

# Audit and Governance Committee

## Agenda

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**Date:** Monday, 30th September, 2024  
**Time:** 10.00 am  
**Venue:** Committee Suite 1,2 & 3, Westfields, Middlewich Road,  
Sandbach CW11 1HZ

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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.

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For requests for further information

**Contact:** Rachel Graves

**Tel:** 01270 686473

**E-Mail:** [rachel.graves@cheshireeast.gov.uk](mailto:rachel.graves@cheshireeast.gov.uk) with any apologies

3. **Public Speaking Time/Open Session**

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

Members of the public wishing to speak are required to provide notice of this at least three clear working days in advance of the meeting and should include the question with that notice.

4. **Minutes of Previous Meeting (Pages 5 - 14)**

To approve as a correct record the minutes of the meeting held on Monday 29 July 2024.

5. **Action Log (Pages 15 - 20)**

To receive an update on the Audit and Governance Committee action log.

6. **Whistleblowing Arrangements - 2023/24 Update and Policy Development (Pages 21 - 28)**

To consider a report on the use of the Council's Whistleblowing Policy during 2023/24 and the proposals for the review and refresh of the Whistleblowing Policy.

7. **Localism Act 2011 - General Dispensations (Pages 29 - 34)**

To consider a report on several general dispensations under the Localism Act 2011.

8. **Information Governance and Security - Review of 2023/24 (Pages 35 - 50)**

To receive an update on the Council's arrangements for information management, information security, and requests for information received under relevant legislation during 2023/24.

9. **Annual Report of the Audit and Governance Committee 2023/24 (Pages 51 - 68)**

To consider the draft Annual Report of the Audit and Governance Committee 2023/24.

10. **Revised 0-25 SEND Partnership Governance Structure and Strategy (Pages 69 - 88)**

To receive an update on the revised governance arrangements for the Cheshire East 0-25 Special Educational Needs and Disability (SEND) Partnership.

11. **Dedicated Schools Grant Management Plan 2024/25 to 2030/31 - Progress Update** (Pages 89 - 112)

To receive an update on progress of the mitigations detailed within the Dedicated Schools Grant (DSG) management plan.

12. **B4B / Unit 4 Healthcheck Update**

To receive a verbal update on the B4B / Unit 4 shared service.

13. **Work Programme** (Pages 113 - 116)

To consider the Work Programme and determine any required amendments.

**Membership:** Councillors B Drake, S Adams, M Beanland (Chair), K Edwards (Vice-Chair), A Heler, C Hilliard, G Marshall, P Redstone, J Snowball, Mr R Jones and Mrs J Clark

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**CHESHIRE EAST COUNCIL**

Minutes of a meeting of the **Audit and Governance Committee**  
held on Monday, 29th July, 2024 in the Committee Suite 1,2 & 3, Westfields,  
Middlewich Road, Sandbach CW11 1HZ

**PRESENT**

Councillor M Beanland (Chair)  
Councillor K Edwards (Vice-Chair)

Councillors S Adams, C Hilliard, G Marshall, P Redstone, J Snowball, D Clark  
(substitute for Cllr Drake), A Kolker (substitute for Cllr Heler), Mr R Jones and  
Mrs J Clark.

**OFFICERS IN ATTENDANCE**

David Brown, Director of Governance and Compliance  
Adele Taylor, Interim Director of Finance and Customer Services  
Josie Griffiths, Head of Audit and Risk Management  
Michael Todd, Internal Audit Manager  
David Malcolm, Head of Planning  
Tracy Baldwin, Principal Accountant  
Alan Ward, Complaints Support Officer  
Nikki Bishop, Democratic Services Officer

**14 APOLOGIES FOR ABSENCE**

Apologies were received from Councillors Brian Drake and Alison Heler.  
Councillors Dawn Clark and Andrew Kolker were present as substitutes.

**15 DECLARATIONS OF INTEREST**

There were no declarations of interest.

**16 MINUTES OF PREVIOUS MEETING**

Mr R Jones requested that the minutes be amended to reflect the attendance of both Co-opted Members (Mr Jones and Mrs Clark) and highlighted two typing errors for amendment.

**RESOLVED:**

That the minutes of the meeting held on Thursday 30 May 2024 be approved as a correct record and signed by the Chair, subject to the above amendments being made.

**17 PUBLIC SPEAKING TIME/OPEN SESSION**

There were no members of the public registered to speak.

## 18 ACTION LOG

The committee reviewed the action log, the following updates were noted:

### Sandbach Town Council Standards Report

The committee referred to questions raised at the previous committee meeting by a visiting member and asked if consideration could be given to the committee receiving this report in the future. Officers confirmed that this matter had concluded and consideration by the committee was not deemed necessary, however it was a matter for the committee to decide upon. Members agreed to discuss this further during the Work Programme item.

### B4B Lessons Learnt

The committee agreed that further assurance would be welcomed on this matter, specifically covering overall costs (overspend and why this had occurred), lessons learnt and how such challenges would be addressed should they reoccur in the future. Officers confirmed that a health-check review of the B4B system was underway and the outcomes of this would be considered by senior officers prior to presenting an update to the committee in September 2024. Officers agreed to take-away the comments from Members and ensure these were reflected in the September update.

### Training Session with External Auditors

The committee noted that the proposed training session with Mazars would take place with the Council's new External Auditors, Ernst and Young. Officers committed to following this up and agreeing a date for a training session for the committee.

### Statement of Accounts

The committee noted that External Auditors, Mazars, had provided an update via email to the Chair and Vice Chair, which would be circulated to the wider committee after the meeting. The Statement of Accounts were in the second review stage and several additional follow-up questions had been put to the council which officers were in the process of responding to.

### HR Updates

The committee noted that there had been two informal briefings sessions provided for the committee on HR matters including senior leadership capacity, provided by the Chief Executive and Head of Human Resources.

### DSG Update

Members noted that a detailed response had been circulated to the committee following the update provided in May 2024. Members requested that a response be provided in relation to the questions asked on the impact of academisation on DSG. Officers committed to following up a written response. The committee queried the impact of changes to senior

leadership in Children and Families on the delivery of the DSG Plan. Officers committed to providing a written response.

## **19 SECTION 106 - PROGRESS UPDATE**

Members received a presentation which provided an update on the S106 Internal Audit Review and the Planning Service Improvement Programme. The committee were pleased to note that positive progress had been made to date such as the successful recruitment of several additional staff. It was reported that significant work had been undertaken in relation to the Exacom system which was currently undergoing data quality and accuracy checks.

Members asked a number of questions, as summarised below.

Members sought assurance that no developer contributions would be lost due to time expiring on agreements. Officers confirmed that a small number at risk were picked up after the internal audit review and dealt with promptly. Members thanked officers for their hard work undertaken to date.

The committee queried how ward members would access local data on S106. It was confirmed that discussions on how this would be presented were ongoing, but members would either receive individual filtered reports derived from the live master-list or receive a full report for the borough which members could filter as necessary. It was noted that the S106 Working Group would consider this further.

Members requested that as much information as possible be shared with Town and Parish councils to enable them to do more future planning/budgeting on CIL/S106 monies. Officers highlighted that the authority had no control over CIL monies other than collecting funds after applications were received. There was information available on the council website for Town and Parish councils however officers committed to considering this further and how information and advice could be shared.

Members queried if S106 monies could be transferred to Town and Parish councils to facilitate works being undertaken when capacity was limited. Officers highlighted that this was difficult and would need to be considered by individual service areas responsible. Officers committed to providing clarity on this matter via a written response.

The committee welcomed the proposal that a further update on the actions arising from the internal audit review of S106 be provided as part of a progress update on the wider internal audit plan in September with a further update scheduled for December 2024 following the implementation of the Exacom system.

**RESOLVED:**

That the Audit and Governance Committee note the updates provided.

**20 DRAFT PRE-AUDITED STATEMENT OF ACCOUNTS 2023/24 AND OUTTURN UPDATE 2023/24**

The committee considered the report which provided a summary of the key financial activity and performance of the council for 2023-24. The full statement had been published on the council website and was open for public inspection for 30 working days, ending on 29 August 2024. The report detailed a net revenue outturn overspend of £8.5m against a revised budget of £356.2m and a capital outturn of £34.2m underspend.

Committee members referred to the variances between the 2022-23 and 2023-24 pension liability which had decreased from £84.3m to £13.7m and requested further detail in relation to this. Officers committed to providing a written response.

It was agreed that a detailed briefing would be arranged for the committee on the Statement of Accounts as the audit process progressed.

**RESOLVED:**

That the Audit and Governance Committee

1. Note the summarised position of the accounts for year ended 31 March 2024.
2. Note the dates in relation to the approval process for the Statement of Accounts.
3. Note the overall financial performance of the Council in the 2023/24 financial year, as contained within the report, as follows:
  - a) Net Revenue Overspend of £8.5m against a revised budget of £356.2m (2.4% variance) funded by drawdown from General Reserves.
  - b) General Reserves closing balance of £5.6m.
  - c) C) Capital Spending of £136.9m against an approved programme of £171.1m (18% variance).

**21 DRAFT PRE-AUDITED FINANCIAL STATEMENTS – WHOLLY OWNED COMPANIES 2023/24 AND OUTTURN UPDATE 2023/24**

The committee considered the draft pre-audited financial statements and outturn update for the Wholly Owned Companies for 2023-24.

Members noted the decision of the Finance Sub Committee in June 2024 to bring the services provided by Ansa and Orbitas back-in house. It was confirmed that this would be recorded as a post balance sheet in the full financial statement summary of the accounts.



The committee queried how services would be structured once brought back in-house including timelines. Officers committed to considering this matter further and proposed an informal briefing with the appointed Project Manager.

**RESOLVED:**

That the Audit and Governance Committee

1. Note the summarised position of the Wholly Owned Companies Financial Statements for year ended 31st March 2024.
2. Note the dates in relation to the approval process for the Financial Statements.
3. Note the overall financial performance of the WOC's in the 2023/24 financial year, as contained within the Appendix 1, as follows:
  - a) (a) ASDV Reserves increased by £0.173m, retained reserves are £2.016m.
  - b) (b) Wholly Owned Companies Net Core Contract Spending was £45.051m.

**22 ANNUAL COMPLAINTS AND COMPLIMENTS REPORT 2023-24**

The committee considered the Annual Complaints and Compliments report for 2023-24. The committee noted that as services were changed to reflect changes in operating costs, complaints were expected to rise but agreed that it was important that any complaint was dealt with as quickly and efficiently as possible.

The committee asked for consideration to be given to reducing the 20-working day response time for SEND complaints. It was noted that this had increased for various reasons (capacity issues, increased number of complaints and complexity of cases) however the feedback from the committee would be shared with the relevant Head of Service for consideration.

The report identified an increase of 4% in complaints for waste and recycling. The committee requested a breakdown of this for general waste, recycling, and food waste. Officers committed to providing a written response.

**RESOLVED:**

That the Audit and Governance Committee

1. Note the Committee complaints and compliments data, and the briefing material in this report relating to 2023/24.

2. Note the issues raised and improvements made in respect to the management of complaints across the Council contained within the briefing material in this report.
3. Note the Council's compliance with the Corporate Complaints and with the recommendations of the Ombudsman.

## **23 PROGRESS AGAINST CIPFA REVIEW ACTIONS**

The committee considered the report which provided an update on progress against the CIPFA Review actions. The committee noted that progress continued to be made against the actions with action now being taken on all the recommendations where possible to do so. The Annual Report of the Audit and Governance Committee would be scheduled for consideration in September 2024 along with the Annual Monitoring Officer report.

The committee queried action 15 and the purpose of 'deep dives' and noted that several 'informal briefings', providing a more detailed update on areas identified by the committee in relation to the strategic risk register, had been arranged (Senior Leadership and Capacity, HR Functions and Governance of Wholly Owned Companies).

The committee noted that action 5 (recommendation 2) proposed that agenda items be clearly linked to the committees terms of reference. Officers committed to reflecting on this proposed action further.

### **RESOLVED (unanimously):**

That the Audit and Governance Committee

1. Note the progress made on the implementation of actions following the CIPFA review of the Audit and Governance Committee - Appendix 1.
2. Endorse the areas of briefing and training set out in Appendix 2.

## **24 DRAFT ANNUAL GOVERNANCE STATEMENT 2023-24**

Consideration was given by the committee to the draft Annual Governance Statement (AGS) 2023-24. The committee felt that the report was positive with good content which defined well the current position of the council.

The committee noted the proposal that the significant governance issue relating to Health and Social Care Integration be removed from future statements and noted that whilst significant progress had been made in this area, social care remained the largest area of statutory spend and that this recommendation should be deferred until the committee fully understood the work that had been undertaken in this area and what had been achieved.

It was proposed that reference with the AGS to 'regular evening meetings' be amended to refer to a 'testing of potential evening meetings'.

**RESOLVED (unanimously):**

That the Audit and Governance Committee

1. Receive and review the draft Annual Governance Statement 2023-24, noting that the final proposed AGS will be provided to a future meeting for approval.
2. Approve the proposed changes to the significant issues as detailed in Sections 7 and 8 of the draft statement.

**RESOLVED (by majority):**

That the Audit and Governance Committee

1. Do not approve the removal of the significant governance issue relating to Health and Social Care Integration from future statements.

**25 INTERNAL AUDIT ANNUAL OPINION REPORT 2023/24**

The committee considered the Internal Audit Annual Opinion Report 2023-24 which detailed the work undertaken by Internal Audit during 2023/24 and how this contributed to the annual opinion on the council's control environment.

It was noted that the council's framework of risk management, governance, and internal control was assessed as "Limited" for 2023/24. Whilst this was disappointing, the committee recognised that Internal Audit's risk-based approach included focussing on areas where issues were known or expected to exist and that whilst this approach added value to the organisation, typically led to lower overall assurance levels. The committee were pleased that Internal Audit had continued to support various services in developing systems and procedures ensuring that appropriate and proportionate controls were put in place.

It was noted that the external assessment report of compliance with Standards, which was required every 5-years, was due before the end of 2024 and that such review should be reported back to the committee. Due to a change of guidance in 2024, the Standards required amendment. It was confirmed that this would be subject to a peer review. Officers committed to keeping the committee updated as this progressed.

The committee were concerned to note that during the programme of internal audit reviews, 38% of actions identified related to 'a failure to apply existing controls' with a further 13% identifying an absence of an expected

or actual control. Members felt this demonstrated a breakdown of the control environment and organisational culture.

The committee agreed that it would be helpful for members to compare figures to earlier years to help the committee identify key themes, such as capacity and staff turnover.

Members were pleased to note that the Interim S151 officer was taking steps to address the continuing failure to comply with the purchase card policy and agreed that needed to be addressed.

The committee welcomed the opportunity to hold an informal workshop session to enable committee members to review in detail examples of internal audit workings, which would seek to provide further assurance.

**RESOLVED:**

That the Audit and Governance Committee

1. Note and consider the contents of the Internal Audit Annual Opinion Report 2023/24 (Appendix A).
2. Note the Internal Audit opinion on the Council's framework of risk management, governance, and internal control for 2023/24 as "Limited".

**26 WORK PROGRAMME**

Consideration was given to the committee Work Programme.

The committee noted that following today's discussions, the following items would be added to the Work Programme/arranged:

- Sandbach Town Council Standards Report
- Informal workshop on internal audit workings
- Health-Check Review on Unit4 (B4B)
- Statement of Accounts Briefing
- Update of delivery of the DSG Management Plan.

The committee noted that there were further meetings of the Audit and Governance Committee scheduled for December 2024, March 2025 and May 2025 and items for these meetings would be populated as soon as possible.

**27 RISK MANAGEMENT REPORT 2023-24**

The committee considered the report which provided an update on risk management activity during 2023-24. Members considered the Council's Strategic Risk Register and the equivalent level risk registers of the wholly owned companies Orbitas, ANSA and Tatton Park Enterprises.

The committee noted the strategic risk relating to Information and Security Cyber threat (SR13) and considered the suggested likelihood and impact of this risk. The committee agreed that the impact of a cyber-attack could be catastrophic for the council and sought assurance that business contingency plans were in place. It was noted that there had been work undertaken with Emergency Planning colleagues to prepare for various scenarios with further events planned. A fuller briefing would be provided to the committee prior to the September meeting.

The committee considered the net-rating for SR03 'complexity and demand for children's services' and compared this to the net-rating of SR17 'Carbon Neutral Status'. It was felt that risk SR03 should be ranked higher than SR017 as failure to protect vulnerable children would have higher significant impact on the council when compared to the impact of failure to achieve carbon neutral status. It was noted that the risks were not ranked in order of prioritisation although risks were scored using a consistent methodology.

**RESOLVED:**

That the Audit and Governance Committee note the updates provided.

