us via the [complaints procedure](#).

Annex D: Personal data

The following is to explain your rights and give you the information you are entitled to under UK data protection legislation.

Note that this section only refers to personal data (your name, contact details and any other information that relates to you or another identified or identifiable individual personally) not the content otherwise of your response to the consultation.

1. The identity of the data controller and contact details of our Data Protection Officer.

The Ministry of Housing, Communities and Local Government (MHCLG) is the data controller. The Data Protection Officer can be contacted at dataprotection@communities.gov.uk or by writing to the following address: Data Protection Officer, Ministry of Housing, Communities and Local Government, Fry Building, 2 Marsham Street, London SW1P 4DF.

2. Why we are collecting your personal data?

Your personal data is being collected as an essential part of the consultation process, so that we can contact you regarding your response and for statistical purposes. We may also use it to contact you about related matters.

We will collect your IP address if you complete a consultation online. We may use this to ensure that each person only completes a survey once. We will not use this data for any other purpose.

Sensitive types of personal data

Please do not share [special category](#) personal data or criminal offence data if we have not asked for this unless absolutely necessary for the purposes of your consultation response. By 'special category personal data', we mean information about a living individual's:

- Race.
- Ethnic origin.
- Political opinions.
- Religious or philosophical beliefs.
- Trade union membership.
- Genetics.
- Biometrics.
- Health (including disability-related information).
- Sex life; or,
- sexual orientation.

By 'criminal offence data', we mean information relating to a living individual's criminal convictions or offences or related security measures.

3. Our legal basis for processing your personal data

The collection of your personal data is lawful under article 6(1)(e) of the UK General Data Protection Regulation as it is necessary for the performance by MHCLG of a task in the public interest/in the exercise of official authority vested in the data controller. Section 8(d) of the Data Protection Act 2018 states that this will include processing of personal data that is necessary for the exercise of a function of the Crown, a Minister of the Crown or a government department i.e. in this case a consultation.

Where necessary for the purposes of this consultation, our lawful basis for the processing of any special category personal data or 'criminal offence' data (terms explained under 'Sensitive Types of Data') which you submit in response to this consultation is as follows. The relevant lawful basis for the processing of special category personal data is Article 9(2)(g) UK GDPR ('substantial public interest'), and Schedule 1 paragraph 6 of the Data Protection Act 2018 ('statutory etc and government purposes'). The relevant lawful basis in relation to personal data relating to criminal convictions and offences data is likewise provided by Schedule 1 paragraph 6 of the Data Protection Act 2018.

4. With whom we will be sharing your personal data

MHCLG may appoint a 'data processor', acting on behalf of the Department and under our instruction, to help analyse the responses to this consultation. Where we do, we will ensure that the processing of your personal data remains in strict accordance with the requirements of the data protection legislation.

5. For how long we will keep your personal data, or criteria used to determine the retention period.

Your personal data will be held for two years from the closure of the consultation, unless we identify that its continued retention is unnecessary before that point

6. Your rights, e.g. access, rectification, restriction, objection

The data we are collecting is your personal data, and you have considerable say over what happens to it. You have the right:

- a. to see what data we have about you
- b. to ask us to stop using your data, but keep it on record
- c. to ask to have your data corrected if it is incorrect or incomplete
- d. to object to our use of your personal data in certain circumstances
- e. to lodge a complaint with the independent Information Commissioner (ICO) if you think we are not handling your data fairly or in accordance with the law. You can contact the ICO at <https://ico.org.uk/>, or telephone 0303 123 1113.

Please contact us at the following address if you wish to exercise the rights listed above, except the right to lodge a complaint with the ICO: dataprotection@communities.gov.uk or Knowledge and Information Access Team, Ministry of Housing, Communities and Local Government, Fry Building, 2 Marsham Street, London SW1P 4DF.

- 7. Your personal data will not be sent overseas.
- 8. Your personal data will not be used for any automated decision making.
- 9. Your personal data will be stored in a secure government IT system.

We use a third-party system, Citizen Space, to collect consultation responses. In the first instance your personal data will be stored on their secure UK-based server. Your personal data will be transferred to our secure government IT system as soon as possible, and it will be stored there for two years before it is deleted

OPEN

Corporate Policy Committee

20 March 2025

Generative AI Policy Briefing

**Report of: Adele Taylor, Interim Executive Director of Resources
and S151 Officer**

Report Reference No: CPC/61/24-25

Ward(s) Affected: All

For Decision or Scrutiny: Decision

Purpose of Report

- 1 This briefing report provides an update on the use (and potential use) of Generative Artificial Intelligence (“GenAI”) by the Council and highlights issues, opportunities, and ethics to be considered in a local government setting and in support of the Corporate Plan for an effective and enabling council.
- 2 A draft GenAI Policy is attached with reference to the supporting governance framework particularly as this underlying policy will be in a constant state of development whilst the technology matures.
- 3 The Corporate Policy Committee is asked to approve the draft corporate GenAI Policy, within the context of the background information within this briefing report.

Executive Summary

- 4 This briefing report provides an update on the use (and potential use) of Artificial Intelligence by the Council, its employees, contractors, developers, vendors, temporary staff, consultants or other third parties, highlighting any issues, opportunities, and ethics to be considered in a local government setting.

- 5 There are three main uses of Artificial Intelligence (AI): Machine Learning, Predictive Analytics, and Generative. In the first instance the Council is focussing on Generative AI.
- 6 Generative AI (“GenAI”) services such as ChatGPT for text, and others for creation of images, audio, and video present a risk if used without understanding the capabilities.
- 7 Given that GenAI is the most readily available for use by council staff in undertaking their daily work, this briefing asks that the Council recognises the need to approve policy within a framework of existing governance to empower the design and use of GenAI, and that it is ethical, complies with all applicable laws, regulations, and other Council policies, and compliments the Council’s existing information and security policies.
- 8 The Information Assurance and Data Management (IADM) Programme and the Strategic Information Governance Group (SIGG) are existing governance frameworks which have developed data governance strategies and policies. The IADM operational programme has provided guidance and assurance for the adoption of GenAI across the authority. And the SIGG established a Task and Finish group to develop the GenAI Policy within this report.
- 9 It should be noted that the pace of development and application of GenAI is such that any policy will be in a constant state of development.

RECOMMENDATIONS

The Corporate Policy Committee is recommended to:

1. Approve the Corporate GenAI Policy and underpinning governance and related usage guidance, within the context of the background information within this briefing report.
2. Note that SIGG has corporate responsibility for data governance and that it will implement mechanisms for effective GenAI data strategies, policies, and procedures to ensure data accuracy, ethical use and individual privacy whilst ensuring adequate data collection and the means to regulate its use.
3. Note that the Digital Workstream is responsible for maintaining the GenAI Policy and that risks and issues will be managed as the technology matures.
4. Note that IADM continues to manage guidance and assurance to successfully adopt GenAI across the authority and will work with the Digital Delivery Programme to ensure that both AI technical solutions and the underlying information are compliant and secure.

Background

- 10 There are three main uses of Artificial Intelligence (AI):
- **Machine Learning:** Classification, matching, risk assessments. Examples include detection of anomalies, fraud, diagnosis, voice recognition.
 - **Predictive Analytics:** Prediction of flow, modelling complex systems, simulations. Examples include protein folding, drug development.
 - **Generative:** Creates outputs that look original, may be text, image, voice, or video. Examples include creating summaries of documents, responding the prompts, generating images.
- 11 There is a lot of information on Generative Artificial Intelligence (GenAI) or Artificial Intelligence (AI) in the media, the Council therefore needs to understand the detail of what AI can and will do for the authority. Briefing paper will focus on GenAI as this tool is now readily available on the internet for staff to use and therefore its capabilities, limitations and when it should and should not be used need to be better understood.
- 12 Generative AI (“GenAI”) services such as ChatGPT, Bard and CoPilot, and the likes of DALL-E, Midjourney and Stable Diffusion for image generation been in development for many years but have shot to prominence recently as they have become more publicly available. There is a risk that without understanding the capabilities and more importantly, the limitations of these services they could be used while undertaking Council business without the necessary checks and balances in place. In addition, the likes of DeepSeek and QWEN developed in China have led to security and governance concerns.
- 13 A secure, managed implementation of GenAI is available as part of the Council’s existing Microsoft 365 investment in the form of CoPilot.
- 14 AI can broadly be divided into two categories, Narrow Intelligence, and General Intelligence. Narrow Intelligence is AI focussed on performing one main task. All current AI has Narrow Intelligence although they may appear smarter than they are, for example Alexa, which is able to perform a limited pre-defined set of operations. General Intelligence refers to machines that can perform many tasks, be cognitively aware of what they are doing, and are able to self-learn and adapt. Artificial General Intelligence (“AGI”) is a long-term aspiration and is not readily available now. There are suggestions that AGI machines will replace human intelligence, but machine intelligence may be different
[The Dstl Biscuit Book WEB.pdf \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/115444/The_Dstl_Biscuit_Book_WEB.pdf)

- 15 Further references to GenAI or AI in this briefing document will refer to Narrow Intelligence.
- 16 AI is commonly understood to be technological systems with the ability to process data in a way which resembles intelligent behaviour. This broad definition is important, as the rapid pace of technological change would quickly render any fixed, narrow definition outdated and make future-proof policies infeasible.
- 17 Agentic AI refers to AI systems that not only understand and respond to their environment but also possess the ability to autonomously, making decisions and adapting in real time without constant human guidance. Decision.
- 18 AI is driving transformation across all areas of society today. It is an umbrella term encompassing a range of technologies both sophisticated and simple that are used to, among other things, to make predictions, inferences, recommendations, or decisions with data. AI is used in many products and services that people use, interact with, or are impacted by, every day.
- 19 AI is already being used, for example, to help diagnose medical conditions and care for patients, to predict demand for transportation services, and to optimise energy consumption of devices and large systems. It can also perform energy management, to detect fraudulent financial transactions and manage financial services, and to recommend products or content and operate consumer internet and e-commerce platforms. It is predicted that AI will touch virtually every area of life in the years ahead, in ways both visible and invisible, and its impacts will be felt from a personal to a societal scale.
- 20 It is already an unstoppable force in our economy. [According to Tech Nation, there are more than 1,300 AI companies in the United Kingdom.](#) OpenAI, the developer of ChatGPT, has announced its first international office will be based in the UK. Research commissioned by the government and published in January 2022 shows [UK businesses](#) spent around £63bn on AI technology and AI-related labour in 2020 alone. This figure is expected to reach more than £200bn by 2040, when it is predicted more than 1.3m UK businesses will be using AI. The council will ensure that it is a position to take advantage of AI powered tools where appropriate to improve the way it delivers services.
- 21 In its [National AI Strategy](#), the government has committed to developing a pro-innovation national position on governing and regulating AI and outlined their position in a [policy paper](#) in 2022. This white paper sets

out the government's proposals for implementing a proportionate, future-proof, and pro-innovation framework for regulating AI.

- 22 The [UK Science and Technology Framework](#) also sets out the government's strategic vision to make the UK a science and technology superpower by 2030. It identifies AI as one of five critical technologies and notes that regulation plays a key role in creating an environment for AI to flourish.
- 23 Through this innovative approach to AI regulation, central government is hoping to help the UK harness the opportunities and benefits that AI technologies present. The expectation is that this will drive growth and prosperity by boosting innovation and investment and building public trust in AI. And it will strengthen the UK's position as a global leader in AI, by ensuring the UK is the best place to develop and use AI technologies.
- 24 It is recognised that local government needs to transform digitally to meet the expectations of residents. A combination of digitally enabled customer services, underpinned by AI technologies, will enable public sector transformation.
- 25 It should be noted that some AI researchers argue that AI currently is just "statistics on steroids." All agree that AI is transforming how we work, live, wage war and even understand what it means to be human, as [Professor Stuart Russell](#) explored in his [BBC Reith Lectures](#) in December 2022.
- 26 Simplistically, GenAI Large Language Models (LLMs) are developed and train (or learn) from substantial amounts of text-based data, typically scraped from the open internet, which covers web pages and other sources such as scientific research, books, or social media posts.
- 27 The LLM (Large Language Models) then analyses the relationships between different words and turns that into a probability model. The LLM, through a tool such as a chatbot (ChatGPT is one such high-profile chatbot), will then generate text that appears the same as that generated by a human.
- 28 There are several types of chatbot that are used for different purposes:
 - (a) Retrieval chatbots: These chatbots provide an interface to structure content in the knowledgebase. Before implementing a chatbot, the knowledgebase must be mature and up to date.
 - (b) Generative chatbots: These chatbots submit, categorise, and route requests on the end user's behalf. These chatbots can be used to verify identity and gather requirements to save time for

- live agents. This cuts down on time spent by live agents on every ticket.
- (c) Intelligent agents or virtual assistants: These are powered by machine learning to for example automate IT (Information Technology) operations like incident, problem, and change management and to identify issues early and resolve them before they have an impact. Both the live agent and the customer can also use intelligent agents to perform repetitive tasks needed for tickets.
- 29 ChatGPT is an example of a generative chatbot founded by the company OpenAI which has links to Microsoft and Amazon. Microsoft is committed to adding ChatGPT to Microsoft 365, it called CoPilot and be embedded into Word, Excel, PowerPoint etc.
- 30 ChatGPT when given the prompt “what an organisation should consider when implementing AI?” responded that “*The use of AI tools must adhere to principles of transparency and fairness. Companies should have policies in place to address data privacy and security, bias and discrimination, and transparency and explainability. Employees must use AI tools in a manner consistent with security best practice.*”
- 31 In summary, the Council needs to recognise:
- (a) AI is the single most exciting and potentially disruptive technology to emerge for a long time.
 - (b) It has been around for years, we have seen it coming, however there is a change in thinking underway – this might be the first time in human evolution where humans may be subject to the decisions of an entity that is not human and (unlike a standard algorithm) whose reasons for the decision are not fully explainable.
 - (c) Machine learning LLMs bring a whole new meaning to Isaac Newton’s “standing on the shoulders of giants.”
 - (d) The growth in AI deployment and integration is already well underway.
 - (e) Once this snowball starts, (it has) the momentum to accelerate is exponential.
 - (f) Are we ready for it?

Briefing Information

- 32 There has been consultation and engagement with the services and enabler representatives on the Digital Workstream, SIGG and IADM, in order that that this briefing paper can recommend the draft GenAI Policy and underpinning governance to the Corporate Policy Committee (Appendix 1).

- 33 SIGG, the Task and Finish Group, and IADM have referred to best practice AI policies such as the one produced (in collaboration with [ALGIM](#), Socitm's partner association in New Zealand) which provides a framework for the use of Generative Artificial Intelligence (GenAI) large language models such as ChatGPT, Bard, Bing or other similar tools by council employees, contractors, developers, vendors, temporary staff, consultants or other third parties (Link: [Sample corporate policy for use of Generative Artificial Intelligence - Socitm](#)) and used by other local authorities, such as Hounslow and Bristol City Councils, as a basis for their AI Policies.
- 34 The various governance groups have been working to produce the GenAI Policy:
- draft briefing paper to SIGG for comment and approval
 - briefing paper to Senior Responsible Officer, Digital Workstream, for information and comment.
 - SIGG AI Task and Finish Group established enabling consultation with stakeholders including adults and children's services, public health, finance, legal and human resources.
 - draft GenAI policy presented to SIGG, Corporate Services Leadership Team (CSLT), Digital Workstream and Corporate Leadership Team (CLT) for comment and endorsement.

Implications

Monitoring Officer/Legal

- 35 Legal worked with colleagues on the SIGG Task and Finish Group to draft the GenAI Policy and duly considered (and not limited to) the following:
- (a) Consideration must be given to the fact that, without appropriate controls, data entered into GenAI may enter the public domain. This can release non-public information and breach regulatory requirements, customer, or vendor contracts, or compromise intellectual property. Users will need to be made aware of the GenAI Policy to ensure that their use of any GenAI complies with all applicable laws and regulations and with associated Council policies.
CoPilot is adopted as the standard tool for GenAI as this provides an area where user and business data is protected and will not leak outside the Council. Chat data is not saved, and it is not used to train other AI systems.
 - (b) It clearly states that employees must not use or enter confidential, proprietary, or trade secret information into unauthorised AI chatbots or language models, such as ChatGPT.

- (c) Staff will also need to follow all applicable data privacy laws and Council policies when using GenAI. Any release of private/personal information without the authorisation of the information's owner will result in a breach of relevant data protection laws. If a user has any doubt about the confidentiality of information, they should not use GenAI.
 - (d) Consideration has been given to copyright laws when using GenAI. It is prohibited to use GenAI to generate content that infringes upon the intellectual property rights of others, including but not limited to copyrighted material. It is likely that if a user is unsure whether a particular use of GenAI constitutes copyright infringement, they will be advised to contact their legal advisor or Information Governance Collaborative Group before using GenAI.
 - (e) All information generated by GenAI must be reviewed and edited for accuracy prior to use. Users of GenAI are responsible for reviewing output and are accountable for ensuring the accuracy of GenAI generated output before use/release. If a user has any doubt about the accuracy of information generated by GenAI, they should not use GenAI.
- 36 Underpinning security and compliance have been considered. While an GenAI platform may be hosted internationally, information created or collected in the United Kingdom of Great Britain and Northern Ireland (UK), under data sovereignty rules, is still under jurisdiction of UK laws. The reverse also applies. If information is sourced from GenAI hosted overseas for use in the UK, the laws of the source country regarding its use and access may apply. GenAI service providers should be assessed for data sovereignty practice by any organisation wishing to use their GenAI.

Section 151 Officer/Finance

- 37 There are no financial implications of this briefing report and its recommendations/decisions. Any financial implications associated with GenAI developments will be documented and presented as business cases through the Digital Workstream. If these business cases are approved, they will be drawn down from the Council's approved Digital budget as part of the Medium-Term Financial Strategy (MTFS).

The Digital Workstream is also considering what change would look like (for example, % of services which will include AI processes, number or percentage of interactions that will be AI supported, the availability of extended hours, the alignment of data, the reduction in licenses and staffing requirements). Preliminary contact statistics (01 Apr 2022 – 31 March 2023) being considered for AI solutions and automation include:

- Face to face reception requests approx. 13405 (Macclesfield (5424) and Crewe (7981)).
- Phone calls of which 326,574 are to the contact centre alone (non-Contact Centre Calls will also to be investigated).
- Contact Centre emails of approx. 600,415 (which include outbound and inbound requests).
- Council emails receives approx. 22,959,976 and sends approx. 19,561,550.
- Online forms completed approx. 191,096.
- Postal requests are being investigated (estimate + 1m), and
- Cheshire East Web Site Contacts approx. 10,000,000.

Initial AI projects therefore being scoped by the Digital Workstream include the following and will identify the number or percentage of interactions that will be AI supported, the availability of extended hours, the alignment of data, the reduction in licenses and staffing requirements:

- AI email and voice automation for the Contact Centre, Highways, Waste and linked services Communities and Street Cleansing services.
- Generative Chat – for all users
- Web Journeys linked to a Council AI knowledge base for the Contact Centre, Highways, Waste and linked services Communities and Street Cleanse initially.

Policy

- 38 AI is expected to deliver significant benefit for the UK population, it is booming in healthcare and biology and may help the Council mitigate the impact of climate change.
- 39 AI systems have been commercially used to automate or streamline internal processes, such as classifying customer support requests to route them to the correct department, filling out or parsing forms, detecting anomalous behaviour like fraud or cyber intrusions, or screening, hiring, or evaluating employees.
- 40 The Council may therefore want to use AI within a service to provide services both internally and externally, or an officer may use it to provide research and guidance. Benefits may include:
- The ability to summarise or extract meaning from existing documents, policies, or systems.
 - The provision of a service externally to residents instead of human intervention

- Providing access to resources in the public domain for advice and guidance internally, or
 - Exposing information externally to enable transparency.
- 41 There are global, regional, and local authority examples for GenAI being deployed in support of, for example:
- (a) City planning, economic regeneration, and data infrastructure agency opportunities
 - (b) Smart Cities
 - (c) Geospatial data intelligence, and 3D mapping data
 - (d) Cross-agency cyber command and cyber defence applications
 - (e) Administrative Services, energy billing, and robotic process automation for example, email and telephone response assistants, chatbots, and appointments
 - (f) Environmental protection, health and mental hygiene, and noise data analytics
 - (g) High school admissions, matching, and other algorithmic approaches
 - (h) Education and learning
 - (i) Community engagement and participatory approaches
 - (j) Foster partnership opportunities with external experts
 - (k) Population health studies
 - (l) Clinical interventions, and
 - (m) Food poverty and participatory system design – all or some of which the Council may want to consider.
- 42 The Council is scheduled to implement the following Digital Customer Enablement GenAI projects in 2023-4 for Highways specifically (a to c) and corporately (d to f):
- (a) Sign Posting and Streamlining of Reporting Channels such as:
 - (i) Enquiries for other Council services or other third parties (Town and Parish Councils / Housing Associations etc). Last year, 7% of our enquiries were not for the Highway Service – equating to 2,200 enquiries.
 - (ii) Looking at how can get these to the right service / external organisation at the right time?
 - (b) Recognising an ‘emergency’ when a customer is logging an enquiry a report:
 - (i) Anything considered as an emergency we would want to direct the customer through to reporting the enquiry via telephone via the emergency line 0300 123 502.
 - (ii) If the customer uses certain words (fallen over / injured myself / tyre blown etc.) the system will recognise this and send the customer via the telephone route?
 - (c) Information Requests providing intelligent responses at point of contact, for instance:

- (i) Frequently asked questions that could be resolved at first point of contact by an AI solution looking at current programmes on the Council's website, for instance:
 - 1. When are you going to cut the grass? Identifying who is responsible for the ownership / maintenance of the grass reported also.
 - 2. When are you going to repair my road?
 - (d) Automation of request and delivery processes for example:
 - (i) Logging a pothole on Fix My Street:
 - 1. Customers can currently log anything that they consider as a pothole with limited guidance within the tool. The guidance needs to be reviewed with respect to what can / or could be logged.
 - 2. Would be good to advise the customer whether there has been a recent safety inspection and whether any defects identified?
 - 3. Do we need customers to log duplicate enquiries if we are already aware?
 - (e) Email Automation – Avoidable Processing
 - (i) Filtering of Duplicate Mails
 - (ii) Automated Service Request
 - (iii) Automated Information Request
 - (iv) Re-Direction of Mails
 - (f) Telephony & Voice Automation – Avoidable Contact
 - (i) Sign Posting
 - (ii) Automated Service Request
 - (iii) Automated Information Request
 - (iv) Re-Direction of Calls and Call Backs
- 43 The Council has access to Microsoft's Bing Chat Enterprise and CoPilot.
- 44 CoPilot integrates a LLM with the Microsoft set of tools. It differs from a public LLM in that the LLM respects organisational barriers. Information posted and replied to comes from within that barrier, enabling safe use within the constraints on normal information protection.
- 45 Within the press, experts are therefore raising concerns that AI is not necessarily too powerful, but that the basic guard rails are not in place to ensure AI is deployed responsibly.
- 46 The Information Commissioners Office (ICO) has written specific guidance and additions that must be in place. AI must be considered as part of the Data Protection Impact Assessment (DPIA) process which helps to identify and minimise the data protection risks of the AI being implemented. This needs to describe the nature, scope, context, and

purposes of any processing of personal data. It needs to make clear how and why the Council are going to use AI to process the data. We will need to detail:

- (a) how we will collect, store, and use information.
- (b) the volume, variety, and sensitivity of the information.
- (c) the nature of your relationship with individuals; and
- (d) the intended outcomes for individuals or wider society, as well as for the Council.

- 47 Whether a system using AI is generally more or less risky than a system not using AI depends on the specific circumstances. The DPIA should show evidence of our consideration of less risky alternatives, if any, that achieve the same purpose of the processing, and why we did not choose them. This consideration is particularly relevant where we are using public task or legitimate interests as a lawful basis. The DPIA will need to be reviewed to incorporate AI and its use. In addition, to retain the trust of the public, business users will need to consider the use of AI from a privacy and transparency basis with clear notice on where information and decision have used these AI tools.
- 48 Fundamentally, any policy is only as good as the governance framework that underpins it. In the context of AI, governance around data use and sharing is of particular importance, so additional thought must be given to governance models that facilitate access to large data sets to improve the quality of data input and the integrity of outcomes, while ensuring patients or cared-for customers have control over how their data is used, who has access to it and for what purposes.
- 49 While values and principles are crucial to establishing a basis for any ethical AI governance framework, recent movements in AI ethics have emphasised the need to move beyond high-level principles and toward practical strategies.
- 50 The Strategic Information Governance Group (SIGG) advised the Digital Workstream on the governance framework and policies that underpin the development of AI solutions across the Council. The draft GenAI Policy in Appendix 1 recommends governance mechanisms which are inclusive, transparent, multidisciplinary, multilateral, and multi-stakeholder. In other words, communities impacted by AI must be actively involved in its governance in addition to experts across a range of disciplines. Additionally, governance must extend beyond mere recommendations to include anticipation, enforcement, and redress. AI governance cannot stop once risks and impacts have been identified. Instead, all identified harms must be investigated and addressed so that impacted communities have the right to redress.

- 51 As SIGG has the responsibility for corporate data governance, it will implement mechanisms for effective AI data governance strategies to ensure individual privacy while ensuring adequate data collection and means to regulate its use.
- 52 GenAI may store sensitive data and information, which could be at risk of being breached or hacked. The Council must assess technical protections and security certification of GenAI before use. If a user has any doubt about the security of information input into GenAI, they should not use GenAI. Any procurement of GenAI software must adhere to current procurement processes including the need for a completed and approved security questionnaire.
- 53 All policies, processes and procedures will need to be reviewed periodically and updated as necessary to ensure continued compliance with all applicable legislation, regulations, and wider Council policies.
- 54 The draft GenAI Policy supports the effective and enabling organisation referred to within the priorities in the [Corporate Plan](#) that this briefing report supports.

Equality, Diversity, and Inclusion

- 55 Ethics is about more than laws and regulations, compliance, and checklists. It is about designing the world we want to live in. The use of AI raises a series of ethical issues that academics and policymakers have grappled with for years, and which local government embracing the technology must address also.
- 56 AI technology brings major benefits in many areas, but without ethical guardrails, it risks reproducing real world biases and discrimination.
- 57 Use of GenAI must be in a manner that promotes fairness and avoids bias to prevent discrimination and promote equal treatment and be in such a way as to contribute positively to the Council's goals and values.
- 58 An ethical concern surrounding AI is the risk of it being used to spread misinformation. As it is designed to generate responses that sound human-like, it can be difficult for people to distinguish between responses generated by a machine and those that come from a real person. It can also be seen that regardless of whether a response is known to emanate from an LLM people are affected by that response.
- 59 GenAI must be used ethically and in compliance with all applicable legislation, regulations, and Council policies. Users may advise that they should not use GenAI to generate content that is discriminatory, offensive, or inappropriate. If there are any doubts about the appropriateness of using GenAI in a particular situation, users will be

advised to consult with their line manager or Information Governance Collaborative Group.

- 60 The European Commission published “The final assessment list for trustworthy AI” in July 2020 and translates the ethics guidelines into an accessible checklist that developers and deployers of AI can use, touching on seven requirements deemed essential to the ethical use of AI:
 - human agency and oversight.
 - technical robustness and safety.
 - privacy and data governance.
 - transparency.
 - diversity, non-discrimination, and fairness.
 - societal and environmental wellbeing; and
 - accountability.
- 61 Without these principles it can lead to the dissemination of false or misleading information, which can have profound consequences. For example, if a chatbot is trained on biased or outdated data, it may produce responses that reflect that bias, potentially leading to the spread of misinformation.
- 62 Areas that are already safety-critical or covered by strict product legislation such as medical devices, are already required to undergo conformity assessment. This could be a reason the use of AI in healthcare is so advanced. Social Care works with healthcare providers and may need to understand their legal and regulatory obligations and have an appreciation of the ethical guidance that exists, and associated policy that allows the organisation to meet the requirements and expectations in practice. For instance, AstraZeneca has a set of its own [principles for ethical data and AI](#) to guide the approach of its staff.
- 63 There is significant cross-over between the AstraZeneca principles and the ethics guide and checklist endorsed by the European Commission. The principles revolve around five core themes:
 - Explainable and transparent.
 - Fair.
 - Accountable.
 - Human-centric and socially beneficial; and
 - Private and secure.
- 64 Among the specific commitments the company outlines, AstraZeneca promises to be “open about the use, strengths and limitations of our data and AI systems,” to ensure humans oversee AI systems, to ensure data and AI systems are secure, and to “act in a manner compatible with intended data use.” It also states that it anticipates and mitigates

the impact of potential unfavourable consequences of AI through testing, governance, and procedures, and further promises to learn lessons from “unintended consequences” materialising from its use of AI.

- 65 Novartis has also developed its own [ethical principles for AI development, application and use](#) too. In a detailed document, the company has, among other things, specifically acknowledged the risk of bias and discriminatory outcomes from using unrepresentative data samples.
- 66 [Sanofi is another company in the sector developing its own policy on the use and governance of AI](#). It has said it will be shaped around three principles:
- AI should be used in the interest of patients.
 - The use of AI should not treat any groups of patients unfairly.
 - Dignity needs to be preserved so the patient should have autonomy of thought, intention, and action when making decisions regarding health care.
- 67 The Department for Education has produced guidance on the use of generative artificial intelligence (AI), including large language models (LLMs) like ChatGPT or Google Bard, in the education sector [Generative artificial intelligence in education - GOV.UK \(www.gov.uk\)](#). It is informed by Government's White Paper on a pro-innovation approach to AI regulation and follows Government's recent announcement to create a Foundation Model Taskforce which will consider UK domestic capability in this important technology. Generative AI refers to technology that can be used to create new content based on large volumes of data that models have been trained on. This can include audio, code, images, text, simulations, and videos.
- 68 Artificial Intelligence (AI) has the potential to address some of the biggest challenges in education today, innovate teaching and learning practices, and accelerate progress towards SDG 4. UNESCO, for instance, is committed to supporting Member States to harness the potential of AI technologies for achieving the Education 2030 Agenda, while ensuring that its application in educational contexts is guided by the core principles of inclusion and equity. Furthermore, UNESCO has developed within the framework of the [Beijing Consensus](#) a publication aimed at fostering the readiness of education policymakers in artificial intelligence. This publication, [Artificial Intelligence and Education: Guidance for Policymakers](#), will be of interest to practitioners and professionals in the policymaking and education communities. It aims to generate a shared understanding of the opportunities and challenges that AI offers for education, as well as its implications for the core competencies needed in the AI era.

- 69 Addressing ethical issues must be at the heart of building trust in the use of AI in social and health care. The body driving digital transformation in healthcare in England, NHSX, is taking its own steps to address the ethical challenges posed by AI use in healthcare. It has set up an NHS AI Lab and its AI ethics initiative seeks to “ensure that AI products used in the NHS and care settings will not exacerbate health inequalities.”
- 70 SIGG will also look at an Ethical Impact Assessment (EIA) which provides an opportunity to reflect on the potential impacts of an AI project and to identify the needed harm prevention actions. The EIA will address questions such as: Who is most likely to be adversely affected by this AI system? What form will these impacts take? What can be done to prevent these harms and have resources been allocated to this harm prevention?