The meeting commenced at 10.00 am and concluded at 1.15 pm

Councillor M Beanland (Chair)

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## Audit and Governance Committee - Action Log

Committee Date	Action	Lead Officer	Update on Progress	Status
March 2024	Training Session to be organised for the Committee with Mazars in attendance to develop the Committee's understanding of the role of the external auditors.	Director of Finance and Customer Services / Head of Finance	<b>Update:</b> Training session to be arranged with new External Auditors – Ernst and Young.	ONGOING
	Mazars stated that the final Statement of Accounts would be published at the end of March/early April, alongside the Value for Money report. It was also confirmed that Mazars would handover its external auditor responsibilities to Ernst and Young for the 2023-24 audit period and that the handover procedure had commenced.	Director of Finance and Customer Services		ONGOING
March 2024	Mr Ron Jones requested that the following be added to the action log, for further consideration:  - Good Practice Briefing Notes to be developed for the Committee to utilise.	Head of Audit and Risk Management / Internal Audit Manager		ONGOING
May 2024	The committee requested further assurance relating to the B4B System (overall costs, resource, and lessons learnt for future projects).	Director of Finance and Customer Services	<b>Update:</b> CfGS B4B/Unit 4 Review paper circulated to committee on 17/6/24	COMPLETED

	<b>UPDATE 29 July 2024:</b> Officers agreed to take-away the comments raised by Members during the meeting to ensure they were reflected in the September report (overspend and why this had occurred, lessons learnt and how such challenges would be addressed should they reoccur in the future).		<b>Update:</b> There is currently a review underway (Healthcheck review) across both CE and CWAC diagnosing issues relating to both Unit4 and also the transactional shared service and how that impacts on the operation of our ERP (finance and HR system). This report will be considered during August 2024 and a report can be submitted to the September committee as an update on the findings.	
July 2024	Minutes of the meeting held on 30 May2024 to be amended to reflect the attendance of both co-opted members (Mr R Jones and Mrs J Clark) as well as x2 typing errors to be amended.	Democratic Services Officer	<b>UPDATE:</b> Minutes amended on 29 July 2024.	<b>COMPLETED</b>
July 2024	<b>Action Log Update</b> Members queried the impact of changes to senior leadership in Children and Families on the delivery of the DSG Management Plan. Officers committed to providing a written response.	Chief Executive	<b>UPDATE:</b> Response circulated to the committee on 9 August 2024.	<b>COMPLETED</b>
July 2024	<b>Action Log Update</b> Members requested a response on the impact of academisation on DSG.	Director of Education	<b>UPDATE:</b> Response circulated to the committee on 1 August 2024.	<b>COMPLETED</b>



July 2024	<b>S106 Update</b> Members requested that as much information as possible be shared with Town and Parish Councils in relation to S106/CIL monies to enable them to do more future planning/budgeting. Officers committed to considering this further and how information and advice could be shared.	Head of Planning	<b>UPDATE:</b> Response circulated to the committee 31 July 2024.	<b>COMPLETED</b>
July 2024	<b>S106 Update</b> Members queried if S106 monies could be transferred to Town and Parish Councils to facilitate works being undertaken when capacity is limited. Offices committed to providing a written response to clarify this matter.	Head of Planning	<b>UPDATE:</b> Response circulated to the committee 31 July 2024.	<b>COMPLETED</b>
July 2024	<b>S106 Update</b> The committee welcomed a further update on the actions arising from the internal audit review of S106 in September along with a fuller update in December 2024 following the implementation of the Exacom system.	Head of Planning	<b>UPDATE:</b> September update to form part of the wider internal audit plan update which is already on the Work Programme.  Update added to the Work Programme for December 2024.	<b>ONGOING</b>
July 2024	<b>Draft Pre-Audited Statement of Accounts and Outturn Update 2023-24</b> Committee members referred to the variances between the 2022-23 and 2023-24 pension liability which had decreased	Director of Finance and Customer Services	<b>UPDATE:</b> Response circulated to the committee on 9 September 2024.	<b>COMPLETED</b>

	from £84.3m to £13.7m and requested further detail in relation to this. Officers committed to providing a written response.			
July 2024	<b>Draft Pre-Audited Statement of Accounts and Outturn Update 2023-24</b> It was agreed that a detailed briefing would be arranged for the committee on the Statement of Accounts.	Director of Finance and Customer Services		ONGOING
July 2024	<b>Draft Pre-Audited Statement of Accounts and Outturn Update 2023-24 Wholly Owned Companies</b> Informal committee briefing to be arranged to update the committee on the decision of the Finance Sub Committee in June 2024 to bring services provided by ANSA and Orbitas services back in-house.	Democratic Services / Hayley Kirkham – Project Manager	<b>UPDATE:</b> Briefing arranged for 26 September 2024.	COMPLETED
July 2024	<b>Annual Complaints and Compliments Report 2023-24</b> The committee asked for consideration to be given to reducing the 20-working day response time for SEND complaints. Officers agreed to share the committees feedback with the relevant HoS for consideration.	Director of Finance and Customer Services	<b>UPDATE:</b> Response circulated to the committee on 9 September 2024.	COMPLETED
July 2024	<b>Annual Complaints and Compliments Report 2023-24</b> Members queried the increase of 4% in complaints for waste and recycling and requested a breakdown of this for general waste, recycling, and food waste. Officers committed to providing a written response.	Director of Finance and Customer Services	<b>UPDATE:</b> Response circulated to the committee on 9 August 2024.	COMPLETED
July 2024	<b>Progress against CIPFA Review Actions</b> The committee noted that action 5 (recommendation 2) proposed that agenda items be clearly linked to the	Head of Audit and Risk Management	<b>UPDATE:</b> Future reports to include reference to TofR in the	COMPLETED

	committees terms of reference. Officers committed to reflecting on this proposed action further.		'purpose of the report' summary.	
July 2024	<b>Internal Audit Annual Opinion Report 2023-24</b> The committee welcomed the opportunity to hold an informal workshop session to enable committee members to review in detail examples of internal audit workings, which would seek to provide further assurance.	Head of Audit and Risk Management / Democratic Services	<b>UPDATE:</b> Informal Workshop arranged for 22 October.	<b>COMPLETED</b>
July 2024	<b>Work Programme</b> Following items to be added to the Work Programme/informal briefings arranged: <ul style="list-style-type: none"> <li>- Sandbach Town Council Standards Report – to be added to the Work Programme</li> <li>- Update on the delivery of the DSG Management Plan – to be added to the Work Programme.</li> </ul>	Director of Governance and Compliance  Director of Education	<b>UPDATE:</b> <ul style="list-style-type: none"> <li>- DSG Management Plan added to Work Programme for September 2024.</li> <li>- Monitoring Officer to complete a RNF for Sandbach Town Council Standards Report.</li> </ul>	<b>ONGOING</b>

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**Audit and Governance Committee****30 September 2024****Whistleblowing Arrangements – 2023/24  
Update and Policy Development**

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**Report of: Janet Witkowski, Interim Director of Governance and Compliance and Monitoring Officer****Report Reference No: AG/15/21-22****Ward(s) Affected: All Wards****Purpose of Report**

- 1 This report provides the Audit and Governance Committee with an overview of the use of the Council's Whistleblowing Policy during 2023/24 and sets out the proposals for the review and refresh of the Whistleblowing Policy.
- 2 The Audit and Governance Committee receives a variety of reports from across the organisation to support its consideration of the Council's arrangements for governance, risk management and control. Assurance on the use of the Council's whistleblowing arrangements, and recommendations for the further development of the Whistleblowing Policy support the Committee's oversight and understanding of these areas.

**Executive Summary**

- 3 An update on the use of the Council's whistleblowing arrangements is provided for the Committee to receive assurance on how concerns raised via the whistleblowing mechanisms are reviewed and treated.
- 4 Proposals on how the Council's current policy will be reviewed are set out for the Committee. Following review, the updated policy will be brought back to the Committee for consideration and recommendation for adoption by the Council.

## RECOMMENDATIONS

The Audit and Governance Committee is recommended to

1. Note the use of the Council's whistleblowing arrangements during 2023/24.
2. Endorse the proposals for reviewing and refreshing the Whistleblowing Policy.

## Background

### Referrals through Whistleblowing during 2023/24

- 5 Cheshire East has an established Whistleblowing Policy and detailed supporting guidance accessible via the Council's intranet (Centranet) and the Council's website. The current policy was introduced in March 2018 following a review of the Council's arrangements by Public Concern at Work (now known as Protect), the leading advocate for whistleblowing in the UK.
- 6 The policy is based on the model policy as then recommended by Protect but was adapted to meet Cheshire East's specific requirements such as members of Audit and Governance Committee being designated contacts under the policy. Further development of the policy is set out in the next section of the report.
- 7 It can be difficult to determine whether an organisation's whistleblowing arrangements are effective as it is important to take into consideration more than simply the volume of reports received. This is because a single, well-founded concern received over a number of years more than justifies maintaining the whistleblowing arrangements.
- 8 It is therefore important to ensure that employees, members and external parties working for the Council are aware of the arrangements and provided with assurance that any concerns raised will be taken seriously and that anyone raising concerns will be protected from suffering any detriment as a result of "blowing the whistle".
- 9 The Council's policy, and guidance to those who may wish to raise a concern, as well as those who may receive a concern, are all available on the Council's external facing website.<sup>1</sup>
- 10 The Audit and Governance Committee's role as individuals in the current policy to whom concerns may be raised is covered as part of the Committee induction for members of this committee.

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<sup>1</sup> [https://www.cheshireeast.gov.uk/system\\_pages/information-for-staff/whistleblowing/whistleblowing.aspx](https://www.cheshireeast.gov.uk/system_pages/information-for-staff/whistleblowing/whistleblowing.aspx)

- 11 The table below shows the number of referrals received during 2023/24 along with a breakdown of how the referrals were managed and comparative figures from 2019/20. The figures include all referrals via the online reporting tool and to the dedicated whistleblowing email account.

	2023/24	2022/23	2021/22	2020/21	2019/20
Total number of Referrals Received	8	10	6	8	7
<b>Met criteria and action taken:</b>					
Unfounded after testing concerns	0	0	1	0	0
Referred for investigation after testing concerns	2	1	0	1	1
<b>Did not meet criteria and action taken:</b>					
Referred to other Council service for resolution	4	9	3	7	2
Referred for disciplinary investigation	0	0	0	0	1
No further action required after testing concerns	2	0	2	0	3

- 12 Of the two concerns raised which met the Whistleblowing Policy criteria, both appeared to be as a result of what appeared to be genuine unease on the part of staff, and sufficient information was provided to allow for the concerns raised to be tested in each case. Each referral, whilst not found to have any substance to support the concern, had been made in good faith.
- 13 A number of other referrals were received during 2023/24 which did not meet the criteria for whistleblowing. In these cases, the whistleblowing mechanisms (email address and online reporting form), had been used by parties both inside and outside of the Council to raise concerns.
- 14 As a result of these concerns being received, referrals were made into the Council's Adult's Safeguarding Team for further investigation and a referral into the Council's Monitoring Officer for consideration under the Council's Member Code of Conduct was completed.

#### Review of the Whistleblowing Policy and Arrangements

- 15 The Council's Whistleblowing Policy has been subject to periodic review to ensure it maintains current good practice and relevance to the Council's circumstances. The policy, supporting procedures and guidance/training would now benefit from a refresh and relaunch.
- 16 Awareness raising about the policy and arrangements is critical to creating a positive organisational culture which encourages, and expects, concerns being raised. Effective communication about how to

do so, and clarity about how concerns raised will be treated and responded to, will provide confidence to those who may need to raise a concern.

- 17 Proposals will be subject to further consultation and discussion with the following groups;
  - (a) Brighter Futures
  - (b) Unions
  - (c) Risk and Assurance Board
  - (d) Wider Leadership Community
  - (e) Members of the Audit and Governance Committee
- 18 Consultation and engagement with these groups will ensure that we can ensure arrangements will achieve high levels of awareness of the policy and proposed guidance arrangements, identify and address any concerns, and ensure every effort has been made to ensure staff feel able to voice any concerns that they may have.
- 19 The policy document will necessarily cover the technical aspects of whistleblowing, referencing relevant legislation, key points of contact etc. The policy document will also make the distinctions of who, and what is (and isn't) covered by the Whistleblowing Policy and provide clarity on other routes to raise concerns.
- 20 To ensure that policy content is as accessible as possible, supporting guidance will be made available, and we will explore formats such as an e-learning module, FAQs and "user guides" for this.
- 21 Once approved, the policy and guidance documents will be launched through existing staff engagement channels such as the Manager Share and Support meetings, Team Voice and attendance at Directorate Management Teams.
- 22 The Audit and Governance Committee will receive annual updates to provide assurance on how the Whistleblowing Policy has been utilised, along with any feedback on the communication and training provided. Any amendments to the policy will also be put forward for approval.

## **Consultation and Engagement**

- 23 Arrangements to consult and engage on an updated policy will be set out in the body of the report.



## **Reasons for Recommendations**

- 24 The Audit and Governance Committee has responsibility for monitoring and approving the Council's Whistleblowing Policy therefore needs to be provided with periodic assurance on the effectiveness of these arrangements as well as recommendations for updates.

## **Other Options Considered**

- 25 The Council could choose not to have clear policy and guidance in place to support the raising of reasonable concerns; however, this would not be consistent with the Council's values and behaviours around openness and transparency, nor would it support our employees to work in a positive, accountable and supportive culture, and would risk the Council failing into legislative requirements.

## **Implications and Comments**

### *Monitoring Officer/Legal*

- 26 The legislative framework for whistleblowing in England is contained in the Employment Rights Act 1996, as amended the Public Interest Disclosure Act 1998 (PIDA), and the Enterprise and Regulatory Reform Act 2013 (ERRA). The purpose behind these Acts is to provide protection to those employees who raise concern and ensure that they are not unfairly treated as a result of raising their concern.
- 27 The whistleblowing legislation does not impose any positive obligations on employers to encourage whistleblowing or to implement a Whistleblowing Policy. However, the Government expects all public bodies to have written policies and the whistleblowing arrangements in local authorities are assessed as part of their annual audit process.

### *Section 151 Officer/Finance*

- 28 Unless employees have confidence in the Council's whistleblowing arrangements, they are likely to stay silent. Such silence denies the organisation the opportunity to deal with a potentially serious problem before it causes real damage. The costs of such a missed opportunity can be great in terms of fines, compensation, higher insurance premiums, fraudulent cases and poor value for money.
- 29 There is no anticipated impact upon the MTFs position as a result of reviewing the policy and guidance in this area. Existing staff capacity and resources will be utilised to develop, deliver and communicate the updated policy.

*Policy*

- 30 The Whistleblowing Policy, whilst a cornerstone of effective good governance arrangements, is not part of the Council's Policy Framework. However, the achievement of the Council's strategic objectives, delivery of the Corporate Plan and compliance with relevant legislation and local procedures is all enhanced by having clear and cohesive arrangements for concerns to be raised and dealt with.

*Equality, Diversity and Inclusion*

- 31 An equality impact assessment will be undertaken to support the final proposed updated policy.

*Human Resources*

- 32 The Whistleblowing Policy provides information, guidance and a procedure by which a "worker" (a term that covers Council employees and former employees, contractors and agency workers) can make a "protected disclosure" – often referred to as a "whistle blowing".
- 33 The adoption and promotion of the Council's arrangements to receive concerns under the Whistleblowing Policy supports effective employment relationships and a positive organisational culture.

*Risk Management*

- 34 The adoption and promotion of the Council's arrangements to receive concerns under the Whistleblowing Policy mitigates the risk of non-compliance with legislation, mitigates the risk of failing to identify and respond to whistleblowing concerns resulting in reputational risk for the Council.
- 35 Effective routes for raising concerns need to be communicated, otherwise the risk of issues not being identified and addressed could result in financial loss or prosecution by regulatory authorities.

*Rural Communities*

- 36 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)*

- 37 There are no direct implications for Children and Young People communities.

*Public Health*

38 There are no direct implications for Public Health.

*Climate Change*

39 There are no direct implications for Climate Change.

<b>Access to Information</b>	
Contact Officer:	Josie Griffiths, Head of Audit and Risk Management <a href="mailto:Josie.griffiths@cheshireeast.gov.uk">Josie.griffiths@cheshireeast.gov.uk</a>
Appendices:	No appendices
Background Papers:	<a href="#">Whistleblowing (cheshireeast.gov.uk)</a>

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## **Audit and Governance Committee**

**30 September 2024**

### **Localism Act 2011 – General Dispensations**

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**Report of: Interim Director of Governance and Compliance**

**Report Reference No: AG/27/24-25**

**Ward(s) Affected: All**

### **Purpose of Report**

- 1 This report recommends that the Committee amends and renews, for the period until the matter is again reported to the Committee following the local elections in May 2027, several general dispensations under the Localism Act 2011.

### **Executive Summary**

- 2 The Localism Act 2011 mandates councils to promote and maintain high standards of conduct among Elected and co-opted Members. Members with a Disclosable Pecuniary Interest must not participate in Council business unless they obtain a dispensation under Section 33 of the Act. Dispensations, valid for up to four years, can be granted under specific conditions. The Committee has previously approved dispensations for Members to speak and vote on as outlined in Paragraphs 7 and 8 of this report.
- 3 The Committee is now requested to grant, for the period until the next report to the Committee after the local elections in 2027, the dispensations outlined in paragraphs 7, 8, 9 and 10 of this report.

## RECOMMENDATIONS

The Audit and Governance Committee is recommended to:

1. Grant, for the period until the next report to the Committee after the local elections in 2027, the general dispensations for all elected and co-opted Members of Cheshire East Council as set out at paragraphs 7,8, 9 and 10 of the report.

## Background

- 4 The Localism Act 2011 ('the Act') makes provision for the Standards regime. Under the Act the Council has a statutory duty to promote and maintain high standards of conduct by both its Elected Members and co-opted Members. The Council must also adopt a Code of Conduct setting out the conduct expected of elected and co-opted Members whenever they act in their official capacity as Members or co-opted Members.
- 5 The Council's Code of Conduct can be found on the Council's website at: [Councillors and councillor conduct \(cheshireeast.gov.uk\)](http://cheshireeast.gov.uk/councillors-and-councillor-conduct)
- 6 The Act seeks to prevent Members from participating in any business of the Council where they have a Disclosable Pecuniary Interest, unless they have sought a dispensation under Section 33 of the Act. Applications must be made in writing and dispensations may be sought for a period of up to four years. Dispensations may be sought on the following grounds:
  - That so many Members of the decision-making body have a disclosable pecuniary interest in a matter that the business of the meeting would be impeded;
  - Without a dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the outcome of any vote relating to the business;
  - The dispensation is in the interests of persons living in the authority's area;
  - No Member of Cabinet would be able to participate on the matter without a dispensation;
  - It is otherwise appropriate to grant a dispensation.

- 7 The Committee has previously agreed to grant dispensations to permit Members to speak and vote on the following general dispensations, and this report asks the Committee to renew these dispensations for the period until the matter is reported to the Committee again following the local elections in May 2027:
- Any allowance, payment or indemnity given to Members;
  - Any Ceremonial Honours given to Members;
  - Statutory sick pay under Part X1 of the Social Security Contributions and Benefits Act 1992 where they were in receipt of or entitled to receive such pay;
  - Setting the Council Tax or a precept under the Local Government and Finance Act 1992 (or any subsequent legislation);
  - Setting a Local Council Tax Reduction Scheme or Local scheme for the payment of business rates (Including eligibility for rebates and reductions) for the purposes of the Local Government Finance Act 2012 (or any subsequent legislation); and
  - School Meals or School Transport or Travelling expenses where the Member is a parent/guardian of a child in full time education or a parent governor (unless the matter relates specifically to the school the child attends).
- 8 The Committee has previously agreed that a dispensation should be granted to Members for such matters which may amount to a prejudicial or disclosable pecuniary interest relating to any allowance or other remuneration received from the Council in respect of Council duties or directorships of Council owned ASDVs. It is recommended that such a dispensation should again be granted, but that an additional dispensation should be granted to Members in respect of such other bodies in which the Council has a financial interest.
- 9 Committee members will be aware that the Boundary Commission are conducting a review of the Council's electoral arrangements. The review will take many months to conclude, but it is likely that there will be some changes to the Council's ward boundaries which may impact upon the Council's town and parish councils. It is therefore recommended that a further dispensation be granted which applies to any further community governance review of town and parish council governance arrangements which might become necessary as a consequence of the Boundary Commission's review. For example, this might apply to proposals to make consequential changes to town and parish council boundaries.

- 10 It is also recommended that a further dispensation be granted where a matter arises at a meeting which relates to the business of the Council and which has a direct financial impact on all Cheshire East Town and Parish Council's.

### **Consultation and Engagement**

- 11 None

### **Reasons for Recommendations**

- 12 To renew the previously agreed and other recommended general dispensations, in the interests of good governance and the effective conduct of public affairs.

### **Other Options Considered**

<b>Option</b>	<b>Impact</b>	<b>Risk</b>
Do nothing	<p>The number of members prohibited from participating would impede the transaction of business.</p> <p>The representation of different political groups would be affected.</p> <p>It would not be in the interests of people living in the authority's area</p>	Decisions required of the Council not being made

### **Implications and Comments**

#### *Monitoring Officer/Legal*

- 13 The Acting Monitoring officer is satisfied that these are set out in the body of this report.

#### *Section 151 Officer/Finance*

- 14 None



*Policy*

15

<b>An open and enabling organisation</b>
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*Equality, Diversity and Inclusion*

16 None

*Human Resources*

17 None

*Risk Management*

18 Not putting in place the recommended general dispensations would mean that every Member would need to apply for a personal dispensation when the relevant matters arose. This would not be an efficient use of the Council's resources or in the public interest.

*Rural Communities*

19 None

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

20 None

*Public Health*

21 None

*Climate Change*

22 None

<b>Access to Information</b>	
Contact Officer:	Janet Witkowski <a href="mailto:Janet.witkowski@cheshireeast.gov.uk">Janet.witkowski@cheshireeast.gov.uk</a>
Appendices:	None
Background Papers:	<a href="http://cheshireeast.gov.uk">Councillors and councillor conduct (cheshireeast.gov.uk)</a>

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## **Audit and Governance Committee**

**30th September 2024**

### **Information Governance and Security - Review of 2023/24**

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**Report of: Director of Governance and Compliance, Director of  
Finance and Customer Services**

**Report Reference No: AG/21/24-25**

**Ward(s) Affected: All wards**

### **Purpose of Report**

1. This report provides an update on the Council's arrangements for information management, information security, and requests for information received under relevant legislation during 2023/24.
2. This report is provided to the committee to provide assurance on the adequacy of governance, risk and control arrangements in these areas, informing the Committee's oversight and understanding, and supporting the Committee in their overall assessment of arrangements.

### **Executive Summary**

3. Information is a critical asset for local authorities, where information is held in trust for its residents and the types of information processed are diverse, varying in levels of sensitivity and risk. Secure and appropriate creation, storage and use of information, and efficient and effective responses to requests for information are essential to ensuring that the organisation can meet its strategic objectives and ethical and legal responsibilities. This report provides the Committee with a summary of the organisation's arrangements to achieve this over the last year.

## RECOMMENDATIONS

The Audit and Governance is recommended to:

1. Receive the update paper.
2. Identify any further briefings which may support the Committee's understanding of the assurance provided.

## Background

### Information Management

4. Information is a critical asset to many organisations, particularly so for local authorities where information is held in trust for its residents and the types of information processed are so diverse, varying in levels of sensitivity and risk. Handling of information and its assurance is essential to ensuring that the organisation can meet its strategic objectives and ethical responsibilities.
5. The report to the committee for 2022/23 provided the background to Information Management and the work of the Information Assurance and Data Management Programme. The detail in this report relates to activities and updates on progress.
6. The IADM programme is leading key projects which not only underpin the safeguarding of information but also enhance the use of information which will enable the organisation to use information to its full potential where it is appropriate to do so.
7. The Programme has used the Gartner's Enterprise Information Management (EIM) Maturity assessment tool to monitor progress and to provide an assessment for future workloads to increase the organisations maturity. The programme uses this assessment tool at the end of every delivery year, so comparisons can be made, reprioritisation and focus can take place where appropriate and the programme business case can be aligned accordingly.
8. The tool assesses maturity over seven themes:
  - Vision – clear definition of business goals with the vision and initiatives in place to deliver against them.
  - Strategy - the level of clarity, outline and communication pertaining to the organisations attitude and approach to information and how this generates benefit.

- Metrics - demonstration of value beyond ICT teams, level of EIM alignment and support of enterprise performance improvements.
- Governance - frameworks and accountability for the processing of information.
- Organisation and Roles - an established organisation and structure which is accountable for EIM, a cross section of expertise focused on attaining enterprise goals.
- Lifecycle - the proper flow and management of information from creation to deletion.
- Infrastructure - components, information architecture and application needs.

9. IADM has self-assessed with the following outcomes, all scores are out of 5, and the assessment is made by aligning back to delivery, business engagement and commissioning.

	Balance	Level	Overall Score	Vision	Strategy	Metrics	Governance	Org/Roles	Lifecycle	Infrastructure
2016/17 EOY	Somewhat Unbalanced	Proactive	2.72	3.07	3.63	3.25	2.69	1.9	2.33	2.2
2017/18 EOY	Somewhat Unbalanced	Proactive	2.52	3.03	3.64	2.13	2.43	1.9	2.34	2.2
2018/19 EOY	Somewhat Balanced	Proactive	3.01	3.29	3.61	2.82	2.95	2.97	2.74	2.67
2019/20 EOY	Somewhat Balanced	Proactive	3.18	3.25	3.65	3.26	2.96	3.06	3.05	3.05
2020/21 EOY	Somewhat Balanced	Proactive	3.3	3.26	3.81	3.38	3.02	3.11	3.28	3.24
2021/22 EOY	Somewhat Balanced	Proactive	3.35	3.37	3.71	3.59	2.97	3.2	3.35	3.26
2022/23 EOY	Somewhat Balanced	Managed	3.55	3.4	3.88	3.89	3.23	3.35	3.72	3.4
2023/24 EOY	Somewhat Balanced	Managed	3.71	3.6	3.99	3.95	3.32	3.39	3.84	3.87

10. At the end of the financial year 23/24, using this tool the Council has achieved a maturity rating of “Managed”.

*“Your organization is among the 15% of those that are clear leaders in their industry with respect to managing and leveraging information across more than two programs. These organizations take a decidedly managed approach to information management, comprising enterprise-level coordination throughout the organization, with effective people, processes, and technologies”.*

11. The assessment shows a further tangible increase in maturity level, this lends itself to the programme having worked on resolving legacy

issue and having plans in place to continue to do so as well as building on this with innovative new ways of working through Master Data Management and Enterprise Content Management (ECM). Over the last year, the programme has again increased its score across all assessment areas.

12. The direction and delivery of IADM is focused on these themes through several different channels with the aim to increase the organisations maturity levels, by doing this, the authority can be assured that information is being protected and utilised in ways which benefit both service delivery and compliance.
13. The aim of programme is to increase the maturity and move the overall assessment to a level of Highly Balanced which will ensure that information is used efficiently and consistently across the organisation. IADM is not striving for best practice for best practice's sake, the programme is focussing on pain points so improvements in maturity don't only lend themselves to strategic success but improve and optimise delivery.
14. Over the last two phases of IADM, the programme has delivered extensive amounts of learning materials and events to assist the organisation mature in its use and understanding of Information. The ownership and accountability of information management at the business area level has significantly matured.
15. All projects under IADM with business stakeholders, have business representation at either project board or steering group level, and so this by default has and is continuing to grow knowledge of information management processes.
16. AI is increasingly becoming a technology used by many organisations to enhance and speed up processes, it provides users with a lot of power in analysing data and creating outputs. Fundamentally, for AI to benefit the organisation and for it to work well, information must be accurate and up to date, AI will only create quality outputs if the data it is crawling is current and relevant. The activities therefore being delivered under IADM, will directly enable this.
17. Enterprise Content Management is applying retentions to all data on SharePoint (SP) and Fileshares, ensuring information that has reached its retention period is destroyed automatically.
18. Master Data Management is a method used to define and manage critical business data as a single point of reference, creating an up to date, trusted, central dataset which can be leveraged across the

organisation to ensure information is consistent across business systems.

19. It has directly improved data quality, data processes and digital services. Currently, the domains include several data feeds, in some cases this includes the two-way movement of data from MDM to the source systems. The activities and resultant processes will support the on-going enrichment of the MDM domains, ensuring direct improvements are delivered.
20. MDM is being delivered across four domains – Resident, Employee, Location and Business, and this has directly improved data quality, data processes and digital services.
  - Using the MDM Employee record to improve and enhance the starters, movers and leavers process, improve the licence management, access rights (both physical and digital), improving currency and consistency of data across systems and technologies.
  - Using the Resident record to bring together data from across core systems and ensure the Resident core fields are consistent across all these systems, further to this, using the record to generate intelligence by creating views across the data, whether this be for single view of debt, use of the single persons discount, relationships in households and so forth.
  - Using the Location record to ensure all addresses across systems are fed by the LLPG and using references beyond the UPRN to enable a golden thread between addresses and locations.
  - Using the Business record to identify correct use of business benefits and rates, and other business-related processes.
21. MDM will by its nature significantly improve the data quality of information across systems, by harmonising these four key areas irrespective of where a Resident or Employee engages the organisation, the information will be the same, in terms of accuracy, quality, format and currency. Initial phases of MDM have shown that when cross referencing the same Resident information in different areas of the organisation there are up to 40% levels of inaccuracy between the records.

22. Adopting the MDM strategy and delivering MDM will hook into benefits not only with Information Governance (IG) but with Digital working and across the wider organisation. MDM will enable the organisation to support the National Fraud Initiative by harmonising data across systems and so businesses will be able to identify inaccuracies and inconsistencies with the information held. It will support and enable the Data Quality strategy, and align to the strategic objective of making decisions based on accurate and consistent information, MDM will automate the corrections of data quality issues as far as it possibly can, rather than requiring the workforce to do so, this will provide efficiencies and benefit on several fronts, reduction in the time spent on correcting records, reduction in the time spent trying to find records which are incorrectly recorded, validation of services being given (correctly or incorrectly) and currency of data across several areas.
23. The ECM delivery will put controls in place for legacy and newly created data that does not belong in a case management system, it is a central part of realising the strategic intent and benefits of IADM as well as GDPR, records management and security compliance. The organisation will not be managing vast amounts of content throughout the information lifecycle if ECM is not embedded to some extent. The organisation processes large volumes of content which is saved across many systems and platforms. It is the objective of ECM to standardise, simplify and rationalise the ways in which this content is held, used, stored and destroyed. It is essential for information compliance that the organisation understands the information it has, where it is held and is assured that it's being held for the correct periods of time. Standardising the classification and retention of content is central to this compliance and there are two parts to this, legacy content and content management for the future. Completing the implementation of ECM will also directly benefit technologies for the future, especially AI.

## **Information Security**

24. There are a number of Information and Data Security policies which are published on the CEntranet and help to protect the Council from inappropriate and unauthorised access.
25. 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.
26. 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, these controls and adherence to their standards provide assurance that the controls operated are consistent with central government and other peer authorities.

27. There is further validation of controls through the assessment of third-party IT hardware and software vendors during the procurement phase, if any vulnerabilities are found then a mitigation plan is drawn up and actioned.
28. Data Classification through protective marking has been rolled out to the organisation; this allows the categorisation of information so that appropriate controls can be employed to protect that information.
29. The Council provides security and compliance on several e-learning modules (some of which are mandatory for all employees) on the Learning Lounge. This includes several modules of Data handling, Cyber Security, and Information Assurance. Work has begun on a new cyber e-learning package developed by NCSC and the content of data handling training is currently under review. There are also several best practice guides on the Council's 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.
30. 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.
31. 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.
32. 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.

33. A separate, focused briefing has been given to members of the Committee on Cyber threats and organisation mitigations and controls.

## Information Requests

### Individual Rights Requests

34. The UK General Data Protection Regulation ('UK GDPR') provides individuals with several rights relating to their personal data, including the Right of Access (also known as a Subject Access Request) which allows individuals to request copies of their own personal information, as well as other individual rights such as right of erasure or rectification. These are known as Individual Rights (IR) Requests.
35. 364 IR requests were received during 2023/24. This is an increase of 117 (47%) from 2022/23 and represents the largest number of requests received in a single financial year in the last five years.
36. The statutory timescale for responding to IRRs is one calendar month or, in certain cases, the UK GDPR allows the deadline to be extended by up to an additional two months, for example where requests are complex.
37. Despite the increase in volume, 87% of requests were responded to within the statutory timescale, up 17% from 2022/23.
38. Of the 364 IRRs received, 268 requests (74%) related to information held by Children's Services, within requests typically originating from individuals, including care leavers and parents wishing to access social care records.

Year	IRR requests received	% Responded to on time
2019/2020	250	77%
2020/2021	191	72%
2021/2022	202	49%
2022/2023	247	70%
2023/2024	364	87%

### Disclosure Requests

39. Requests for release of personal data from third-party agencies are referred to as Disclosure Requests.
40. Requests are received from various authorities such as the Police, Government departments including HMRC, solicitors, other Local Authorities or public bodies and regulatory bodies as well as

commercial organisations such as insurance companies requesting CCTV footage.

41. Disclosure requests are made citing one or more of the discretionary exemptions detailed in the Data Protection Act 2018 (DPA). However, it is important to note that this does not give an automatic right of access to information. We must assess the merits of requests and decide whether to apply the exemption; there is no obligation on the Council to disclose information if we have genuine concerns about releasing any personal information.
42. As disclosure requests are not a statutory obligation there is no statutory timescale for responding, however we aim to respond to all requests within one calendar month of receipt.
43. Disclosure requests are recorded and processed centrally by the Information Rights Team; however, the Council Tax Team also records and responds to requests specifically relating to Council Tax liability and verification of address details.

Year	Responded to by Information Rights team	Responded to by Council Tax	Total Disclosure Requests received
2020/2021	320	553	873
2021/2022	403	412	815
2022/2023	433	514	947
2023/2024	536	309	845

### Data Protection Complaints

44. The table below shows the number of complaints received regarding alleged infringements of data protection legislation, some of which result in complaints to the Information Commissioner's Office (ICO). Some complaints come directly from the data subject, and some originate from the ICO where the data subject has made a complaint directly to them without going through the Council's complaints process. These figures are included in the total number of complaints received by the Council which is presented to Committee separately under the relevant service area but not explicitly about data protection.

Source of complaint	2023/24	2022/23	2021/22	2020/21
Data Subject	34	29	31	20
ICO	3	2	5	1
<b>Total</b>	<b>37</b>	<b>31</b>	<b>36</b>	<b>21</b>

45. The number of data protection complaints received is minimal when compared to the total number of complaints received by the Council. In 2023/24, data protection complaints represent 1.11% of the total number of complaints received, compared to 1.17% in 2022/23. Of the 37 complaints, 64.7% were not upheld, compared to 48.3% in 2022/23.
46. Reasons for data protection complaints primarily relate to an alleged data breach and some are regarding the handling of IR requests, either exceeding the statutory deadline or not providing all the information the subject was expecting.