Human Resources

- 71 Human Resources are represented at SIGG and were consulted during the development of the draft GenAI Policy in Appendix 1.
- 72 Users may want to use GenAI for work-related purposes subject to adherence to the policy. This includes tasks such as generating text or content for reports, emails, presentations, images, and customer service communications.

Risk Management

- 73 Issues range from how the use of AI may fundamentally alter the nature of work undertaken by humans, to how to address the risk that advances in machine learning creates systems that become too smart for humans to control. There are further ethical questions around what happens, and who is responsible, when AI systems make a mistake; how the use of AI can respect privacy and freedom of expression; and how to ensure there is not inherent bias in the way AI systems function that might deliver inaccurate, discriminatory, or even dangerous outcomes.
- 74 The problems with such systems are not always evident in common use, but in one example, ChatGPT has been found to advise patients with mental health issues to die by suicide. Many other examples of unsafe responses can be found and envisaged, and it will be impossible to prevent these without significant development in the state of the art. This is even acknowledged by ChatGPT itself, which says “... ChatGPT, like other language processing models, can generate biased or offensive text if it is trained on biased data. This can be a problem if the

generated text is used in sensitive applications, such as in healthcare or education, where it is important to avoid bias and promote inclusivity.”

- 75 Chatbots are therefore in their infancy and need sufficient prompts within questions to provide meaningful responses. Without the right context then often, the responses are misleading or even wrong, so care needs to be taken deriving decisions from content. When used to support customers, this may lead to frustrations and inaccurate signposting.
- 76 Any use of GenAI technology in pursuit of Council activities should be done with full acknowledgement of the policies, practices, terms, and conditions of developers/vendors.
- 77 Information Governance policies such as Data Protection state that staff must not disclose sensitive or confidential data (e.g., into public LLM’s as this information will then be freely available to other chatbots). The AI policy will need to reflect other council policies such as Information Governance and HR policies.
- 78 Employees may also receive information through these chatbots that is trademarked, copyrighted, or the intellectual property of another person or entity, creating legal risk for the council as the employer.

Rural Communities

- 79 There are no implications at this stage to rural communities of this report and its recommendations.

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

- 80 Adults and Childrens Services SIGG representatives have been consulted in the development of the draft GenAI Policy Appendix 1.
- 81 It should be noted that this briefing report, and the draft GenAI Policy, does not include Schools.
- 82 UNESCO’s mandate calls inherently for a human-centred approach to AI. It aims to shift the conversation to include AI’s role in addressing current inequalities regarding access to knowledge, research, and the diversity of cultural expressions and to ensure AI does not widen the technological divides within and between countries. The promise of “AI for all” must be that everyone can take advantage of the technological revolution under way and access its fruits, notably in terms of innovation and knowledge.

- 83 Although generative AI is not new, recent advances and public access to the technology mean that the public can now use this technology to produce AI-generated content. This poses opportunities and challenges for the education sector, children and young people, care leavers and Children with special educational needs and disabilities (SEND):
- (a) When used appropriately, technology (including generative AI), has the potential to reduce workload across the sector, and free up time, allowing users to focus on delivering excellent services.
 - (b) Those responsible for children and young people, care leavers and children with special educational needs will need to continue to take reasonable steps (where applicable) to prevent malpractice, including malpractice involving use of generative AI and other emerging technologies.
 - (c) The education sector must continue to protect its data, resources, staff, and pupils, in particular:
 - (i) Personal and sensitive data must be protected and therefore must not be entered into generative AI tools.
 - (ii) Education institutions should review and strengthen their cyber security, particularly as generative AI could increase the sophistication and credibility of attacks.
 - (iii) Education institutions must continue to protect their students from harmful content online, including that which might be produced by generative AI.

Public Health

- 84 Adult Social Care and Public Health SİGG representatives have been consulted in the development of the draft GenAI Policy, including the following areas:
- Digital inclusion issues and opportunities
 - Any positive, neutral, or negative overall impacts on the health and wellbeing of Cheshire East residents, and
 - Any greater (positive or negative) impact on some groups compared to others (e.g., rural vs urban; younger vs older; poorer vs more affluent; etc.)

Climate Change

- 85 Approved GenAI projects will document any potential opportunities to reduce the Council's carbon footprint and achieve environmental sustainability.

Access to Information	
Contact Officer:	Contact Officer: Gareth.Pawlett@cheshireeast.gov.uk
Appendices:	Appendix 1: Draft GenAI Policy
Background Papers:	NA

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Artificial Intelligence (AI) Policy

To govern the use of Generative Artificial
Intelligence Large Language Models (GenAI).

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DRAFT

Generative AI Policy

Summary

“GenAI” is a type of artificial intelligence that creates new content like text, images, and videos. It learns from existing data and uses this knowledge to generate new content based on user prompts.

This policy applies to all CEC users with access to authorised GenAI, through council-owned devices or BYOD (bring your own device) in pursuit of council activities.

The only GenAI applications currently authorised are Microsoft CoPilot chat and Microsoft CoPilot for Microsoft 365.

Further explanations and guides for use can be found in the policy detail.

SECTION 1. PURPOSE

- 1.1 The purpose of this policy document is to provide a framework for the use of market and approved Generative Artificial Intelligence Large Language Models (GenAI for use by council officers, members, contractors, developers, consultants or other third parties.
- 1.2 The term ‘Users’ is intended to apply to those users of authorised GenAI tools (referenced in section 8) or have been developed through the Digital Workstream. Authorisation of the use of AI is a key principle of this policy and must be adhered to. Users are officers, members, contractors, developers, or consultants.
- 1.3 The use of any other personal GenAI application is unauthorised for CEC business and shall not be used. Use of unauthorised GenAI could result in data loss, incorrect information and inappropriate decisions.
- 1.4 This policy is designed to ensure that the use of GenAI is ethical, complies with all applicable laws, regulations, and council policies, and sits alongside the council’s existing information and security policies.
- 1.5 The pace of development and application of GenAI is such that this policy will be regularly reviewed and updated (every twelve months and approved through the Strategic Information Governance Group (SIGG) and the Digital Workstream. As new challenges in AI arise, these will be addressed and reflected in this policy. A balanced approach will be adopted, taking into consideration ethics and risks, benefits, and the possibilities of AI. Feedback, suggestions, and experiences to enable us to improve the policy and to ensure that it continues to meet the needs of the council will be addressed by the Strategic Information Governance Group (SIGG) and the Digital Workstream.

SECTION 2. USE OF GENAI

- 2.1 This policy applies to all CEC users with access to authorised GenAI, whether using the tools or developing solutions by that through council-owned devices or BYOD (bring your own device) in pursuit of council activities.
- 2.2 Use of GenAI must be considered and compliant with processes that promote transparency, security, fairness and which avoids bias to prevent discrimination and promote equal treatment. Inclusive of those principles, the overriding objective of AI is to contribute positively to the council's goals and values.
- 2.3 Users may use authorised GenAI for work-related purposes only and subject to adherence to the principles and procedures set out in this policy. The term 'Users' is deemed to mean that any user is authorised.
- 2.4 Particular attention should be given to governance, vendor practices, copyright, accuracy, confidentiality, disclosure, ethical use, and integration with other tools. Each of those aspects are considered within this section 2.
- 2.5 GenAI can be used for the following purposes:
 - 2.5.1 To analyse vast amounts of data to improve decision-making and optimising processes.
 - 2.5.2 To search public documents such as wider internet resources for the purposes of research, national and central government statistics, policies, and strategies etc.

Vendors and the supply chain

- 2.6 Any use of GenAI technology in pursuit of council activities should be done with full authorisation and acknowledgement of the policies, practices, terms, and conditions of developer and third-party vendors. Contract Managers should note that a written acknowledgement of that must be incorporated within all new procurement contracts.

Copyright

- 2.7 Users must adhere to copyright laws when utilising GenAI. It is prohibited to use GenAI to generate content that infringes upon the intellectual property rights of others, including but not limited to copyrighted material. If reference is made to a website, article or publication it is important to cite the author's name, publication title, date and/or website url.

Note: If a user is unsure whether a particular use of GenAI constitutes copyright infringement, they should contact the Information Governance Collaboration Group before using GenAI.

Accuracy

- 2.8 Line Managers are responsible for ensuring all information generated by GenAI must be reviewed and edited as necessary to ensure accuracy prior to use. Users of GenAI are responsible for fact checking output and are accountable for ensuring the accuracy of GenAI generated output before use and/or release. Senior Managers are accountable for published reports containing AI generated material.

Note: If a user has any doubt about the accuracy of information generated by GenAI, they should not use GenAI.

Confidentiality

- 2.9 Confidential and personal information must not be entered into a GenAI tool, as information may enter the public domain. Users must follow all applicable data privacy laws and organisational policies when using GenAI.

Note: If a user has any doubt about the confidentiality of information, they should not use GenAI.

Ethical Use

- 2.10 GenAI must be used ethically and in compliance with all applicable legislation, regulations, and Council policies. Users must not use GenAI to generate content that is discriminatory, offensive, or inappropriate.

Note: If there are any doubts about the appropriateness of using GenAI in a particular situation, users should consult with their line manager, supervisor, or Information Governance Collaboration Group.

Disclosure

- 2.11 Content produced via GenAI, or any other AI model, must be identified and disclosed as containing GenAI-generated information.

Footnote example: **Note:** *This document may contain information that has been generated by Artificial Intelligence (AI). The Council takes responsibility for this content.*

Integration with other tools and systems

- 2.12 API and plugin tools enable access to GenAI and extended functionality for other services to improve automation and productivity outputs.

Note: Assessments are made through the Information Assurance Questionnaire for all technical and security aspects as part of the procurement process. Developers of GenAI will also be instructed to follow OpenAI's [Safety Best Practices](#):

- Adversarial testing
- Human in the loop (HITL)
- Prompt engineering
- “Know your customer” (KYC)
- Constrain user input and limit output tokens.
- Allow users to report issues.
- Understand and communicate limitations.
- End-user IDs.
- Risk assessment
- Authorisation

- 2.13 API and plugin tools must be rigorously tested for:

- Moderation – to ensure the model properly handles hate, discriminatory, threatening, etc. inputs appropriately.
- Factual responses – provide a ground of truth for the API and review responses accordingly.

SECTION 3. RISKS

- 3.1 Artificial Intelligence (AI) creates opportunities for innovation, growth and prosperity but also creates a range of new risks. These risks include damage to physical and mental health, bias and discrimination, and infringements on privacy and individual rights. These risks must be proportionately addressed to benefit from the opportunities that AI provides. Senior Managers in the Council have a responsibility to internally regulate risks through departmental service plans and the Council is regulated by legislation.

- 3.2 When developing GenAI or adopting other AI tools, it is essential to undertake a full Data Protection Impact Assessment (DPIA) *before* proceeding.

[Complete a Data Protection or Privacy Impact Assessment \(cheshireeast.gov.uk\)](https://cheshireeast.gov.uk/complete-a-data-protection-or-privacy-impact-assessment)

Legal compliance

- 3.4 Data entered into non approved GenAI may enter the public domain. This can release non-public information and breach regulatory requirements, customer, or vendor contracts, or compromise intellectual property. Any release of private or personal information without the authorisation of the Council will result in a breach of relevant data protection laws. Any new use of an technology will require a sperate or amended DPIA to be created. Use of GenAI to compile content may also infringe on regulations for the protection of intellectual property rights.

Note: Users should ensure that their use of any GenAI complies with all applicable laws and regulations and with council policies and if any breach or potential breach of the Council's data protection obligations has arisen it must be reported to the Data Protection Officer

Bias and discrimination

- 3.5 GenAI may make use of and generate biased, discriminatory, or offensive content.

Note: Users should use GenAI responsibly and ethically, in compliance with council policies and applicable laws and regulations. If bias and discriminatory matters or references are evident in AI generated content, it must be corrected or removed before use or distribution.

Security

- 3.6 GenAI may store sensitive data and information, which could be at risk of being breached or hacked. The council must assess through the procurement process and technical assessments the protections and security certification of any GenAI not approved within this policy before use.

Note: If a user has any doubt about the security of information input into GenAI, they should not use GenAI.

Data sovereignty and protection

- 3.7 While a GenAI platform may be hosted internationally, under data sovereignty rules information created or collected in the originating country will remain under jurisdiction of that country's laws. The reverse also applies. If information is sourced from GenAI hosted overseas, the laws of the source country regarding its use and access may apply.

Note: GenAI service providers must be assessed for data sovereignty practice prior to use by CEC.

SECTION 4. BENEFITS AND CHALLENGES

The use of AI has the potential to reduce costs, increase productivity and creativity, and offer tech compatibility with current systems.

4.1 Benefits

AI can offer numerous benefits, these include increased efficiency, automation of repetitive tasks along with:

4.1.1 Productivity

AI can significantly enhance internal staff productivity by automating tasks and providing summaries, leading to time savings and increased efficiency.

4.1.2 Data analysis and decision making

AI aids in data analysis, improving decision-making processes by providing insights and recommendations.

4.1.3 Tech-enabled care

AI-powered sensors and technology can enhance care for vulnerable people, detecting emergencies and ensuring timely interventions.

4.1.4 Cost management

AI-driven systems, such as temperature control, can help manage costs and optimize building environments, providing cost-effective solutions.

4.1.5 Positive community impact

Emphasising the community impact of AI initiatives can help garner support and alleviate concerns among staff and residents.

4.1.6 Outcome-oriented approach

Focusing on the positive outcomes and aligning AI initiatives with the fundamental purpose of local authorities can create a more favourable narrative.

4.2 Challenges

4.2.1 Transparency

Emphasise the importance of understanding AI systems' decision-making processes and addressing bias through plain and simple language.

4.2.2 AI updates

Be aware of AI updates and their potential impact, especially in internal settings. Assess the need for updates and their compatibility with existing AI models.

4.2.3 Software bill of materials

It is important to manage and understand the technical details and components of AI so that software risks and benefits can effectively be assessed.

4.2.4 Ethical considerations/Bias and fairness

Using AI can present unfair or prejudiced outcomes in decision making processes. Carefully consider ethical implications and ensure use cases are well thought out and thoroughly managed.

4.2.5 Regular monitoring of AI for bias and adjust to mitigate the risk of unintentional bias.

4.2.6 Data quality – Whilst sophisticated, AI may still produce results which contain errors due to misunderstanding, lack of understanding, or misinterpretation. Please ensure that any AI produced material, or decisions are fact-checked and monitored.

4.2.7 Reliability - We should conduct testing across the AI systems to assess how the AI performs in practical scenarios before deployment.

4.2.8 Security – Keep the AI system up to date with software updates, improvements, and changes as necessary.

SECTION 5. COMPLIANCE AND GOVERNANCE

- 5.1 Any non-adherence of this policy should be reported to Head of Service and then escalated through the Digital Workstream and/or Information Governance Collaboration Group. Failure to comply with this policy may result in disciplinary action, in accordance with the Council's Human Resources policies and procedures.

If this policy is breached, then the relevant Human Resource Business Partner will be contacted and will handle any matters of breaches.

- 5.2 Before accessing GenAI technology, which is not approved by this policy, users must first notify the Council's Digital Workstream and/or their ICT Account Manager of their requirements and intention to use, the reason for use, and the expected information to be input as well as the generated output and distribution of content.

5.2.1 For requests which will involve a new technology or process, these should be presented to the Council's Digital Workstream and/or their ICT Account Manager in the form of a business case.

5.2.2 For requests which relate to routine questions involving GenAI, then these should be emailed to the Council's Information Governance Collaboration Group. [Information Governance Collaboration Group](#).

- 5.3 If a breach of data occurs then the individual must report the breach using the incident report form on the incident reporting Centranet page. The responsibility for raising awareness of the data breaches lies with the Council's Information Governance Group.
- 5.4 If information is regularly processed using GenAI, then the individual has a responsibility to update the Council's Information Asset Register by contacting the Records Management team with the relevant information.

SECTION 6. EDUCATION AND TRAINING

- 6.1 Whilst formal training has not been deemed necessary for this policy, it is important that Senior Managers and Line Managers must ensure that all CEC staff are made aware of its existence and contents. All users of GenAI must be aware of their obligations under this policy. Further information in the form of informative emails, Centranet announcements, content within the ICT Lighthouse hub, through Bright Sparks, team meetings, and newsletters will be shared as necessary. Specific training on AI interactions and prompts will be contained within training guides for the solution where AI is in use.

SECTION 7. RESPONSIBILITIES

7.1 All Users have a responsibility to ensure that they abide by the rules and conditions set out in the policy.

7.1.1 Users should fact check all GenAI outputs and ensure that information is correct and accurate,

7.1.2 Users should be responsible with their use of GenAI data and consider ethical considerations as stated earlier in the policy, and

7.1.3 Users should not use personal or sensitive Council owned data on unauthorised GenAI platforms.

7.2. Overall responsibility for this policy and GenAI lies with the Senior Responsible Officer for the Director of Digital.

7.3 Individuals who have concerns and suggestion relating to GenAI should report these to the Bright Sparks group who will in turn then report them to the Council's Digital Workstream and/or the Information Governance Collaboration Group who will review and escalate if required.

SECTION 8. APPROVED/BANNED AI TOOLS

- 8.1 The only GenAI applications currently authorised are Microsoft CoPilot chat and Microsoft CoPilot for Microsoft 365 (access is limited and controlled through a governance process). User and business data are protected and will not leak outside the Council. Chat data is not saved, and it is not used to train other AI models.
- 8.2 The use of any other AI application or system is not approved and therefore unauthorised. Updates to this policy will include approved applications which will be published periodically, and it is incumbent on the User to check the current version of the policy.

SECTION 9. ACKNOWLEDGMENT

9.1 By using GenAI, Users acknowledge that they have read and understood this policy, including the risks associated with the use of GenAI and agree to be bound by them.

SECTION 10. REVIEW

10.1 This policy will be reviewed periodically and updated as necessary to ensure continued compliance with all applicable legislation, regulations, organisational policies, ethical considerations and benefits and challenges of AI.

Date	Owner	version Issued	Revision/Change
5 ^h March 2025	CLT Review	2.2	G. Pawlett
20 th March 2025	Corporate Policy Committee	3.0	

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OPEN

Corporate Policy Committee

20 March 2025

Artificial Intelligence (AI) Deployment

Report of: Adele Taylor, Interim Executive Director of Resources and S151 Officer

Report Reference No: CPC/57/24-25

Ward(s) Affected: All

For Decision or Scrutiny: Decision

Purpose of Report

- 1 The purpose of this report is to ask the Corporate Policy Committee to agree to the commission and subsequent award of a contract for the deployment of an Artificial Intelligence (AI) platform and framework. There is an imperative need to enhance the Council's digital capabilities and address the pressing demographic and financial challenges it faces. The Digital Acceleration Programme is designed to modernise the Council's operations, improve service delivery, and ensure long-term sustainability. By deploying AI, the Council will be better positioned to meet the evolving needs of its residents and stakeholders.

Executive Summary

2. The Digital Acceleration Programme, which sits within the Transformation Programme Digital workstream, is specifically designed to address the demographic and financial challenges that Cheshire East is currently facing:
 - 2.1 **Demographic Challenges:** The programme includes targeted initiatives to improve accessibility and inclusivity, ensuring that all residents, regardless of age, ability, or background, can benefit from the Council's services. This addresses the demographic shifts and diverse needs of the community.
 - 2.2 **Financial Challenges:** By implementing cost-saving measures and optimising resource allocation, the programme aims to mitigate the

financial pressures faced by the Council. This includes reducing operational costs, improving financial management, and ensuring the long-term sustainability of the Council's operations.

3. As part of these initiatives, the Programme aims to maximise the use of digital opportunities available through emerging AI technologies to provide end-to-end service improvement and efficiencies. An initial AI assessment has identified high-impact use cases across Cheshire East Operations including adult social care, children's services, and customer service delivery; with projected financial benefits of £40 to £60 million over a three-year period. The programme includes the following drivers:
 - 3.1 **Need for Change:** The economic climate has worsened, necessitating accelerated digital transformation to drive efficiencies.
 - 3.2 **Vision:** The digital programme aims to provide end-to-end service improvement and efficiencies through emerging technologies like AI and robotics
 - 3.3 **Savings and Revenue:** Automation-led efficiency savings, reduced manual processing, and improved debt management are expected to generate significant savings.
4. The initiatives will be developed to enhance service delivery across various council services through documented high level business cases (HLBCs). This may involve the deployment of AI solutions to handle initial enquiries, conduct preliminary assessments, and support professional decision-making. Key areas of focus include:
 - 4.1 **Customer Service Delivery:** An AI CoPilot system provides round-the-clock support in multiple languages, handling routine enquiries and guiding citizens to appropriate Council services. This reduces Contact Centre volumes and improves service consistency.
 - 4.2 **Adult Social Care:** AI solutions to streamline care needs evaluations and support planning, reducing administrative backlogs and improving data accuracy. They also optimise financial assessments, ensuring accurate charging and proper benefit entitlement.
 - 4.3 **Children's Services:** AI-supported workflows to enhance the Educational Health and Care Plan (ECPH) process, improving the quality of support planning and reducing waiting times for families. The workflows also help identify cost-effective support packages, reducing reliance on expensive residential placements.
5. These areas align with the Council's Corporate Plan and its vision of "enabling prosperity and wellbeing for all in Cheshire East." They will assist in delivering the Council's stated commitments of:
 - 5.1 Unlocking prosperity for all
 - 5.2 **Improving health and wellbeing**
 - 5.3 An effective and enabling council.

These initiatives will continue to help the Council achieve its ambitions to be an open and enabling organisation, one that empowers and cares about people, and one that creates a thriving and sustainable place to live and work.

6. The HLBCs will document solutions, options, and financial implications. They are expected to generate significant financial benefits, contributing to the Council's approved budget and Medium-Term Financial Strategy (MTFS 2025-29), with projected financial benefits of £40 to £60 million over a five-year period and £12 to £14 million pa ongoing from year 3 onwards.
7. The Digital Acceleration Programme requires the procurement of a third-party provider over an initial three-year contract period (plus two, one-year extensions) using the Crown Commercial Services Framework GCloud 14, to assist Cheshire East in the design, delivery and set-up of the AI Platform and Framework.

RECOMMENDATIONS

It is recommended that Corporate Policy Committee:

1. Approve the commission of a contract to support the design, delivery, and setup of an AI Platform and Framework within Cheshire East Council; and,
2. Delegate authority to the Director of Digital of Cheshire East Borough Council to award a contract to the successful bidder following the competitive procurement process.

Background

8. The Council faces significant demographic and financial challenges, including increasing demand for social care services and a projected £100 million budget gap over four years. The AI transformation and Digital Acceleration Programme aims to address these challenges by leveraging AI and robotics capabilities to enhance service delivery and drive efficiencies.
9. The latest estimates indicate that the Council serves approximately 407,000 residents, with notable demographic variances across different areas. For instance, Crewe has a higher proportion of under-16s compared to the Cheshire East average, while rural areas have a larger older population. These demographic differences influence local deprivation levels and create unique challenges for council and partner services, particularly in terms of transport, social care, and health.
10. The Council has been wrestling with increasing demand for adult and children's social care services, which has contributed to a projected £100

million budget gap over four years. In December 2024, the Council forecasted a £26 million overspend. The introduction of AI capabilities will significantly help in the Council ambition to manage and reduce any potential overspend.

11. The Adult Social Care directorate, which makes up approximately 62% of the overall council budget, faces significant challenges. Over 4,600 people are awaiting some form of intervention, and new case contacts have increased from 900 to 1,100 over the last year. The directorate has also seen a steady increase in the number of people over 65 being admitted to residential and nursing care, creating budgetary pressures. Despite these challenges, there have been improvements in reablement, with 72% of those who received support no longer requiring ongoing care.
12. Children's services have also faced pressures, Budgetary constraints have exacerbated these challenges, and there are areas where AI could assist, such as social work practice and care plans. The council is also dealing with a significant increase in Educational Health and Care Plan (EHCP) requests, which have doubled in six months.
13. In response to these challenges, Cheshire East Council has embarked on a comprehensive AI transformation and digital acceleration programme. This initiative aims to leverage AI and robotics capabilities to enhance service delivery, drive efficiencies, and address the council's financial and demographic challenges.
14. The programme methodology, governed by the Digital Steering Board, involves a phased implementation approach, starting with high-impact, lower-risk modules, and aims to generate financial benefits of £40 to £60 million over three years. The key financial benefits include:
 - 14.1 **Cost Savings:** The AI solutions are expected to streamline various council services, reducing administrative backlogs, and improving data accuracy. This will lead to cost savings in areas such as customer service, adult social care, and children's services. For example, the AI Copilot system will handle routine enquiries, reducing contact centre volumes and associated costs.
 - 14.2 **Efficiency Gains:** AI-supported workflows will enhance the efficiency of service delivery, reducing the time and resources required for tasks such as care needs evaluations and support planning. This will result in efficiency gains and cost reductions across multiple council services.
 - 14.3 **Financial Benefits Realisation:** The AI transformation programme is projected to deliver between £40 to £60 million in total benefits over five years. These benefits will be realised through improved service delivery, reduced costs, and enhanced operational efficiency.
15. Therefore, the combined financial benefits of digital acceleration are expected to have a positive impact on the Council's budget and Medium-Term Financial

Strategy (MTFS). The programme will ensure that Cheshire East Council can meet the evolving needs of its residents while maintaining financial stability.

Key financial outcomes include:

- 15.1 **Automation-Led Efficiency Savings:** The programme will leverage automation to reduce manual processing and improve operational efficiency. This will result in significant cost savings across various council services.
 - 15.2 **Reduced Manual Processing:** By automating routine tasks and processes, the programme will reduce the need for manual intervention, leading to cost savings and improved efficiency.
 - 15.3 **Improved Debt Management:** The digital acceleration programme will enhance debt management processes, leading to better revenue collection and reduced financial losses.
 - 15.4 **Benefit Realisation:** The programme is forecast to enable £12 million per annum plus in benefit realisation through automation-led efficiency savings, reduced manual processing, and improved debt management.
16. The programme additionally supports the Council's Corporate Plan by putting customer considerations at the centre of service delivery. The programme focuses on improving digital customer experience, enhancing data availability, and driving efficiencies through automated processes.
17. Overall, the digital acceleration initiatives are essential for the Council to meet its strategic objectives, improve service delivery, and achieve financial sustainability.

Consultation and Engagement

18. The Council engaged in a comprehensive AI transformation assessment, demonstrating remarkable enthusiasm and commitment throughout the process.
19. The assessment comprised seventeen workshops totalling over 20 hours of engagement, with the majority conducted face-to-face at the council's offices. This in-person approach proved particularly beneficial, fostering open dialogue, and enabling deeper exploration of service challenges and opportunities. To enhance these discussions, we demonstrated various AI tools during the workshops, which helped make the potential of AI more tangible and led to more focused and productive conversations about practical applications.
20. The workshops comprehensively covered Adult Social Care and wider council services and staff, with Children's Services workshops planned to follow an Ofsted inspection. The face-to-face format allowed for immediate clarification of questions and concerns, while the AI demonstrations helped stakeholders

envision how the technology could transform their specific service areas. This hands-on approach was instrumental in building confidence and excitement about the potential AI transformation.

21. There will be further assessments as part of the detailed design and delivery process and consultation regarding transformation and changes in working practices during this process.

Reasons for Recommendations

22. Digital Acceleration will accelerate and maximise the use of digital opportunities to provide end-to-end service improvement and efficiencies using emerging technologies such as Artificial Intelligence (AI) through the development of collaborative high level business cases with service areas.
23. It is an 'invest to save' initiative which is forecast to enable £14 million per annum in benefit realisation, facilitated by the acceleration of digitally enabled solutions which in turn will support the Councils short medium and long term financial and quality challenges.
24. It will also present the Council with the platform and opportunity to move forward with its ongoing continuous improvement and transformational objectives once the short/medium term financial challenges have subsided.
25. Assist in meeting the aims of Council's Corporate Plan 2021-25. An Open and Enabling Organisation, A Council Which Empowers and Cares About People and A Thriving and Sustainable Place

Other Options Considered

26. Cheshire East has explored various options to enhance end-to-end service improvement and efficiency to address its current demographic and financial challenges. These options included traditional system automation, integration, and business process re-engineering. However, they were ultimately dismissed due to their higher costs, longer timelines, and ongoing change management requirement.
27. Do nothing (i.e. continue with status quo). This option was discounted. If digital continues to be delivered on an ad-hoc basis with no overall co-ordination or acceleration option, this will result in slow adoption of digital to underpin transformation and significant delays in the benefits being realised.

Implications and Comments

Monitoring Officer/Legal

28. The AI transformation and Digital Acceleration Programme must comply with data protection and ethical AI guidelines. This includes ensuring that all AI

systems and processes adhere to the General Data Protection Regulation (GDPR) and other relevant data protection laws. Additionally, the programme must follow ethical AI principles, such as transparency, accountability, and fairness, to prevent any potential misuse or bias in AI decision-making.

29. Legal implications also involve ensuring that contracts with AI vendors include clauses that protect the council's interests and data security. It is proposed to use GCloud 14 to award a contract under Lot:2 of the supplier's offering subject to fulfilment of CEC's specific requirements.

Section 151 Officer/Finance

30. The Council's approved budget and Medium-Term Financial Strategy (MTFS) includes significant transformation savings of £28.85 million from Digital over the next three years. This figure encompasses savings from digital customer enablement, digital acceleration, and the digital blueprint. Specifically, the Digital Acceleration Programme accounts for £12.1 million of these savings, which are permanent and incremental.
31. To enable delivery of the savings the MTFS includes:
 - 31.1 Automation-Led Efficiency Savings: The programme will leverage automation to reduce manual processing and improve operational efficiency. This will result in significant cost savings across various council services.
 - 31.2 New capital investment of £10.8 million of which £4.25 million is required for Digital Acceleration, will be funded through prudential borrowing when the Council is under pressure to reduce the level of prudential borrowing.
32. Therefore, it is essential that the savings are delivered in full to avoid further challenges to the Council's overall financial position.
33. At this point in time, the allocation of the savings has not been agreed with directorates. It would be advisable to ensure that the exercise is completed before the start of the new financial year to assist with delivery.
34. It would be helpful to understand the link between elements of the investment and the potential savings in terms of likely phasing of costs and expected return.
35. It is understood that contracts will only be placed with supplier after benefit realisation targets have been agreed with the affected business areas and the budgets implications for the year adjusted accordingly.

Equality, Diversity, and Inclusion

36. The digital AI initiatives must and will consider the equality implications to ensure that all residents have equal access to digital services. An Equality Impact Assessment has completed to ensure the programme's recommendations do not adversely impact any groups. Going forward the AI initiatives must consider the diverse needs of all residents, including those

with disabilities, different ethnic backgrounds, and varying socio-economic statuses.