Reason for complaint	2023/24	2022/23	2021/22	2020/21
Alleged data breach	97%	94%	90%	100%
Handling of IR request	3%	3%	7%	0%
Other	0%	3%	3%	0%

## Compliance

47. Accountability is one of the key principles in data protection law and the Council must be able to demonstrate its compliance. An initial assessment of the Council's current data protection compliance was undertaken in 2023/24 using the ICO's accountability framework.
48. The accountability framework is divided into 10 categories and each category can be measured in four different ways:
- Not meeting ICO expectations
  - Partially meeting ICO expectations
  - Fully meeting ICO expectations
  - Not applicable
49. The initial self-assessment shows that 63% of the Council's activities fully meets the ICO expectations; 28% partially meets the ICO expectations; and only 6% does not meet ICO expectations, which represents 18 instances out of a possible 324. This assessment shows a positive position for the Council's current data protection compliance.
50. Work is now underway to identify recommendations and actions to improve data protection compliance across the organisation.

## **Freedom of Information/Environmental Information Requests**

51. The Freedom of Information Act (FOIA) 2000 provides public access to recorded information held by the Council. The Environmental Information Regulations (EIR) 2004 provides the same right of access for 'environmental' information.
52. 1,943 FOIA and EIR requests were received in 2023/24. This is an increase of 19% from 2022/23 and represents the largest number of requests received in a single year since records began.
53. The statutory timescale for responding to FOIA and EIR requests is within 20 working days. Despite the increase in volume, 90% of requests were responded to within the statutory timescale of 20 working days, up 1% from 2022/23.
54. The requested information was released in full in 65% of requests, and partially provided in a further 10% of requests. The information was withheld in full in only 14% of requests. This demonstrates the Council's commitment to openness and transparency, with information being withheld or refused only when appropriate to do so.
55. Requested information can only be refused if it falls under one of the specific 'exemptions' within the FOIA or 'exceptions' within the EIR.
56. Of the 269 requests withheld in full or in part, 39 (14%) were withheld due to the cost of response exceeding the appropriate time limit, 5 (2%) were withheld as vexatious or repeated, and the remaining 209 (78%) fell under other exemptions.
57. Of these other exemptions, Section 21 FOIA and Section 6(1)(b) EIR (covering information which is already publicly available) were by far the most commonly cited overall, making up 36% of all exemptions/exceptions applied. In these cases, the requester is directed to the location of the published information.
58. The majority of FOIA and EIR responses are routinely published in the Council's FOI Disclosure Log, in an effort to reduce the burden of repeat requests and responses.
59. FOIA and EIR requests can be made by any individual, company or a pre-existing and identifiable organisation or group. 46% of requests were made by individuals, 22% were made by commercial organisations and 10% of requests from the press or media, which is similar to previous years.
60. Requesters are able to ask for an internal review if they are not satisfied with the Council's initial response. Internal reviews are

conducted by someone who was not involved in the initial response, usually by a senior officer in the Information Rights Team.

61. An internal review was initiated for 89 (5%) of the 1,872 requests (total requests received, less withdrawn/rejected requests), down by 1% from 2022/23. Of these, the Council's initial decision was overturned (either in full or part) in 55% of cases, up from 36% in 2022/23.
62. 93% of internal reviews were completed within the required timescales (usually 20 working days, subject to limited permitted extensions), up from 73% in 2022/23.
63. Requesters who remain dissatisfied with the outcome of a public authority's internal review can apply to the Information Commissioner (ICO) for a decision on whether or not a public authority has handled their request properly. There were only 4 known complaints to the ICO in 2023/24. Of these only 1 complaint was upheld by the ICO, 1 was informally resolved, and 2 were not upheld.
64. Further breakdowns for FOI and EIR requests are shown in the tables below.

#### **Volume of FOI and EIR requests received**

<b>Type of Request</b>	<b>2023/24</b>	<b>2022/23</b>	<b>2021/22</b>	<b>2020/21</b>
FOIA and EIR Requests	1,943	1,639	1,539	1,474
Property Search EIR Requests <sup>1</sup>	3,137	3,586	2,624	2,735
<b>Total FOI/EIR Requests</b>	<b>5,080</b>	<b>5,225</b>	<b>4,163</b>	<b>4,209</b>

#### **Timeliness – FOI and EIR requests closed within the statutory deadline**

<b>Directorate</b>	<b>2023/24</b>	<b>2022/23</b>	<b>2021/22</b>	<b>2020/21</b>
Corporate	94%	92%	95%	97%
Place	86%	86%	96%	95%
Adults Social Care	99%	90%	97%	98%
Childrens Services	90%	97%	99%	98%
<b>Cheshire East Overall</b>	<b>90%</b>	<b>89%</b>	<b>96%</b>	<b>97%</b>

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<sup>1</sup> It should be noted that 'Property Search' search requests are also recorded and responded to under the EIR. These are enquiries made to local authorities by Personal Search companies, to make prospective buyers of properties aware of relevant issues before they complete their purchase. These requests are processed separately to a 'typical' EIR request and responded to directly by the Land Charges Team. All requests are completed within the statutory timescale and are not included in the information in this report, unless explicitly stated.

## Outcome of FOI and EIR requests

Outcome	2023/24	2022/23	2021/22	2020/21
Information granted in full	1,213	1,027	829	856
Information not held	151	115	136	107
Information partially provided	192	159	214	191
Information withheld in full	269	251	286	257
Clarification was not provided	47	36	31	38
Request rejected (duplicate/not valid)	40	20	29	13
Request withdrawn by requester	31	31	14	11

## Exemptions and Exceptions

FOIA Exemptions	2023/24	2022/23	2021/22	2020/21
Section 12: Exceeds appropriate time limit <sup>2</sup>	39	43	55	9
Section 14: Vexatious or repeated requests	5	5	2	0
Section 21: Info accessible by other means	98	75	90	79
Section 22: Intended for future publication	8	7	7	6
Section 24: Safeguarding national security	0	3	1	0
Section 30: Investigations and proceedings	3	0	1	15
Section 31: Law enforcement	18	26	40	68
Section 32: Court or inquiry records	0	0	0	0
Section 33: Public audit functions	0	0	0	0
Section 36: Conduct of public affairs	0	2	0	1
Section 40: Personal information	34	25	44	43
Section 41: Info. Provided in confidence	32	37	19	10
Section 42: Legal professional privilege	1	0	2	1
Section 43: Commercial interest	10	13	12	7
Section 44: Prohibitions on disclosure	0	2	0	0
EIR Exceptions	2023/24	2022/23	2021/22	2020/21
Reg 6(1)(b) Publicly Accessible	46	52	57	52
Reg 12(3) Personal Information	29	18	8	2
Reg12(4)(a) Information Not Held	3	3	11	4
Reg12(4)(b) Manifestly unreasonable	24	21	21	1
Reg 12(4)(c) Too general	0	1	1	0
Reg 12(4)(d) Draft Information	4	5	4	0
Reg12(4)(e) Internal Communications	1	2	1	0
Reg 12(5)(b) Course of Justice	29	13	5	0
Reg 12(5)(c) Intellectual Property Rights	0	0	0	0
Reg 12(5)(d) Confidential Proceedings	1	6	1	0
Reg 12(5)(e) Commercial Interests	10	3	2	0
Reg 12(5)(f) Information in Confidence	0	0	2	0
Reg 12(5)(g) Protection of Environment	0	1	2	0

<sup>2</sup> The 'appropriate limit' is 18 hours. If answering the request would exceed this limit, the request can be refused. Advice and assistance is provided to the requester as to how they could submit a revised, reduced request

<b>Total exemptions/exceptions</b>	<b>395</b>	<b>363</b>	<b>388</b>	<b>298</b>
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*\* Please note that the totals for exemptions in the above table may sum to more than the number of requests refused, as multiple exemptions may be applied to an individual request.*

### Source of FOI and EIR Requests

<b>Source</b>	<b>2023/24</b>	<b>2022/23</b>	<b>2021/22</b>	<b>2020/21</b>
CEC Councillor	0%	1%	<1%	1%
Charity	3%	3%	<1%	Not recorded
Commercial	22%	23%	32%	32%
Individual	46%	42%	39%	40%
MP	0%	<1%	<1%	1%
Other	0%	1%	1%	<1%
Press or media	10%	9%	9%	9%
Pressure Groups	1%	2%	3%	4%
Public Sector	1%	1%	1%	1%
Researchers	3%	3%	2%	2%
Solicitor	1%	<1%	Not recorded	Not recorded
Student	0%	<1%	Not recorded	Not recorded
Town or Parish Councillor	1%	2%	Not recorded	Not recorded
whatdotheyknow.com <sup>3</sup>	10%	11%	11%	9%

### Internal reviews

	<b>2023/24</b>	<b>2022/23</b>	<b>2021/22</b>	<b>2020/21</b>
Internal reviews received	89	94	93	73
Original decision upheld in full	40	58	56	40
Original decision overturned	30	18	17	13
Original decision partially upheld	19	15	14	19
Internal Review Withdrawn	0	3	6	1
Internal reviews closed within timescale	93%	73%	94%	93%

### Complaints to the ICO

<b>Outcome</b>	<b>2023/24</b>	<b>2022/23</b>	<b>2021/22</b>	<b>2020/21</b>
Informally resolved	1	0	1	1
Complaint not upheld	2	5	2	4
Complaint Upheld	1	2	3	1
Complaint Withdrawn	0	2	3	0
Total complaints received	4	9	9	6

### Consultation and Engagement

65. It has not been necessary to consult on the contents of this report.

<sup>3</sup> 'whatdotheyknow.com' is a website used to make FOI and EIR requests



## **Reasons for Recommendations**

66. This report provides assurance to Committee on the adequacy of the Council's arrangements for information management, information security, and requests for information received under relevant legislation during 2023/24. The report supports the corporate objective of being an open and enabling organisation.

## **Other Options Considered**

67. Not applicable as report is for information and assurance.

## **Implications and Comments**

### *Monitoring Officer/Legal*

68. The Council must comply with relevant legislation relating to information management and security, including the UK General Data Protection Regulation (UK GDPR), Data Protection Act 2018, Computer Misuse Act 1990, Freedom of Information Act 2000 and Environmental Information Regulations 2004.
69. The Council needs to understand what data they are responsible for and what information is processed on their behalf by third party providers, building data protection into its day-to-day activities to ensure a privacy by design approach.

### *Section 151 Officer/Finance*

70. There are no direct additional financial costs arising from this report other than in the event of non-compliance. Failure to comply with the UK GDPR, Data Protection Act and information rights legislation can attract enforcement action by the Information Commissioner's Office (ICO). This could include financial penalties of up to £17.5m for public authorities, public reprimands, enforcement notices or decision notices, all of which would cause financial and reputational damage.

### *Policy*

71. There are no policy implications directly arising from this report.

### *Equality, Diversity and Inclusion*

72. There are no equality, diversity or inclusion implications arising from this report.

### *Human Resources*

73. There are no human resources implications arising from this report.

*Risk Management*

74. Inappropriate actions, improper use, storage and deletion of information by employees or third parties can present challenges which could affect the level of inefficiency and security or cause financial or reputational damage to the organisation. The measures and mitigations set out in this report describe how these risks are managed across the organisation.

*Rural Communities*

75. There are no implications affecting 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)*

76. Management and protection of information is essential to ensure the right levels of care are given to those residents that require it, and to ensure that accurate records are maintained and supplied in a timely manner when requests for that information are made.

*Public Health*

77. There are no public health implications arising from this report.

*Climate Change*

78. There are no climate implications arising from this report.

<b>Access to Information</b>	
Contact Officer:	Gareth Pawlett, Chief Information Officer <a href="mailto:gareth.pawlett@cheshireeast.gov.uk">gareth.pawlett@cheshireeast.gov.uk</a>  Julie Gibbs, Information Rights Manager (DPO) <a href="mailto:julie.gibbs@cheshireeast.gov.uk">julie.gibbs@cheshireeast.gov.uk</a>
Appendices:	None
Background Papers:	Information Governance Update 22/23 - July 2023 Audit and Governance Committee

**OPEN**

## **Audit and Governance Committee**

**30 September 2024**

### **Annual Report of the Audit and Governance Committee 2023/24**

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**Report of: Janet Witkowski, Acting Director of Governance & Compliance Services**

**Report Reference No: AG/22/24-25**

**Ward(s) Affected: All**

**For Decision or Scrutiny: Decision**

### **Purpose of Report**

- 1 The purpose of this report is for the Committee to consider the draft Annual Report of the Audit and Governance Committee 2023/24 and agree the final version of the report that will go to the next meeting of Council on 16 October 2024.
- 2 The report is produced in line with the requirements of the Council's Constitution and the Audit and Governance Committee's Terms of Reference whereby the Committee will report to Council on a regular basis on the performance and effectiveness of meeting its purpose.

### **Executive Summary**

- 3 Producing an annual report on the work of the Committee ensures compliance with best practice requirements and the Council's Constitution. The report also provides assurances to wider stakeholders on the continuing improvements of the Council's governance arrangements.

## RECOMMENDATIONS

The Audit and Governance Committee is recommended to:

1. Review the draft Annual Report of the Audit and Governance Committee 2023/24 and agree the final version which will be presented at the next meeting of Council.

### Background

- 4 The Chartered Institute of Public Finance & Accountancy (CIPFA) Position Statement: Audit Committees in Local Authorities and Police 2022 states the Committee should report annually on how it has complied with the position statement, discharged its responsibilities, and include an assessment of its performance.

### Consultation and Engagement

- 5 The Annual Report of the Audit and Governance Committee 2023/24 has been drafted in conjunction with the Chair and Vice-Chair of the Committee and considered to by the Corporate Leadership Team.

### Reasons for Recommendations

- 6 To report in line with the requirements of the Council's Constitution and the Audit and Governance Committee's Terms of Reference, which require a report to full Council on a regular basis.
- 7 The report should cover the performance of the Committee in relation to its Terms of Reference, and the effectiveness of the Committee in meeting its purpose in accordance with the CIPFA Position Statement.

### Other Options Considered

- 8 Not applicable.

Option	Impact	Risk
Do nothing	Audit and Governance Committee do not share with work and report on their performance to Council	Failure to meet the Committee terms of reference and non-compliance with the CIPFA Position Statement

## Implications and Comments

### *Monitoring Officer/Legal*

- 9 The Council's Constitution gives responsibility to the Audit and Governance Committee for overseeing the Council's roles and responsibilities in respect of corporate governance and audit and specifically for submitting an annual report to Council. Production of the report ensures compliance with this requirement.

### *Section 151 Officer/Finance*

- 10 The annual report of the Audit and Governance Committee outlines the assurances received by the Committee on the adequacy of the Council's governance arrangements, including the integrity of financial reporting processes.
- 11 There is no direct impact on the Medium-Term Financial Strategy.

### *Policy*

- 12 The production of the annual report and its presentation to Council ensures compliance with CIPFA best practice guidance.
- 13 Reporting on the effectiveness working of the Audit and Governance Committee supports the "Open" aim in the Corporate Plan; ensuring there is transparency in all aspects of decision making.

<b>An open and enabling organisation:</b>
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Ensuring there is transparency in all aspects of council decision making
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### *Equality, Diversity and Inclusion*

- 14 There are no direct equality, diversity and inclusion implications.

### *Human Resources*

- 15 There are no direct human resources implications.

### *Risk Management*

- 16 The annual report of the Audit and Governance Committee outlines the assurances received by the Committee on various aspects of the

Council's governance arrangements, including the adequacy of the risk management framework.

*Rural Communities*

17 There are no direct rural community implications.

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

18 There are no direct implications.

*Public Health*

19 There are no direct public health implications.

<b>Access to Information</b>	
Contact Officer:	<p>Josie Griffiths &amp; Michael Todd</p> <p><a href="mailto:Josie.griffiths@cheshireeast.gov.uk">Josie.griffiths@cheshireeast.gov.uk</a></p> <p><a href="mailto:Michael.todd@cheshireeast.gov.uk">Michael.todd@cheshireeast.gov.uk</a></p>
Appendices:	Appendix 1: Audit and Governance Committee Annual Report 2023/24
Background Papers:	N/A

# Audit and Governance Committee Annual Report 2023/24

Working for a **brighter future**  together



## Introduction

As the current Chair of the Audit and Governance Committee, I am pleased to present this detailed report on the work of the Committee during 2023/24.

The report informs full Council of the broad range of work which has been considered over the year to support the Committee in fulfilling its Terms of Reference and provides assurance on the effectiveness of the Committee in meeting its purpose.

I hope that this report helps to demonstrate the key role which is undertaken by the Audit and Governance Committee and the positive contribution it makes to the Council's overall governance.

The Committee's current Terms of Reference were developed in accordance with the CIPFA guidance, and the detailed Committee Work Programme, designed to ensure that they are fulfilled, is subject to review at each meeting of the Committee.

During the year, the Committee, and officers have been working hard to implement the agreed action plan which arose following the review of the Committee by CIPFA in 2022/23. This has been beneficial in ensuring the work of the Committee is effective and supports the wider organisation.

I would like to thank all those who have contributed to the Committee meetings over the last year, supporting the Committee's work with varied reports and presentations, which are the culmination of much more preparation and work undertaken 'behind the scenes'.

I look forward to future meetings of the Committee, and to working with the members and the officers who support the Committee to ensure that we continue to provide independent assurance on the control environment and the governance framework, especially as the Council continues to tackle the significant financial pressures and embarks on its transformation journey.

The Committee is also looking forward to working with the newly appointed external auditors, Ernst and Young, and are confident that the detailed preparation/handover work that has taken place will ensure an efficient transition of the external audit function.

Councillor Michael Beanland  
Chair of the Audit and Governance Committee





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## 1. Role of the Audit and Governance Committee

The Audit and Governance Committee is a key component of the Council's corporate governance arrangements. The Committee provides independent assurance to the Council through:

- An independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards
- Independent review of the Council's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes
- Promotion of high standards of ethical behaviour by developing, maintaining and monitoring Codes of Conduct for Councillors and co-opted Members (including other persons acting in a similar capacity), and
- Oversight of internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place

The role and responsibilities of the Council's Audit and Governance Committee are set out in written terms of reference which are regularly reviewed by the Committee to ensure compliance with relevant legislation and recommended good practice. The terms of reference are set out in the Council's Constitution which is published on the website along with all the agendas, minutes and supporting papers.

Constitution:

[cheshire-east-council-constitution-chapter-2-updated-june-2024.pdf](#)  
([cheshireeast.gov.uk](http://cheshireeast.gov.uk))

Audit and Governance Committee Meetings:

[Browse meetings - Audit and Governance Committee | Cheshire East Council](#)

The Committee's responsibilities include, but are not limited to, the following matters with a view to bringing any relevant issues to the attention of the Council:

- Oversight of governance, risk management and internal control frameworks
- Oversight of the integrity of the Council's financial statements
- Oversight of the external auditor's performance, objectivity and independence
- Oversight of the performance of the internal audit function

To help the Committee meet its responsibilities, each year, management provide training sessions for the Committee on subject areas within their remit. During 2023/24, this included induction training for substitute/new members as required through the year. Sessions were also provided to members of the Committee on internal audit, the LGO Joint Complaint Handling Code, risk management, and the statement of accounts.

## 2. Meetings and Membership

During the 2023/24 municipal year, the Audit and Governance Committee met on 5 occasions and was comprised of 11 members:

- Councillor Michael Beanland (Chair)
- Councillor Ken Edwards (Vice-Chair)
- Councillor Sue Adams
- Councillor Alison Heler
- Councillor Chris Hilliard
- Councillor Marilyn Houston
- Councillor Patrick Redstone
- Councillor Garnet Marshall
- Councillor Judy Snowball
- Mr Ron Jones (Independent Co-opted Member)
- Ms Jennifer Clark (Independent Co-opted Member)

Councillors Mark Goldsmith and Rachel Bailey were both members of the Committee for one meeting during the year.

The Audit and Governance Committee meetings were well attended with substitutes occasionally used when a member could not be present. All substitutes were provided with training prior to attending meetings, and during 2023/24, substitute members were used on 5 occasions:

- Councillor Andrew Kolker
- Councillor Liz Braithwaite
- Councillor Lesley Smetham
- Councillor Michael Gorman
- Councillor Brian Drake

Committee Attendance statistics:

[Committee attendance - Audit and Governance Committee, 1 April 2023 - 31 March 2024 | Cheshire East Council](#)

The Committee was also routinely attended by the following officers and external parties:

- Director of Governance and Compliance and Monitoring Officer
- Director of Finance and Customer Services and S151 Officer
- Head of Audit and Risk
- Acting Internal Audit Manager
- Democratic Services Officers
- External Auditors (Mazars)

### 3. How the Committee discharged its responsibilities during 2023/24

Key Committee Activities	June 2023	July 2023	Sept 2023	Dec 2023	Mar 2024
<b>Governance, Risk and Control</b>					
Received updates on the production and review of the Annual Governance Statement				•	
Received an update on Information Governance		•			
Received and approved the draft Annual Governance Statement 2022/23		•			
Received and approved the final Annual Governance Statement 2022/23					•
Received the 2022/23 Monitoring Officer Report			•		
Reviewed and agreed the Audit and Governance Committee Annual Report 2022/23			•		
Considered the Annual Risk Management Report 2022/23		•			
Received a Risk Management Update					•
Received the Public Interest Report Update – External Auditor Fee Variation Proposal	•				
Received the CIPFA Review of the Audit & Governance Committee Report	•				
Received a report on Progress against CIPFA Review Actions				•	
Received a report on the Review of the Audit & Governance Committee Terms of Reference		•	•		
Received and considered the proposed Terms of Reference for the Audit & Governance Committee				•	
<b>Internal Audit</b>					

<b>Key Committee Activities</b>	<b>June 2023</b>	<b>July 2023</b>	<b>Sept 2023</b>	<b>Dec 2023</b>	<b>Mar 2024</b>
Reviewed internal audit plan progress reports and Internal Audit Charter				•	•
Received the Internal Audit Annual Report 2022/23		•			
Received and approved the Internal Audit Plan 2024/25					•
Received the Internal Audit Report on the review of land transactions in response to the Report in the Public Interest	•				
Received a report on the Section 106 Key Findings – Internal Audit Report and subsequent updates on progress against actions			•		•
<b>External Audit</b>					
Reviewed external audit progress reports	•	•	•	•	
Received the external audit Findings and Action Plan 2022/23					•
Received the External Audit – Value for Money Report			•		
Considered the Certification of Housing Benefit Subsidy Claim 2022/23 and Teachers Pensions Return 2021/22					•
<b>Annual Statement of Accounts</b>					
Received the 2022/23 Draft Statement of Accounts <sup>1</sup>	•				
<b>Related Functions</b>					
Consideration of Contract Procedure Rule Non-Adherences and Waivers		•			•
Considered the RIPA Policy and Inspection Plan Update		•			
Received a report on the RIPA Policy and Inspection Plan Update		•			

<sup>1</sup> At the March 2024 meeting, the Committee delegated authority to the S151 Officer to sign off the Statement of Accounts once the audit has concluded.

<b>Key Committee Activities</b>	<b>June 2023</b>	<b>July 2023</b>	<b>Sept 2023</b>	<b>Dec 2023</b>	<b>Mar 2024</b>
Received the Annual Procurement Update		•			
Received the Annual Complaints Report 2022/23 including Ombudsman Decision Notices where fault was found		•			
<b>Standards Arrangements</b>					
Received an update on Standards related matters via the Annual Monitoring Officer Report			•		
<b>Other Matters</b>					
Received a report on the Recruitment of an Independent Member of the Audit & Governance Committee		•	•		

## 4. Governance, Risk and Control

The Audit and Governance Committee oversaw the production of the Council's Annual Governance Statement (AGS) and received updates regarding progress on the AGS significant issues.

As part of the production of the 2022/23 AGS, the Committee reviewed and approved the draft AGS at the July 2023 meeting.

The Committee reviewed and approved the final 2022/23 AGS in March 2024 and approved the removal of the significant governance issue related to the Safeguarding Children's Partnership from future Statements.

The Committee highlighted that the CIPFA review recommended that members be given the opportunity to input into the preparation of the AGS. Officers agreed to take this recommendation into consideration once the preparation for the 2023/24 AGS began.

The Committee considered the effectiveness of the Council's risk management arrangements, the control environment, and associated anti-fraud and anti-corruption arrangements through the regular review of risk management update reports along with receiving the Annual Risk Management Report.

The Committee was regularly briefed on counter fraud arrangements and investigations via the internal audit updates and the annual internal audit report.

In June 2023, the Committee received the report and associated action plan produced by the Chartered Institute of Public Finance and Accountancy (CIPFA) following their review against the updated guidance 'Audit Committees: Practical Guidance for Local Authorities and Police'.

The report was presented by the CIPFA consultant who had undertaken the review and members were provided the opportunity to raise questions and discuss the proposed actions. The actions were agreed, along with a request for regular updates on progress to be reported to the Committee.

In response to the CIPFA report, in July 2023, the Committee agreed to the establishment of a politically balanced working group to review the terms of reference in response to the review of the Committee undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA) against the updated guidance 'Audit Committees: Practical Guidance for Local Authorities and Police'.

The working group produced a proposed Committee terms of reference which was presented to the December 2023 Committee and recommended for adoption by Full Council. In considering the proposed terms of reference, the Committee reflected upon the proposals from Corporate Policy Committee to merge the functions of the Scrutiny Committee with Audit and Governance Committee. The Committee requested that Full Council note the Committee's concerns and defer the decision relating to the proposals as they were contrary to advice from CIPFA and the Centre for Governance and Scrutiny.

The report also recommended that an additional independent co-opted member be appointed to the Committee. In response, a recruitment panel of three Members was appointed to review applications and undertake interviews. Following completion of this process, Jennifer Clark was appointed as the second co-opted independent member of the Committee at Council in October 2023.

In December 2023, the Committee received a detailed update on progress in implementing the agreed actions and further updates have been provided in 2024/25.

During 2023/24, full Committee briefings were established to facilitate open conversations in relation to agenda items prior to the formal meeting. This allows Members to raise any questions that they may have and ensure a clear understanding of the often complex papers being presented to them. Furthermore, post Committee debriefs are held between the Chair, Vice Chair, and key officers to reflect upon what went well and what could be improved upon.

These developments have been beneficial to the Committee which has clarity of purpose and is fully focussed on its assurance role and associated responsibilities. There is regular engagement between Members and officers in the form of training and confidential briefings on sensitive matters, which has helped to develop and build trust and support.

## **5. Internal Audit**

The Audit and Governance Committee reviewed and approved the annual internal audit plan at its March 2023 meeting. The plan closely aligns with the Council's strategic risk register and corporate plan and identified priority work to be completed in the first half of the year along with additional areas for consideration in quarters 3 and 4.

The Committee received regular update reports from the Head of Audit & Risk. Such reports enable the Committee to monitor the progress of the internal audit plan, discuss key findings and the plans to address them.

The Committee also considered the Head of Audit & Risk's opinion on the adequacy and effectiveness of the control environment and reviewed the effectiveness of internal audit.

In addition to the regular internal audit items, the Committee also received a report providing assurance in relation to the arrangements for managing land transactions in June 2023. The internal audit review was undertaken in response to the Report in the Public Interest published in January 2023 and provided a 'good assurance' opinion. Members of the Committee were provided with a copy of the report which was discussed in detail as a Part 2 item. The Committee agreed that no further action was required in relation to this matter.

In September 2023, the Committee received a report detailing the key findings of an internal audit review of the management and monitoring of Section 106 agreements. The report provided a 'no assurance' opinion and highlighted that there were significant areas of risk that were not being effectively managed.



The Committee agreed that this item should be included in the AGS as a significant governance issue and requested regular updates on progress in implementing the agreed actions to improve the control environment. Furthermore, it was agreed that the Committee would write to the Chair of the Environment and Communities Committee to seek an invite for the Chair and Vice Chair of both the Audit and Governance Committee, and the Finance Sub Committee, to attend the first meeting of the Environment and Communities working group to relay their concerns. A meeting was also held between the Chairs and Vice Chairs of the three committees to agree oversight arrangements for monitoring the implementation of agreed actions.

A briefing was provided to the Committee at the March 2024 meeting setting out progress that had been made in implementing the agreed audit actions.

## **6. External Audit**

The Audit and Governance Committee received regular progress reports from the external auditor throughout the year.

The Committee received the external audit value for money report for 2022/23 in September 2023 and the external audit findings and action plan for 2022/23 in March 2024.

It was also confirmed at the March 2024 meeting that Mazars would hand over its external auditor responsibilities to Ernst and Young for the 2023-24 audit period and that the handover procedure had commenced.

## **7. Annual Statement of Accounts**

The Audit and Governance Committee received and reviewed the draft Statement of Accounts 2022/23 along with a presentation on the accounts by the S151 Officer. The Committee sought clarity on items in the accounts and noted the dates for the approval process of the Statement of Accounts. At the March 2024 meeting, the Committee delegated authority to the S151 Officer to sign off the 2022/23 Statement of Accounts once the audit has concluded, and to notify committee members once the final signed accounts have been published on the council's website.

## **8. Related Functions**

The Audit and Governance Committee received the Annual Complaints report in July 2023 which included a summary of actions from decision notices issued by the Local Government and Social Care Ombudsman.

The Committee has a role in overseeing the operation of the Contract Procedure Rules by receiving regular reports setting out the number, type and reasons for waivers and non-adherences. The Committee is presented with unredacted copies of all non-adherences for the period as a Part 2 item, the intention being to ensure good procurement and commissioning practices and clear public accountability.

The committee received a report in July 2023 from the Director of Finance and Customer Services that provided an update on the Council's Information Assurance and Data Management (IADM) programme during 2022/23. The report outlined key aspects of the programme to provide assurance to the committee that information continues to be treated and managed as a valued asset, with ongoing measures to protect it in line with compliance and leverage it where possible to support enhanced service delivery and optimise business benefit. The Committee was advised that following a self-assessment a tangible increase in maturity level had been achieved.

## **9. Standards Arrangements**

The Committee received assurance on key aspects of the Monitoring Officer's responsibilities in the annual Monitoring Officer report which was received in September 2023. The 2022/23 annual report covered areas including but not limited to the Members' Code of Conduct, register of gifts and hospitality and training and development.

## **10. Hearing Sub-Committee**

No meetings of the Hearing Sub Committee were held during 2023/24.

## **11. Audit and Governance Committee Priorities for 2024/25**

There are several key areas that the Committee will need to consider and progress during 2024/25 in addition to its core business.

- As previously referenced, CIPFA undertook a review of the Committee during 2022/23 and the report was received, and a workshop was held to formulate an action plan in response to the findings report. Work on fully implementing and embedding the actions will continue into 2024/25 which will further develop the Committee.
- At the start of 2024/25 a skills assessment has been undertaken, and an outline training and development plan agreed, which is being delivered to support the committee's development, knowledge and understanding.
- The Committee are also focussed on the effective implementation of the agreed internal audit actions in relation to the management and monitoring of section 106 agreements. Regular updates will be provided by both the planning service and internal audit to provide assurance that the areas of identified risk are being effectively mitigated.
- The Committee are engaged with the Children and Families committee to receive assurances over its plan to develop an effective SEND policy and management of the DSG Deficit.

- The Committee are to consider a further health check report on B4B and the lessons learnt from its implementation.
- Seek to implement committee training in conjunction with our incoming external auditors, EY, to improve the committee's understanding of their scope of work.
- Receive ongoing assurance on the process of closure of the Council's wholly owned companies and service delivery of these functions will continue.
- Support the review and refresh of the Council's arrangements for raising concerns/whistleblowing, resulting in an updated policy and wider communication and engagement of the arrangements.

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## BRIEFING REPORT

**Audit and Governance Committee**

**30 September 2024**

**Revised 0-25 SEND Partnership  
Governance Structure and Strategy**

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**Report of: Claire Williamson - Director of Education, Strong Start  
and Integration**

**Report Reference No: AG/25/24-25**

### **Purpose of Report**

- 1 This report provides Audit and Governance Committee with an update on revised governance arrangements for the Cheshire East 0-25 Special Educational Needs and Disability (SEND) Partnership, which aim to ensure improvement actions undertaken through the partnership are completed effectively and at pace, and support the achievement of best outcomes for children and young people with SEND within a financially sustainable framework (in line with achieving a balanced budget by 2031).
- 2 Committee are asked to note the proposals to develop a new single SEND and Alternative Provision (AP) Strategy and Improvement Plan 2025-27 (which will incorporate mitigations identified in the Dedicated Schools Grant Management Plan during this time period).

### RECOMMENDATIONS

The Audit and Governance Committee is recommended to:

1. Note the revised Cheshire East 0-25 Special Educational Needs and Disability (SEND) Partnership Governance structure
2. Note the proposals for developing the SEND and Alternative Provision (AP) Strategy and Improvement Plan 2025-27

## Executive Summary

- 3 The current Cheshire East Special Educational Needs and Disability (SEND) Strategy 2021 – 2025 was last refreshed in April 2023. Due to the timescale of our current strategy, and major national and local changes relating to SEND and wider people services that have occurred since this date (including a clear focus on managing our Dedicated Schools Grant), plans are now required around the development of a new strategy and a refresh of the partnership governance structure that will oversee and drive the delivery of local SEND improvement actions. This report outlines proposed governance arrangements and plans for a new, single SEND and Alternative Provision Strategy and Improvement Plan.