- 37 The programme will promote inclusivity by ensuring that digital services are accessible to all and do not create barriers for any specific group. It should be noted that the initial AI assessments highlight the potential of AI to improve service delivery across various departments, including Adult Social Care and Children's Services.

Human Resources

- 38 The digital AI transformation initiatives will have significant implications for the Council's workforce with the potential for AI to streamline processes and reduce administrative burdens.
- 39 The programme will require staff training and development to leverage AI capabilities effectively. This includes providing training on new AI tools and systems, as well as developing skills in data analysis, digital service delivery, and change management.
- 40 The transformation element will necessitate support for staff to adapt to new ways of working and ensuring that they are equipped to use AI and digital technologies effectively. Which highlights the importance of a co-ordinated approach to digital delivery and the need for an effective governance and operating model.

Risk Management

- 41 The digital transformation initiatives involve several risks, including data security, compliance with regulations, and potential resistance to change from staff.
- 42 The programme will include robust risk management strategies to address potential challenges and ensure successful implementation.
- 43 The council has an established and comprehensive risk management framework that includes regular monitoring, reporting, and contingency planning to address any issues that may arise during the transformation process.

Rural Communities

- 44 The programme will consider the unique needs of rural communities and ensure that all residents have equal access to digital services. This includes addressing challenges related to digital connectivity, access to services, and transportation. The AI and digital transformation initiatives should aim to provide improved digital services that are accessible to residents in rural areas, ensuring that they receive the same level of service and support as those in urban areas.

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

- 45 Digital transformation will have significant implications for children and young people, including those with special educational needs and disabilities. The programme aims to improve service delivery for children and young people, including those with special educational needs and disabilities (SEND). AI-supported workflows will enhance the EHCP planning process, reducing waiting times and improving the quality of support planning. The transformation will also focus on improving consistency in social work practice, quality of care plans, and support for care leavers, ensuring better outcomes for children and young people.

Public Health

- 46 The digital transformation initiatives have the potential to improve public health outcomes by enhancing service delivery and operational efficiency. The assessment process has highlighted the potential for AI to improve decision-making and enhance service delivery across various departments, including Adult Social Care and Children's Services with the importance of putting customer considerations at the centre of service delivery. AI and digital technologies will enhance public health initiatives through better data analysis, supporting policy development, and improving service delivery. AI will help the council address public health challenges more effectively, promoting the health and wellbeing of all residents.

Climate Change

- 47 The programme will help the council reduce its carbon footprint and achieve environmental sustainability by promoting digital solutions and reducing energy consumption.
- 48 Digital transformation initiatives can lead to more efficient use of resources, reduced travel, and lower energy consumption. The council has considered incorporating environmentally sustainable practices into the implementation of AI and digital technologies, contributing to its climate change goals.

Access to Information	
Contact Officer:	Gareth Pawlett, Director of Digital Gareth.pawlett@cheshireest.gov.uk
Appendices:	NA
Background Papers:	NA

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CHESHIRE EAST COUNCIL

Minutes of a meeting of the **General Appeals Sub Committee**
held on Monday, 3rd February, 2025 in the Council Chamber, Municipal
Buildings, Earle Street, Crewe, CW1 2BJ

PRESENT

Councillors E Gilman (Chair)

Councillors S Bennett-Wake and R Moreton

OFFICERS IN ATTENDANCE

Rebecca Dearden, Legal Clerk
Helen Rawlinson, School Transport Manager
Ian Marshall, Operations Support Manager
Frances Handley, Democratic Services Officer
Lucy-Anna Jones, Legal (Observer)

30 APPOINTMENT OF CHAIR

That Councillor Gilman be appointed as Chair of the meeting.

31 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Edgar.
Councillor Moreton attended as a substitute.

32 DECLARATIONS OF INTEREST

There were no declarations of interest

33 PUBLIC SPEAKING TIME/OPEN SESSION

There were no public speakers.

34 EXCLUSION OF THE PRESS AND PUBLIC

The reports relating to the remaining items on the agenda have been withheld from public circulation and deposit pursuant to Section 100(B)(2) of the Local Government Act 1972 as amended on the grounds that the matters may be determined with the press and public excluded.

The Committee may decide that the press and public be excluded from the meeting during consideration of the following items pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that they involve the likely disclosure of exempt information as defined in

Paragraphs 1 and 2 of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

35 SCHOOL TRANSPORT APPEALS

Consideration was given to the following school transport appeals.

36 CASE 1 - 10.05AM

The Sub-Committee considered an appeal against a decision of the Council not to offer assisted school transport. The Sub-Committee heard the appeal based on the written and oral evidence of the Presenting Officer, who detailed the local authority's case, and the written and oral evidence of the appellant. Members of the Sub-Committee asked questions by way of clarification. The Presenting Officer and the appellant withdrew from the meeting, following which the Sub-Committee reached its decision.

RESOLVED:

That the appeal be partially upheld with travel assistance awarded in the form of a Personal Travel Budget.

37 CASE 2 - 10.50AM

The Sub-Committee considered an appeal against a decision of the Council's School Transport Team not to offer travel assistance. The Sub Committee heard the appeal based on the written and oral evidence of the Presenting Officer, who detailed the local authority's case, and the written and oral evidence of the appellant and the appellants supporter. Members of the Sub-Committee asked questions by way of clarification. The Presenting Officer, the appellant and the appellants supporter withdrew from the meeting, following which the Sub-Committee reached its decision.

RESOLVED:

That the appeal be upheld with travel assistance awarded in the form of a bus pass.

The meeting commenced at 10.00am and concluded at 12.08pm

Councillor E Gilman

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Finance Sub-Committee**
held on Thursday, 9th January, 2025 in the Council Chamber, Municipal
Buildings, Crewe, CW1 2BJ

PRESENT

Councillor D Clark (Chair)
Councillor L Anderson (Vice-Chair)

Councillors D Brown, J Clowes, B Drake, R Kain, A Coiley and S Gardiner

OFFICERS IN ATTENDANCE

Adele Taylor, Interim Executive Director of Resources and S151 Officer
Paul Goodwin, Director of Finance and Deputy S151 Officer
Peter Skates, Director of Growth and Enterprise
Chris Hindle, Head of Infrastructure
Lianne Halliday, Head of Procurement
Julie Gregory, Interim Head of Legal Services
Nikki Bishop, Democratic Services Officer

34 APOLOGIES FOR ABSENCE

Apologies were received from Councillors Ken Edwards and Chris O'Leary. Councillors Alan Coiley and Stewart Gardiner were present as substitutes.

35 DECLARATIONS OF INTEREST

Councillor Stewart Gardiner, during consideration of item 10 – Disposal of a Residential Development Site Leighton Green, Minshull New Road, Crewe, declared that participating in the debate would compromise his position as the Strategic Planning Board Chairman. Councillor Gardiner left the room during the debate and vote on this item.

During consideration of the Work Programme, Councillors Dawn Clark and Stewart Gardiner, in the interests of openness and transparency, declared that they were beneficiaries of the Cheshire Pension Fund.

36 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on Thursday 7 November 2024 be approved as a correct record and signed by the Chair.

37 PUBLIC SPEAKING/OPEN SESSION

There were no members of the public registered to speak.

38 THIRD FINANCIAL REVIEW OF 2024/25

The committee considered the report which provided an update on the current forecast outturn position for the financial year 2024-25 based on income, expenditure and known commitments as at the end of October 2024. The Third Financial Review (FR3) forecast revenue outturn was reported as an adverse variance of £18.3m (prior to the application of any Exceptional Financial Support) which was an improvement of £1.8m from Financial Review 2 (FR2). It was agreed that whilst there had been some improvement, the forecast overspend of £18.3m remained a significant financial challenge for the Council and that the level of reserves was insufficient to cover the current forecasted revenue outturn for the year, without any further action.

The committee sought clarity on the proposal to utilise the £17.6m conditional Exceptional Financial Support (EFS) to balance the forecasted year-end overspend, and also the information set out within appendix D of the Medium-Term Financial Strategy report (item 6) relating to council tax. It was confirmed that EFS in general could take the form of either a capitalisation direction (which could be funded through borrowing, or using capital receipts), or through requesting flexibility around setting council tax rates.

The 2024-25 council tax had been set at 5% (being 3% general council tax; and 2% for adult social care precept). Consequently, it was clarified that any EFS utilised in respect of the 2024/25 financial year would be in the form of a capitalisation direction (enabling the Council to achieve a balanced outturn, via the capitalisation of revenue budget pressures).

It was also clarified that the ability to set higher council tax rates was only announced as a potential option, for local authorities needing exceptional financial support, very recently at the end of November 2024 as part of the Finance Policy just ahead of the Provisional Local Government Finance Settlement. Local authorities would not be able to raise taxes by a higher amount than the referendum limit of 5%, without first gaining permission from the Ministry of Housing, Communities and Local Government (MHCLG) to have flexibility for a higher limit. It was confirmed that no decision had been made in relation setting a higher rate of council tax in Cheshire East, and that doing so would remain a decision for Full Council.

The recommendations were proposed and seconded and following the debate a recorded vote on recommendation 2 was requested with the following results:

FOR

Councillors Lata Anderson, Dawn Clark, Alan Coiley and Brian Drake.

NOT VOTING

Councillors David Brown, Janet Clowes, Stewart Gardiner and Reg Kain.

The motion was declared carried with 4 votes for and 4 not voting.

The committee voted on recommendations 1, 3, 4, 5 and 6 together. Recommendation 2 was voted upon separately.

RESOLVED (unanimously):

That the Finance Sub Committee

1. Note the factors leading to a forecast adverse Net Revenue financial pressure of £18.3M against a revised budget of £390.5m (4.7%) and note the contents of Annex 1, Section 2 and the progress on the delivery of the MTFS approved budget policy change items, the RAG ratings and latest forecasts, and also note the actions being undertaken to address any adverse variances from the approved budget.
3. Note the in-year forecast capital spending of £144.7m against an approved MTFS budget of £215.8m, due to slippage that has been re-profiled into future years.
4. Note the available reserves position as set out in Annex 1, Section 5.
5. Recommend to Full Council the approval of the Supplementary Revenue Estimate request for Allocation of Additional Grant Funding over £1,000,000 as set out in Annex 1, Section 3, Table 1.
6. Note the Capital Virements above £500,000 up to and including £5,000,000 as set out in Annex 1, Section 4, Table 4 will be approved in accordance with the Council's Constitution.

RESOLVED (by majority):

That the Finance Sub Committee

2. Approve the utilisation of the £17.6m conditional Exceptional Financial Support to balance the forecast overspend at the year-end in order to protect and minimise the use of reserves.

39 MEDIUM TERM FINANCIAL STRATEGY CONSULTATION 2025/26 - 2028/29 PROVISIONAL SETTLEMENT UPDATE (FINANCE SUB COMMITTEE)

The Sub Committee considered the report which provided an update on the development of the Medium-Term Financial Strategy (MTFS) 2025-26 to 2028-29. Final approval of the 2025-26 budget would take place at Full Council on 26 February 2025, following a recommendation from the Corporate Policy Committee on 6 February 2025. Councillor Clowes read out a statement from Councillor C O'Leary, a member of the Sub Committee who was unable to attend the meeting, in relation to this item.

The committee noted the creation of a contingency budget line in the MTFS which had been created to cover inflation risks across the council including changes resulting from recent national budget announcements impacting local contractors. It was highlighted that this included commissioned services across the council and that this sum continued to be reviewed as new information was shared. As part of the budget report considered by the Corporate Policy Committee on 6 February this would set out, should any contingency budget be required in-year, how this would be appropriately vired. The risk budget line within the MTFS recognised the risk of unachievable budget savings or growth demands exceeding estimates. It was important, in light of the council's low reserves, that the council had the ability to set aside monies should risks arise.

The committee debated the 'Smoothing MTFS Reserve' and felt that there was a lack of transparency and clarity around this. It was therefore proposed, seconded and subsequently carried unanimously that:

'The Finance Sub Committee request that the Corporate Policy Committee consider the MTFS smoothing reserve to be disaggregated and returned to general reserves'.

It was noted that pay inflation continued to add financial pressure. The committee considered the estimated impact of the next pay award. An amendment was proposed, seconded and subsequently carried unanimously that:

'The Finance Sub Committee request that the Corporate Policy Committee looks at the reserve situation and considers if they are adequate and have capacity to cover any above anticipated inflationary pay award in the region of a further 3% of what has been budgeted for'.

The committee considered and debated upon the benchmarking data set out in Appendix D relating to Council Tax. Concerns were raised by some committee members in relation to an increase above the current 5% and the pressures this would place upon local residents and Town and Parish Councils.

The recommendations, as amended, were proposed and seconded and following the debate a recorded vote on recommendation A was requested with the following results:

FOR

Councillors Lata Anderson, Dawn Clark, Alan Coiley and Brian Drake.

AGAINST

Councillors David Brown, Janet Clowes, Stewart Gardiner and Reg Kain.

The Chair exercised her powers to give a casting vote. The motion was therefore declared carried with 5 votes for and 4 against.

RESOLVED (by majority):

That the Finance Sub Committee

- A) Recommend to the Corporate Policy Committee, for their meeting on 6 February 2025, all proposals within Appendix A, as related to the Committee's responsibilities, for inclusion on the Council's budget for 2025/26.

RESOLVED (unanimously):

That the Finance Sub Committee

- B) Note the capital growth items listed in Appendix B and the revenue implications noted in paragraph 23. These will be reviewed by the Capital Review Programme Board in January before a final list is brought to Corporate Policy committee in February.
- C) Note the contents of Appendix C – Provisional Local Government Settlement 2025/26 (Finance Sub Committee).
- D) Note the contents of Appendix D – Council Tax benchmarking and scenarios (Finance Sub Committee).
- E) Recommend that the Corporate Policy Committee consider the MTFS smoothing reserve to be disaggregated and returned to general reserves.
- F) Recommend that the Corporate Policy Committee looks at the reserve situation and considers if they are adequate and have capacity to cover any above anticipated inflationary pay award in the region of a further 3% of what has been budgeted for.

The meeting adjourned for a comfort break at 11.58 and reconvened at 12.10pm.

40 ENTERPRISE CHESHIRE AND WARRINGTON FINANCIAL REVIEW

The committee considered the report which set out the financial performance of Enterprise Cheshire and Warrington (ECW), a jointly owned company with Cheshire West and Chester and Warrington Borough Councils. Overall net positive financial position for the year was noted.

The committee noted that the format, content and frequency of reports to the committee would be developed as the company aligned further to the CIPFA best practice and local authority reporting standards. The committee requested that future reports detailed more information, including: a breakdown of what Cheshire and Warrington do, their key projects/activities, timelines and a summary of potential impact/risks.

The Marketing Cheshire deficit position was noted by the committee. The committee queried what steps ECW would be taking to address this. Officers committed to providing a written response.

The committee noted the revenue income for both ECW and Marketing Cheshire as set out in Section 1 of the report. The committee queried why ECW had two lines for 'interest of idle funds'. Officers committed to providing a written response.

RESOLVED:

That the Finance Sub Committee

1. Note the information provided in the in-year financial review for Enterprise Cheshire & Warrington.
2. Note that this is the first such report under the new arrangements and the format, content and frequency of reporting to the Sub-Committee will be developed during 2025/26.

41 WORK PROGRAMME

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

- Enterprise Cheshire and Warrington Financial Review (more detailed report as set out earlier in the meeting) to be added to the Work Programme for the committee to consider as soon as possible. Included in this, the committee requested a definition of what the key programmes were, an overview of timescales for delivery and anticipated benefits.
- The committee referred to the Devolution White Paper and impact on Cheshire Pension Fund. It was suggested that a report be prepared and added to the committee Work Programme.

RESOLVED:

That the Work Programme be received and noted.

42 PROCUREMENT PIPELINE

The committee considered the report which provided an update on the pipeline of procurement activity, contracts awarded during this fiscal year and an update on the use of waivers.

RESOLVED (unanimously):

The Finance Sub Committee

1. Approve the 9 pipeline projects in Appendix 1 column G as business as usual.
2. Note the reason for 2 waivers approved between 1 November 2024 and 30 November 2024 (11 in total in 2024/25).
3. Note the contracts awarded since April 2024, Appendix 2.
4. Note the update on the Procurement Act.

43 DISPOSAL OF A RESIDENTIAL DEVELOPMENT SITE - LEIGHTON GREEN, MINSHULL NEW ROAD, CREWE

The committee considered the report which requested permission to proceed with the freehold disposal of the Site (Leighton Green, Crewe) to Persimmon Homes Limited.

The committee noted that the Site was a residential development site with the benefit of outline planning permission for development of up to 400 dwellings. Any sale of the Site would generate a significant capital receipt (conditional on planning).

The committee noted that payments would be phased and sought assurance that there were mechanisms in place to secure payments. This detail would form part of the ongoing negotiations and that there were numerous ways that payment could be secured, including a land charge.

The committee asked questions in relation to the Part 1 report, before moving into Part 2 to consider and debate upon the confidential appendices. The committee moved back into Part 1 for the vote.

RESOLVED (by majority):

That the Finance Sub Committee

1. Delegate authority to the Director of Growth and Enterprise to dispose of the Site on terms and conditions to be agreed in consultation with the Governance, Compliance and Monitoring Officer and the Executive Director of Resources and S151 Officer.
2. Delegate authority to the Director of Growth and Enterprise, in consultation with the Governance, Compliance and Monitoring Officer and the Executive Director of Resources and S151 Officer; to complete all legal documentation required to complete the disposal of the Site and including (but not limited to) the completion of any licence or similar agreements and planning agreements required prior to disposal or relating to the Councils retained former landfill area.

44 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED (unanimously):

That the press and public be excluded from the meeting during consideration of the final item on the agenda pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 1, 2 and 3 of Part 1 of Schedule 12A to the Local Government Act 1972 and the public interest would not be served in publishing the information.

45 DISPOSAL OF A RESIDENTIAL DEVELOPMENT SITE - LEIGHTON GREEN, MINSHULL NEW ROAD, CREWE

The committee considered the confidential appendices relating to the Disposal of a Residential Development Site – Leighton Green, Minshull New Road, Crewe.

RESOLVED:

That the information contained within the appendices be received and noted by the Finance Sub Committee.

46 DRAINAGE - LEIGHTON NORTH WEST CREWE

The committee considered the Part 2 report relating to Drainage – Leighton Northwest, Crewe.

RESOLVED (unanimously):

That the Finance Sub Committee

1. Agree the recommendations as set out within the Part 2 report.

The meeting commenced at 10.10 am and concluded at 1.30 pm

Councillor D Clark (Chair)

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Corporate Policy Committee Work Programme 2025-26

Report Reference	Corporate Policy Committee	Title	Purpose of Report	Lead Officer	Consultation	Equality Impact Assessment	Part of Budget and Policy Framework	Cheshire East Plan Commitment	Exempt Item	Decision/Scrutiny
June 2025										
CPC/01/25-26	12/06/25	Appointments to Sub Committees, Working Groups, Boards and Joint Committees	To consider a report on appointments to sub-committees, working groups, panels, boards and joint committees for the 2025-26 municipal year.	Governance, Compliance and Monitoring Officer	No	No	No	Open	No	Decision
AG/04/25-26	12/06/25	Annual Complaints and Compliments Report 2024-25	To receive an update on complaints, compliments and customer contact for 2024-25.	Executive Director of Resources and S151 Officer	No	No	No	Open; Fair; Green	No	Scrutiny
CF/01/25-26 FSC/26/25-26 AH/07/2025-26 EC/01/25-26	12/06/25	Final Outturn 2024/25	This report outlines how the Council managed its resources to achieve both positive outcomes and value for money in the delivery of services during the 2024/25 Financial Year. The purpose of the report is to note and comment on the final financial and performance outturn position and (if necessary) to approve Supplementary Estimates and Virements	Executive Director of Resources and S151 Officer	No	No	Yes	Effective and enabling council	No	Both
CPC/58/24-25	12/06/25	Corporate Peer Challenge Action Plan Update	Provides a progress update as of June 2024, outlining progress made on delivering the action plan, which is aimed at addressing various recommendations and improving the overall performance of Cheshire East Council.	Assistant Chief Executive	No	No	No	Open	No	Scrutiny
CPC/55/24-25	12/06/25	Cheshire East Plan 2025-29 - Delivery Plan	The draft CE Plan 2025-29 was approved at Council in February, delivery will be monitored with quarterly updates to Committee.	Assistant Chief Executive	No	No	No	Open; Fair; Green	No	Scrutiny

Corporate Policy Committee Work Programme 2025-26

CPC/02/25-26	12/06/25	Governance and Decision-Making Task and Finish Group	To receive a report of the Governance and Decision-Making Task and Finish Group.	Governance, Compliance and Monitoring Officer	No	No	No	Open	No	Decision
CPC/03/25-26	12/06/25	Harassment, Intimidation and Abuse of Councillors: Task and Finish Group Report	To receive the final report of the Harassment, Intimidation and Abuse Task and Finish Group.	Governance, Compliance and Monitoring Officer	Yes	No	No	Improving health and wellbeing	No	Decision
CPC/09/25-26	12/06/25	Framework for Delivery of Local Services Update	To provide an update on the implementation of the framework as requested by Corporate Policy Committee on the 6 February 2025	Executive Director Adults, Health and Integration	No	No	Yes	Effective and enabling council	No	Scrutiny
CPC/10/25-26	12/06/25	Q4 Performance Report 2024/2025	To provide the Committee with an oversight of organisational performance against the priorities and vision set out within the Council's Corporate Plan 2021-25.	Assistant Chief Executive	No	No	No	Unlocking prosperity for all; Effective and enabling council; Improving health and wellbeing	No	Scrutiny
CPC/11/25-26	12/06/25	Q4 Strategic Risk Update 2024/2025	This report provides an update on the activity of the Council's Strategic Risk Register for Q4 - 2024/2025.	Governance, Compliance and Monitoring Officer	No	No	No	Effective and enabling council	Yes - in part	Scrutiny
CPC/12/25-26	12/06/25	Appointment of a New Member to the Independent School Admission Appeals Panel and Independent Review Panel for Exclusion Reviews	To consider the appointment of one individual to become a member of the Independent School Admission Appeals Panel and Independent Review Panel for Exclusion Reviews	Governance, Compliance and Monitoring Officer	Yes	No	No	Effective and enabling council	No	Decision

Corporate Policy Committee Work Programme 2025-26

October 2025										
CPC/13/25-26	02/10/25	Medium Term Financial Strategy Consultation for 2026/27 - 2029/30	To agree the Pre Budget Consultation survey and material for the four years 2026-2030. The consultation will run from October to December 2025 and will allow stakeholders and residents engagement for the coming four years	Executive Director of Resources and S151 Officer	Yes	No	Yes	Effective and enabling council	No	Decision
CF/02/25-26, FSC/25/25-26, HTC/04/25-26 EC/05/25-26	02/10/25	First Financial Review of 2025/26	To note and comment on the First Financial Review and Performance Position of 2025/26, including progress on policy proposals and material variances from the MTFS and (if necessary) approve Supplementary Estimates and Virements	Executive Director of Resources and S151 Officer	No	No	Yes	Effective and enabling council	No	Scrutiny
CPC/14/25-26	02/10/25	Q1 Performance Report - 2025/26	To provide Committee with oversight of organisation performance against the priorities and vision set out within the Council's Corporate Plan 2025-29	Assistant Chief Executive	No	No	No	Effective and enabling council; Unlocking prosperity for all; Improving health and wellbeing	No	Scrutiny
CPC/15/25-26	02/10/25	Q1 Strategic Risk Update - 2025/2026	This report provides an update on the activity of the Council's Strategic Risk Register for Q1 2025/2026.	Governance, Compliance and Monitoring Officer	No	No	No	Effective and enabling council	Yes - in part	Scrutiny
November 2025										
CPC/16/25-26	27/11/25	Council Tax Base 2026/27 (Corporate Policy Committee)	The report notifies of the Council Tax Base for Cheshire East and identifies any changes to the calculation of the tax base for 2026/27, so they can recommend the amount calculated to Council in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992. Cheshire East Council is required to agree the tax base before 31st January 2026	Executive Director of Resources and S151 Officer	No	No	Yes	Effective and enabling council	No	Decision

Corporate Policy Committee Work Programme 2025-26

CF/03/25-26 EG/07/25-26 FSC/11/25-26 HTC/05/25-26 EC/07/25-26	27/11/25	Second Financial Review of 2025/26	To note and comment on the Second Financial Review and Performance position of 2025/26, including progress on policy proposals and material variances from the MTFS and (if necessary) approve Supplementary Estimates and Virements	Executive Director of Resources and S151 Officer	No	No	Yes	Effective and enabling council	No	Scrutiny
CF/04/25-26 EG/06/25-26 FSC/12/25-26 EC/08/25-26	27/11/25	Medium Term Financial Strategy Consultation 2026/27 - 2029/30	All committees are being asked to provide feedback in relation to their financial responsibilities as identified within the Constitution and linked to the budgets approved by the Finance Sub-Committee in 2025. Responses to the consultation would be reported to the Corporate Policy Committee to support that Committee in making recommendation to Council on changes to the current financial strategy	Executive Director of Resources and S151 Officer	No	No	Yes	Effective and enabling council	No	Both
CPC/17/25-26	27/11/25	Q2 Performance Report 2025/2026	To provide committee with an oversight of organisational performance against the priorities and vision set out within the councils corporate plan 2025-2029.	Assistant Chief Executive	No	No	No	Unlocking prosperity for all; Improving health and wellbeing; Effective and enabling council	No	Scrutiny
CPC/18/25-26	27/11/25	Q2 Strategic Risk Update	This report provides an update on the activity of the Council's strategic risk register for Q1.	Governance, Compliance and Monitoring Officer	No	No	No	Effective and enabling council	Yes - in part	Scrutiny
February 2026										
CPC/19/25-26	05/02/26	Medium term Financial Strategy 2026/27 - 2029/30 (Corporate Policy Committee)	To recommend the Medium-Term Financial Strategy for 2026 to 2030 to Council for approval. The report will incorporate the Council's priorities, budget, Policy Proposals and Capital Programme. The report will also include the Capital, Treasury	Executive Director of Resources and S151 Officer	No	No	Yes	Effective and enabling council	No	Decision

Corporate Policy Committee Work Programme 2025-26

			Management, Investment and Reserves Strategy							
CF/05/25-26 EG/04/25-25 FSC/15/25-26 EC/12/25-26	05/02/26	Third Financial Review of 2025/26	To note and comment on the Third Financial Review and Performance position of 2025/26, including progress on policy proposals and material variances from the MTFS and (if necessary) approve Supplementary Estimates and Virements	Executive Director of Resources and S151 Officer	No	No	Yes	Effective and enabling council	No	Scrutiny
CF/06/25-26 EG/05/25-26 FSC/16/24-25 EC/13/25-26	05/02/26	Medium Term Financial Strategy Consultation 2026/27 - 2029/30 Provisional Settlement Update	All Committees are being asked to provide feedback in relation to their financial responsibilities as identified in the Constitution and linked to the budgets approved by the Finance Sub Committee in 2025. Responses to the consultation would be reported to the Corporate Policy Committee in making recommendations to Council on changes to the current financial strategy. Finance Sub Committee will also receive an update on the Local Government Financial Provisional Settlement	Executive Director of Resources and S151 Officer	Yes	No	Yes	Effective and enabling council	No	Both
CPC/08/25-25	05/02/26	Calendar of Meetings 2026-27	To consider the proposed calendar of meetings for the 2026-27 municipal year.	Governance, Compliance and Monitoring Officer	No	No	No	Effective and enabling council	No	Decision
March 2026										
CF/07/25-26 EG/03/25-26 FSC/24/25-26 EC/16/25-26	19/03/26	Service Budgets 2026/2027	The purpose of the report is to set out the allocation of budgets for 2026/27, for all Committees, following Council's approval of the Medium Term Financial Strategy in February 2024, as determined by Finance Sub	Executive Director of Resources and S151 Officer	No	No	Yes	Effective and enabling council	No	Scrutiny

Corporate Policy Committee Work Programme 2025-26

CPC/20/25-26	19/03/26	Q3 Performance Update	To provide committee with an oversight of the organisational performance against the priorities and vision set out within the council's corporate plan 2025-29.	Assistant Chief Executive	No	No	No	Unlocking prosperity for all;#Improving health and wellbeing;#Effective and enabling council	No	Scrutiny
CPC/21/25-26	19/03/26	Q3 Strategic Risk Update	This report provides an update on the activity of the council's strategic risk register for Q3.	Governance, Compliance and Monitoring Officer	No	No	No	Effective and enabling council	Yes in part	Scrutiny

Task and Finish Groups

Group	Membership	Established	Purpose
Harassment, Abuse and Intimidation of Councillors	Cllr Fiona Wilson – Chair Cllr Emma Hall – Vice Chair Cllr Hannah Moss Cllr Nicola Cook Cllr Judy Snowball	28 January 2025	To review the increasing levels of intimidation, harassment and abuse faced by elected members in the course of their work and identify what support can be put in place to assist members.
Governance and Decision-Making	Cllr M Gorman Cllr J Clowes Cllr C O'Leary Cllr M Beanland Cllr P Redstone Cllr A Burton Cllr M Warren Cllr F Wilson Cllr L Braithwaite 4 Con: 3 Lab: 2 Indp	February 2025 - first meeting scheduled for 21 March 2025	To drive-forward a review of the Council's decision-making and governance arrangements.

OPEN

Appendix B: Not for publication by virtue of paragraph(s) 3 of Part 1
Schedule 12A of the Local Government Act 1972.

Corporate Policy Committee**20 March 2025****Strategic Risk Assurance Report
Quarter 3 2024/25**

**Report of: Janet Witkowski – Acting Governance, Compliance and
Monitoring Officer****Report Reference No: CPC/56/24-25****Ward(s) Affected: All****For Decision or Scrutiny: Scrutiny****Purpose of Report**

- 1 One of the responsibilities of the Corporate Policy Committee is to have a co-ordinating role across all other committees and exercise a corporate view of outcomes, performance, budget monitoring and risk management. Reporting on the Strategic Risk Register supports effective risk management, is central to good governance and supports the efficient delivery of the council's corporate plan objectives.

Executive Summary

- 2 This report provides an update on the activity of the council's Strategic Risk Register for Quarter 3 2024/25; October to December 2024. This report also includes the equivalent level risk registers for the Council's wholly owned companies; Orbitas, Tatton Park Enterprises and ANSA. The Council's Strategic Risk Register is set out in detail in Appendix A, and the equivalent risk registers of the Council's Wholly Owned Companies are included in the Part 2 appendices of this report (Appendix B).

RECOMMENDATIONS

The Corporate Policy Committee is recommended to:

- Note the position of the Council's Strategic Risk Register and those of the wholly owned companies for Quarter 3 2024/25, in respect of the content, description, scoring and risk management activity outlined.