## Background

- 4 The Cheshire East 0-25 SEND Partnership is a multi-agency partnership arrangement which leads and drives developments around support, processes and provision for children and young people with Special Educational Needs and Disability (SEND) aged 0-25 years in Cheshire East.
- 5 The current Cheshire East Special Educational Needs and Disability (SEND) Strategy 2021 – 2025 was co-produced with a wide range of key stakeholders and sets out how the 0-25 SEND partnership will drive developments to our services so that we support children and young people with SEND to achieve the best possible outcomes. Originally prepared as The SEND strategy 2021 – 2024 and approved in November 2021, the document was refreshed in April 2023 to reflect significant changes within the national and local landscape for SEND.
- 6 Since the April 2023 strategy refresh, there have been further major national and local changes relating to SEND and wider people services, including:
  - (a) Work to address increasing financial pressure on the Dedicated Schools Grant (DSG)
    - We are continuing to ensure that improvement actions identified through the DBV programme and Safety Valve preparations, and all mitigations listed within the DSG Management Plan 2024/25 to 2030/31, remain active and will be captured in the proposed single SEND and AP Strategy and Improvement Plan for use going forward.
  - (b) Completing our self-evaluation and identifying areas for development
    - As part of our ongoing standard evaluation activity, alongside inspection preparation activities, colleagues across the SEND

Partnership regularly update our SEND self-evaluation to ensure that it reflects recent improvements and feedback. SEND improvement actions from a previous iteration of our self-evaluation were captured through a drafted improvement plan presented to the SEND Executive Leadership Board. We need to ensure that a new SEND and AP Strategy and Improvement Plan addresses the areas for development identified in our most recent self-evaluation, along with any actions that may still be needed from the previously drafted SEND Improvement Plan.

(c) ILACS inspection and Improvement Plan

- An Ofsted inspection in February and March 2024 gave Cheshire East's children's services an overall grading of inadequate. A comprehensive Children's Services Improvement Plan has been agreed which clearly sets out the actions that will be taken to address the inspection findings and improve our offer for children and young people. To aid consistency and joint working, we will aim to align the content and format of a new SEND and AP Strategy and Improvement Plan, and monitoring activity, with this document.

(d) National improvement work

- activity has been taking place nationally to develop and pilot the recommendations set out in the DfE's SEND and Alternative Provision Improvement Plan published in March 2023. It is not yet known if or how the July 2024 change in national government will affect the implementation of this plan.

## **Consultation and Engagement**

- 7 As a partnership we have signed up to TOGETHER in Cheshire East as our shared definition of co-production as it is inclusive to all. It is important that our new strategy and improvement plan is co-produced with our key stakeholders, including the voice of children and young people and their parents/carers. To support this, we are planning to hold workshop sessions with stakeholder groups during the 2024/2025 Autumn Term.
- 8 The proposed governance arrangements support co-production of improvements and joint, multi-agency working between stakeholders at all levels.
- 9 We also plan to produce and maintain a communications plan detailing how and when progress updates on the improvement work undertaken by the 0-25 SEND Partnership will be shared with different stakeholder groups.

## Briefing Information

- 10 Following the recent period of feedback and reflection arising from close work with Department for Education (DfE) Advisors, a proposed new governance structure has been developed for the Cheshire East 0-25 SEND Partnership which is shown in **Appendix 1**. Note that membership of each group is still pending final agreement between partners and may be subject to further changes.
- 11 This new structure aims to ensure that improvements are completed effectively and at pace, and that there is continual evaluation of the impact of improvements on children and young people's experiences and outcomes, and financial sustainability. Key points of note include:
  - (a) A refreshed **SEND and AP Strategy and Improvement Plan** is proposed to bring together all SEND and AP improvement actions into one single plan (which will incorporate all mitigations identified in the DSG Management Plan for the time period of the strategy).
  - (b) The new **SEND Executive Oversight Panel** will be chaired by the council's Chief Executive. It will include executive directors across education, health and care, along with elected members, and will provide executive level leadership and oversight of the progress, outcomes and financial impact of the work carried out by the 0-25 SEND Partnership.
  - (c) Membership of the **0-25 SEND and AP (Alternative Provision) Partnership Board** is being refreshed and streamlined to ensure key multi-agency partners are represented at a senior level and to reduce duplication of membership at different levels. Members of this board will provide senior level guidance, scrutiny, financial monitoring and direction to monitor progress of the SEND and AP Strategy and Improvement Plan.
  - (d) A new **SEND Transformation Action Group** will appoint and assign improvement actions to dedicated Task and Finish Groups, and hold delivery leads of these groups accountable for completion of actions in line with agreed timescales.
  - (e) Temporary **Task and Finish groups** will each have an appointed delivery lead and will remain active only as long as is required to complete their assigned improvement actions. Once these actions have been completed, the group will close, and the delivery lead will be assigned new actions to complete with a new task and finish group.
- 12 Implementation of the new structure will start from the new 2024/2025 academic year.



- 13 The new single SEND and AP Strategy and Improvement Plan will incorporate all mitigations identified in the DSG Management Plan that are required over the next 3 years (noting that the DSG Management Plan is a 7 year plan) and will clearly pull together and outline in a single document all of the improvement work to be carried out by the SEND Partnership over the next 3 years. In doing so, we will remove any confusion regarding multiple SEND improvement action plans and positively focus our resources in order to achieve successful improvements at pace.
- 14 We are currently aiming to co-produce a complete draft of the new SEND and AP Strategy and Improvement Plan by January 2025. The completed draft document will be shared with Children and Families Committee for approval. Improvement work will still continue during the development of our new strategy and improvement plan. The development proposals are outlined in **Appendix 2**.
- 15 This improvement work is a fundamental change programme that will affect the whole system and will require all partners to work as one and ensure co-production with parents is at the heart of our plan. We know that we must do this for financial sustainability, but most importantly because our children and young people deserve to have the right education and support, in the right provision, at the right time, in order to support them to prepare for adulthood and to achieve successful outcomes.

## Implications

### *Monitoring Officer/Legal*

- 16 Part 3 of the Children and Families Act 2014 ('the Act') sets out the legal duties on the Local area partnership (the local authority, health partners, settings, schools and colleges) to identify and meet the needs of children and young people aged 0-25 with special educational needs and/or disabilities (SEND). The Act together with associated regulations are underpinned by statutory guidance - Special educational needs and disability code of practice: 0 to 25 years - Statutory guidance for organisations which work with and support children and young people who have special educational needs or disabilities.
- 17 'Local area partnership' refers to those in education, health and care who are responsible for the strategic planning, commissioning, management, delivery, and evaluation of arrangements for children and young people with SEND who live in a local area.

- 18 Ofsted and the CQC carry out joint inspections of local areas at the request of the Secretary of State for Education under section 20(1) (a) of the Children Act 2004.
- 19 Inspectors assess the extent to which the local area partners are complying with relevant legal duties relating to arrangements for children and young people with SEND. Relevant legal duties may include duties under the Children and Families Act 2014, the Equality Act 2010 and the Human Rights Act 1998. The relevant guidance is Area SEND inspections; framework and handbook (updated 5 April 2024).
- 20 Under the Local Government Finance Act 1992, the council has a statutory duty to use resources efficiently and effectively against priorities and to achieve a balanced budget. Section 28 (budget monitoring: general) of the Local Government Act 2003 requires the Council to review its calculations from time to time during the year and to take such action, if any, as it considers necessary to deal with any deterioration in its financial position.
- 21 The Dedicated Schools Grant (DSG) is paid to the Council by the Secretary of State under section 14 of the Education Act 2002 (power of Secretary of State to give financial assistance for purposes related to education or children etc.). The purposes of the financial assistance are set out at s14(2) of the Education Act 2002. The grant is paid as a ring fenced specific grant and it must be used to support the schools budget as defined in the School and Early Years Finance (England) Regulations 2024 which cover the financial year 2024-2025. Local authorities are responsible for determining the split of the grant between central expenditure and the individual schools budget (ISB) in conjunction with local schools forums. Local authorities are responsible for allocating the ISB to individual schools in accordance with the local schools' funding formula.

#### *Section 151 Officer/Finance*

- 22 There are no financial implications or changes required to the Council's MTFS as a result of the recommendations in this report.
- 23 However the boards, partnerships, strategies and governance arrangements proposed in this report will support the delivery of the DSG management plan and its associated financial implications.
- 24 The DSG management plan 2024/25 to 2030/31 forecasts an unmitigated cumulative DSG deficit of £1.2 billion by the end of 2023/31, reducing to £285 million if the plan is implemented successfully.

*Policy*

- 25 Local authorities are under a duty to ensure sufficiency of school places in their area (section 14 of the Education Act 1996).
- 26 The SEND Code of Practice (January 2015) provides statutory guidance on duties, policies and procedures relating to Part 3 of the Children and Families Act 2014 and associated regulations and applies to England. The Code of Practice is statutory guidance for many members of the Cheshire East 0-25 SEND Partnership, including the local authority, the health ICB and trusts, and educational settings.
- 27 The statutory duties include:
- the need to undertake a needs assessment where a child may have additional needs
  - to issue an education, health and care plan within 20 weeks where assessment provides evidence this is required to meet the assessed needs
  - the local authority must then secure an appropriate school place and must consult with parental preference
- 28 In March to July 2022, the DfE ran a consultation on their green paper on the future on SEND services entitled: “*SEND Review: Right Support, Right Place, Right Time*”. The Cheshire East 0-25 SEND Partnership response was in support of the proposals and in promptly making those legal requirements which would support the council (and partners) in delivery of the necessary changes.
- 29 Following the green paper consultation, in March 2023 DfE published their SEND and alternative provision improvement plan which sets out their plans to change the SEND and alternative provision system in England. The partnership will ensure we keep up to date with the [DfE roadmap and change programme](#) as this is progressed nationally, along with monitoring for any impact on this work arising from the July 2024 change in national government.

30

An open and enabling organisation	A council which empowers and cares about people	A thriving and sustainable place
	<p>Support all children to have the best start in life.</p> <p>Increase opportunities for all children and young</p>	

	adults with additional needs.  Ensure all children have a high quality, enjoyable education that enables them to achieve their full potential	
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### *Equality, Diversity and Inclusion*

- 31 The *SEND Code of Practice* looks to ensure the assessed additional needs of children with special educational needs are provided for, to enable them to reach agreed outcomes.
- 32 Our new *Special Educational Needs and Disability (SEND) and Alternative Provision (AP) Strategy and Improvement Plan* will set out what we want to achieve as a partnership for children and young people with SEND in Cheshire East, and the key actions that we will carry out to achieve our priorities is our commitment to children and young people with additional needs and ensures they have appropriate support to aspire to achieve in line with peers.

### *Human Resources*

- 33 There is no impact on human resources.

### *Risk Management*

- 34 Our partnership approach to risk is to operate in a culture of creativity and innovation, in which risks are identified, understood and pro-actively managed, rather than avoided. We recognise that risks are inherent within innovation and are sometimes unavoidable. We aim to adopt a structured and coherent approach to identifying, assessing and managing risk to ensure an appropriate level of control in place, without stifling developments. We seek to adopt recognised best practice in the identification and evaluation of risks and opportunities, and to ensure that these are managed to acceptable levels in a proportionate and cost effective way.
- 35 Risk and issue registers will be maintained throughout the implementation of the strategy and improvement plan to capture the details of any arising risks and issues, along with all agreed mitigations. All risks are scored using a “4 x 4” scoring methodology, measuring impact and likelihood of the unmitigated and mitigated risk. All risks are identified as either threats (a possible future event or action which could adversely affect our ability to achieve our objectives) or opportunities

(an uncertain event or action that could enhance our ability to achieve our objectives) and a decision made on the type of response that is required (avoid, reduce, accept, transfer, exploit etc.). Risk owners and actioners will also be identified and recorded.

- 36 The Terms of Reference document for each group articulates a clear escalation process to ensure risks are proactively considered and managed and escalated where needed, e.g., risks that score highest will be escalated throughout the governance structure and reviewed by the SEND Executive Oversight group, while lower-level risks will be considered and managed by the SEND Transformation Action Group.

### *Rural Communities*

- 37 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)*

- 38 The council has approved its Children's Vision which contains a priority around children with additional needs.
- 39 The existing SEND Partnership Strategy 2021-2024 sets out the Partnership vision for meeting the needs of children and young people with SEND. This strategy was refreshed to include the DBV opportunities and mitigations within the DSG Management Plan in 2023. This report outlines plans to produce an updated SEND and AP Strategy and Improvement Plan.
- 40 Our co-produced vision states that we want all our children and young people with special educational needs and/or disabilities to be HAPI:
- Happy and healthy
  - Achieving their potential
  - Part of their communities
  - Independent as possible, making choices about their future

### *Public Health*

- 41 Health and Wellbeing Boards have a duty to produce a Joint Strategic Needs Assessment (JSNA) for their area. The "Statutory Guidance on Joint Strategic Needs Assessments and Joint Health and Wellbeing Strategies" published by the Department of Health in March 2013 outlines the required scope of JSNAs; to identify health and social care needs that can be met or affected by the local authority (Cheshire East Council) in collaboration with the NHS. Work is currently being

undertaken on a refreshed SEND JSNA for Cheshire East, and we will ensure a new SEND and AP Strategy and Improvement Plan aligns with the findings in this document.

- 42 One element of the vision contained in the existing SEND Strategy is to ensure our children and young people with special educational needs and/or disabilities are happy and healthy. There are a range of priorities within the strategy that focus on mental health and wellbeing and effective access to health services.

### *Climate Change*

- 43 Many Cheshire East pupils with SEND are educated out of borough at high costs and with long travel journeys. Improvements around sufficiency of educational placements will aim to reduce travel for our pupils and increase the number of pupils that are able to access education within their local community.
- 44 Where possible when considering new initiatives or developments:
- (a) systems that save on energy consumption will be considered, particularly for electricity.
  - (b) any internal works required to update buildings to make them fit for purpose will include a comprehensive review of the impact on climate factors.
  - (c) any significant changes that may take place will require full compliance with the latest building regulations relating to such factors as insulation/heat loss and energy efficiencies. Such factors will be key considerations as each scheme is developed through to full handover.

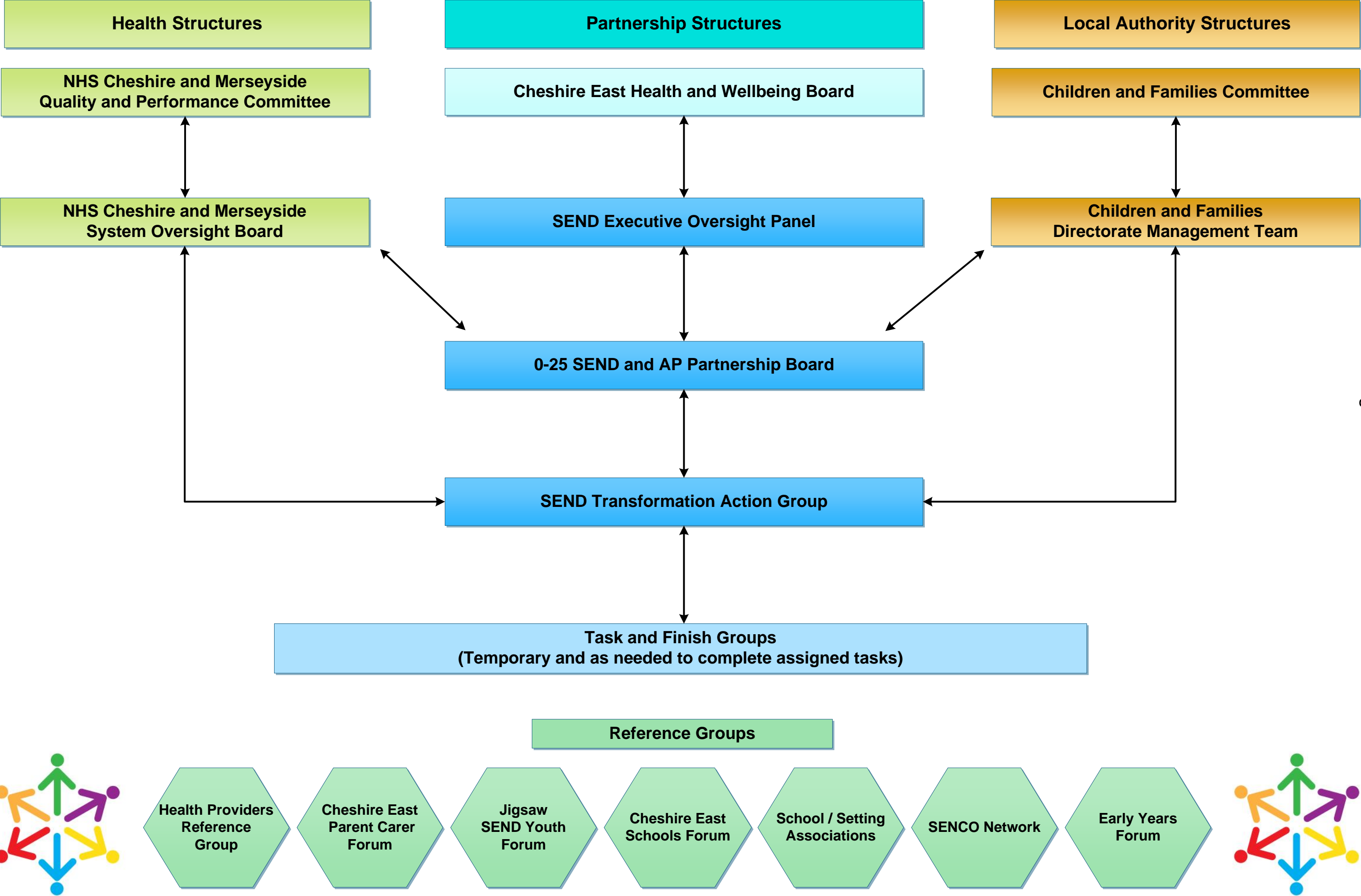
<b>Access to Information</b>	
Contact Officer:	<p>Claire Williamson</p> <p>Director of Education, Strong Start and Integration</p> <p><a href="mailto:Claire.williamson@cheshireeast.gov.uk">Claire.williamson@cheshireeast.gov.uk</a></p>
Appendices:	<p>There are 2 appendices to this report:</p> <ul style="list-style-type: none"> <li>• Appendix 1. 0-25 SEND Partnership Governance - August 2024</li> <li>• Appendix 2. Proposed Plan for Developing our new SEND Strategy - Sept 2024</li> </ul>