Background

- 3 Risks included on the Strategic Risk Register are those which materially threaten the organisation's ability to achieve its strategic goals, in this case our corporate objectives in the Cheshire East Plan. This could be in the form of an individual threat to a specific objective, or the compound effect of a threat across several areas.
- 4 Items on the Strategic Risk Register are "owned" by members of the Corporate Leadership Team (CLT) and are reviewed on a quarterly basis. Co-ordination and administration of the Strategic Risk Register and the Risk Management Framework is undertaken by the Head of Audit, Risk and Assurance.
- 5 The content of the Strategic Risk Register has been updated in preparing this assurance report for the Corporate Policy Committee. Members of the Corporate Leadership Team have assessed their risks as at the end of Quarter 3 2024/25.
- 6 Revisions to the register are made on an on-going basis to ensure that the scope and detail of the individual risks, and the overall coverage of the register is reflective of the current threats to the organisation achieving its strategic objectives and maintaining business as usual service delivery. When items are removed from the Strategic Risk Register, they continue to be considered at operational levels and can be escalated back for inclusion based on the risk owner's judgement and assessment as at that time.
- 7 Full details of the Council's individual strategic risks are provided in Appendix A. The content of this covering report relates to the key changes in risks from Quarter 2 to Quarter 3.

Summary of Quarter 3 Changes

- 8 A comprehensive review of the Council's strategic risks is scheduled to take place in a workshop in April; due to extensive commitments for CLT members at the start of 2025, it hasn't been possible to undertake this any earlier. The Q3 update is therefore presented on the existing content of the register.

- 9 The strategic register contains 20 risks with the directorate split shown in Table 1 below:

Table 1 – Strategic Risks by Directorate

Directorate	Number of Risks	Average Net Score	Highest Net Score
Adult	2	11	12
Children's	5	12	16
CE Office	6	9	12
Place	4	12	16
Resources	3	12	16

- 10 Table 2 shows the position of the Strategic Risk Register after the Quarter 3 assessments: with the gross, net and target score for each risk. The table is organised by highest to lowest net risk for Q3.
- 11 Table 3 shows the position of the Strategic Risk Register in terms of net scores, based on the Q3 assessments, and showing any direction of travel against the net scores of the previous quarter.
- 12 The heat map below the tables (Chart 1) shows the concentration of critical and material rated risks. All strategic risks continue to sit in the top righthand of the quadrant of the matrix.
- 13 As requested by Corporate Policy Committee the strategic risk registers of the Council's Wholly Owned Companies are included in this report. Full details are included in the Part 2 paper, Appendix B. From the next report and going forwards, Orbitas will not be included in Part 2 because the organisation is being brought back inhouse. Orbitas' risks will be captured in the Environmental Services operational register.
- 14 There are no additions to the Strategic Risk Register following the quarter 3 review, with one change in net ratings, and one removal. SR08, Ability to Achieve Organisation Change risk's net likelihood was reduced as the transformation plan is progressing in line with the expected timescales. The net likelihood was reduced from a 3 to a 2, bring the overall rating equal to the target score. The change makes the risk the lowest rated within the strategic risk register.
- 15 SR10, Failure to Manage the Consequences of Policy Uncertainty, has been removed from the register; the net likelihood aspect of this risk has significantly reduced following the introduction and progression of the Council's Transformation Plan, progress against the Corporate Peer Challenge actions, and following the closure of "Oflog", those additional reporting requirements are no longer required by central government.

The council can be more confident in its ability to identify and respond to national policy or legislative changes in line with the Cheshire East Plan 24-25, and the Cheshire East Corporate Plan 25-29. This reduces the overall net rating to 4, equivalent to the target score. Specific issues relating to individual policy/legislation changes will be raised as required.

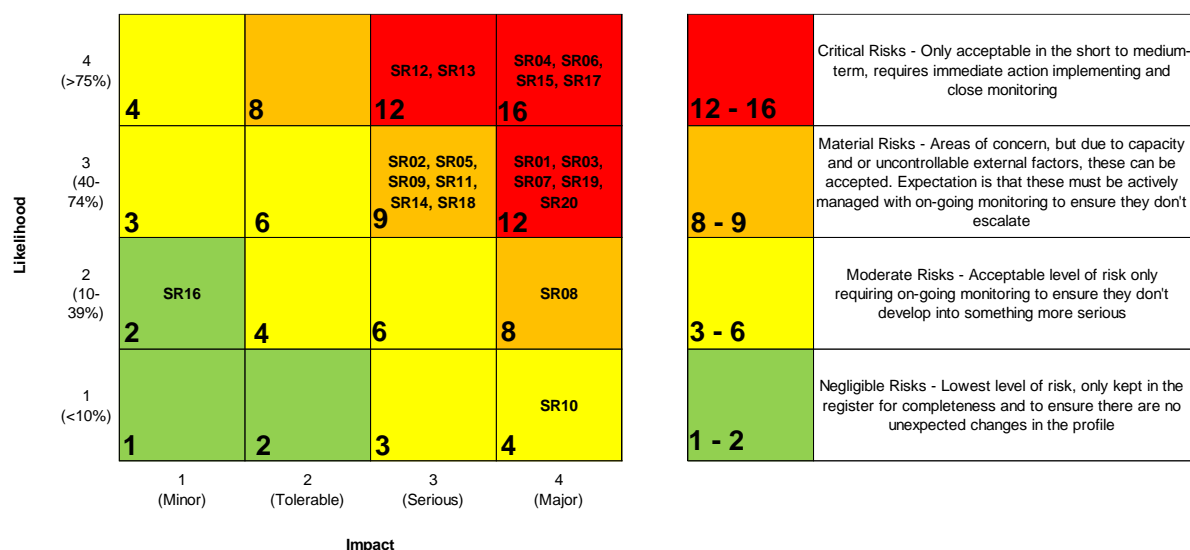
- 16 The net position on scoring of other risks remains the same from Quarter 2. Recruitment activity to roles in the corporate leadership team and wider leadership team began during Q3 and is ongoing, with the first appointments now being made. The impact of the transformation work streams is yet to be seen filtering through to the risk ratings. Financial pressure remains the primary driver of the high levels of risk that the Council is operating under.

Table 2 – Strategic Risk Register, highest net score to lowest

Ref	Risk	Q3 Gross	Q3 Net	Q3 Target
SR04	Dedicated School Grant Deficit	16	16	16
SR17	CEC Carbon Neutral Status	16	16	16
SR15	Capital Projects – Place	16	16	12
SR06	Failure to Achieve the MTFS	16	16	9
SR03	Complexity and Demand for Children's Services	16	12	12
SR13	Information Security and Cyber Threat	16	12	12
SR19	Delivery of the ILAC Improvement Plan	16	12	12
SR01	Increased Demand for Adult's Services	16	12	9
SR07	Leadership Capacity	16	12	9
SR12	Stakeholder Expectation & Communication	16	12	9
SR20	SEND Inspection	16	12	8
SR02	Fragility and failure in the Social Care Market	16	9	9
SR09	Recruitment & Retention	16	9	9
SR05	Failure to Protect Vulnerable Children	16	9	6
SR11	Failure to Adhere to Agreed Governance Processes	16	9	6
SR14	Business Continuity	12	9	6
SR18	Local Planning Authority Modernisation Plan	16	9	6
SR08	Ability to Achieve Organisational Change	16	8	8
SR10	Failure to Manage the Consequences of Policy Uncertainty and National Policy Frameworks	12	4	4

Table 3 – Strategic Risks Direction of Travel

Ref	Risk	Q4 Net	Q1 Net	Q2 Net	Q3 Net	Direction of Travel (Q2 to Q3)
SR01	Increased Demand for Adult's Services	12	12	12	12	↔
SR02	Fragility and failure in the Social Care Market	9	9	9	9	↔
SR03	Complexity and Demand for Children's Services	12	12	12	12	↔
SR04	Dedicated School Grant Deficit	16	16	16	16	↔
SR05	Failure to Protect Vulnerable Children	9	9	9	9	↔
SR06	Failure to Achieve the MTFS	16	16	16	16	↔
SR07	Leadership Capacity	12	12	12	12	↔
SR08	Ability to Achieve Organisation Change	12	12	12	8	↓
SR09	Recruitment & Retention	9	9	9	9	↔
SR10	Failure to Manage the Consequences of Policy Uncertainty and National Policy Frameworks	12	12	12	4	↓
SR11	Failure to Adhere to Agreed Governance Processes	9	9	9	9	↔
SR12	Stakeholder Expectation & Communication	12	12	12	12	↔
SR13	Information Security and Cyber Threat	12	12	12	12	↔
SR14	Business Continuity	9	9	9	9	↔
SR15	Capital Projects - Place	12	16	16	16	↔
SR17	CEC Carbon Neutral Status	16	16	16	16	↔
SR18	Local Planning Authority Modernisation Plan	9	9	9	9	↔
SR19	Delivery of the ILAC Improvement Plan	-	12	12	12	↔
SR20	SEND Inspection	-	12	12	12	↔

Chart 1 – Strategic Risks Heat Map

Risks Updates by Service Committee

Adults and Health Committee

- 17 **Increased Demand for Adults Services:** As predicted the reduction of agency staff within the service has resulted in increased waiting times for assessments, this reduction has been seen in the services provided during the quarter. All waiting lists are monitored weekly to manage the risks, we are implementing a process of 'waiting well' to mitigate deterioration in health and wellbeing of individuals and their carers.
- 18 We have also recruited two additional workers to undertake assessments for discharges from out of area hospitals which are rising due to the specialist nature of some hospital trusts.
- 19 Providers of services continue to push for increased fees, however we have started to implement the care cubed model to scrutinise care costs; we are working through the analysis of the initial tranche of providers who have been through this process we have identified some providers where their fees will be adjusted to take account of the care cubed work.
- 20 We are seeing a rise in demand from self-funded residents where their funds have reduced to a level that makes them eligible for funded social care and this demand is expected to increase. We have now initiated a project for future self-funders to request an assessment and information and support from a dedicated worker to explore options and to maximise their funds, enabling individuals to make informed decisions regarding their future care needs and services to meet needs, and to ensure that they have adequate funds to cover their wishes.

- 21 Scrutiny of cases continues at 3 x weekly Quality, Performance and Authorisation Boards. We are very aware of the risks of falling on the wrong side of the legislative framework where the council could be subject to legal challenge and therefore we review our decision making process to avoid this arising.
- 22 The demand in terms of the numbers of residents requiring a service continues to be stable however the rise in the complexity of cases is seen in the scale of the assessment process and the financial costs of challenging cases.
- 23 We continue to meet weekly to discuss risks and budget pressures. The deficit within the Cheshire and Mersey ICB will increase pressure on the council to pick up funding for previously funded health patients and this will require robust challenge and discussion. We are currently in discussion with our NHS partners over a number of cases on which we disagree. It is possible that there will be an additional financial burden placed on adult social care in the upcoming financial year.
- 24 **Fragility and failure in the Social Care Market:** There is currently only one care home that has been rated as inadequate by CQC across the Borough; Riseley House. Due to the delay in timely inspections being carried out by CQC, a risk-based review has been completed which has supported incremental admissions into the home following the provider successfully being onboarded to the Council's Accommodation with Care Framework.
- 25 Priestly Fields and St Catherine's Care Homes currently have placement embargos in place at this time due to the emerging quality risks that have been referred into the Local Authority Quality Assurance and Safeguarding Team. These homes continue to be comprehensively monitored and reviewed through our Contract and Quality governance oversight meeting, so system partners are aware of any risks and issues.
- 26 The quality assurance officers will continue to provide enhanced oversight of these homes and report any concerns to safeguarding. Emmie Dixon Care Home have indicated they are encountering financial challenges due to 3 vacant voids within the home. This situation is currently presenting financial sustainability challenges within the organisation. The provider is looking to safely rationalise expenditure across the home and commissioners have enhanced their oversight of the provider. Ongoing work continues with operational staff to try and fill the voids with compatible people. The current care at home waiting list remains at seven people which equates to 90 hours per week. An operating process is in place that ensures operational

colleagues continue to RAG rate individuals placed on the waiting list for care at home.

- 27 The increases in April 2025 to the National Minimum Wage alongside an increase in the Employers Nation Rate to 15%, and a reduction in the Employers National Insurance threshold will present an impact to the externally commissioned care providers. A fee's uplift options appraisal paper is comprehensively being developed to ensure we fully consider the implications relating to provider fees, market sustainability and operational risk management.

Children and Families Committee

- 28 **Complexity and Demand for Children's Services:** No change to the net rating, it remains 12, a material risk but equal to the target score. Further growth is proposed within the MTFS for 2025/26, including £4.6m to support placement costs, and £2.7m to ensure the staffing establishment for children's services is fully funded. A base build of children's services will take place in April 2025 to ensure there are the right services in place to meet children's needs.
- 29 Internal and partnership assessment activity was undertaken to understand entries to care. This has identified the need to strengthen early help and prevention. This work has been presented to the Safeguarding Partnership and work is taking place to review collectively and identify actions required. In the interim a new court team has been devised to reduce the competing demands on social workers and improve timeliness and quality of interventions for when children do come into our care. A new partnership early help strategy has been developed and is currently open for consultation.
- 30 **Dedicated Schools Grant (DSG) Deficit:** The latest forecast for 2024-25 (based on actual expenditure April to November 24) shows a forecast deficit reserve position of £115.8 million, representing a total of £25.1 million reduced deficit compared with the original DSG management plan forecast (submitted to the DfE via the Safety Valve programme) and a £4.3 million reduced deficit compared with the reprofiled DSG management plan.
- 31 This lower deficit figure mainly relates to expenditure for placements in non-maintained special schools and independent special schools. The DSG management plan includes an increase in costs of 3.4% on all placements, therefore increasing the average cost. The actual expenditure suggests that not all placement costs have increased, therefore reducing the average cost of placements compared to the DSG management plan.

- 32 The total number of EHCPs recorded align with the DSG management plan target figure for January 2025 representing a reduced growth of EHCPs of 8% (previous year the growth was 13.6%).
- 33 Needs assessment requests have reduced compared with calendar year 2023 by approx. 11%, however in the first term of the academic year 2024/25 there has been an increase of 23% compared with the first term of academic year 2023/24.
- 34 We have seen an increase in needs assessment requests in relation to children and young people experiencing concerns around mental health and anxiety; within the applications we have seen an increased number with concerns in regards of barriers to accessing school full time and in some instance unable to attend school at all. Many of these children and young people do not yet have any diagnosis but are on ASC or ADHD pathways following referrals being undertaken. As a response to this we are currently looking to work with colleagues across the partnership including health to review the needs and themes to look at how we can support our children, families and schools/settings moving forwards.
- 35 To support parents/carers the Transition Team are now developing a dedicated webpage for each key phase of transition providing tailored guidance and resources. In collaboration with parent carer forum and other parent support groups we have identified common themes and concerns around transition. Additionally, we are attending parent support groups and encouraging coffee mornings within our settings to ensure parents feel informed and supported.
- 36 The DfE have announced the DSG allocations for 2025/26. All local authorities will receive at least 7% additional income in their allocation of High Needs DSG. This is 4% higher than anticipated in the DSG management plan, representing approx. £2.3m additional funding.
- 37 **Failure to Protect Vulnerable Children:** The existing controls and actions have been revised to reflect the current oversight and structure in line with the updated Multi Agency Safeguarding Arrangements (MASA). The timescale for reducing the net score has been move, in line with the action target dates, to December 2025.
- 38 The partnership is implementing the updated governance structure and arrangements as approved within the MASA. This includes an updated Quality Assurance framework and a proposed timetable for independent scrutiny. An independent scrutineer has been commissioned to consider contextual safeguarding, an audit to determine whether we are meeting our objectives, the structure within the service and provide support and recommendations on future improvements.

- 39 **Delivery of the ILAC Improvement Plan:** New governance arrangements have been agreed and put in place to support robust oversight of progress against the improvement plan. This includes an oversight group to provide scrutiny and challenge around the progress of the plan, which is underpinned by five workstreams to oversee delivery and impact. Our front-line staff have also been invited to inform our service developments and contribute to the workstreams to ensure accountability from front line practice, through to the senior leadership team. Co-production against appropriate actions has also been progressed to involve Children and their families.
- 40 The plan has been reviewed and strengthened under these arrangements identifying independencies and ensuring timescales are realistic and achievable. We have also agreed how we will quality assure that actions have had the intended impact. Work to progress those completed over 6 months are now being tested.
- 41 Cheshire East Council is expecting a monitoring visit from Ofsted in February 2025. Preparation activity has taken place to ensure we accurately understand ourselves and we are addressing our areas for improvement, including a partnership group to progress the peer review of the front door to children's social care.
- 42 Safeguarding Partnership arrangements have now been established to facilitate a more effective partnership and new structure approved. The Safeguarding Board has now been refreshed as part of those new arrangements and the remaining structure changes will be in place by April.
- 43 **SEND Inspection:** Work to embed the new 0-25 SEND Partnership governance arrangements has continued, with initial meetings of the new SEND Transformation Action Group (TAG) taking place along with a refresh of the 0-25 SEND and AP Partnership Board membership.
- 44 The Strategic Lead for SEND has worked with various services (both within the local authority and partner agencies, such as the Integrated Care Board) to refresh our SEND self-evaluation information, as part of producing the Children's Services SEF ahead of the upcoming north-west peer review. Work has also continued on the collation of required inspection evidence for a SEND inspection and has included several focused, service-specific meetings to look at evidence around areas such as alternative provision and health.

Corporate Policy Committee

- 45 **Failure to achieve the MTFs:** No change to the risk ratings. The Council's Third Financial Review (FR3) shows a forecast £18.3m

overspend for the current financial year. This was reported to Finance Sub-Committee on 9 January and is also to be reported to service committees through the January cycle of meetings. Whilst an improvement on the Second Financial Review by £1.8m, the forecast overspend remains a significant financial challenge for the Council. Finance Sub-Committee approved the utilisation of the £17.6m conditional Exceptional Financial Support to balance the forecast overspend at the year-end, in order to protect and minimise the use of reserves (and also to plan for its financing in the next update of the MTFS). With use of reserves to cover the residual gap, and also funding in-year Transformation spending, forecast revenue reserves at 31 March 2025 were reported as £9.2m.

- 46 The Transformation Programme is underway and its outcomes have helped to shape the development of the Council's updated MTFS for 2025-29, offering the prospect of significant improvements against the four-year funding gap previously identified in the MTFS approved in February 2024. However, the Council continues to recognise significant pressures, particularly in social care, and including reflecting the potential effects on our expenditure requirements from Government changes in employers' National Insurance, and the National Living Wage.
- 47 The shortfall in 2025/26 identified in the MTFS report to the 9 January 2025 Finance Sub-Committee was estimated at £25.3m. At Corporate Policy Committee on 6 February 2025, Members will be asked to consider approaches to balancing the budget and improving financial sustainability, including options for further Exceptional Financial Support, prior to making recommendations to Budget Council on 26 February 2025.
- 48 **Leadership Capacity:** The Interim Director of People and Customer Experience joined CEC in mid-December, as did the Interim Head of Customer Services. All key, interim posts are filled and are kept under review, the only posts not filled are "Head Of" roles. A recruitment campaign commenced with our partner, Starfish; because of the scale of the work involved the recruitment is being phased.
- 49 The first tranche will focus on recruiting to the Executive Director Resources & S151 Officer, Director of Public Health, Governance, Compliance and Monitoring Officer and the Assistant Chief Executive. This includes posts that require Full Council approval. Recruitment of additional posts will take place from February onwards. It is envisaged that a permanent complement of Chief and Deputy Chief Officers will be in place in later Summer 2025.

- 50 **Ability to Achieve Organisational Change:** A reduction in the net likelihood brings the overall net rating down to equal with the target, the transformation plan is progressing in line with prescribed timelines/activities and an exercise to map savings against MTFS proposals has been concluded. The Target Operating Model has been produced and detailed communication plan has been developed. A further staff engagement event took place with 500 staff attending over two sessions.
- 51 **Recruitment and Retention:** No change to the risk this quarter. Expectations are that the risk will be materially revised in Q4 based on the views of the incoming Interim Director of People and Customer Experience.
- 52 **Failure to Manage the Consequences of Policy Uncertainty and National Policy Frameworks:** Uncertainty has been removed from the register; the net likelihood aspect of this risk has significantly reduced following the introduction and progression of the Council's Transformation Plan, progress against the Corporate Peer Challenge actions, and following the closure of "Oflog", those additional reporting requirements are no longer required by central government. The council can be more confident in its ability to identify and respond to national policy or legislative changes in line with the Cheshire East Plan 24-25, and the Cheshire East Corporate Plan 25-29. This reduces the overall net rating to 4, equivalent to the target score. Specific issues relating to individual policy/legislation changes will be raised as required.
- 53 **Failure to Adhere to Agreed Governance Processes:** A reduction of the net likelihood was considered but in recognition of the number and complexity of Joint Arrangements/Committees in place, it was determined that the net score remains unchanged. CEC has a number of on-going areas that require legal and democratic support to ensure that all decisions are made within the agreed processes.
- 54 The three main examples of this are the Gemini ICT project with Cheshire West & Chester, insourcing our wholly-owned companies, Orbitas and ANSA back in house and the devolution programme. CEC's legal function is required to ensure that all decision-making is lawful and in line with the constitution. To do this, it must be sighted on prospective decisions in advance by the WLC. Partner's governance arrangements may also differ from our own, adding additional complexity to decision making and the achievement of objectives in required timescales.
- 55 **Business Continuity:** The planned business continuity workshops were delivered in Q3, they were received well and raised a number of practical questions that can feed into plans and arrangements going forwards. Based on feedback from services, the development of a

SharePoint based app would not be expected to deliver the required flexibility. The existing format of plans will be reviewed and updated during Q4, after which services will be supported in reviewing and updating plans. There is no change in the risk scoring at this time.

56 **Stakeholder Expectation & Communication:** In November 2024, as part of senior management restructure, a new service 'Engagement and Communications' has been created to bring together the consultation and communications functions, supporting actions in response to the LGA Corporate Peer Challenge Action Plan. Key developments impacting on stakeholder perception of the organisation in Q3 included:

- Devolution White Paper
- Council finances, provisional finance settlement and Exceptional Financial Support
- Implementation of parking review
- Food waste / three weekly collections proposals
- Highways maintenance
- HSE investigation
- Catering service in extra care housing
- Alternative rail proposals
- Armed Forces Covenant Gold award
- Longridge inquiry

57 Consultations during the period have included:

- Interim Housing Strategy
- Home repairs and adaptations policy
- Twilight meetings survey
- School admission arrangements
- Residual waste collections

58 During this period, the public and stakeholder engagement to inform budget setting started. This year, an alternative approach has been taken. In previous years, the council has asked residents for their views on a wide range of specific proposals for savings, growth and changes to services to balance the budget and deliver priorities. However, while uncertainties about funding and forecast demands for services remain and during the ongoing development of financial plans, the council is asking residents about what they think the council should prioritise when making its financial decisions, before proposals for a full balanced budget are put forward. This engagement activity continues into Q4 2024/25.

- 59 **Information Security and Cyber Threat:** No change to the risk rating. There is continued heightened risk currently through state sponsored attacks and increased ransomware activity. The NCSC have reported “Cyber-attacks are becoming more frequent and severe, posing a greater risk to British organizations and the public.” Of the incidents reported to the NCSC 89 were deemed nationally significant, including 12 critical incidents, a threefold increase compared to last year.

- 60 Identity Management/Data Quality; the employee directory within Unit4 and the Identity Management solution have been linked through the Master Data Management solution enabling the harmonisation of employee accounts, this will ensure that redundant accounts are deleted in a timely manner. Redundant and unused accounts are a weak element in any cyber security estate. This will ensure that data elements related to employees such as job titles and the organisation structure, will be accurate. Ensuring a useable Resource Directory is created and licensing details will be current.

- 61 Use of the Master Data Management solution safeguards the quality of key data elements across the entire organisation, while ensuring that data is not siloed and is shared where appropriate.

- 62 Data Security; several companies have been contacted that specialise in Security Operations to understand what level of support we could receive as part of a managed service to provide security and protection across a larger timeframe i.e. 24/7.

- 63 Information Management; the Enterprise Content Management project to move legacy file store onto SharePoint, is applying retention protocols to ensure that the information the organisation holds is current and compliant. This is increasingly important, not only for compliance purposes but also due to the potential increase in the use of AI.

Economy and Growth

- 64 **Capital Projects – Place:** No change to risk; lobbying continues in relation to the Middlewich Eastern Bypass. The January Highways and Transport committee will consider a paper on the risks, programme and re-confirming delegations to enable a swift start on site should a positive decision be made by the end of Feb 2025. By the next update, it will be clear whether a further adjustment to the scheme spend and programme will be needed. The blight notice was withdrawn pending DfT decision but is likely to return if funding requests are not successful.

Environment and Communities Committee

- 65 **CEC's Carbon Neutral Status:** During Q1 and Q2, the ongoing review of the Council's capital programme, which halted further spending on carbon-related projects. It presents a significant risk to the Council's commitment to becoming a carbon-neutral organisation by 2027. This pause in spending has prevented the ordering of the next phase of EV vehicles and the progression of the Council's second solar farm, which are key initiatives required to meet the target. As a result of these delays, the net and target scores remain at the highest possible rating.
- 66 Despite the delay, we have achieved significant milestones in previously authorised project spending. These include the completion of the Council's first solar farm, the installation of electric charging infrastructure for 23 vehicles, and the delivery of electric vehicles to street cleansing south and community wardens. Additionally, ongoing public sector decarbonization grant funding has supported the installation of air source heat pumps and roof-mounted solar panels on Council buildings. We have also made progress with this season's natural inset tree planting through the trees for climate fund.
- 67 **Local Planning Authority Modernisation:** ICT system now implemented for planning and land charges. Increased backlogs and delays were caused by the 'go live' processes and familiarisation of use. However, even after familiarisation questions remain over the functionality of the application processing which seems less efficient, particularly at the front-end. The web portal is also a source of concern as to its useability. The application backlog has been reduced to normal levels but will need careful monitoring with implementation of new system.
- 68 Recruitment to restructure is now ongoing. Update to S106 process and procedures are now largely complete following sharing of ward report sand commencement of quarterly update meetings with services. Tree Risk Management / Building Control Performance added to Improvement Board to ensure the new strategy and processes are effectively prioritised.

Highways and Transport Committee

- 69 The Highways and Transport Committee have no specific strategic risks at this time, but this remains under on-going review. There are a number of risks related to with the areas associated with the Committee's area of responsibility and forthcoming work programme which are managed at an operational level, and will be reflected on in the review of the wider strategic risk register during the next quarter.

Emerging Risks

- 70 During Quarter 4, the Corporate Leadership Team, as strategic risk owners will be supported with a thorough review of the scope and nature of their risks by the risk function. The view will consider the Cheshire East Corporate Plan 2025-29 and the Council's obligations and responsibilities. Members of CLT will then be able to consider if any material changes to their risk items are required.

Consultation and Engagement

- 71 Each risk included in on the Strategic Risk Register is "owned" by a member of the Council's Corporate Leadership Team. At each quarter, the risk detail is updated through managers in their areas of responsibility, and the updated register is reviewed collectively by the Corporate Leadership Team.

Reasons for Recommendations

- 72 Risk management is central to facilitating good governance and the achievement of corporate objectives. As a publicly accountable body, the Council must demonstrate effective identification and management of the risks that threaten the achievement of its corporate objectives and the effectiveness of its operations.

Other Options Considered

- 73 No alternative options considered; this is an assurance update report to support the Committee in meeting its responsibilities under its Terms of Reference.

Implications and Comments

Monitoring Officer/Legal

- 74 There are no direct legal implications arising from the recommendations of this report. This report provides assurance that the Council achieves its strategic aims and operates its business, under general principles of good governance, that it identifies risks which threaten its ability to be legally compliant and operates within the confines of the legislative framework.

Section 151 Officer/Finance

- 75 There is no direct impact upon the MTFS from the recommendations of this update report. Costs relating to implementing risk treatment plans are included within service budgets. The need to provide financial security against the impact of risks is considered on a case-by-case

basis and either included within specific budgets within the MTFS or considered under the overall assessment of the required level of General Reserves as part of the Reserves Strategy. The risk to the Council of failing to achieve savings identified in the MTFS has been identified as an emerging risk.

Policy

- 76 Cheshire East Council has adopted the Risk Management Framework approved by Cabinet in June 2020. Risk management is integral to the overall management of the authority and, therefore, considerations regarding key policy implications and their effective implementation are considered within departmental risk registers and as part of the risk management framework.

An open and enabling organisation	A council which empowers and cares about people	A thriving and sustainable place
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Equality, Diversity and Inclusion

- 77 There are no direct implications arising from the recommendations of this update report.

Human Resources

- 78 There are no direct implications arising from the recommendations of this update report.

Risk Management

- 79 This report relates to overall risk management and provides the Corporate Policy Committee with awareness of the most significant risks facing the Council, where strategic risks are emerging and assuring the Committee on how these are being managed.

Rural Communities

- 80 There are no direct implications arising from the recommendations of this update report.

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

- 81 There are no direct implications arising from the recommendations of this update report.

Public Health

82 There are no direct implications arising from the recommendations of this update report.

Climate Change

83 There are no direct implications arising from the recommendations of this update report.

Access to Information	
Contact Officer:	Josie Griffiths, Head of Audit, Risk and Assurance josie.griffiths@cheshireeast.gov.uk
Appendices:	CPC Q3 Strategic Risk Register (Detailed) - Appendix A CPC Q3 Strategic Risk Assurance – Appendix B ANSA, Orbitas and Tatton Park Enterprises Ltd – PART 2 NOT FOR PUBLICATION
Background Papers:	CPC Q2 Strategic Risk Assurance Report 28 November 2024

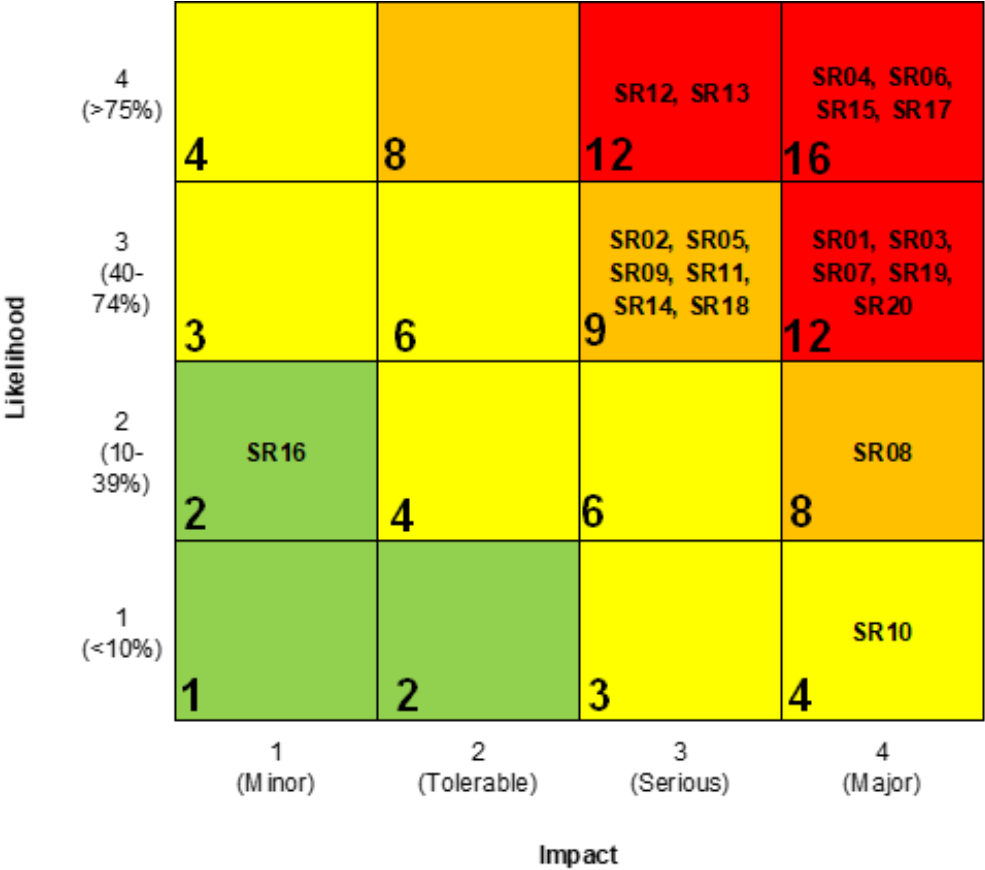
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Strategic Risk Summary – Changes in Net Scores Q3 2024/25

Ref	Risk	Q2 Net	Q3 Net	Travel	Target
SR01	Increased Demand for Adult's Services	12	12	↔	9
SR02	Fragility and failure in the Social Care Market	9	9	↔	9
SR03	Complexity and Demand for Children's Services	12	12	↔	12
SR04	Dedicated School Grant Deficit	16	16	↔	16
SR05	Failure to Protect Vulnerable Children	9	9	↔	6
SR06	Failure to Achieve the MTFs	16	16	↔	9
SR07	Leadership Capacity	12	12	↔	9
SR08	Ability to Achieve Organisation Change	12	8	↓	8
SR09	Recruitment & Retention	9	9	↔	9
SR10	Failure to Manage the Consequences of Policy Uncertainty and National Policy Frameworks*	12	4	↓	4
SR11	Failure to Adhere to Agreed Governance Processes	9	9	↔	6
SR12	Stakeholder Expectation & Communication	12	12	↔	9
SR13	Information Security and Cyber Threat	12	12	↔	12
SR14	Business Continuity	9	9	↔	6
SR15	Capital Projects - Place	16	16	↔	12
SR17	CEC Carbon Neutral Status	16	16	↔	16
SR18	Local Planning Authority Modernisation Plan	9	9	↔	6
SR19	Delivery of the ILACS improvement plan	12	12	↔	12
SR20	SEND Inspection	12	12	↔	8

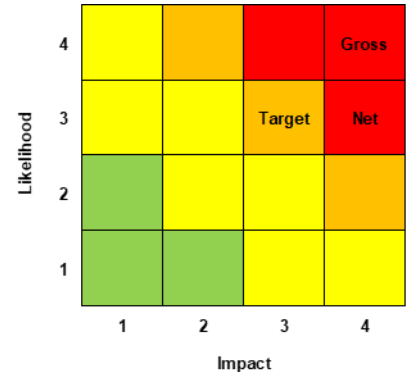
* Risk removed after this quarter

Strategic Risks Heat Map Q3 2024/25



12 - 16	Critical Risks - Only acceptable in the short to medium term, requires immediate action implementing and close monitoring
8 - 9	Material Risks - Areas of concern, but due to capacity and or uncontrollable external factors, these can be accepted. Expectation is that these must be actively managed with on-going monitoring to ensure they don't escalate
3 - 6	Moderate Risks - Acceptable level of risk only requiring on-going monitoring to ensure they don't develop into something more serious
1 - 2	Negligible Risks - Lowest level of risk, only kept in the register for completeness and to ensure there are no unexpected changes in the profile

Individual Risk Details – Q3 2024/25

Risk Name: Increased Demand for Adult Services		Risk Owner: Executive Director of Adults, Health, and Integration
Risk Ref: SR01	Date updated: 24 th January 2025	Risk Manager: Director of Adult Social Care Operations
<p>Risk Description: An increase in demand for adult social services that cannot be met within the existing budget.</p> <p>There is currently a historically high demand for services from young adults right through to the elderly. This has been caused by an overall decrease in national adult health and wellbeing and other socio-economic factors. There has been an increase in responsibility and duties being transferred to LA i.e. RCRP.</p> <p>Detailed consequences; a failure in one area of social care, either internal or external to the council, has knock-on effects and increases pressure on other services. This can cause an on-going downwards trend in adult health and wellbeing. In addition, the council may fail in its duty of care and its objective of supporting its most vulnerable individuals. Specific failures that have been seen are a reduction in preventative measure and early intervention, which ultimately increase demand. Increased pressure on practitioners causes stress related issues and reduces the appeal of working in the sector.</p> <p>Detailed causes; due to the additional wellbeing pressures placed on residents, council staff, third-party providers and the NHS, the volume and complexity of demand for adult services has increased materially. As have political factors such as changes in legislation and resettlement agreements. Due to several different socio-economic factors recruitment and retention of staff is difficult resulting in increased use of agency staff. The increase in demand and complexity for services has not been recognised with increased established staffing, resulting in use of Agency Staff to fill the void.</p>		
Interdependencies (risks): Failure of Council Funding, Fragility in the social care market, Failure of the local economy, Organisational capacity and demand		Lead Service Committee: Adults and Health Committee
<p>Key Mitigating Controls (Existing):</p> <ul style="list-style-type: none"> • Delivery of market engagement events, keeping providers / people informed of preventative change resulting from the People Live Well, for Longer Transformation Programme. • Contracts and Quality Monitoring Policy Framework, monitoring the user outcomes that partners are delivering. This helps to inform the managed decommissioning of services, in an effort to reduce service disruption. Maintaining a provider risk register with the Care Quality Commission to ensure market oversight. A standard set of fit for the future contracts, designed to ensure quality outcomes for users and ensure provider's business models remain sustainable as demand changes. • Monthly quality monitoring partnership forum that reports to relevant DMTs and the Safeguarding Board. Attendees include the Police, Safeguarding, Care Quality Commission, ASC operations, Legal, CCG's and ASC lead commissioner. • People Helping People programme, working collaboratively with partners and local volunteers to channel community-based support, reducing demand on adult social care. The sourcing/brokerage team support the co-ordination of these services, helping vulnerable people to access non-council support where appropriate. • Direct payment scheme, allowing users identify and manage their own care support. 		

<ul style="list-style-type: none"> • The preventative policy framework standardises the approach to prevention across adult social care “front door. When appropriate, directing users to approved community solutions, which can provide non-traditional benefits to those individuals and help maintain their independence. • Annual financial and resource planning by ASC services, considering expected demand, funding, the local social care market and other socio-economic trends. • Regular service/team meetings to disseminate information and discuss operational issues. • Involvement in the North West regional and local programme of work pertaining to health and care staff recruitment, retention, and selection – resulting in a robust career path being developed with key partners and in being clear pertaining to local strategy. • Collaborative working with other services, such Public Health, where objectives align and communication is required to delivery value for money. Utilisation of Public Health JSNA and wider regional data sets inform future planning. The joint commissioning management monthly working group seeks to ensure ASC is working effectively and efficiently with other Children and Family services. • Engagement with the Integrated Care Partnership, including health partners. • Regular ASC reporting to CLT and Adult and Health Committee on performance, expenditure/budget and demand. On-going management of services, based on performance, expenditure/budget and demand management information. Trend analysis used to help predict future demand. • Engagement with service users, collaboration with Healthwatch and other independent organisations to help drive service improvements and cost savings. • Business continuity assessments and resiliency preparation, both internally and with key partners. • Implementing recommendations of independent review. All care plans presented to senior leasers board for authorisation of spend. • Tighter controls on hospital discharge will impact relationship with ICB colleagues. • 3 times weekly Quality, Performance and Authorisation Board to review every request for care, since the start of this regime over 2000 cases have been reviewed to ensure that the package of care is effective and efficient. • Weekly Extended leadership meeting to review budget, spend and activity. • Inner Circle Transformation Partners working alongside ASC staff to transform services and reduce spend. 	
Actions (Monitoring):	Target Date for Completion:
Prevent, Reduce, Enable transformation programme	Phased implementation from May 2025
<p>Comments this quarter: As predicted the reduction of agency staff within the service has resulted in increased waiting times for assessments, this reduction has been seen in the services provided during quarter two. All waiting lists are monitored weekly to manage the risks, we are implementing a process of ‘waiting well’ to mitigate deterioration in health and wellbeing of individuals and their carers. We have also recruited two additional workers to undertake assessments for discharges from out of area hospitals which are rising due to the specialist nature of some hospital trusts. Providers of services continue to push for increased fees, however we have started to implement the care cubed model to scrutinise care costs, we are working through the analysis of the initial tranche of providers who have been through this process we have identified some providers where their fees will be adjusted to take account of the care cubed work.</p> <p>We are seeing a rise in demand from self-funded residents where their funds have reduced to a level that makes them eligible for funded social care and this demand is expected to increase. We have now initiated a project for future self funders to request an assessment and information and support from a dedicated worker to work to explore options and to maximise their funds, enabling individuals to make informed decisions regarding their future care needs and services to meet needs. Also to ensure that they have adequate funds to cover their wishes. Scrutiny of cases continues at 3 x weekly Quality, Performance and Authorisation Boards we are very aware of the risks of falling on the wrong side of the legislative framework where the council could be subject to legal challenge and therefore we review our decision making process to avoid this risk. The demand in terms of the numbers of residents requiring a service continues to be stable however the rise in the complexity of cases is seen in the scale of the assessment process and the financial costs of challenging cases. We continue to meet weekly to discuss risks and budget pressures. The deficit within the Cheshire and Mersey ICB will increase pressure on the council to pick up funding for previously funded health patients and this will require robust challenge and discussion. We are</p>	

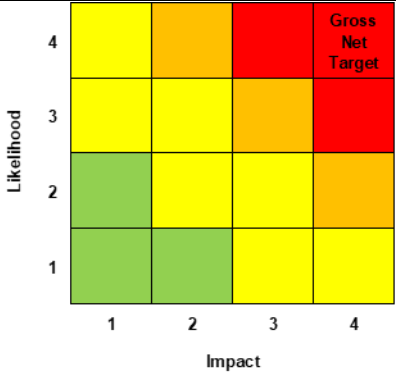
currently in discussion with our NHS partners over a number of cases on which we disagree. It is possible that there will be an additional financial burden placed on ASC in the upcoming financial year.
Timescale for managing risk to an acceptable level: The outcomes from the work commissioned with Impower is being actioned via HLBC, we are monitoring all support and care plans and calls for services on a 3x per week basis, Director is monitoring approx150 cases per week. Demand is constant especially for those who are 90+yrs, and for those with dementia. Cost of individual care packages remains very high with an increasing number£2000 per week.

Risk Name: Fragility and Failure in the Social Care Market		Risk Owner: Executive Director of Adults, Health and Integration																																	
Risk Ref: SR02	Date updated: 29 th January 2025	Risk Manager: Director of Adult and Children's Commissioning																																	
Risk Description: A failure of the local social care market. Increases in the volume and complexity in demand and financial pressures have caused weaknesses in the national social care market which have yet to be resolved. Detailed consequences; the council is unable to deliver a robust adult social care package without the use of third-party providers, without these outsourced services the overall social adult care package would fail and the council would not be able to achieve its objective of people living well and for longer. If the Council is unable to increase fees for providers it will impact on the sustainability of some care providers and result in some packages of care being handed back to the Council or notices served on care home resident's placements. This could lead to a need to increase the use of care providers who have not been through a formal tendering process which in some cases could result in higher costs and/or poorer quality. While due diligence is undertaken for these providers, some providers do not fully co-operate with this process. It will also bring challenges in managing budgets in 2024/25. Detailed causes: the major risk going forward is the financial impacts on providers resulting from the 9.8% uplift in National Living Wage from April 2024 and high rates of inflation. The current financial position of the Local Authority precludes it from uplifting care fees for all care contracts in 2024/25.		<table><tr><td rowspan="4">Likelihood</td><td>4</td><td></td><td></td><td></td><td>Gross</td></tr><tr><td>3</td><td></td><td></td><td>Net Target</td><td></td></tr><tr><td>2</td><td></td><td></td><td></td><td></td></tr><tr><td>1</td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td>1</td><td>2</td><td>3</td><td>4</td></tr><tr><td></td><td></td><td colspan="4">Impact</td></tr></table>	Likelihood	4				Gross	3			Net Target		2					1							1	2	3	4			Impact			
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Interdependencies (risks): Failure to Achieve the MTFs, Business Continuity, Failure of the Local Economy		Lead Service Committee: Adults and Health Committee																																	
Key Mitigating Controls: <ul style="list-style-type: none">• Contracts and Quality Monitoring Policy Framework, monitoring the people's outcomes that partners are delivering.• Localised quality assurance risk management oversight tool embedded which provides pertinent intelligence that will identify any escalation of providers quality and safety of service delivery in an effort to reduce service disruption. This risk matrix connects to an overarching provider risk register with the Care Quality Commissioning to ensure market oversight.• A standard set of fit for the future contracts, designed to ensure quality outcomes for users and ensure provider's business models remain sustainable as demand changes.• Increasing the robustness of due diligence on care providers who have not been through a formal tendering process.• Comprehensive cost of care exercise to be undertaken with all care providers to ensure that care packages are sustainable and available resources are distributed fairly.• Delivery of market engagement events, keeping providers / people informed of preventative change resulting from the People Live Well, for Longer Transformation Programme.• The preventative policy framework standardises the approach to prevention across adult social care "front door. When appropriate, directing users to approved community solutions, which can provide non-traditional benefits to those individuals and help maintain their independence.• Annual financial and resource planning by ASC services, undertaken capacity and demand modelling, funding, the local social care market, and other socio-economic trends. Development and publication of the Market Sustainability Plan. Completion and submission of the Cheshire East Market Availability and Capacity Plan to DHSC.• Involvement in the Northwest regional and local programme of work pertaining to health and care staff recruitment, retention, and selection – resulting in a robust career path being developed with key partners and in being clear pertaining to local strategy.• Update of the joint Market Position Statement with ICB to ensure that care providers receive timely information about commissioning intentions.																																			

<ul style="list-style-type: none"> Regular ASC reporting to DLT, CLT and Adult and Health Committee on performance, expenditure/budget and demand. On-going management of services, based on performance, expenditure/budget and demand management information. Trend analysis used to help predict future demand. Engagement with service users, collaboration with Healthwatch and other independent organisations to help drive service improvements and cost savings. Business continuity assessments and resiliency preparation, both internally and with key partners. The Council is working with skills for care to see what support it can give to the market in terms of recruitment and retention and build knowledge. Providers have access to recruiting staff from abroad if there isn't a sufficient supply available locally. Development of a Workforce Strategy for the external care workforce. Investigation and investment into new health and care technologies. Use of new technologies to be driven by considering performance, capacity, and value for more against more traditional methods. Quality Performance Authorisation Board meets three times a week to ensure that the Council is obtaining value for care money for commissioned placements and making best use of all commissioned block booked assets across the Borough. A Transfer of Care Hub has been set up in both hospitals with key staff from CEC and Hospital Trusts co-located to improve joint working and ease pressures on hospital discharge and ensure people are supported through the correct pathway at the point of discharge. Commissioners undertake Market Engagement activities with Care at home Providers to Coproduce new models of care. Joint working with 'Skills for Care' to encourage individuals to take up employment within the care sector. 'Hidden Carer's' initiative launched through Carer's Hub to help identify and support carers not known to the system. Low level support for the British Red Cross who respond to crisis situations in the community. A tool called Care Cubed has been commissioned to assess the actual cost of delivering care for individual care providers and benchmark against market prices. On-going engagement and development with the community voluntary faith sector to enhance our offer and support to people. 	
Actions (Monitoring):	Target Date for Completion:
Care at home re-commissioning (SRO and Work Programme in place)	September 2025
Accommodation with care re-commission (SRO and Work Programme in place)	September 2025
<p>Comments this quarter: There is currently only 1 care home that has been rated as inadequate by CQC across the Borough; Riseley House. Due to the delay in timely inspections being carried out by CQC a risk-based review has been completed which has supported incremental admissions into the home following the provider successfully being onboarded to the Council's Accommodation with Care Framework.</p> <p>Priestly Fields and St Catherine's Care Homes currently have placement embargos in place at this time due to the emerging quality risks that have been referred into the Local Authority Quality Assurance and Safeguarding Team. These homes are continued to be comprehensively monitored and reviewed through our Contract and Quality governance oversight meeting, so system partners are aware of any risks and issues. The quality assurance officers will continue to provide enhanced oversight of these homes and report any concerns to safeguarding. Emmie Dixon Care Home have indicated they are encountering financial challenges due to 3 vacant voids within the home. This situation is currently presenting financial sustainability challenges within the organisation. The provider is looking to safely rationalise expenditure across the home and commissioners have enhanced their oversight of the provider. Ongoing work continues with operational staff to try and fill the voids with compatible people. The current care at home waiting list remains at 7 people which equates to 90 hours per week. An operating process is in place that ensures operational colleagues continue to RAG rate individuals placed on the waiting list for care at home.</p> <p>The increases in April 2025 to the National Minimum Wage alongside an increase in the Employers National Rate to 15%, and a reduction in the Employers National Insurance threshold will present an impact to the externally commissioned care providers. A fee's uplift options appraisal paper is comprehensively being developed to ensure we fully consider the implications relating to provider fees, market sustainability and operational risk management.</p>	
<p>Timescale for managing risk to an acceptable level: N/A (Net score is equal to target). To a certain extent the risk is outside the Council's control as there is a reduced pool of people who wish to work in Social Care.</p>	

Risk Name: Complexity and Demand for Children's Services		Risk Owner: Executive Director of Children's Services
Risk Ref: SR03	Date updated: 29 th January 2025	Risk Manager: Children's Services Directorate Leadership Team
<p>Risk Description: That Cheshire East's local social, economic and demographic factors, including the impact of the pandemic, lead to an increase in the level and/or complexity of need and demand for children's services, which the council cannot meet effectively. This risk would mean that we would not achieve the council's desired outcomes for children and young people as set out in the council's Corporate Plan.</p> <p>The service received growth through the MTFS to help address the pressures but the challenge to deliver to budget and achieve the required savings remains present. Significant action is still required to deliver savings to live within the budget as all indications are that demand, complexity and cost will continue to increase.</p>		<p>The risk matrix is a 4x4 grid with Likelihood on the y-axis (1 to 4) and Impact on the x-axis (1 to 4). The colors represent risk levels: Green (Low), Yellow (Medium), Orange (High), and Red (Very High). The current risk level is at (4, 4) in the red area, labeled 'Gross'. A 'Net Target' is indicated at (3, 4) in the orange area.</p>
Interdependencies (risks): Increased Demand for Adult Services, Insufficient and Non-Compliance with Financial Processes, Organisation Capacity and Demand, Failure to Achieve the MTFS, Failure of the Local Economy		Lead Service Committee: Children and Families Committee
<p>Key Mitigating Controls:</p> <ul style="list-style-type: none"> • Growth to address budget pressures within services was agreed in the MTFS for 2024/25, including £10.8m to address placement costs for children. • Further growth is proposed within the MTFS for 2025/26, including £4.6m to support placement costs, and £2.7m to ensure the staffing establishment for children's services is fully funded. • Extensive activity is taking place to manage and reduce costs. • We are closely monitoring the demand to services and the reasons that are driving demand so that we can be responsive and mitigate any risks to service delivery. • We have a range of support available to families through early help and prevention services, including council, partner, voluntary, community, faith sector and commissioned services. These services support families and help prevent needs from escalating and requiring higher level intervention. • We have implemented Family Hubs, bringing council, health and community services together – improving access and reach of services, supporting earlier intervention, and improving partnership working. • Our approach is to ensure only the right children come into care; this is right for children and young people and will also reduce demand to Children's Social Care services. We will continue look to identify options for children to live within their family networks where this is the best outcome for them. • We are continuing to support children and young people who are most vulnerable through the Household Support Fund and the Holiday Activity Fund. • We are actively working through the safeguarding children's partnership to strengthen our approach to early help and prevention. 		
Actions (Monitoring):		Target Date for Completion:
Deliver a base build of children's services to ensure we have the right services to meet children's needs (Children's social care senior leadership team)		July 2027
Review and strengthen how we support children at child in need to prevent their needs from escalating (Children's social care senior leadership team)		March 2027
Review entries to care to understand how we can strengthen our approach (Children's social care senior leadership team)		December 2024
Expand our in-house residential provision to offer more local and cost effective homes for children and young people (Children's social care senior leadership team)		Initial mobilisation to be complete by April 2025

Develop and launch a new early help strategy across the partnership (Children's Safeguarding Partnership)	June 2025
<p>Comments this quarter: No change to the net rating, it remains 12, a material risk, equal to the target score.</p> <p>Further growth is proposed within the MTFS for 2025/26, including £4.6m to support placement costs, and £2.7m to ensure the staffing establishment for children's services is fully funded. A base build of children's services will take place in April 2025 to ensure there are the right services in place to meet children's needs.</p> <p>Internal and partnership assessment activity was undertaken to understand entries to care which has identified the need to strengthen early help and prevention. This work has been presented to the Safeguarding Partnership and work is taking place to review collectively and identify actions required. In the interim a new court team has been devised to reduce the competing demands on social workers and improve timeliness and quality of interventions for when children do come into our care. A new partnership early help strategy has been developed and is currently open for consultation.</p>	
Timescale for managing risk to an acceptable level: March 2026	

Risk Name: Dedicated School Grant Deficit		Risk Owner: Executive Director of Children's Services
Risk Ref: SR04	Date updated: 30 th January 2025	Risk Manager: Children's Services Directorate Leadership Team
<p>Risk Description: That the deficit held in the dedicated schools grant (DSG) continues to rise and/or is not recoverable.</p> <p>The final outturn position for the financial year 2023-24 outlines a reduced deficit position of the DSG high needs budget of £79.5M compared to the forecast deficit of £89.6M resulting in a reduction of £10.1m. The mitigated cumulative forecast reserve deficit identified through the Safety Valve programme is £285m. This is in part as a result of the growth in the number of pupils with an education, health and care plan greatly exceeding the funding and insufficient local placement options. This is a national issue and local authorities are required to hold a negative reserve for this purpose which is in place until March 2026. This position is unaffordable and unsustainable. The arrangements beyond March 2026 are not confirmed by the Department for Levelling Up, Housing and Communities (DLUHC). This risk continues to be a feature of ongoing liaison with the Department for Education and the DLUHC.</p> <p>Without significant changes to funding the DSG reserve deficit is not recoverable. Significant action is required to deliver savings to live within the budget as all indications are that demand, complexity and cost will continue to increase.</p>		
Interdependencies (risks): Increased Demand for Adult Services, Insufficient and Non-Compliance with Financial Processes, Organisation Capacity and Demand, Failure to Achieve the MTFS, Failure of the Local Economy		Lead Service Committee: Children and Families Committee
<p>Key Mitigating Controls:</p> <ul style="list-style-type: none"> On 7 September 2023, we accepted an invitation from the Department for Education to start negotiations to join their Safety Valve programme, which would provide more help from the government to balance our budget. The aim of the Safety Valve programme is to agree a package of reform to improve the performance of local authorities' high needs systems and ensure this is delivered in a sustainable way, for the benefit of children and young people, whilst bringing DSG deficits under control. We submitted detailed plans to the government in January 2024. In March 2024 Ministers advised that they are currently unable to enter into an agreement with Cheshire East as Cheshire East's Safety Valve submission included an ask of the Department which is significantly above the level which the Department could reasonably afford in comparison to other agreements. Ministers recognise that the DSG deficit as forecasted poses a substantial risk to Cheshire East, and propose to work with us over the coming months, alongside colleagues from DLUHC, to seek an appropriate solution. The DSG management plan is in place to monitor the impact of demand to SEND services on financial pressures and monitor the delivery and impact of mitigations that have been put in place. A revised DSG management plan for 2024/25 to 2030/31 was approved by the Children and Families Committee on 29 April 2024. The committee also received an update on the Safety Valve submission. The Children and Families Committee is receiving monthly updates on the DSG management plan. The council has updated the SEN sufficiency statement for 2023/24 to 2025/26, and the SEND strategy, which were received and agreed by the Children and Families Committee in September 2023. The SEN sufficiency statement sets out the additional provision needed over the next three years. The SEND strategy has been refreshed to include priority actions relating to the mitigations with the revisited DSG management plan 2024-2031. There is significant capital investment in local SEND provision to meets children's needs more locally but also reduce dependency on high-cost independent school placements. As part of the Safety Valve programme we were invited to submit a Capital bid. The bid was successful and we have been awarded £16m to create more specialist provision. The capital grant will allow us to create the following <ul style="list-style-type: none"> 3 x special school satellite sites providing in total 140 additional places 1 x 14 place new SEN unit 		

<ul style="list-style-type: none"> ○ Generic funding to support the refurbishment/adaption of space within mainstream settings which could support the current demand by way of resource provisions and/or SEN units. • We are embedding a graduated approach and inclusion across all schools and settings and strengthening SEN support. • We participated in the DfE's delivering better value (DBV) programme to support the council to achieve a more sustainable financial position in relation to SEND. This identified two priority areas of cultural change that will make the biggest difference on managing demand – inclusive practice and transition. Cheshire East has been awarded £1 million to support the delivery of this transformational change. These areas have been incorporated within our SEND Strategy. • A fundamental review and realignment exercise for children's services will be carried out to future-proof services to deliver differently for less as part of our integrated children's services 4-year strategy. • We have a range of support available to families through early help and prevention services, including council, partner, voluntary, community, faith sector and commissioned services. These services support families and help prevent needs from escalating and requiring higher level intervention. 	
Actions (Monitoring):	Target Date for Completion:
A fundamental review and realignment exercise for children's services will be carried out to future-proof services to deliver differently for less as part of our integrated children's services 4-year strategy. (Progress will be monitored through the MTFS arrangements)	March 2027
Implement the DSG management plan (Quarterly by the DfE if accepted onto the programme. If not accepted the plan will be monitored internally through a CEX lead board with member involvement.)	March 2031
Continue to increase SEND provision in Cheshire East (Reviewed quarterly)	March 2031
Embed the graduated approach and inclusion across all schools and settings and strengthen SEN support (Reviewed quarterly)	September 2025
<p>Comments this quarter: The latest forecast for 2024-25 (based on actual expenditure April to November 24) shows a forecast deficit reserve position of £115.8 million, representing a total of £25.1 million reduced deficit compared with the original DSG management plan forecast (submitted to the DfE via the Safety Valve programme) and a £4.3 million reduced deficit compared with the reprofiled DSG mgmt. plan. This lower deficit figure mainly relates to expenditure for placements in non-maintained special schools and independent special schools. The DSG management plan includes an increase in costs of 3.4% on all placements, therefore increasing the average cost. The actual expenditure suggests that not all placement costs have increased, therefore reducing the average cost of placements compared to the DSG management plan. The total number of EHCPs recorded align with the DSG management plan target figure for January 2025 representing a reduced growth of EHCPs of 8% (previous year the growth was 13.6%). Needs assessment requests have reduced compared with calendar year 2023 by approx. 11%, however in the first term of the academic year 2024/25 there has been an increase of 23% compared with the first term of academic year 2023/24.</p> <p>We have seen an increase in needs assessment requests in relation to children and young people experiencing concerns around mental health and anxiety; within the applications we have seen an increased number with concerns in regards of barriers to accessing school full time and in some instance unable to attend school at all. Many of these children and young people do not yet have any diagnosis but are on ASC or ADHD pathways following referrals being undertaken. As a response to this we are currently looking to work with colleagues across the partnership including health to review the needs and themes to look at how we can support our children, families and schools/settings moving forwards.</p> <p>To support parents/carers the Transition Team are now developing a dedicated webpage for each key phase of transition providing tailored guidance and resources. In collaboration with parent carer forum and other parent support groups we have identified common themes and concerns around transition. Additionally, we are attending parent support groups and encouraging coffee mornings within our settings to ensure parents feel informed and supported.</p> <p>The DfE have announced the DSG allocations for 2025/26. All local authorities will receive at least 7% additional income in their allocation of High Needs DSG. This is 4% higher than anticipated in the DSG management plan, representing approx. £2.3m additional funding.</p>	
<p>Timescale for managing risk to an acceptable level: March 2025. We aim to see an incremental reduction in the risk as we implement our plan. By the end of March 2025, we aim for the risk to be reduced to a score of 12, then to see this continue to reduce over the following years with aim to be at an acceptable level of risk by 2026.</p>	

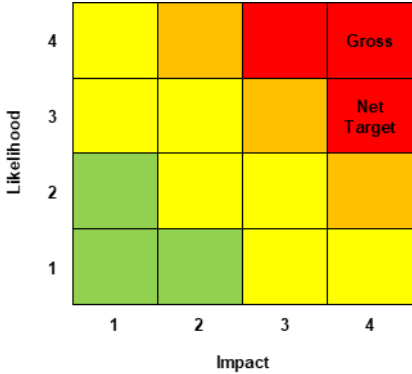
Risk Name: Failure to Protect Vulnerable Children		Risk Owner: Executive Director of Children's Services
Risk Ref: SR05	Date updated: 27 th January 2025	Risk Manager: Cheshire East Safeguarding Children's Partnership Board (CESCP)
Risk Description: The risk, that as a part of the local safeguarding children's partnership, Cheshire East Council's children's services are unable to fulfil their responsibilities relating to the protection of vulnerable children at risk of criminal exploitation and child sexual abuse. To do this Cheshire East seeks to be an effective and collaborative partner in the partnership. Ofsted are responsible for conducting inspections into the quality of children's social care provided by Cheshire East and as the local authority responsible Cheshire East is continually looking to meet those expectations in an ever-changing and challenging environment.		
Interdependencies (risks): Increased Demand for Adult Services, Complexity and Demand for Children's Services		Lead Service Committee: Children and Families Committee
Key Mitigating Controls: <ul style="list-style-type: none"> The CESCP board has oversight of the Multi Agency Safeguarding Arrangements. The 3 Statutory Partners are; Health, Local Authority and Police. Cheshire East has named Education as the 4th Statutory Partner. The Statutory Partners form the Cheshire East Safeguarding Children's Partnership. Working Together 2023 outlines the responsibility of the Statutory Partners to involve other agencies. A Pan Cheshire Strategic Alliance group is in place which consists of the Chief Executive of the council, Chief Constable and Chief Nurse, which scrutinises partnership progress against the improvement plan. They are named in the Multi Agency Quality Assurance (MASA) as LSP's. Ofsted regularly inspect the Local Authority and the partnership arrangements. The partnership ensures awareness within all agencies by providing regular training focused on exploitation. The training facilitates communication, increased knowledge and understanding and working together. We have an Exploitation Strategy, practice guidance, and training for frontline practitioners. This all ensures there is a clear partnership approach to supporting children and young people at risk of exploitation. The strategy also needs to be in line with the Pan Cheshire All Age Exploitation Strategy. There is a shared understanding of the children and young people who are at risk of exploitation across the partnership. There are regular multi agency audit of practice are completed for children at risk of exploitation to evaluate the impact of changes on quality of practice. The Children and Families Committee have oversight through the annual report and any inspection reports. The Contextual Safeguarding Strategic group reports to the Multi Agency Quality Assurance Group which then reports the CESCP board. 		
Actions (Monitoring):		Target Date for Completion
CS SOC performance report to be presented to the CESCP board (CESCP Board)		Q1 2025-26
Independent Scrutiny for Contextual Safeguarding (CESCP Board)		Q1 2025-26
Review the Contextual Safeguarding Strategy (Contextual Safeguarding Strategic Group and CESCP Board)		Q1 2025-26
Comments this quarter: Updated existing controls and actions to reflect the current oversight and structure in line with the updated Multi Agency Safeguarding Arrangements. Amended the timescales for reducing the net score in line with the target. The partnership are implementing the updated governance structure and arrangements as approved		

within the MASA. This includes an updated Quality Assurance framework and a proposed timetable for independent scrutiny. An independent scrutineer has been commissioned to consider contextual safeguarding, an audit to determine whether we are meeting our objectives, the structure within the service, and provide support and recommendations on future improvements.
Timescale for managing risk to an acceptable level: December 2025