Background Papers:	<p>Update on the progress of the key areas of the Dedicated Schools Grant Management Plan 2024/25 to 2030/31 <a href="https://cheshireeast.gov.uk/CEC-Briefing-Report-Template">CEC Briefing Report Template (cheshireeast.gov.uk)</a></p> <p>Revised Dedicated Schools grant Management Plan 2024/25 to 2030/31 C&amp;F Committee 29 April 24 <a href="https://cheshireeast.gov.uk/CEC-Report-Template">CEC Report Template (cheshireeast.gov.uk)</a></p> <p><a href="https://cheshireeast.gov.uk/Appendix-1-Safety-Valve-DSG-Management-Plan.pdf">Appendix 1 - Safety Valve DSG Management Plan.pdf (cheshireeast.gov.uk)</a></p> <p>DSG Management Plan 2022-23 – C&amp;F Committee September 2022 - <a href="https://cheshireeast.gov.uk/Decision-report-template">Decision report template (cheshireeast.gov.uk)</a></p> <p>15 DSG Management Pan 2023-2024 – C&amp;F Committee September 2023 <a href="https://cheshireeast.gov.uk/CEC-Report-Template">CEC Report Template (cheshireeast.gov.uk)</a></p> <p>Delivering Better Value Update C&amp;F Committee March 2023 - <a href="https://cheshireeast.gov.uk/Decision-report-template">Decision report template (cheshireeast.gov.uk)</a></p> <p>SEND &amp; AP Green Paper - <a href="https://www.gov.uk/SEND-and-alternative-provision-improvement-plan">SEND and alternative provision improvement plan - GOV.UK (www.gov.uk)</a></p> <p>Children and Families Committee 18 September 2023:</p> <ul style="list-style-type: none"> <li>• SEND Strategy <a href="https://cheshireeast.gov.uk/2-SEND-Strategy.pdf">2. SEND Strategy.pdf (cheshireeast.gov.uk)</a></li> <li>• SEND Sufficiency Statement <a href="https://cheshireeast.gov.uk/CEC-Report-Template">CEC Report Template (cheshireeast.gov.uk)</a></li> <li>• Capital Programme <a href="https://cheshireeast.gov.uk/CEC-Report-Template">CEC Report Template (cheshireeast.gov.uk)</a></li> </ul> <p>This link provides information on Safety Valve agreements with other local authorities - <a href="https://www.gov.uk/Dedicated-schools-grant-very-high-deficit-intervention">Dedicated schools grant: very high deficit intervention - GOV.UK (www.gov.uk)</a></p>
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Cheshire East 0-25 SEND Partnership Governance



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# Proposals to develop the SEND and AP Strategy and Improvement Plan 2025-27 (September 2024)

## Purpose of Report

This report seeks endorsement on the proposed process and timeline for developing the new Special Educational Needs and Disability (SEND) and Alternative Provision (AP) Strategy and Improvement Plan 2025-27.

## Background

The current *Cheshire East Special Educational Needs and Disability (SEND) Strategy 2021 – 2025* was co-produced with a wide range of key stakeholders and sets out how, as a local 0-25 SEND partnership, we will drive developments to our services so that we support children and young people with SEND to achieve the best possible outcomes. Originally prepared as *The SEND strategy 2021 – 2024* and approved in November 2021, the document was refreshed in April 2023 to reflect significant changes within the national and local landscape for SEND. Following the review and refresh of the SEND strategy, 5 priority areas were identified as our focus for action over the next 12/18 months and 5 workstreams were established to drive forward these action areas.

Since the April 2023 strategy refresh, there have been further major national and local changes relating to SEND and wider people services, including:

- **Work to address increasing financial pressure on the Dedicated Schools Grant (DSG)** - the council took part in the Department for Education's (DfE) Delivering Better Value programme (DBV) during 2022/23. However, despite our engagement, the opportunities identified within the DBV programme combined with the mitigations in the DSG management plan at that time were not sufficient to address the recurring in-year overspends and deficit position. Later in 2023, Cheshire East Council were invited to take part in the DfE's Safety Valve intervention programme. Council colleagues worked with a DfE advisor to build on the work and priority areas identified through the DBV programme; additional improvement actions were identified and the DSG management plan was fundamentally rewritten. Council colleagues submitted the revised DSG management plan to DfE in January 2024 along with 9 Project Initiation Documents (PIDs; which outlined improvement objectives and actions) and a capital bid. Whilst Ministers decided they were unable to enter into an agreement with Cheshire East at that time, the DfE recognise that the forecasted DSG deficit poses a substantial risk to Cheshire East and they therefore proposed to work with us, alongside colleagues from the Department of Levelling Up, Housing and Communities (DLUHC), with the aim of finding an appropriate solution. In the meantime, their ask is for Cheshire East to continue to develop and implement the previously submitted plans to aid a more sustainable high needs system. We therefore need to ensure that improvement actions identified through this work are captured in a single SEND and AP Strategy and Improvement Plan going forward.
- **Completing our self-evaluation and identifying areas for development** – As part of our ongoing standard evaluation activity, alongside inspection preparation activities, colleagues across the SEND Partnership regularly update our SEND self-evaluation to



ensure that it reflects recent improvements and feedback. SEND improvement actions from a previous iteration of our self-evaluation were captured through a drafted improvement plan presented to the SEND Executive Leadership Board. We need to ensure that our new SEND and AP Strategy and Improvement Plan address the areas for development identified in our most recent self-evaluation, along with any actions that may still be needed from the previously drafted SEND Improvement Plan.

- **ILACS inspection and improvement plan** – An Ofsted inspection in February and March 2024 gave Cheshire East's children's services an overall grading of inadequate. A comprehensive *Children's Services Improvement Plan* has been agreed which clearly sets out the actions that will be taken to address the inspection findings and improve our offer for children and young people. To aid consistency and joint working, we will aim to align the content and format of our SEND and AP Strategy and Improvement Plan, and monitoring activity, with this document.
- **National improvement work** - activity has been taking place nationally to develop and pilot the recommendations set out in the DfE's *SEND and Alternative Provision Improvement Plan* published in March 2023. It is not yet known if or how the July 2024 change in national government will affect the implementation of this plan.

Our aim is to review all of the above work and produce a single **SEND and AP Strategy and Improvement Plan** that clearly pulls together and outlines in a single document all of the improvement work to be carried out by the SEND Partnership over the next 3 years.

Our required improvement work is a fundamental change programme that will affect the whole system and will require all partners to work as one. We know that we must do this for financial sustainability, but most importantly because our children and young people deserve to have the right education and support, in the right provision, at the right time, in order to support them to prepare for adulthood and to achieve successful outcomes.

## Area SEND Inspection

We are currently on high alert for an area SEND inspection in Cheshire East. The main purpose of the inspection is for Ofsted and the Care Quality Commission (CQC) to:

- evaluate the effectiveness of the local area partnership's arrangements for children and young people with SEND
- where appropriate, recommend what the local area partnership should do to improve the arrangements

Inspectors will review **how effectively we work together as a partnership** in our local area of Cheshire East to improve the **experiences** and **outcomes** of children and young people with SEND.

Our 'local area partnership' includes everyone in **education, health and care** involved in the strategic planning, commissioning, management, delivery and evaluation of arrangements for children and young people with SEND in Cheshire East.

Previously, Ofsted and CQC carried out a joint local area SEND inspection of Cheshire East in March 2018. This inspection identified two areas of significant weakness in Cheshire East (the timeliness, process and quality of EHC plans; and the lack of an effective autism pathway and unreasonable waiting times), and the local area was required to produce and submit a Written Statement of Action (WSOA) to Ofsted which set out the actions to address the significant areas of weakness. In May 2021, Ofsted and CQC carried out a SEND re-visit and judged that, as a local area, Cheshire East had made sufficient progress in addressing the two areas of significant weaknesses identified at our 2018 inspection.

## Current Areas for Development



We are currently finalising the latest update of our SEND and AP self-evaluation, but several key areas of development have already been identified through our existing self-evaluation and the thorough work undertaken with the Department for Education for both the Delivering Better Value scheme and as preparation for our Safety Valve submission. Current areas for development identified in our new strategy and improvement plan are therefore likely to include:

- Strengthening the **SEN support offer** available in mainstream schools to reduce escalation of children and young people's needs and manage demand for Education, Health and Care Plans (EHCPs)
- Strengthening the quality and effectiveness of **transitions** and **annual reviews** of EHCPs and ensure they support celebrating success where needs have been met and outcomes achieved
- Increase the **number of children accessing their education within the borough** through expanding local specialist provision appropriately in order to meet the needs of children and young people within the authority
- Strengthen **decision-making, oversight and contracting for placements** to ensure value for money and successful outcomes for children and young people
- Secure **collaboration and financial commitment from partner agencies as part of co-commissioning arrangements**, particularly for improving the outcomes of children and young people with complex needs, and ensuring partners contribute accordingly.
- Improving the **quality and consistency of our commissioned services**, including health services, such as local autism pathways and speech and language therapy.

## Developing our strategy TOGETHER

As a partnership we have signed up to TOGETHER in Cheshire East (see below) as our shared definition of co-production as it is inclusive to all. It is important that our new strategy and improvement plan is co-produced again with our key stakeholders, including the voice of children and young people and their parents. To support this, we are planning to hold workshop sessions with stakeholder groups during the 2024/2025 Autumn Term.

### TOGETHER in Cheshire East

**TOGETHER is our shared definition of coproduction in Cheshire East because it is inclusive to all.**

**T**eamwork when designing, delivering and evaluating individual support and services

**O**pen-minded ideas and discussions

**G**enuine communication for all parties involved

**E**qual partners help to shape and improve support for all

**T**rust each other to make the right decisions

**H**onest

**E**ngage and empower children, young people, adults and families





**R**espect for everyone's views and opinions

**Working TOGETHER as equal partners towards a common goal for all of our children, young people, adults living in Cheshire East.**

#### Our TOGETHER Values and Commitment

We will...	We won't...
• Listen to your views	• Use jargon or acronyms
• Communicate honestly	• Give too much information
• Trust each other	• Rush meetings
• Be person centred	• Take too long to complete our actions
• Adapt to people's needs	• Be judgemental
• Respect and value all opinions	
• Do what we say we will	

Here is some further information about our four key principles of TOGETHER going forward, and who is involved in delivering that.



**Co-Involvement**

We will involve and engage with you from the very start to make you aware of changes to services and policy. Your needs will be identified and views are welcomed at every stage.

**Co-Design**

We will work closely with you to plan and design your individual support, services, and policy making sure that children, young people, adults and families are at the centre of those services.

**Co-Delivery**

We will plan and deliver services together ensuring your voice is heard and acted on at every stage.

**Co-Evaluation**

We offer opportunities for feedback so that we can improve your experience.

## New strategy and improvement plan development and timeline

The steps in developing the new SEND and AP Strategy and Improvement Plan are set out below. Whilst we had previously planned to launch a new SEND strategy in September 2025, we feel a new strategy and single improvement plan is required sooner due to the significant local and national SEND development outlined in the ['Background'](#) section. It is planned that the new strategy and improvement plan will be launched in January 2025.

What we need to do	How we need to do it
<b>Establish where we are now</b>	<ul style="list-style-type: none"><li>• Review progress against our previous strategy and identify any areas that still need development.</li><li>• Review progress against improvement activities identified through DBV and Safety Valve and identify areas that still need further development.</li><li>• Review progress against development actions previously identified within the SEF (and SEND improvement plan) and assess where improvement work is still required.</li></ul>

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	<ul style="list-style-type: none"> <li>• Update our self-evaluation (SEF) with the latest information on our strengths and areas for development.</li> <li>• Compare our current performance against where we were and our neighbouring areas/those with similar geography and populations, along with where we need to be (as outlined in our most recent DSG management plan).</li> <li>• Review recent feedback on the current position from key stakeholders, including staff across education, health and care, parents/carers and young people.</li> <li>• Consider external findings from inspection, monitoring and peer review, including DfE support.</li> </ul>
<b>Identify what's important / urgent</b>	<ul style="list-style-type: none"> <li>• To have the maximum impact, we will need to decide which areas for development we feel are most important / urgent so that we can effectively target our resources.</li> </ul>
<b>Agree what we want to achieve</b>	<ul style="list-style-type: none"> <li>• Once we have agreed our areas of priority, we will need to outline what we want to improve/change in relation to these, i.e. what will be different in three – four years if our strategy is successful? We will use this to agree how we will measure the success of our strategy and build these success measures into our quality assurance and performance management arrangements.</li> </ul>
<b>Agree how to achieve our priorities</b>	<ul style="list-style-type: none"> <li>• Identify resources, i.e. what staffing, provision and resources we have to achieve our strategy.</li> <li>• Agree what actions we will take, who will lead these and by what timescale.</li> </ul>
<b>Finalise and launch the strategy and improvement plan</b>	<ul style="list-style-type: none"> <li>• Ensure the strategy is presented at key partnerships and forums.</li> <li>• Publish the strategy on the website.</li> </ul>
<b>Check our strategy and improvement plan is working</b>	<ul style="list-style-type: none"> <li>• Continue to ensure that the strategy and improvement plan are meeting the planned outcomes through quality assurance and performance management arrangements.</li> </ul>

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## BRIEFING REPORT

### Audit and Governance Committee

30 September 2024

**Update on the progress of the key areas  
of the Dedicated Schools Grant  
Management Plan 2024/25 to 2030/31 –  
Quarter 1 2024/2025**

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**Report of: Claire Williamson – Director of Education, Strong Start  
and Integration**

**Report Reference No: AG/24/24-25**

#### **Purpose of Report**

- 1 To provide the Audit and Governance Committee with up-to-date information on the progress of the mitigations detailed within the Dedicated Schools Grant (DSG) management plan and to provide a forecast outturn position in relation to the DSG deficit reserve.
- 2 Progress and the forecast outturn position within this report are based on quarter 1 April 2024 – 30 June 2024.
- 3 Monthly updates outside of the committee system have been provided to all members of the Children and Families Committee.
- 4 The Audit and Governance Committee Terms of Reference require that the committee *'consider reports, both internal and external, on the effectiveness of internal controls and monitor the implementation of agreed actions'*.

The Audit and Governance Committee is recommended to:

1. Note the key areas of progress outlined in this report regarding the DSG Management plan 2024/25 to 2030/31, as reported to Children and Families Committee on 16 September 2024.
2. Note that this briefing report outlines the progress on mitigations and the forecast outturn position, based on quarter 1 April 24 to 30 June 2024.

## Executive Summary

- 5 The authority's outturn position for the financial year 2023-24 resulted in a reduced deficit position of the DSG of £79.5 million compared to the forecast deficit of £89.6 million resulting in a reduction of £10.1 million.
- 6 This trajectory can also be seen within the latest quarterly forecast of the deficit position, a further £8.4 million reduction.
- 7 The DSG management plan shows a forecast deficit reserve position of £141 million as at 31 March 2025, whereas the latest quarterly forecast shows a forecast deficit position of £121.6 million, representing a total of £19.4 million reduced deficit compared with the DSG management plan forecast.
- 8 However the forecast deficit position includes a caveat. Although growth and the use of trends and data have been applied to the forecast, consideration to the timing of this report and the recognition that we are currently at the end of an academic year may impair the forecast.
- 9 Appendix 1 details the progress on mitigations and provides a RAG rating against each objective. Although work is progressing, capacity is a concern and poses a risk to the programme. The recruitment of SEND transformation team members should help to mitigate this risk.
- 10 Appendix 2 provides a data set of impact on education health and care needs assessments (EHCNA), education health and care plans (EHCP), SEN support and the financial forecast for 2024/2025.
- 11 There has been a 23% reduction in the number of EHCNAs received during the period January to June 2024 compared with the same period in 2023. The growth of EHCPs during the same period has also seen a reduced growth of 33%. These percentage reductions are moving towards the national benchmark figures.
- 12 SEN support is growing steadily. indicating that more of our children and young people are receiving the **right support** and early intervention at the **right time** and is contributing to the reduced number of education health and care needs assessments and education health care plans.
- 13 We would expect to see that the number of children receiving SEN support will continue to grow as increased early intervention and support takes place.
- 14 An updated overall DSG management plan forecast will be produced to reflect the reduced deficit position and reduced number of total EHCPs.

This will be shared with the Children and families Committee in November 2024.

## Background

- 15 The DSG management plan provides a forecast for both an unmitigated position and a mitigated position.
- 16 The unmitigated financial forecast is the do-nothing position. Whereas the mitigated financial forecast includes carefully considered interventions. Cumulatively mitigations are forecast to amount to £916 million. The mitigated forecast provides an in year balanced position by year 7.
- 17 The unmitigated forecast position for 2030-31 shows total expenditure of £340.4 million against an expected grant of £68.6 million, resulting in an in-year deficit of £271.8 million and a total deficit reserve position of £1.2 billion.
- 18 The mitigated forecast position for 2030-31 shows total expenditure of £70.2 million against an expected grant and school block transfer of £70.7 million, resulting in an in-year surplus of £0.6 million and a total deficit position of £284.8 million.