Risk Name: Failure to Achieve the MTFS		Risk Owner: Executive Director of Resources (S151 Officer)																																		
Risk Ref: SR06	Date updated: 29 th January 2025	Risk Manager: Director of Finance (Deputy S151 Officer)																																		
Risk Description: Failure to achieve approved changes and manage net spending within the MTFS agreed by Council within the expected timescales will undermine the Council’s ability to manage its budget effectively in the current and future years. Potential impacts: Failure to achieve the agreed annual budget will reduce the Councils reserves and may endanger its medium-term financial stability, ultimately leading to reduction in the services it can provide to its residents, due to having to issue a Section 114 Notice. Poor management of specific grant funding can also result in the Council having to repay those monies. Drivers of likelihood: Key drivers of this risk are a lack of effective strategic and/ or operational management, and a lack of ability and/ or authority to implement change, along with global and national events adversely affecting levels of inflation and prices.		<table><tr><td rowspan="4">Likelihood</td><td>4</td><td></td><td></td><td></td><td>Gross Net</td></tr><tr><td>3</td><td></td><td></td><td>Target</td><td></td></tr><tr><td>2</td><td></td><td></td><td></td><td></td></tr><tr><td>1</td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td>1</td><td>2</td><td>3</td><td>4</td></tr><tr><td></td><td></td><td colspan="4">Impact</td></tr></table>		Likelihood	4				Gross Net	3			Target		2					1							1	2	3	4			Impact			
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Interdependencies (risks): all		Lead Service Committee: Corporate Policy Committee																																		
Key Mitigating Controls: <ul style="list-style-type: none">Financial planning arrangements include preparation by the Finance Team, in liaison with senior operational managers, of detailed financial forecasts, based on the best available information and including prudent assumptions based on professional judgement and external advice.Use of quality financial systems, with appropriate training and subsequent audit of their effectiveness to provide management and control of the Council's financesBalanced budget to put into effect the Council's service plans for the forthcoming year, matched by available funding and including a risk assessment of the adequacy of general reservesMTFS sets out how the Council will deliver the Council's Corporate PlanUse of a standard report format and report clearance process which ensures provision of relevant information on financial impact and risk exposure to the decision makers.Clear and effective communication of changes or updates to Finance and Contract Procedure Rules with the ConstitutionSources of specialist advice and guidanceBudget monitoring, comparing actual performance against approved budget, is undertaken throughout the financial year and presented to service committees, in the form of forward-looking forecast outturn reportsOutturn reporting and audit of statements supports in-year monitoring and future year planningRisk-based approach to the use of reserves, identifying appropriate reserve levels and ensuring that reserves are not depleted without first identifying a strategy to restore them to risk-assessed levels during the MTFS period.Where a residual deficit is forecast in a financial year, a number of actions will be explored including:-<ul style="list-style-type: none">use of any service or non-specific underspend to offset pressures elsewhere within the budgetaccessing external funding, ensuring compliance with any funding conditionsuse of reservesuse of general balances																																				

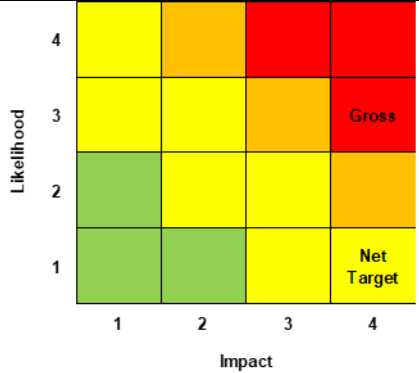
<ul style="list-style-type: none"> Treasury Management Strategy to manage the Council's cash flows, including an investment strategy focused on the security of principal sums and a borrowing strategy to manage interest payable and other charges A Capital Strategy that prioritises capital investment programmes, identifies the financial impact of investment in schemes and limits the amount of unsupported borrowing to be taken Engagement with government departments related to financial models and consultation Education and training for officers and Members, including financial management in local government, the CIPFA FM Code, and Finance and Contract Procedure rules Reporting of status and action plan on CIPFA FM Code Budget management regime implemented early in 2023/24 to track activities relating to delivery of approved budget changes Spending management regime implemented in October 2023, to control and reduce spending on staffing and supplies and services; review fees and charges to customers; and approaches to charging costs to capital projects and using capital receipts Strategic Financial Management Board, with a number of groups – Procurement; Strategic Assets; Workforce Oversight; Financial Management – each with terms of reference and various assigned tasks; and with a further link for all groups/ activities to the Transformation Programme. any Directorate forecasting spend >5% over approved budget is subject to focussed budget management, reporting progress to SFMB weekly 	
Actions (Monitoring):	Target Date for Completion:
Ongoing reporting of spending management effectiveness and latest forecasts to SFMB/CLT (Weekly reporting and review by SFMB/CLT)	March 2025
Directly or via professional or political networks, liaise with Government departments on the severity of the many financial issues (Reporting to CLT, and to Members in the MTFS update)	February 2025
Preparation and approval of the 2025/26 annual budget (Formal Financial Reviews to Committees; with progress on all change proposals reported to each committee cycle)	February 2025
<p>Comments this quarter: No change to the risk ratings. The Council's Third Financial Review (FR3) shows a forecast £18.3m overspend for the current financial year. This was reported to Finance Sub-Committee on 9 January and is also to be reported to service committees through the January cycle of meetings.</p> <p>Whilst an improvement on the Second Financial Review by £1.8m, the forecast overspend remains a significant financial challenge for the Council.</p> <p>Finance Sub-Committee approved the utilisation of the £17.6m conditional Exceptional Financial Support to balance the forecast overspend at the year-end, in order to protect and minimise the use of reserves (and also to plan for its financing in the next update of the MTFS).</p> <p>With use of reserves to cover the residual gap, and also funding in-year Transformation spending, forecast revenue reserves at 31 March 2025 were reported as £9.2m.</p> <p>The Transformation Programme is underway and its outcomes have helped to shape the development of the Council's updated MTFS for 2025-29, offering the prospect of significant improvements against the four-year funding gap previously identified in the MTFS approved in February 2024. However, the Council continues to recognise significant pressures, particularly in social care, and including reflecting the potential effects on our expenditure requirements from Government changes in employers' National Insurance, and the National Living Wage.</p> <p>The shortfall in 2025/26 identified in the MTFS report to the 9 January 2025 Finance Sub-Committee was estimated at £25.3m. At Corporate Policy Committee on 6 February 2025, Members will consider approaches to balancing the budget and improving financial sustainability, including options for further Exceptional Financial Support, prior to making recommendations to Budget Council on 26 February 2025.</p>	
Timescale for managing risk to an acceptable level: March 2025	

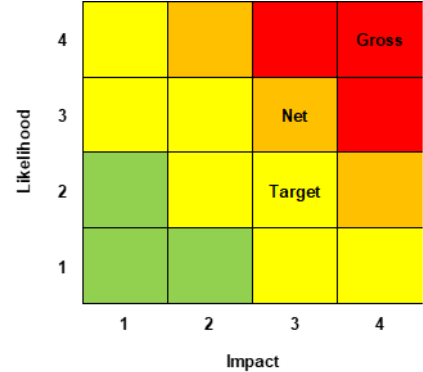
Risk Name: Leadership Capacity		Risk Owner: Chief Executive																																		
Risk Ref: SR07	Date updated: 25 th February 2025	Risk Manager: Interim Director of People and Customer Experience																																		
<p>Risk Description: There are a number of vacancies and temporary acting up arrangements in place across CEC’s leadership team are not functioning. These limit its capacity and prevents the team from operating as effectively as possible. Without the right capacity across the leadership team, the organisation is unable to flex and be respond to its challenges.</p> <p>Potential impacts: The impact may be a failure to achieve priorities, which is ever more critical in light of current financial challenges as well as the Council’s requirement to deliver a large-scale transformation programme. It could also be the case that priorities are delivered at higher cost than could otherwise be achieved. Without maintaining value for money throughout the organisation, overall amount of effectiveness is reduced.</p> <p>Drivers of likelihood: Reputational risk from Section 114 notice and impact on recruitment and retention. Failure to recruit and retain individuals for senior management positions. Failure to complete DMA exercise and implement a revised structure, Failure implement management development for the leadership team. Failure to communicate and motivate the wider workforce.</p>		<table><tr><td rowspan="4">Likelihood</td><td>4</td><td></td><td></td><td></td><td>Gross</td></tr><tr><td>3</td><td></td><td></td><td>Target</td><td>Net</td></tr><tr><td>2</td><td></td><td></td><td></td><td></td></tr><tr><td>1</td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td>1</td><td>2</td><td>3</td><td>4</td></tr><tr><td></td><td></td><td colspan="4">Impact</td></tr></table>		Likelihood	4				Gross	3			Target	Net	2					1							1	2	3	4			Impact			
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Interdependencies (risks): All other strategic and operational risks.		Lead Service Committee: Corporate Policy Committee																																		
<p>Key Mitigating Controls:</p> <ul style="list-style-type: none">• Council Constitution and decision-making structure, including the Committee system and defined terms of reference.• Corporate Plan and Annual Service Business Plans.• Support from Governance functions.• Leadership team recruitment processes, including skills and experience requirements.• Leadership team performance management processes.• Organisation structure and internal reporting.• People Strategy																																				
Actions (Monitoring):		Target Date for Completion:																																		
Undertake Decision Making Accountability (DMA) exercise from Heads of Service level to develop a revised organisational structure and implement new structure (Introduction of new populated structure)		01/11/2024																																		
Leadership development programme for CLT and WLC (Evaluation of programme once completed and sessions delivered)		31/07/2025																																		
Interim arrangements for key posts (Interim recruitment exercise to a number of key posts)		31/05/2024																																		
<p>Comments this quarter: Interim Director of People and Customer Experience joined CEC in mid December in addition to Interim Head of Customer Services. All interim key posts are filled and are kept under review, the only post not filled are Head Of roles. Recruitment campaign commenced with our partner, Starfish. Because of the scale of the work involved the recruitment is being phased. The first tranche will focus on recruiting to the ED Resources & S151, Director of Public Health, Governance, Compliance and Monitoring Officer and Assistant Chief Executive. These are posts that require Full Council Approval. Recruitment of additional posts will take place from February onwards. It is envisaged that a permanent complement of Chief and Deputy Chief Officers will be in place in later Summer 2025.</p>																																				
Timescale for managing risk to an acceptable level: November 2024																																				

Risk Name: Ability to Achieve Organisation Change		Risk Owner: Assistant Chief Executive
Risk Ref: SR08	Date updated: 18 th February 2025	Risk Manager: Director of Transformation
<p>Risk Description: The risk that the council is unable to achieve organisational change due to a lack of resources and capacity to focus on transformation as people focus on the delivery of business as usual. Recently received advice from government commissioners advised that organisational change capacity is a key ingredient to support the council in delivering transformation to achieve medium to long term change that will support achievement of savings and also, in the event of a section 114 notice being issued, organisational change capacity is also essential to deliver necessary actions arising from interventions.</p> <p>Potential impacts: The council is required to deliver transformation activity at pace in order to balance the budget and avoid section 114. If a section 114 notice is issued and commissioners intervene, the council bears their costs. These costs are estimated at up to £200K per commissioner and there are usually 2-6 commissioners, for a period of up to 5 years. Therefore it is more prudent to ensure that there is capacity for organisational transformation to avoid more significant costs and reputational damage.</p> <p>Drivers of likelihood: A focus on delivery of frontline and statutory services and a de-prioritisation of corporate, enabling functions. A lack of clear governance and oversight of delivery of transformation. No clearly identified medium- and long-term transformation programme. Failure to recruit and retain individuals for senior management positions. Failure to identify and implement required change initiatives effectively and in a timely fashion. Failure to oversee efficient and effective operations, including dealing with poor performing individuals and to communicate and motivate the wider workforce.</p>		
Interdependencies (risks): Recruitment and Retention, Failure to Achieve the MTFS		Lead Service Committee: Corporate Policy Committee
<p>Key Mitigating Controls:</p> <ul style="list-style-type: none"> • A “doing things differently” initial list of change proposals has been collated and is being discussed with members. • A weekly Strategic Finance Management Board (SFMB) meeting is in place with Senior Level Membership to review the activities required to meet budget savings targets • A Bright Ideas scheme is in operation to enable the workforce to contribute their ideas for transformation • A new Corporate Plan has been consulted on to clarify the vision and priorities for Cheshire East • Appointment of a Delivery Partner to provide additional capacity and to produce the council transformation plan • Formation and weekly meetings of the transformation board • Establishment of a core project team to support the next phase of transformation 		
Actions (Monitoring):		Target Date for Completion:
Strategic CLT discussion planned on structure necessary to achieve transformation.		January 2025
Medium to Long Term Transformation Plan to be developed linked to revised structure for phase 3 (March 25 onwards)		January 2025
<p>Comments this quarter: A reduction in the net likelihood brings the overall net rating down to equal with the target, the transformation plan is progressing in line with prescribed timelines/activities and an exercise to map savings against MTFS proposals has been concluded. The Target Operating Model has been produced and detailed communication plan has been developed. A further staff engagement event took place with 500 staff attending over 2 sessions.</p>		
Timescale for managing risk to an acceptable level: N/A		

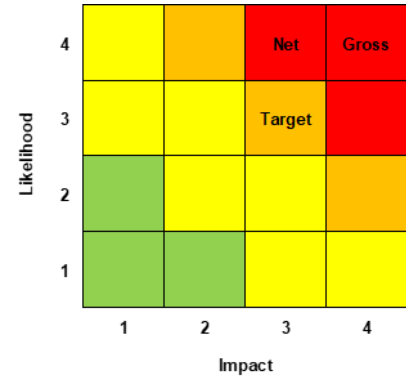
Risk Name: Recruitment and Retention		Risk Owner: Executive Director of Resources, Section 151 Officer																																	
Risk Ref: SR09	Date updated: 25 th February 2025	Risk Manager: Interim Director of People and Customer Experience																																	
Risk Description: Recruitment and retention of skilled and motivated staff is required to allow the organisation to deliver its Corporate Plan, LGA Corporate Peer Challenge Action Plan, Children’s Improvement Plan and its transformation programme. Achievement of the plan and programme requires operational changes which allow the council to adapt and improve. Impact of the risk occurring: High staff turnover and, or skills shortages, insufficient capacity within services. Failure to achieve annual budget and deliver the council’s transformation and improvement programme and a detrimental impact upon the physical, emotional, and mental wellbeing of staff. Drivers of failure: National and local demographics alongside external factors led to increasing and changing demands on services. Increases to the cost of living also present risks to the resilience and wellbeing of our workforce and therefore the capacity to respond to demand. Outcome of Ofsted inspections as well as current financial challenges. WorkplaCE programme and the DMA review also impact.		<table><tr><td rowspan="4">Likelihood</td><td>4</td><td></td><td></td><td></td><td>Gross</td></tr><tr><td>3</td><td></td><td></td><td>Net Target</td><td></td></tr><tr><td>2</td><td></td><td></td><td></td><td></td></tr><tr><td>1</td><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td>1</td><td>2</td><td>3</td><td>4</td></tr><tr><td></td><td></td><td colspan="4">Impact</td></tr></table>	Likelihood	4				Gross	3			Net Target		2					1							1	2	3	4			Impact			
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Interdependencies (risks): Business Continuity, Increased demand for Adults Services, Complexity and Demand for Children’s Services		Lead Service Committee: Corporate Policy Committee																																	
Key Mitigating Controls: <ul style="list-style-type: none">• Workforce planning is in place via the Council’s Workforce Strategy 2021-2025. This is a 4-year strategy with ongoing review. Work is underway on the development of a new Workforce Strategy for 2025-2028. Service Workforce Plans are also undertaken on an annual basis as part of the wider business planning process to review and support workforce planning on a service-by-service level• Benchmarking exercises and workforce metrics are used to identify potential issues and service workforce plans developed as above to mitigate. Work on the refinement of a workforce assessment for the Council has been completed and a monthly workforce dashboard is available to identify potential issues. The workforce assessment is then updated twice a year, to ensure services have regular focused workforce data available.• Focused apprenticeship levy funding, specific succession planning and talent management initiatives are used to support high priority areas. This is supported by the introduction of a manager and director dashboard on Learning Lounge that will help the identification of training and skills gaps.• Recruitment and retention programme has delivered attendance at a programme of local and regional recruitment fairs, an end-to-end review of the recruitment process, improved recruitment advertising, an employee offer brochure, a review, and the planned implementation of additional employee benefits, a social work academy in Children’s Services and the development of additional career pathways. The introduction of employee profile videos on social media and on Cheshire East Council’s website to enhance the Council’s profile have also been introduced. Further work will be undertaken to streamline the recruitment process to ensure improved efficiency and a better user experience.• Review of the provision of agency staff, including an audit of spending, to reduce reliance and transition to a more stable permanent workforce base with reduced costs has also been undertaken. The Council has implemented the provisions of the Government proposal on capping the pay rates for agency social workers and has also engaged with the proposals for capping agency pay rates for Children’s Social Workers as part of the Greater Manchester Pledge.• Analysis of exit interview and questionnaire data with the relevant Executive Director to support the retention of staff.• Wellbeing and engagement support, including delivery of EAP services, the introduction of ‘In the Know’ sessions for all staff, a revitalised recognition scheme, monthly organisation wide wellbeing updates for all staff, and the promotion of the government funded initiative Able Futures.• Senior manager support in the redesign and restructure of services to meet MTFS targets, including MARS to minimise the impact on the workforce. A workforce planning toolkit is now in place to support services in identifying skills gaps and identify actions to address any identified gaps.																																			

Actions (Monitoring):	Target Date for Completion:
Recruitment to new senior management structure	April 2025
Introduction of a range of additional employee benefits, enhancing the existing offer (Monthly review by HRMT/Ongoing briefing to CLT on progress and implementation).	On-going
Use Pulse Survey and Exit Interview data results to gauge employee satisfaction (Reviewed by HRMT and shared with DMTs).	On-going
Completion of a transformation skills audit (Reviewed by HRMT monthly)	On-going
Comments this quarter: No change to the risk this quarter. Expectations are that the risk will be materially revised in Q4 based on the views of the incoming Interim Director of People and Customer Experience.	
Timescale for managing risk to an acceptable level: N/A	

Risk Name: Failure to manage the Consequences of Policy Uncertainty and National Policy Frameworks		Risk Owner: Governance, Compliance and Monitoring Officer
Risk Ref: SR10	Date updated: 16 th January 2025	Risk Manager: Governance, Compliance and Monitoring Officer
<p>Risk Description: The risk that the council cannot adequately understand and react to national policy changes or effectively implement them. The scope of the risk covers all central and local government decisions which relate to the operations of local government.</p> <p>The Corporate Plan guides the council's decision-making, it informs what is considered a 'good' policy outcome and areas of priority. Political changes may result in stakeholders no longer being aligned with that current plan. Central government policy decisions can materially impact the council in many ways, while other risks might draw out specific changes and capture their direct impact, this risk brings together the total effect of political uncertainty for consideration.</p>		
Interdependencies (risks): Stakeholder Expectations and Communications, Failure to Achieve the MTFS, Failure to Adhere to Agreed Governance Processes		Lead Service Committee: Corporate Policy Committee
<p>Key Mitigating Controls:</p> <ul style="list-style-type: none"> Engagement with national government, consultations and requests for feedback Application for and funding agreement processes, governance process for ad hoc grants Engagement with political administration of CEBC Engagement with group leaders of CEBC parties Induction, on-going training and committee briefings for CEBC members Service Committee support and briefings for members and senior officers Corporate Plan and MTFS regular and ad hoc (post material changes) review process, including contingency planning Preparation for elections and promoting engagement in democracy. Forward planning for each committee's policy development and areas of political sensitivity The development and delivery of the Corporate Plan New member induction & training programme 		
Actions (Monitoring):		Target Date for Completion
Adaptation of the committee briefing process to increase flexibility to draw out impact on residents more clearly		2024/25
<p>Comments this quarter: Uncertainty has been removed from the register; the net likelihood aspect of this risk has significantly reduced following the introduction and progression of the Council's Transformation Plan, progress against the Corporate Peer Challenge actions, and following the closure of "Of", those additional reporting requirements are no longer required by central government. The council can be more confident in its ability to identify and respond to national policy or legislative changes in line with the Cheshire East Plan 24-25, and the Cheshire East Corporate Plan 25-29. This reduces the overall net rating to 4, equivalent to the target score. Specific issues relating to individual policy/legislation changes will be raised as required.</p>		
<p>Timescale for managing risk to an acceptable level: Controls that mitigate this risk are based on the current landscape and timetable for local and national elections. The ability to manage this risk is not completely within the council's gift.</p>		

Risk Name: Failure to Adhere to Agreed Governance Processes		Risk Owner: Director of Governance, Compliance and Monitoring Officer
Risk Ref: SR11	Date updated: 16 th January 2025	Risk Manager: Governance, Compliance and Monitoring Officer
<p>Risk Description: The council is a complex public sector organisation with a broad range of objectives, some of which it is legally obligated to deliver, its goals for the borough are identified within its Corporate Plan. Formal reporting and decision-making within the council is, to a degree, prescribed by local authority regulation. The decision-making process at all levels, must comply with regulatory requirements while also delivering those stated goals.</p> <p>Detailed consequences: Robust governance requires clear aims and policy objectives and identified and delivered. Governance processes should facilitate the lawful delivery of those objectives and prevent the misapplication of resources in achieving other goals. Ultimately this can result in a reduction of living standards and physical health and mental wellbeing of residents. Failure to provide a reasonable level of service to residents at an appropriate cost, or to follow legal decision-making protocols, can result in increased regulatory scrutiny and reputational damage. Possible outcomes of which may be, public censure, financial penalties or direct central government intervention.</p> <p>Detailed causes: The volume and complexity of the council's services and objectives, coupled with finite resources and differing stakeholder views, make the application of the Corporate Plan into 'good' decision-making, a challenge. Examples of governance failures are:</p> <ul style="list-style-type: none"> • Variations in interpretation and non-compliance with agreed process and internal controls. • Deviation from core objectives as result of prioritising presenting issues. • Failure to allocate limited resources in line with the requirements of agreed objectives. • Inadequate internal controls across the organisation or vertically with a directorate. 		 <p>The risk matrix shows a 4x4 grid of risk levels. The y-axis is labeled 'Likelihood' with values 1, 2, 3, 4. The x-axis is labeled 'Impact' with values 1, 2, 3, 4. The cells are color-coded: Green (Low Risk), Yellow (Medium Risk), Orange (High Risk), and Red (Gross Risk). The matrix is labeled 'Gross', 'Net', and 'Target'.</p>
<p>Interdependencies (risks): Failure to Achieve the MTFs, Stakeholder Expectation & Communication, Leadership Capacity, Ability to Achieve Organisation Change, Failure to Manage the Consequences of Policy Uncertainty and National Policy Frameworks</p> <p>Key Mitigating Controls:</p> <p>Council's Constitution covers decision making processes, including finance and contract procedure rules. The Constitution is reviewed and amended on an on-going basis to ensure legal compliance and operational continuity. Following the adoption of the Committee system, mechanisms were put in place to capture Member's feedback and are reported to the (Constitution Working Group). The number, nature and terms of references of the Committees are assessed on an on-going basis, with refinements being implemented via full council decision.</p> <p>Constitution is a publicly available document; guidance on the use of the decision-making processes is provided by enabling services including Legal, Finance, Democratic Services, and Audit and Risk. Constitutional updates are overseen (recommended and administrated) by the Governance, Compliance and Monitoring Officer in response to regulatory changes and Full Council decisions. Administration of local, regional and national elections and monitoring of behaviour in the period of heightened sensitivity beforehand. During which time, appropriate adjustments are made to the publishing or reporting of controversial issues or anything that seeks to influence voters. Reports to Committees are developed and reviewed by senior officers and enabler sign off, briefings are arranged with Committee Members to address any further knowledge requirements ahead of the relevant meeting. All decisions are formally recorded in meeting minutes and administrated in line with delegated authorities as per the constitution.</p> <p>Schemes of delegation; local and financial are in place to provide clarity on responsibilities ensure separation of duties is in place where required and minimise the risk of inappropriate management override.</p>		Lead Service Committee: Corporate Policy Committee

Assurance mechanisms on the organisations' compliance with its decision-making processes are provided through the external audit (Statement of Accounts) and the work of the Internal Audit team. Internal Audit's assurance is achieved through the development and delivery of an annual plan and follow-up monitoring of agreed actions. There are other external inspections, such as Ofsted, which may examine elements of our decision-making processes through their work, although this is not usually the primary focus. The organisation publishes an Annual Governance Statement identifying significant governance issues which have occurred, any known areas which may cause issues if not managed effectively and updates on issues previously identified.	
Actions (Monitoring):	Target Date for Completion
Review CEC's input into Joint Arrangements or Committees to ensure appropriate input for CEC is in place in the governance and decision-making arrangements	TBC
CE legal services to be made aware of papers and plans in advance	TBC
Review governance requirements of the Gemini project	TBC
Comments this quarter: A reduction of the net likelihood was considered but in recognition of the number and complexity of Joint Arrangements/Committees in place, it was determined that the net score remains unchanged. CEC has a number of on-going areas that require legal and democratic support to ensure that all decisions are made within the agreed processes.	
The three main examples of this are the Gemini ICT project with Cheshire West & Chester, insourcing our wholly-owned companies, Orbitas and ANSA back in house and the devolution programme. CEC's legal function is required to ensure that all decision-making is lawful and in line with the constitution. To do this, it must be sighted on prospective decisions in advance by the WLC. Partner's governance arrangements may also differ from our own, adding additional complexity to decision making and the achievement of objectives in required timescales.	
Timescale for managing risk to an acceptable level: N/A	

Risk Name: Stakeholder Expectations and Communication		Risk Owner: Assistant Chief Executive
Risk Ref: SR12	Date updated: 20 th January 2024	Risk Manager: Head of Engagement & Communications
<p>Risk Description: The risk that the council does not understand the expectations of its stakeholders and that its communication and engagement with those stakeholders does not result in their understanding of the council's actions, nor appropriate involvement and influence. The council has an obligation to provide as high a level of service to its residents as its funding will allow. This requires not only considering both the short and long-term but also the expectations of all of its stakeholders.</p> <p>Potential impacts: A lack of understanding and poor communication and/or failure to effectively engage with stakeholders will cause damage to the council's reputation, if this is severe enough it may result in poor performance, increased complaints, regulatory inspection, challenge from central government, low morale, increased staff turnover and make the borough a less desirable place to live and work in. Consultation fatigue will result in a poor experience, reduced engagement and a lack of clarity over the changes being proposed.</p> <p>Potential drivers: To a certain degree the council cannot fully control the views that its stakeholders form. At times it will have to make decisions that are unpopular, this can be due to the context of these decisions not being effectively communicated, understood or just being disregarded by stakeholders. Management of this risk should be considered on the basis of the objective regard for and interest in the council its policies and its services (measured via surveys, media coverage, customer relations activity, etc.) and an assessment of the quality of its engagement (both listening and telling).</p> <p>Interdependencies: Increased Demand for Adult's Services, Complexity and Demand for Children's Services, Failure to Achieve the MTFs</p>		
<p>Key Mitigating Controls:</p> <p>Communication & Media</p> <ul style="list-style-type: none"> Ensure that information about the Council, its services and how to access them is easily available in a range of formats for a wide range of audiences Communications strategies for key projects, issues, decisions and service changes developed agreed and reviewed with senior stakeholders and decision makers (internal and external communication) Positive proactive communication across multiple channels to celebrate the council's successes and achievements. Comms programme is planned and reviewed over the short-term (daily) and the long-term (monthly / annually), including review of committee forward plans, council service plans, consultation and engagement programmes. Communications handling requirement for each service committee/full council meeting agreed with lead officer(s) Continue to develop proactive direct comms to be issued via e-mail / SMS – we currently have 56,426 subscribers for 'push' notifications across a range of topics Regular internal communications to members and officers Monitoring and reporting of organisational reputation and sentiment, (social and traditional media). This includes weekly analysis report for senior managers. Monitor public sector press (e.g. MJ and LGC) and maintain and develop relationships with these media outlets to maximise opportunities for positive coverage. Communications and media function advised at an early stage of all future demand and emerging issues to enable effective planning Media training programme for key spokespersons Use performance management reports for council services and programmes to identify reputational opportunities and risks at an early stage. Providing a 24/7 emergency communications on call function Media relations protocol and approvals process – including protocol(s) for partnership communications where required. 		Lead Service Committee: Corporate Policy Committee

<ul style="list-style-type: none"> Review communications business continuity, priorities and emergency / crisis comms protocols and plans Regular meetings with comms leads from public sector partner organisations to collaborate, share plans and intelligence Flexible use of social media and digital communication platforms 	
Consultation <ul style="list-style-type: none"> Endeavor to undertaken consultation when proposals are still at a formative stage. Design consultation which clearly sets out the reasons for any proposal or change to enable stakeholders to undertake informed consideration and response to the options. Consultation and engagement activity will be used as evidence when making decisions through informative consultation summary reports and adequate time will be given between the end of a consultation and a decision is made, to allow for consideration of and where required, a response to, the output of a consultation or engagement. Equality Impact Assessments (EIA) are completed, appropriate for the purpose of use and that they are approved by Head of Service before any consultation can begin. Make it clear how consultation and engagement activity, EIA and other intelligence has been conscientiously taken into account when finalising the decision. Use the equality impact assessment toolkit, guidance, and template to provide clarity around what the equality impact assessment is and how it should be used. Equality champions to be supported by annual impact assessment training Resident surveys findings to be used to assess levels of resident satisfaction with the Council 	
Actions (Monitoring):	Target Date for Completion
Communication & Media	
Review communications and engagement strategy in the context of Corporate Peer Challenge Action plan, new Cheshire East plan, and wider transformation and improvement work (Provide progress reports to CPC every six months – once a revised communications and engagement strategy has been approved and adopted)	Q3/Q4 2024/25 (aligned to new Cheshire East plan development)
Provide communications support for transformation and improvement, financial management and implementation of MTFS proposals to ensure all stakeholders are well-informed about any changes to service and policy (Review annually)	March 2025
Consultation:	
Complete the service restructure to enable recruitment to vacant posts in the research and consultation team	2024/25
Better align the relationship between communication, engagement and consultation functions (Review annually)	Q3 2024/25
Explore options to strengthen resident engagement to inform decision making e.g. citizen/resident panel (Review annually)	October 2024
Develop a consultation and engagement programme (Review annually)	October 2024
Ensure that officers undertake regular training aligned with roles and responsibilities (Review annually)	March 2025
Comments this quarter:	
Communication & Media: In November 2024, as part of senior management restructure, a new service ‘engagement and communications’ has been created to bring together consultation and communications functions, supporting actions in response to LGA Corporate Peer Challenge Action Plan. Key developments impacting on stakeholder perception of the organisation in Q3 include: <ul style="list-style-type: none"> Devolution White Paper Council finances, provisional finance settlement and Exceptional Financial Support Implementation of parking review Food waste / three weekly collections proposals Highways maintenance 	

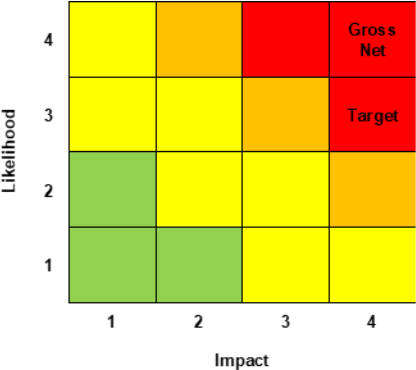
<ul style="list-style-type: none">• HSE investigation• Catering service in extra care housing• Alternative rail proposals• Armed Forces Covenant Gold award• Longridge inquiry <p>Consultation: Consultations during the period have included:</p> <ul style="list-style-type: none">• Interim Housing Strategy• Home repairs and adaptations policy• Twilight meetings survey• School admission arrangements• Residual waste collections <p>During this period, the public and stakeholder engagement to inform budget setting started. This year, an alternative approach has been taken. In previous years, the council has asked residents for their views on a wide range of specific proposals for savings, growth and changes to services to balance the budget and deliver priorities. However, while uncertainties about funding and forecast demands for services remain and during the ongoing development of financial plans, the council is asking residents about what they think the council should prioritise when making its financial decisions, before proposals for a full balanced budget are put forward. This engagement activity continues into Q4 2024/25.</p> <p>Timescale for managing risk to an acceptable level: Q4 2024/25</p>

Risk Name: Information Security and Cyber Threat		Risk Owner: Executive Director of Resources, Section 151 Officer
Risk Ref: SR13	Date Updated: 16 th January 2025	Risk Manager: ICT Programme Managers
Risk Description: (Cause) There is a risk that as the Council continues to move towards using new technology systems to reduce costs and fulfil communication, accessibility, and transaction requirements, (threat) it becomes increasingly vulnerable to a security breach, and, or loss of information, either maliciously or inadvertently from within the Council or from external attacks by cyber-criminals. (Impact) This could result in many negative impacts, such as loss of information, distress to individuals, legal, financial, and reputational damage to the Council, in addition to the possible penetration and crippling of the Council's IT systems preventing it from delivering its Corporate Outcomes.		
Interdependencies: This risk has interdependencies with corporate risk Business Continuity and Stakeholder Expectations and Communication. It also has links to the Financial Resilience risk, as funds for maintenance and replacement will be stretched, placing additional strain on assets and resilience of information security controls.		Lead Service Committee: Corporate Policy Committee
Key Mitigating Controls: <ul style="list-style-type: none"> The CIO is an advocate of and reports on Information Risk to the Corporate Leadership Team and the Audit and Governance Committee and makes the Annual Statement of Internal Control of Information Risk. The Council has a number of Information and Data Security policies which are published on the Centranet and help to protect from the Council from inappropriate and unauthorised access and communicates what to do in the case of an incident. Policies; Information Security Policy Overview, ICT Access Policy, ICT Communications and Operations Policy, ICT Computer, Telephone and Desk Use Policy, ICT Email and Messaging Policy, ICT Flexible and Mobile Device Policy, ICT Incident management Policy, ICT Infrastructure Policy, ICT Internet Policy, ICT Legal Responsibilities for Data Policy, ICT Personnel Standards for Information Security, ICT Protection Policy, ICT Removable Media Policy and ICT Software Policy. Policies review and guidance materials updated to strengthen advice to staff on how to manage various information types Progress on Information Risk and Information Security is monitored through the Information Security Steering Committee (ISSC), Strategic Information Governance Group (SIGG) and the IG Collaboration Group. The Council has an Incident Reporting process which has been communicated to staff, all incidents are scored and assessed by SIGG to ensure that the breaches are minimised, and future breaches are reduced. The Council complies with the Public Services Network PSN Code of Connection, NHS Data Security and Protection Toolkit, DWP's MOU and NHS Digital controls, work continues with the consolidation and enhancement of elements of the security estate to meet the ever-developing threat profiles. This includes third party IT hardware and software tests undertaken by accredited security vendors, these validate that the network and hardware are secure and robust, if any vulnerabilities are found then a mitigation plan is drawn up and actioned. The Council has an Information Asset Register which is reviewed on an annual basis and has been published on the open data portal. There is also an Information Assurance Data Management (IADM) programme of activity to increase awareness and maturity of information assurance and governance across the Council. The programme is tasked with guiding the organisation to manage its information in a compliant and efficient way. Data Classification has been rolled out to the organisation; this allows the categorisation of information so that appropriate controls can be employed to protect the information. 		

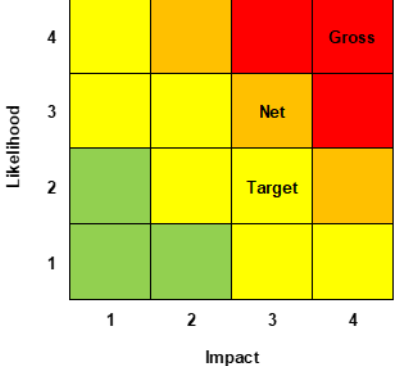
- The Council provides security and compliance e-learning modules (which are mandatory for all employees) on the Learning Lounge. This includes several modules of Data handling, Cyber Security, and Information Assurance. There are also several best practice guides on the Councils Lighthouse on the best ways to use technology and to protect information. These modules and best practice guides are updated regularly to reflect changes in working practices and as a response to additional threats.
- In addition, proactive testing is carried out across the council to gauge the level of compliance and understanding of cyber best practice, this testing is followed up with additional support and training for those that need it. This process will raise the maturity and level of understanding to ensure that the Council has an adequate level of cyber readiness across its workforce.
- Controls are in place to restrict access to the data centres and network equipment and risk assessments of existing systems and networks are on-going.
- The Council's ICT Services have a strategic direction to move to a "Cloud First" principle, whilst this enables an evergreen environment which is always up to date, additional controls are needed to prevent compromise or inappropriate use and access. This includes contract compliance and monitoring to ensure ongoing protection of information. To support the strategic direction and architecture principles all technical solutions are reviewed at the Technical Design Authority to ensure correct alignment.
- In addition, the Council is moving to Zero Trust architecture, this is a direct result of increased threats posed to the working infrastructure. This shift is in line with the latest thinking and guidelines issued by the NCSC.
- In support of this a high-level business case for Infrastructure Investment of which Security & Compliance is an element was submitted and subsequently approved. This additional funding will be used to develop the necessary tools to start the implementation.

Actions (Monitoring):	Target Date for Completion:
Identity Management (Information Security Steering Committee (ISSC), Information Assurance and Data Management (IADM))	March 2025 (Multiyear project)
Application Management (Information Security Steering Committee (ISSC))	March 2025 (Multiyear project)
Data Security (Information Security Steering Committee (ISSC))	March 2025 (Multiyear project)
Data Quality (Information Assurance and Data Management (IADM))	March 2025 (Multiyear project)
Information Management (Information Assurance and Data Management (IADM))	March 2025 (Multiyear project)
Comments this quarter: No change to the risk rating currently. There is continued heightened risk currently through state sponsored attacks and increased ransomware activity. The NCSC have reported "Cyber-attacks are becoming more frequent and severe, posing a greater risk to British organizations and the public." Of the incident reported to the NCSC 89 were deemed nationally significant, including 12 critical incidents, a threefold increase compared to last year.	
Identity Management/Data Quality – The employee directory within Unit4 and the Identity Management solution have been linked through the Master Data Management solution enabling the harmonisation of employee accounts, this will ensure that redundant accounts are deleted in a timely manner. Redundant and unused accounts are a weak element in any cyber security estate. This will ensure that data elements related to employee such as job title, organisation structure will be accurate ensuring a useable Resource Directory is created and licensing details will be current.	
Use of the Master Data Management solution ensures that quality exists in key data elements across the entire organisation, it ensures that data/information is not siloed and is shared where relevant.	
Data Security – Several companies have been contacted that specialise in Security Operations to understand what level of support we could receive as part of a managed service to provide security and protection across a larger timeframe i.e. 24/7.	
Information Management – The Enterprise Content Management project to move legacy filestore onto SharePoint applying retention is ensuring that the information the organisation holds is current and compliant. This is increasingly important not only for compliance purposes but also with the rise and use of AI that information is relevant and timely.	
Timescale for managing risk to an acceptable level: N/A	

Risk Name: Business Continuity		Risk Owner: Director of Governance, Compliance and Monitoring Officer
Risk Ref: SR14	Date updated: 17 th January 2025	Risk Manager: Head of Audit, Risk & Assurance
<p>Risk Description: Failure to maintain business continuity after an unusual or unexpected, disruptive event or events. The risk that, some or all, of the council's services, projects or initiatives are unable to resume operations within the expected timeframes after a disruption. A disruptive event, or multiple events, may occur either in isolation, or across the whole organisation.</p> <p>Detailed consequences: The council has a number of safeguarding obligations to its residents, a failure could result in it being unable to fulfil those obligations, and as such not protect them from mental or physical harm. Failures may also cause an unacceptable loss of local services.</p> <p>Detailed causes: The unavailability of staff, ICT systems, equipment or a suitable working environment are the most common causes of a material failure. Many different social, economic, environmental or public health factors can drive these causes to manifest themselves. Underlying this may also be a failure to reasonably allocate resources to eliminate single points of failure in these areas.</p>		
Interdependencies (risks): Information Security and Cyber Threat, Pandemic Virus, Fragility in the Social Care Market, Council Funding, Organisational Capacity & Demand		Lead Service Committee: Corporate Policy Committee
<p>Key Mitigating Controls:</p> <ul style="list-style-type: none"> BC Plans held for each service area – clear format, identifying critical and serious priority activities with recovery time objectives. BC impact assessments undertaken across the organisation to understand challenges to service delivery ahead of known events, informing decision making and mitigation plans. High level course on Business Continuity Management has been added to the Council's Learning Lounge ICT Shared Service also have a Crisis Recovery Plan that has been updated to take account of lessons learned as a result of ICT outage incidents. This Crisis recovery plan overview contains key information for the ICT Shared Service disaster recovery Ongoing liaison with Emergency Planning Shared Service 		
Actions (Monitoring):		Target Date for Completion:
Review and refresh of the Business Continuity Framework (2-year review cycle, delayed start due to other work pressures, involvement of BC workshops, policy framework changes more broadly)		November 2024
Development of SharePoint BC templates and processes		March 2025
Rollout and training for the BC templates and processes		June 2025
<p>Comments this quarter: The planned BC workshops were delivered in Q3, they were received well and raised a number of practical questions that can feed into processes going forwards. Based on feedback from services the development of a SharePoint based app would not be expected to deliver the required flexibility. The existing format of BC plans will be reviewed and updated during Q4, after which services will be supported in reviewing and updating plans. No change in the risk at this time.</p>		
Timescale for managing risk to an acceptable level: TBC		

Risk Name: Capital Projects - Place		Risk Owner: Executive Director of Place
Risk Ref: SR15	Date updated: 23 rd January 2025	Risk Manager: Place Directors and Business Managers
Risk Description: Failure to deliver major capital projects. (particular focus on Middlewich Eastern Bypass) <p>Impact: The council delivers a broad range of capital projects in support of the aims and objectives of its Corporate Plan. The delay to the DfT decision on the Middlewich Eastern Bypass and to the Council's Capital Programme Review has brought uncertainty to overall programme delivery. It is impacting the ability to deliver economic growth as published in the Local Plan Strategy.</p> <p>Continued delay, or ultimately cancellation of the MEB would have significant financial and reputational implications for the Council. Delays cause increased costs and affect affordability. The delivery uncertainty could lead to cancellation of major economic regeneration projects and would mean that the very significant costs (c£25m) expended to date would need to be charged to revenue budgets in the year of cancellation. These costs would significantly worsen the Council's current financial situation.</p> <p>Likelihood: Medium to High- there have already been significant delays to the DfT decision and the council's own review. Coupled with the recent exceptionally high inflation rates in construction, the uncertainty this leads to is very likely to lead to budgetary challenges...</p>		
Interdependencies (risks): Failure to Achieve the MTFS, CEC Carbon Neutral Status, Failure of the Local Economy		Lead Service Committee: Economy and Growth, Environment and Communities, Highways and Transport
Key Mitigating Controls: <ul style="list-style-type: none"> • Appropriate and proportionate governance has been established to oversee the MEB. • Internal governance is in place to monitor the impacts of delay and increased costs at a project level. These processes have been independently assessed as appropriate for a project of this size. • At a strategic level, internal decisions were taken to support the resubmission of the Full Business case to the department for Transport in September. • The overall Capital Strategy and overall Capital Programme is presented annually as part of the Medium-Term Financial Strategy to show the MEB project alongside the rest of the capital programme. • A capital programme review has been underway for some time of all schemes included in the MTFS underway to consider affordability. The outcome is awaited. 		
Actions (Monitoring):		Target Date for Completion:
Lobbying at a political level for a quick positive decision on the MEB to minimise uncertainty (By CLT – regular performance updates)		On-going
Updating costs estimates and funding advanced works where possible to maintain the programme and current cost estimates so that construction can start asap after funding decision (MEB monthly project board)		On-going
Comments this quarter: No change to risk; lobbying continuing. Paper taken to Highways and Transport committee on the risk, programme and re-confirming delegations to enable a swift start on site should a positive decision be made by the end of Feb 2025. By next update, it will be clear whether a further adjustment to the scheme spend and programme will be needed. Blight notice withdrawn pending DfT decision, but is likely to return if funding is not ultimately successful		
Timescale for managing risk to an acceptable level: Major capital projects by their nature are high risk. The controls are designed to proactively manage risks and mitigate their impact if a risk is realised. It is not realistic to expect the risk to be managed any lower.		

Risk Name: CEC Carbon Neutral Status		Risk Owner: Executive Director of Place
Risk Ref: SR17	Date updated: 9 th January 2025	Risk Manager: Head of Environmental Services
<p>Risk Description: Failure to achieve Carbon Neutral status for the Council by the 2027 milestone target due to requirement to secure statutory consents, seek viable and affordable solutions and other external market forces outside the Councils control.</p> <p>Likelihood is based on a number of external factors, partnerships and key outcomes being delivered in a timely manner.</p> <p>Impact will result in non-delivery of a key priority in the Council's Corporate Plan. It will also contribute to climate change temperature rise and severe weather events which could have an impact on public health and safety. It could also have financial implications with increased need for adaptation of key infrastructure for severe weather events across the borough.</p>		
Interdependencies (risks): Economy and World Events, Recruitment and Retention, Council funding, Capital Projects		Lead Service Committee: Environment and Communities
<p>Key Mitigating Controls:</p> <ul style="list-style-type: none"> • Risk is reviewed as part of the Brighter Futures Transformation Projects Board, operational board and member steering group • Carbon Neutral Program established with Programme Board reviewing progress and risks monthly • Member Advisory group overseeing its delivery • Annual update on progress reported to relevant committee • Climate change is a key consideration as part of our statutory planning duties as an authority and within the development of local planning policy • Planned natural offset set at 10% more than required to reduce risk of non-delivery in any one project area 		
Actions (Monitoring):		Target Date for Completion:
Cheshire East Capital Spend Review (Awaiting outcome of the corporate capital review, progress paused on 2nd Solar farm, next phase of EV and next tree planting program until the review is complete)		TBC
<p>Comments this quarter: At Q1 and Q2, the ongoing review of the Council's capital programme, which has halted further spending on carbon-related projects, now presents a significant risk to the Council's commitment to becoming a carbon-neutral organisation by 2027. This pause in spending has prevented the ordering of the next phase of EV vehicles and the progression of the Council's second solar farm, which are key initiatives required to meet the 2027 target. As a result of this six-month delay, the net and target scores remain at the highest possible rating.</p> <p>Despite this, we have achieved significant milestones in previously authorised project spending. These include the completion of the Council's first solar farm, the installation of electric charging infrastructure for 23 vehicles, and the delivery of electric vehicles to street cleansing south and community wardens. Additionally, ongoing public sector decarbonization grant funding has supported the installation of air source heat pumps and roof-mounted solar panels on Council buildings. We have also made progress with this season's natural inset tree planting through the trees for climate fund.</p> <p>Timescale for managing risk to an acceptable level: TBC depending on the outcome of the Capital Review</p>		

Risk Name: Local Planning Authority Modernisation Plan		Risk Owner: Executive Director of Place
Risk Ref: SR18	Date updated: 23 rd January 2025	Risk Manager: Head of Planning
<p>Risk Description: Following the completion of the 'Local Planning Authority Review and Service Transformation' report and presentation to Environment & Communities Committee on 31 October 2022 a Modernisation Plan has been developed to achieve the transformation of the service. This Plan will carry forward the recommendations made, document actions and monitor progress. The recommendations are many and varied but failure to complete the actions of the Modernisation Plan will undermine the planned transformation of the service, perpetuating and potentially extending the issues identified and undermining the reputation of the organisation.</p> <p>Detailed consequences: Failure to achieve completion of the Modernisation Plan will undermine the performance of the Council in its Local Planning Authority role, result in non-compliance with statutory processes, and reputational damage to the Council. By not achieving the Modernisation Plan within agreed timescales, the potential for additional budget pressure increases.</p> <p>Detailed causes: Insufficient resource to ensure completion of priority actions in the required timescales (staff and skills) while also 'doing the day job', Interim Service Review Lead/Planning Director limited contract duration, supplier resource to deliver new ICT system, failure to engage with internal and external stakeholders to affect necessary changes, lack of oversight from the Planning Transformation Board/Steering Group.</p>		
Interdependencies (risks): Organisational Capacity and Demand, Reputation, Council Funding,		Lead Service Committee: Environment and Communities
<p>Key Mitigating Controls:</p> <ul style="list-style-type: none"> Environment and Communities Report 31/10/2022; Local Planning Authority Review and Service Transformation Report and Modernisation Plan. Monitoring of progress against Modernisation Plan by Transformation Board and Environment and Communities Committee. Regular meetings of Interim Director of Planning and Head of Planning and team managers to review action logs and progress on key priorities. Steering Group established to review workstream and focus priorities feeding into Transformation Board. Internal Audit reports on Community Infrastructure Levy and Section 106 will inform the scope of a member/officer working group. IT System Project has its own Project Board attended by supplier. Weekly monitoring of resources / recruitment during manager's meetings. 		
Actions (Monitoring):		Target Date for Completion
IT System Project escalation due to breach of contract (Weekly team and fortnightly Project Board meetings or as needed)		Q3 2024/25
External support from Capita retained to assist with backlog. Backlog funding secured from DLUHC, intervention from senior officers on older applications (Continued monthly reporting on application backlog)		Q2 2024/25
Continued monitoring of resources – recruitment to critical posts ahead of restructure (Weekly manager meetings)		Q4 2024/25
Modernisation Plan recast as Service Improvement Plan (Service Improvement Board reporting against workstreams)		Q4 2024/25
<p>Comments this quarter: IT system now implemented for planning and land charges. Initial backlogs and delays caused by the 'go live' processes and familiarisation of use. However, even after familiarisation questions remain over the functionality of the application processing which seems less efficient, particularly at the front-end. Web portal also a source of concern as to its useability. Application backlog reduced to normal levels but will need careful monitoring with implementation of new IT system.</p>		

Recruitment to restructure now ongoing. Update to S106 process and procedures now largely complete following sharing of ward report sand commencement of quarterly update meetings with services. Tree Risk Management / Building Control Performance added to Improvement Board to ensure new Strategy and processes are effectively prioritised.
Timescale for managing risk to an acceptable level: TBC

Risk Name: Delivery of the ILACS Improvement Plan		Risk Owner: Executive Director of Children's Services
Risk Ref: SR19	Date updated: 29 th January 2025	Risk Manager: Improvement and Impact Board
<p>Risk Description: That children's services do not achieve the improvements needed at the necessary pace to address the findings from the Ofsted inspection in February and March 2024, where children's services received an overall judgement of inadequate. This would mean that vulnerable children and young people in need of a children's social care service would not receive consistently good quality support.</p> <p>There is a significant reputational and financial risk to not delivering improvements. If services remain inadequate at the next inspection, further intervention measures may need to be put in place, for example escalation to a Statutory Direction notice, or Direction that another person or organisation performs the functions on the local authority's behalf. These measures will have a significant cost to the council and mean that we are not meeting children and young people's needs effectively.</p>		<p>Likelihood</p> <p>Impact</p>
<p>Interdependencies (risks): Increased Demand for Adult's Services, Complexity and Demand for Children's Services, Failure to Achieve the MTFS</p> <p>Key Mitigating Controls:</p> <ul style="list-style-type: none"> A comprehensive improvement plan is in place to address the inspection findings. The plan has been scrutinised by the Safeguarding Children's Partnership, the council's leadership team, members of the two children's committees, and full Council. Advice from the LGA and Ofsted, along with good practice from other authorities, has been sought and incorporated into the plan. Progress and impact against the improvement plan is monitored monthly through an independently chaired Improvement and Impact Board. This includes scrutiny of quality assurance and performance in relation to the plan. Independent improvement specialists from the DfE and LGA are members of the board. Reports on progress against the plan are provided to every Children and Families Committee meeting for oversight and scrutiny. Progress and impact will be externally evaluated through Ofsted monitoring visits and DfE reviews. 		Lead Service Committee: Children and Families Committee
Actions (Monitoring):		Target Date for Completion:
Monitor delivery and impact of the improvement plan (Improvement and Impact Board)		Monthly
Report to the Children and Families Committee on progress against the improvement plan (At each Children and Families Committee Meeting)		Every committee meeting from September
Adapt the improvement plan to respond to areas for improvement from Ofsted and DfE monitoring (Improvement and Impact Board and Children and Families Committee following monitoring activity)		March 2025
Provide scrutiny and challenge to the delivery of the improvement Board governance arrangements – Improvement and Performance Meetings (Improvement and Performance Meetings)		Monthly from January 2025
Develop an independent team to quality assure progress and impact against the improvement plan (Improvement and Performance Meetings)		October 2024
Review and develop the improvement plan to ensure this addresses the priority areas for improvement (Improvement and Performance Meetings)		January 2025
<p>Comments this quarter: New governance arrangements have been agreed and put in place to support robust oversight of progress against the improvement plan. This includes an oversight group to provide scrutiny and challenge around the progress of the plan, which is underpinned by 5 workstreams to oversee delivery and impact. Our</p>		

front-line staff have also been invited to inform our service developments and contribute to the workstreams to ensure accountability from front line practice through to the senior leadership team. Co-production against appropriate actions has also been progressed to involve Children and their families.

The plan has been reviewed and strengthened under these arrangements identifying independencies and ensuring timescales are realistic and achievable. We have also agreed how we will quality assure that actions have had the intended impact. Work to progress those completed over 6 months are now being tested.

Cheshire East Council is expecting a monitoring visit from Ofsted in February 2025. Preparation activity has taken place to ensure we accurately understand ourselves and we are addressing our areas for improvement, including a partnership group to progress the peer review of the front door to children's social care.

Safeguarding Partnership arrangements have now been established to facilitate a more effective partnership and new structure approved. The Safeguarding Board has now been refreshed as part of those new arrangements and the remaining structure changes will be in place by April.

Timescale for managing risk to an acceptable level: April 2026

Risk Name: SEND Inspection		Risk Owner: Executive Director of Children's Services
Risk Ref: SR20	Date updated: 30 th January 2025	Risk Manager: 0-25 SEND and AP Partnership Board and 0-25 SEND Executive Oversight Panel
Risk Description: That as a partnership, Cheshire East's children's and adults services do not receive a positive outcome from an <u>Ofsted and CQC area SEND inspection</u> . This would mean that vulnerable children and young people with SEND would not have been receiving consistently good quality support. There is also a significant reputational and financial risk to a poor inspection outcome.		
Interdependencies (risks): Increased Demand for Adult's Services, Complexity and Demand for Children's Services, Failure to Achieve the MTFS		Lead Service Committee:
Key Mitigating Controls: <ul style="list-style-type: none"> A partnership SEND inspection planning group is in place to drive and monitor activity to support inspection readiness A self-evaluation of the quality of our SEND services has been completed ensuring we understand ourselves well against the Ofsted framework. This will continue to be refreshed on at least a six monthly basis A SEND improvement team is being stepped up to drive service transformation A project plan is being developed for the transformation activity, based on the previous Safety Valve submission and the SEND Strategy priorities 		
Actions (Monitoring):		Target Date for Completion:
Establish the SEND transformation plan, with delivery firmly underway (Bi-monthly (every 2 months) through the SEND Partnership Board)		June 2025
Refresh the self evaluation of SEND support (Six monthly through the SEND inspection planning group)		Refreshed every six months as a minimum
Comments this quarter: Work to embed the new 0-25 SEND Partnership governance arrangements has continued, with initial meetings of the new SEND Transformation Action Group (TAG) taking place along with a refresh of the 0-25 SEND and AP Partnership Board membership.		
The Strategic Lead for SEND has worked with various services (both within the local authority and partner agencies, such as the Integrated Care Board) to refresh our SEND self-evaluation information, as part of producing the Children's Services SEF ahead of the upcoming north-west peer review. Work has also continued on the collation of required inspection evidence for a SEND inspection and has included several focused, service-specific meetings to look at evidence around areas such as alternative provision and health.		
Timescale for managing risk to an acceptable level: December 2025		

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Corporate Policy Committee

20 March 2025

**ASDV Review – Update on ASDV
Transfer and Alliance Environmental
Services Ltd.**

Report of: Phil Cresswell, Executive Director – Place

Report Reference No: CPC/62/24-25

Ward(s) Affected: ALL

Purpose of Report

1. To provide an update on the transition process of the staff and services provided by the Council's two wholly owned companies ANSA Environmental Services Ltd ("ANSA") and Orbitas Bereavement Services Ltd ("Orbitas")

Executive Summary

2. The Finance Sub-Committee in its role as shareholder to the Council's wholly owned companies made a decision in June 2024 to insource the services and staff which since 2014 have been provided by ANSA and Orbitas.
3. Since that decision was made a significant programme of activity has been established and delivered to date, a series of integrated workstreams overseen by a senior management board. Each of these workstreams have been supported by a large range of internal services from the likes of human resources, legal, finance, procurement and communications.
4. The insourcing of Orbitas staff and services was successfully completed on 1 February 2025. Subsequently, a lessons learned session has been held in order to improve the processes and procedures applied to the forthcoming ANSA insourcing task.
5. The insourcing of most staff and services provided to the Council by ANSA remains on track for completion by 1 April 2025. A summary of where the constituent functions will sit is included at Appendix A.

RECOMMENDATIONS

The Corporate Policy Committee is recommended to:

1. Note the progress against plan made to date in transferring the services provided by ANSA and Orbitas into the Council and next steps.
2. Note the initial management structure arrangements for the insourced services from the two companies, as shown at Appendix A.
3. Note the work underway to conclude the insourcing of the ANSA services and the potential financial aspects of the change process as further set out in the confidential Part 2 paper, including the impact of the transfer on Alliance Environmental Services Ltd.

Background

Update on transfer of ASDV Services to Cheshire East Council

6. Orbitas staff and services were successfully transferred into the Council on 1 February 2025. This transfer affected 42 staff.
7. The bereavement services element was transferred into the Council's Environmental Services under Planning and Environment division of the Place directorate. The handypersons service was transferred under the Housing team within Growth and Enterprise.
8. Following this transfer officers have held a lessons learned session to capture improvements to processes in order that these can be applied to the forthcoming transfer of ANSA services which affects a much larger number of staff and systems.
9. A summary of where these services do, or will sit once they have returned to the Council, is set out at Appendix A. As it can be seen, the transfer of ANSA staff is broader than Orbitas with teams such as human resources, communications and finance being integrated with their Council counterparts in corporate services.
10. Alongside the TUPE transfer process for staff, a number of other workstreams have been established to consider impacts on ICT, systems and processes, regulatory consents and licenses and more broadly workplace issues.

11. The transfer of most ANSA staff and services remains on target for 1 April 2025.
12. Discussions are continuing with some individuals over the impact of the insourcing of Council services on their roles and Members are invited to review the confidential Part 2 paper for an update on this position.
13. The Part 2 document contains exempt information pursuant to paragraphs 1, 2, 3, 4 and 5 of schedule 12A of The Local Government Act 1972 which set out the reasons for this report being considered as confidential and withheld from public inspection:
 - Information relation to any individual.
 - Information which is likely to reveal the identity of an individual
 - Information relating to the financial or business affairs of any particular person (including the authority holding that information).
 - Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.
 - Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.
14. The public interest test has been applied and it is concluded that the public interest in maintaining the exemption outweighs the public interest in disclosure at this time, based on the following factors for withholding:
15. The disclosure of personal information should be safeguarded where the individuals have a legitimate expectation that this will be the case.
16. The report provides information about the arrangement of the Council's business and operations hitherto conducted by ANSA and ANSA's contractual relationship with Alliance Environmental Services Ltd (AES).
17. The public interest favours withholding the information as it is considered that the disclosure of this information would prejudice the interests of the Council by reason of the fact that disclosure might prejudice the Council in terms of its current and future dealings with the AES shareholders.
18. The Council must be able to seek and obtain legal advice on a confidential basis.

ASDV Review – Financial and Transformation Plan Context

19. The revenue growth pressures within the Council's Environmental Services commissioning budget, as the principal budget through which ANSA is funded, have continued to escalate in recent years. There have and are currently inflight several initiatives designed to reduce that overall revenue budget pressure.
20. The Council are aware of financial pressures and risks, forecast at £3.8M in 2025/26, in the service areas that are being insourced into the Council which will need to be addressed. The MTFS contains £3m of growth to address these pressures and savings of £2.4m to help manage the impact.
21. It should also be noted that the approved MTFS includes savings associated with the ASDV Review, being delivered through the approved transformation plan of £700k over the next two financial years. The 2025/26 impact of the saving is £450k, included within the savings total in paragraph 20.
22. To manage the financial pressures, this will include a combination of growth, service efficiencies and increasing income.
23. Income generation and commercial growth is very likely to extend beyond those services which ANSA or Orbitas have traditionally focused upon and may be used to support other transformation savings proposals, for instance as the model for delivery of increased advertisement income, included under the Place theme.

Consultation and Engagement

24. As part of the transfer process both informal and formal consultation and engagement processes have been undertaken with all staff affected.
25. Consultation has also been undertaken with suppliers and customers of the two companies to ensure that these relationships can continue unaffected.

Preferred Option

26. Not applicable.

Reasons for Recommendations

27. Implementation of the recommendations associated with insourcing the current services provided by the Council's wholly owned companies will support a more transparent approach to the governance and oversight of performance, whilst ensuring full cost recovery against any resource support which is provided to their operation.

Other Options Considered

28. Not applicable.

Implications and Comments

Monitoring Officer/Legal

29. This report has come before Corporate Policy Committee in the interests of expediency. The Constitution provides that the committee is entitled to exercise: 'any function of the full Council not otherwise allocated; as well as the functions of all other Committees and Sub-Committees, particularly where plans, strategies or activities straddle a number of Committees.'
30. The insourcing of Orbitas staff and services have been successfully completed. The resulting shell company will now be subject to formal closure.
31. Insourcing the services provided by ANSA to the Council is a far bigger undertaking in terms of staffing and contract novation. Currently all staff who have been identified by the Council as subject to TUPE have accepted the position that they transfer into the Council, albeit that discussions continue to take place.
32. TUPE imposes strict information and consultation obligations on the outgoing and in-coming employer. Staff who are in-scope to transfer have a legal right to transfer their employment to the Council on the same terms and conditions of employment. Any purported changes to terms will be void unless there is an economic, technical or organisational reason entailing changes in the workforce. A failure to comply with consultation obligations could lead to claims for failure to consult and/or individual claims of breach of contract/unfair dismissal and/or redundancy. The Council has provided the required measures information and confirmed no changes to terms are envisaged, with other implications further set out in the confidential Part 2 paper.
33. Whilst the Council insourced Orbitas completely, in relation to Ansa the proposal is to end the contractual relationship between Ansa and the Council by which it currently delivers services to the Council and insource those staff involved in that service delivery. Discussions are continuing with affected staff who it is proposed will remain in the company and as further set out in the confidential Part 2 paper.
34. Mechanisms are being put in place regarding ANSA's shareholding in Alliance Environmental Services Ltd which is further discussed in the confidential Part 2 paper.

35. The basis upon which the information within the Part 2 paper is exempt from disclosure is appropriately set out within the report.

Section 151 Officer/Finance

36. As part of the transfer process the base revenue budgets previously utilised to commission these services have been thoroughly reviewed and re-baselined to ensure that they are fit for purpose. The additional growth requirements and proposed savings to balance are contained in the Medium-Term Financial Strategy 2025-29 (MTFS) approved at full council on 26 February 2025.
37. The MTFS includes savings of £700k from the ASDV review over 2 years (2025/26 £450k and 2065/27 £250k). These are based on closing the Orbitas and ANSA companies.
38. If that does not proceed as planned, then there is a risk those savings may not be delivered within the expected timeline meaning the service will need to find alternative savings to live within their budget. Including a thorough review of fees and charges and where necessary service structures.
39. If any savings or income generation cannot be identified or delivered within the relevant timescales, the service will need to find compensating savings to ensure we manage the budget.

Policy

40. Good corporate governance is at the heart of the Council's core values, and this report supports the following Cheshire East Plan priorities:
- (i) P1.3) Support a sustainable financial future for the council, through service development, improvement and transformation
 - (ii) P1.4) Look at opportunities to bring more income into the borough.
41. It also supports our financial priorities in ensuring that the Council's finances are well managed and where appropriate existing practices are challenged to ensure that they continue to deliver value for money.

Equality, Diversity and Inclusion

42. There are no direct equality impacts arising from this report.

Human Resources

43. The management and delivery of the ASDV Review project is supported by a large number of internal resources from a range of technical disciplines.

44. The project has involved large scale staff consultations in relation to the Transfer of Undertakings (Protection of Employment) (TUPE) process which the Council must undertake in order that the staff and services can be transferred into its organisation.

Risk Management

45. The project relating to the transfer of services into the Council is supported by a robust risk register which is updated on a regular basis.
46. Risk management across the project is delivered through a series of detailed workstreams and overseen by a senior officer management board.
47. As a result of this work a number of the initial significant risks have now been mitigated in their entirety, with the remainder remaining under strict scrutiny.

Rural Communities

48. There are no direct impacts on rural communities arising from this report.

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

49. There are no direct impacts on children and young people arising from this report.

Public Health

50. There are no direct impacts on public health arising from this report.

Climate Change

51. There are no implications for climate change as a result of the recommendations of this report.

Access to Information	
Contact Officer:	Christopher Allman Director of Planning and Environment Christopher.allman@cheshireeast.go.uk
Appendices:	Appendix A – Overview of management structure post transfer

Background Papers:	N/A
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Appendix A

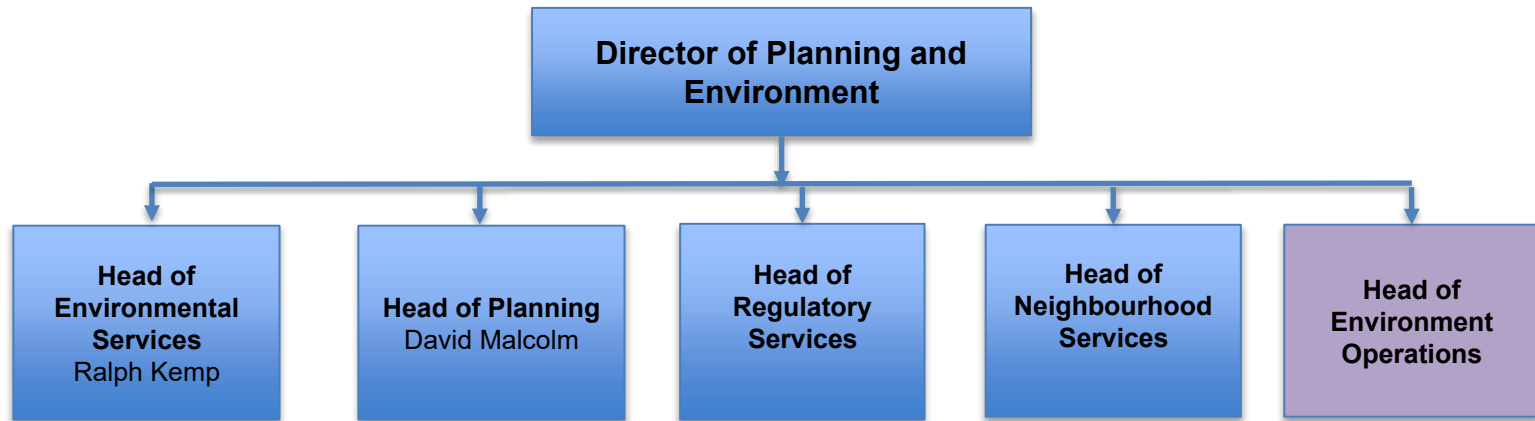
Planning and Environment Division (post ASDV insourcing)

Open

Fair

Green

Planning and Environment Management Team



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Roles coming back into the Council from ANSA (April 25)

Note: 2 Parks Design Consultant staff (1.8FTE) transferring into Planning Service

Open

Fair

Green

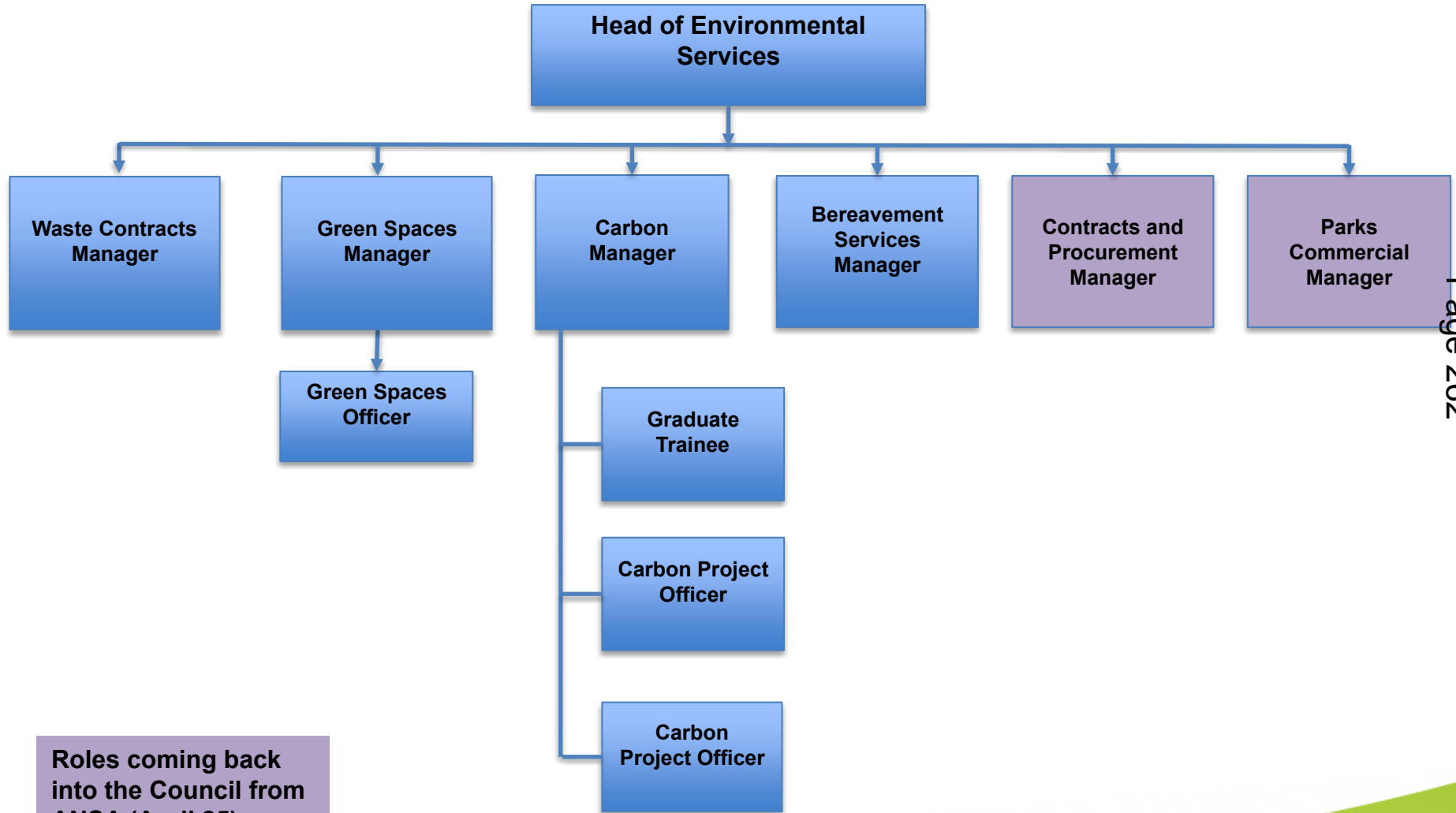
Planning and Environment Environmental Services

Open

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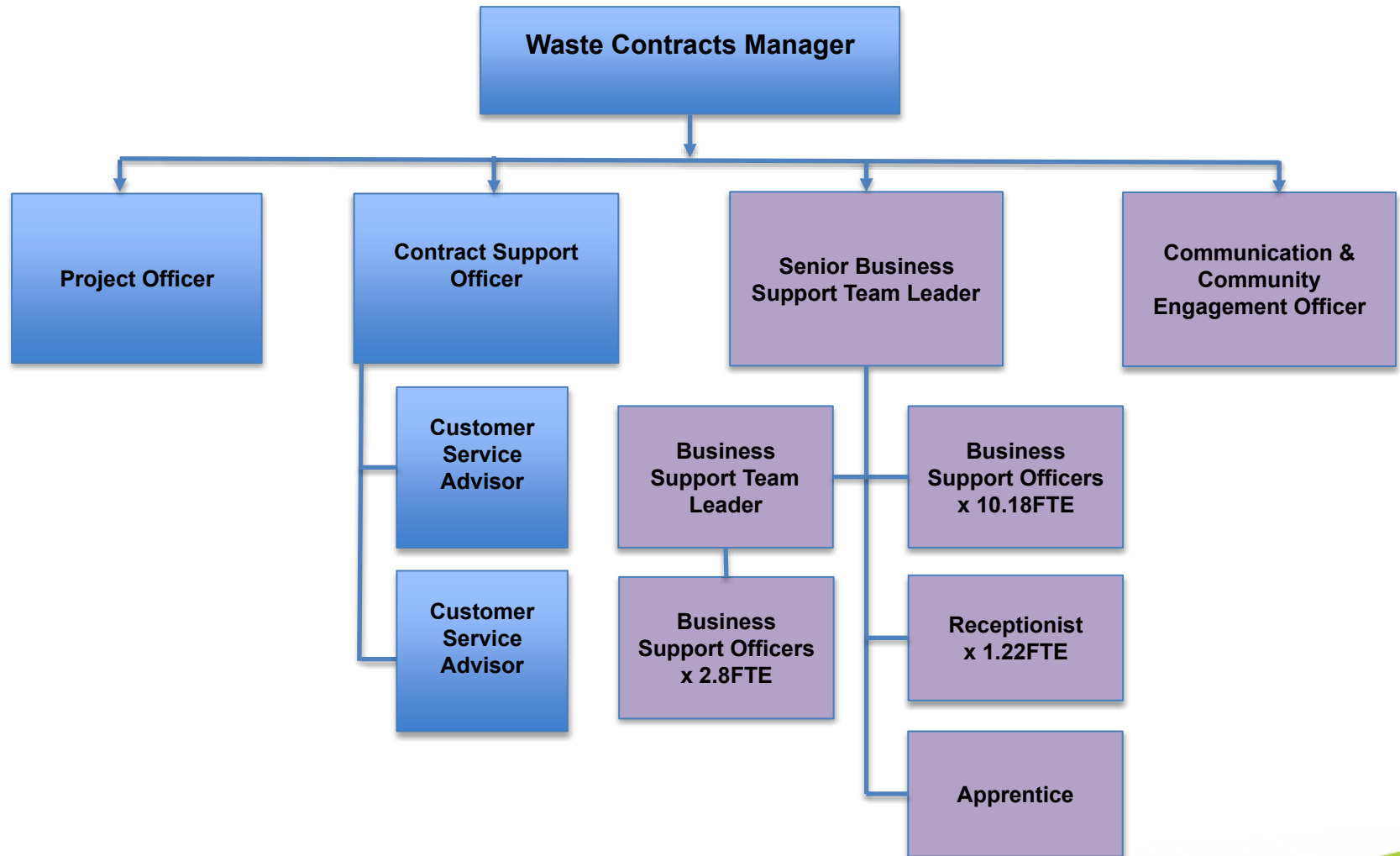
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Environmental Services Management Team

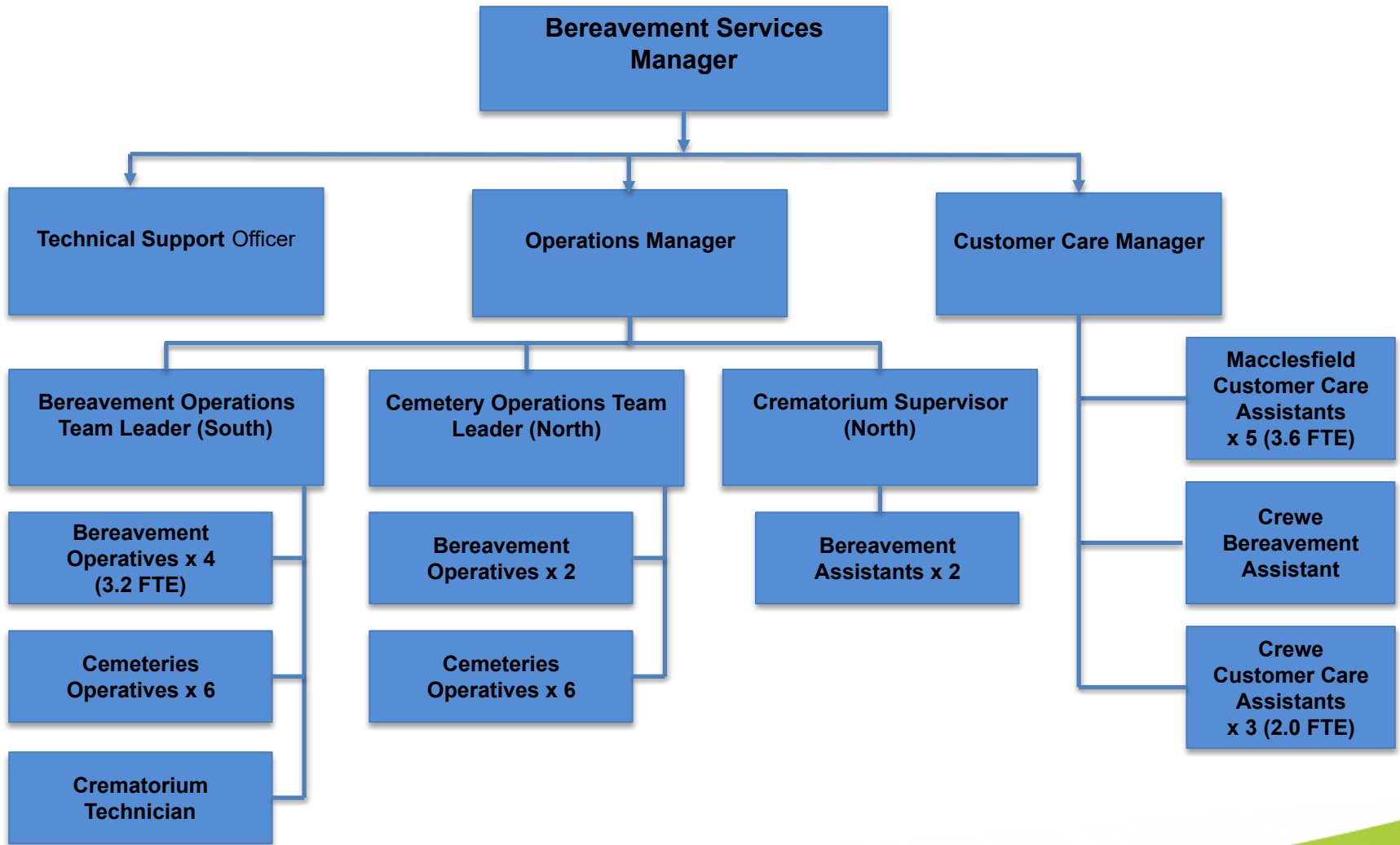


Roles coming back into the Council from ANSA (April 25)

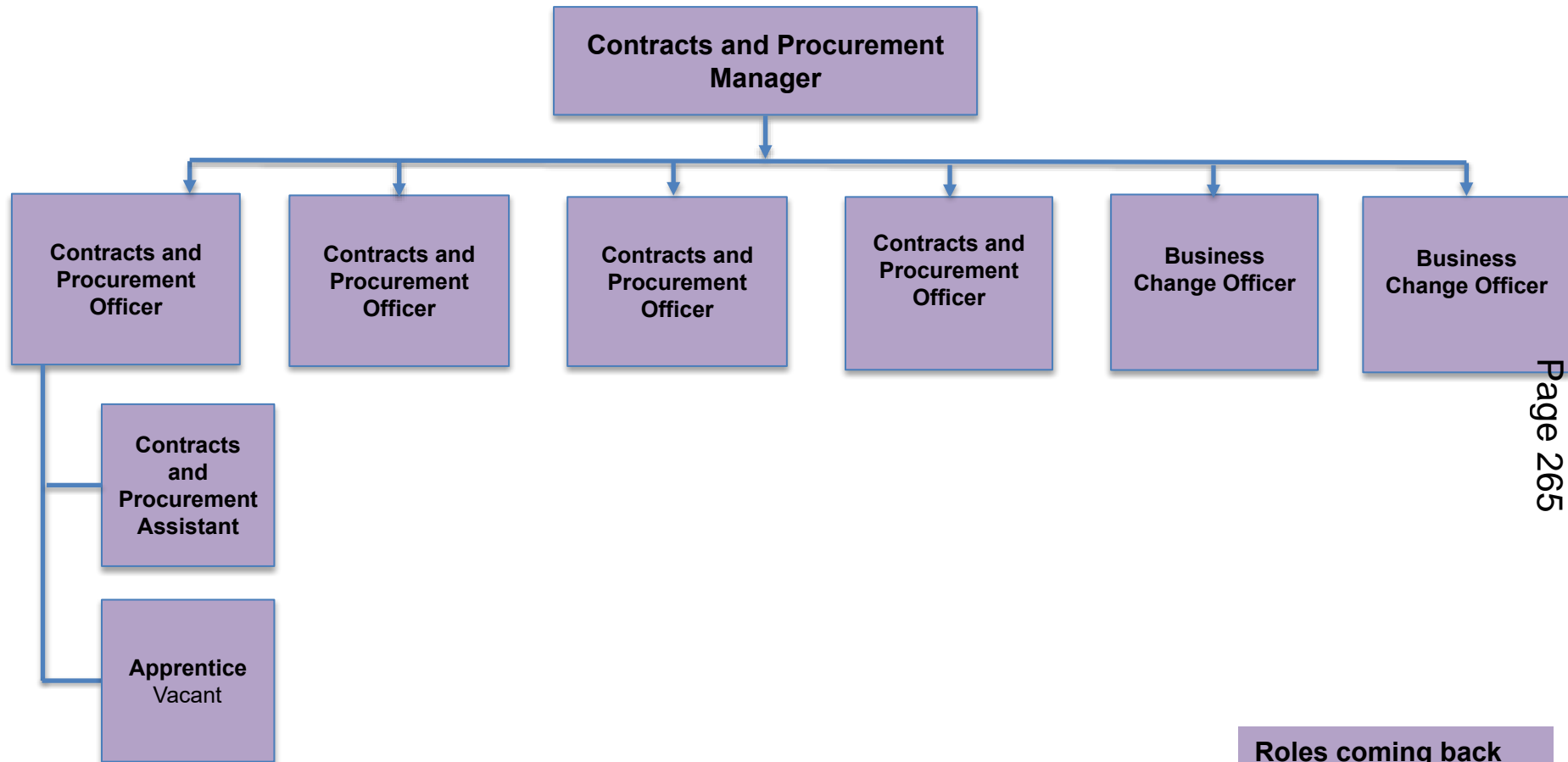
Waste Services Team



Bereavement Services Team (was Orbitas)



Contracts and Procurement



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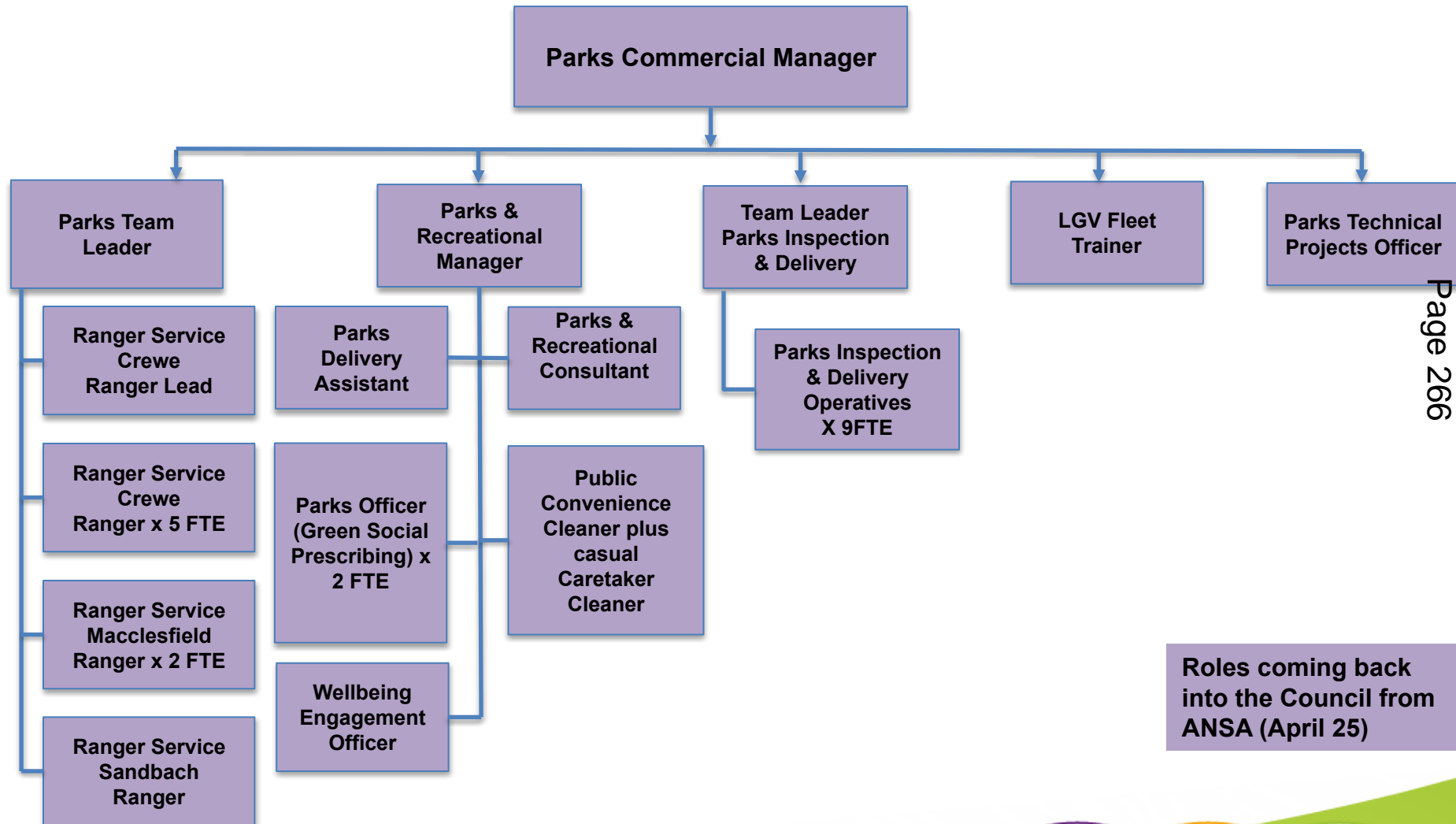
Roles coming back into the Council from ANSA (April 25)

Open

Fair

Green

Parks Commercial



Roles coming back into the Council from ANSA (April 25)

Open

Fair

Green

Planning and Environment

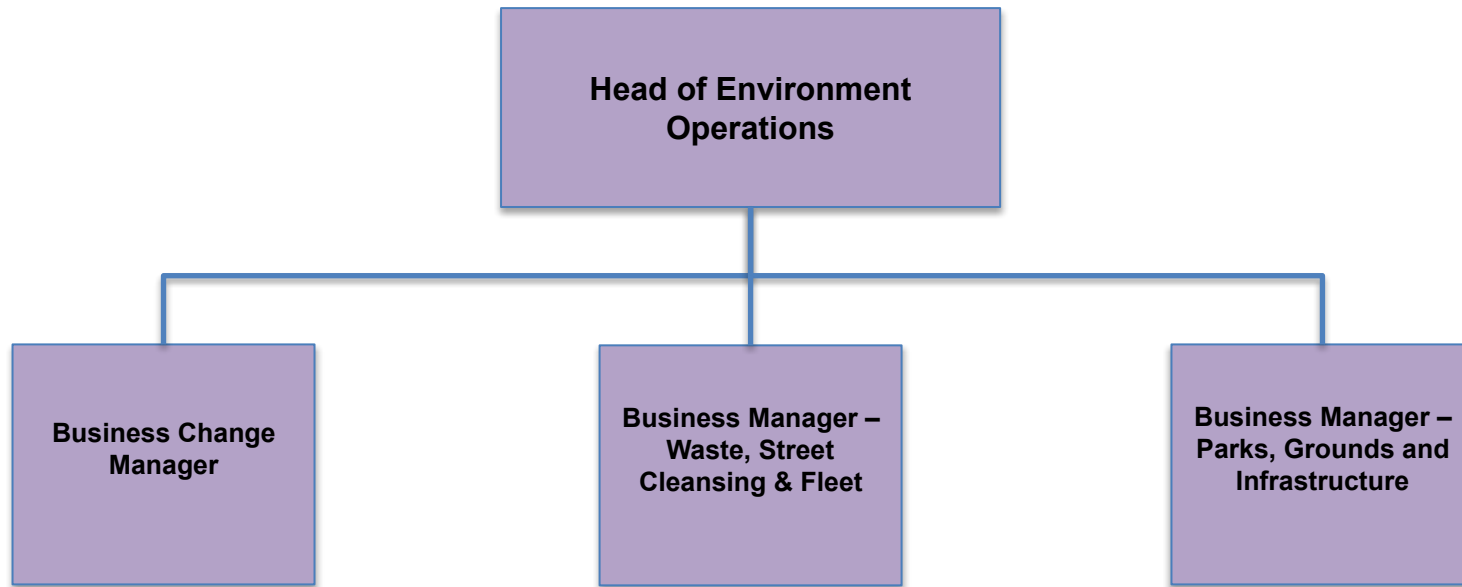
Environment Operations

Open

Fair

Green

Environment Operations Team



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Roles coming back
into the Council from
ANSA (April 25)

Open

Fair

Green

Other Structure Changes

It should be noted that a number of the ASDV “business units” have or will be transferring into other parts of the Council’s organisational structure, along with the associated revenue budgets, summarised as follows;

- **Orbitas Handypersons** – now sat within Housing team under Economy & Growth
- **ANSA Communications** – 6 staff, will sit in the corporate Communications team under Place Business Partner and will continue to support our services
- **ANSA Human Resources** – 6 staff, will move into the corporate HR Operations team
- **ANSA Transport (previously operational elements of Transport Service Solutions)** – will move into Strategic Transport team under Highways and Infrastructure division
- **ANSA Finance support** – a single individual will transfer into the corporate Finance team and will continue to support services under E&C
- **ANSA Personal Assistants to senior management team** – 2 members of staff will be located under Democratic Services alongside all other PA’s
- **ANSA Parks Design consultants** – 2 members of staff, will transfer into the Planning Service as part of landscape and design team

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of the Local Government Act 1972.

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