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	£m	£m	£m	£m	£m	£m	£m
In year mitigated deficit	(51.3)	(48.1)	(38.7)	(28.7)	(19.8)	(9.2)	0.6
Unmitigated cumulative deficit	(154.6)	(244.6)	(363.5)	(514.8)	(702.2)	(929.1)	(1,200.9)
Mitigated cumulative deficit	(140.9)	(189.0)	(227.7)	(256.5)	(276.2)	(285.4)	(284.8)
Impact of mitigations	(13.7)	(55.6)	(135.8)	(258.3)	(426.0)	(643.7)	(916.1)

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
	£m	£m	£m	£m	£m	£m	£m
Total UNMITIGATED Expenditure	122.40	149.20	179.80	214.10	252.10	293.50	340.40
Total MITIGATED Expenditure	110.20	109.40	101.80	93.70	86.60	78.00	70.20
Total DSG Income & Block Transfer	58.90	61.30	63.10	64.90	66.80	68.70	70.70

- 19 The overall strategy and mitigations focuses on **RIGHT TIME, RIGHT SUPPORT, RIGHT PLACE**. This includes:
  - The need to continue to increase local specialist provision and become less reliant on the independent sector
  - Embed the graduate approach and inclusion across all schools and settings and strengthen SEN support

- Strengthening decision making and governance
- 20 Following approval of the Designated Schools Grant (DSG) Management Plan 2024/25 to 2030/31 by the Children and Families Committee on the 29 April 2024, members approved an additional recommendation that they see and scrutinise monthly reports outlining key areas of progress against the Plan.
- 21 The Children and Families Committee have received the following updates
- (a) 3 June 2024 public Children and Families Committee – update on the DSG management plan outturn position for 2023/24
  - (b) 8 July 2024 non-public meeting – update on the progress of the mitigations for the first quarter (April 24- June 24)
  - (c) 12 August 2024 non-public meeting – update on the financial forecast for the first quarter (April 24- June 24)
- 22 The audit and governance Committee have received the following update
- (a) 30 May 2024 Audit and Governance Committee – update on the DSG management plan outturn position for 2023/24

### **Briefing Information**

- 23 As stated under the purpose of the report, this paper is to provide a briefing to the Audit and Governance Committee and asks members of the committee note the progress of the mitigations within the DSG management plan and the impact on the financial forecast.
- 24 This report is not for seeking a decision but is to support a broader discussion and to provide an update on the DSG management plan.

### **Implications**

#### *Monitoring Officer/Legal*

- 25 Under the Local Government Finance Act 1992, the council has a statutory duty to use resources efficiently and effectively against priorities and to achieve a balanced budget. Section 28 (budget monitoring: general) of the Local Government Act 2003 requires the Council to review its calculations from time to time during the year and to take such action, if any, as it considers necessary to deal with any deterioration in its financial position.

- 26 The Dedicated Schools Grant (DSG) is paid to the Council by the Secretary of State under section 14 of the Education Act 2002. (power of Secretary of State to give financial assistance for purposes related to education or children etc.). It is a specific ring-fenced grant given outside the local government finance settlement. The terms of the grant require it to be used to support schools budgets for purposes defined in regulation The Schools and Early Years Finance (England) Regulations 2023. Local authorities are responsible for determining the split of the grant between central expenditure and the individual schools budget (ISB) in conjunction with local schools forums. Local authorities are responsible for allocating the ISB to individual schools in accordance with the local schools' funding formula.
- 27 The Education and Skills Funding Agency Guidance on DSG: Conditions of grant 2023-24 require any local authority with an overall deficit on its DSG account to present a Plan to the DfE for managing their future DSG spend and to keep the schools forum regularly updated about the authority's DSG account and plans for handling it including high needs pressures and potential savings.
- 28 This report provides a further update as agreed at the meeting on 3 June 2024, to receive regular updated regarding the progress of this plan at least monthly via Microsoft Teams or in committee meetings. It is intended to provide members with ongoing oversight and assurance regarding the plan and actions associated with the DSG deficit.

*Section 151 Officer/Finance*

- 29 Accounting Override – Dedicated Schools Grant adjustment account (England) 53 From the 2020/21 financial year the accounting arrangements for the deficit on the DSG grant were changed.
- 30 The council holds usable and unusable reserves on the balance sheet. Usable reserves are cash backed whereas unusable reserves are not. Examples of unusable reserves are pensions and the revaluation of land and buildings.
- 31 In April 2020 Ministry of Housing, Communities and Local Government (MHCLG) introduced new legislation to switch the DSG deficit reserve from a usable to an unusable reserve and allowed the creation of an adjustment account on the balance sheet.
- 32 When MHCLG set up the accounting override it prevented local authorities from funding a DSG deficit from General Funds without the permission of the Secretary of State. It was made clear to council treasurers that this override was in place to allow time to find suitable arrangements to address the issue.

- 33 The current override has been extended and will now end on 31 March 2026, unless further extensions are announced. Without the override the size of the negative reserve for council expected as of 31 March 2026 would present a financial stability issue for the 2026/27 financial year. The council does not have sufficient reserves to be able to cover the cost of the cumulative deficit if the override is removed.
- 34 The size of the deficit has negative cash flow implications for the council, as we are spending more money than we receive. This results in revenue interest costs linked to the cost of borrowing.
- 35 The 2023/24 closing DSG balance was lower than in the original management plan, and the end of 24/25 balance is also forecast to be lower. This is positive for both the delivery of the plan as well as for the financial impact of interest costs. The impact on the council's revenue costs through the cost of interest in 2023/24 was around £2.6 million and is forecast to be in the region of £5 million in 2024/25. This cost will increase annually as the DSG cumulative deficit continues to increase.
- 36 As detailed in the Cheshire East MTFs the council is experiencing financial challenges at a scale that it has not faced before. This makes the approval and delivery of the DSG Management Plan imperative as the council is not able to fund DSG pressures.
- 37 The council applied for Exceptional Financial Support (EFS) to the Secretary of State for Levelling Up. This application included a request to be able to capitalise the estimated cost of interest on the DSG deficit for years 2023/24 and 2024/25, which is now estimated to be £7.6 million.
- 38 This request has been approved in principle and if supported and taken forward it will remove the cost of interest for these two years from the revenue costs and allow us to spread the cost over a longer timeframe. However this does not address the ongoing cumulative deficit, or the interest costs which will continue to be a pressure in year 2025/26 and onwards linked to the deficit.

### *Policy*

- 39 Local authorities are under a duty to ensure sufficiency of school places in their area (section 14 of the Education Act 1996).
- 40 The SEND Code of Practice (January 2015) provides statutory guidance on duties, policies and procedures relating to Part 3 of the Children and Families Act 2014 and associated regulations and applies to England.

- 41 The DfE issued the “SEND Review: Right support, right place, right time” - a SEND and AP green paper which is a consultation on the future of SEND services. The SEND Partnership response is in support of the proposals and promptly making those legal requirements will support the council in delivery of the necessary changes.
- 42 Following the green paper consultation in March 2023 DfE published their SEND and alternative provision improvement plan which sets out their plans to change the special educational needs and disabilities (SEND) and alternative provision system in England. The partnership will ensure we keep up to date with the DfE roadmap and change programme as this is progressed nationally. [SEND and alternative provision roadmap - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/send-and-alternative-provision-roadmap)
- 43 The statutory duties include:
- (a) the need to undertake a needs assessment where a child may have additional needs,
  - (b) to issue an education, health and care plan within 20 weeks where assessment provides evidence this is required to meet the assessed needs.
  - (c) the local authority must then secure an appropriate school place and must consult with parental preference

<b>An open and enabling organisation</b>  <b>(Include which aim and priority)</b>	<b>A council which empowers and cares about people</b>  Support all children to have the best start in life.  Increase opportunities for all children and young adults with additional needs.  Ensure all children have a high quality, enjoyable education that enables them to achieve their full potential	<b>A thriving and sustainable place</b>  Reduce impact on the environment.  Thriving urban and rural economies with opportunities for all  Be a carbon neutral council by 2025
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*Equality, Diversity and Inclusion*

- 44 An Equality Inclusion Assessment has been completed previously for the DSG Management Plan, this is available on the website.
- 45 The SEND Code of Practice looks to ensure the assessed additional needs of children with special education needs are provided for, to enable them to reach agreed outcomes.

*Human Resources*

- 46 Additional budget of £500,000 has been secured for 2024/2025 via the MTFS to provide transformation support for the implementation of the plan.
- 47 A SEND Transformation team is currently being created to drive forward the programme of mitigations required to achieve financial sustainability in the future.

*Risk Management*

- 48 An impact on the council's base budget (council tax, national nondomestic rates and general grants) as a contribution may be required to manage the high needs pressures or DSG deficit reserve balance.
- 49 Service levels reduce as funding is not sufficient and future Ofsted inspections raise issues which damage reputation and result in the council being required to produce a "written statement of action" to remedy failings.
- 50 The council continues to make payments to settings but it is not able to fund them from the overall resources it has available.
- 51 The DSG Management Plan is based on a series of assumptions over EHCP numbers and average costs. These are subject to change and this risk will be mitigated through regular reviews of the plan.

*Rural Communities*

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)*

- 52 The council has approved its Children's Vision which contains a priority around children with additional needs.



- 53 The SEND Partnership Strategy sets out the Partnership vision for meeting the needs of children and young people with SEND. This strategy was refreshed to include the DBV opportunities and mitigations within the DSG Management Plan in 2023

*Public Health*

- 54 There are no direct implications for public health

*Climate Change*

- 55 Many pupils are educated out of borough at high costs and with long travel journeys.
- 56 Where possible systems that save on energy consumption will be considered, particularly for electricity.
- 57 Any internal works required to update buildings to make them fit for purpose will include a comprehensive review of the impact on climate factors.
- 58 Any significant changes that may take place will require full compliance with the latest building regulations relating to such factors as insulation/heat loss and energy efficiencies. Such factors will be key considerations as the scheme is developed through to full handover.

<b>Access to Information</b>	
Contact Officer:	Claire Williamson Director of Education, Strong Start and Integration <a href="mailto:Claire.williamson@cheshireeast.gov.uk">Claire.williamson@cheshireeast.gov.uk</a>
Appendices:	Appendix 1 – highlight report on progress of mitigations Appendix 2 – Financial impact and impact on EHCNA, EHCPs and SEN support
Background Papers:	Update on the progress of the key areas of the Dedicated Schools Grant Management Plan 2024/25 to 2030/31 C&F Committee 3 June 24 <a href="#">CEC Briefing Report Template (cheshireeast.gov.uk)</a>

	<p>Update on the governance arrangements of the Dedicated Schools Grant Management Plan 2024/25 to 2030/31 A&amp;G Committee 30 May 2024 <a href="https://cheshireeast.gov.uk/CEC-Briefing-Report-Template">CEC Briefing Report Template (cheshireeast.gov.uk)</a></p> <p>Revised Dedicated Schools grant Management Plan 2024/25 to 2030/31 C&amp;F Committee 29 April 24 <a href="https://cheshireeast.gov.uk/CEC-Report-Template">CEC Report Template (cheshireeast.gov.uk)</a></p> <p><a href="https://cheshireeast.gov.uk/Appendix-1-Safety-Valve-DSG-Management-Plan.pdf">Appendix 1 - Safety Valve DSG Management Plan.pdf (cheshireeast.gov.uk)</a></p> <p>DSG Management Plan 2022-23 – C&amp;F Committee September 2022 - <a href="https://cheshireeast.gov.uk/Decision-report-template">Decision report template (cheshireeast.gov.uk)</a></p> <p>15 DSG Management Pan 2023-2024 – C&amp;F Committee September 2023 <a href="https://cheshireeast.gov.uk/CEC-Report-Template">CEC Report Template (cheshireeast.gov.uk)</a></p> <p>Delivering Better Value Update C&amp;F Committee March 2023 - <a href="https://cheshireeast.gov.uk/Decision-report-template">Decision report template (cheshireeast.gov.uk)</a></p> <p>SEND &amp; AP Green Paper - <a href="https://www.gov.uk/government/consultations/send-and-alternative-provision-improvement-plan">SEND and alternative provision improvement plan - GOV.UK (www.gov.uk)</a></p> <p>Children and Families Committee 18 September 2023:</p> <ul style="list-style-type: none"> <li>• SEND Strategy <a href="https://cheshireeast.gov.uk/2-SEND-Strategy.pdf">2. SEND Strategy.pdf (cheshireeast.gov.uk)</a></li> <li>• SEND Sufficiency Statement <a href="https://cheshireeast.gov.uk/CEC-Report-Template">CEC Report Template (cheshireeast.gov.uk)</a></li> <li>• Capital Programme <a href="https://cheshireeast.gov.uk/CEC-Report-Template">CEC Report Template (cheshireeast.gov.uk)</a></li> </ul> <p>This link provides information on Safety Valve agreements with other local authorities - <a href="https://www.gov.uk/government/consultations/dedicated-schools-grant-very-high-deficit-intervention">Dedicated schools grant: very high deficit intervention - GOV.UK (www.gov.uk)</a></p>
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## Designated Schools Grant (DSG) Management Plan Progress Highlight Report

RAG rating colours for mitigation objectives (June 2024)

Colour	Definition
Grey	Action not started yet, no risk to implementation anticipated
Red	Action not on track, risk to implementation
Amber	Action not yet completed, but on track to be completed within timescales
Green	Action completed

**Please note:** The RAG ratings given in the following sections are based on the original action completion dates as submitted for our original safety valve submission, but these may change going forward in line with the refresh of the DSG management plan (as requested by our DfE advisor).

<b>Mitigation - Governance and Accountability</b>	
<b>Objective/Purpose</b>	
1. Strengthen SEND governance, accountability and oversight arrangements, including stronger financial oversight and authorisation, to ensure scrutiny, challenge and full financial oversight is provided from the leaders at the most senior levels.	In progress
2. Facilitate delivery of transformational changes to improve the local SEND system for children and young people through an increase in dedicated capacity with appropriate skills and knowledge.	In progress
3. Ensure clear, robust and equitable decision-making systems and processes are in place across education, health and care for decisions relating to placements, provision and funding, including specific arrangements for complex cases, to provide accountability across the workforce and a consistent approach that enables all children and young people to have access to the correct provision and levels of support.	In progress
<b>Progress Update June 2024</b>	
<ul style="list-style-type: none"> <li>• Terms of Reference for a new SEND Executive Oversight Panel (to replace SEND Transformation Board and current SEND Executive Leadership Board) agreed by Children and Families Committee on 3 June 2024. However following advice from our Safety Valve DfE advisor, further developments to the governance structure have been designed. These are to be presented to Children and families Committee for comment and approval in September 2024.</li> <li>• Director of Education has been working with Strategic leads in SEND to develop a SEND Transformation team to drive the required changes as identified in our DSG management plan. Two additional colleagues (an additional Transformation Strategic Lead and a Send Programme Lead) started in post within this transformation team on 26 June 2024</li> <li>• SEND Strategic leads have continued to review the structure of the SEND service and discuss potential new structure options to ensure effective service delivery in line with new ways of working</li> <li>• A review and initial re-design of SEND decision making processes (across all panels and forums) has taken place; further developments will be carried out once the impact of initial changes has been assessed.</li> </ul>	
<b>Concerns/Issues/Risks</b>	
<ul style="list-style-type: none"> <li>• Meeting dates/times for new SEND Executive Oversight Panel to be agreed and circulated, and SEND governance structure to be updated</li> <li>• Risk of timescale slippage around actions to create a complex cases panel, linked to adult social care, and arrangements to regularly review new and existing high-cost placements – additional capacity through SEND Transformation Team should support this.</li> </ul>	

- The impact of revised decision-making through panels on other services, including increased demand on specialist outreach programme and increased number of exclusions, requires further investigation.

### **Mitigation - Rebalance the Profile of Plans and Strengthen Annual Reviews**

#### **Objective/Purpose**

1. Rebalance the profile and improve the quality of EHC plans for children and young people in pre-16 education to ensure their plan, support and setting is appropriate, aligns with need, and is supporting them to make progress towards their outcomes	Not on track
2. Rebalance the profile and improve the quality of EHC plans for children and young people in post-16 education by embedding preparing for adulthood across the system, and upskilling and raising the confidence of the wider workforce and key stakeholders on preparing for adulthood, SMART outcomes and the offer in adult social care	Not on track
3. Review and refine the process and guidance for EHCP annual reviews and ensure effective processes and training on annual reviews are embedded	In progress

#### **Progress Update June 2024**

- Initial meetings have been held between local authority officers and local colleges to consider our local offer for post-16, with plans to establish a task and finish group to work on this area (ties with mitigation on 'Review of Cheshire East Specialist Provision and Capital Programme').
- A Task and Finish group looking at Annual Review actions has been established, and initial work has begun around reviewing the current process for annual reviews (building on previously completed work).

#### **Concerns/Issues/Risks**

- Issues with timescales of actions across both rebalancing the profile of plans and annual reviews due to capacity issues – SEND Transformation Team and SEN restructure should address this.

### **Mitigation - Banding and Top Up Funding**

#### **Objective/Purpose**

1. Introduce a banding system for the allocation of funding associated with EHCPs across all age ranges and all institutions, which provides an equitable system for all children and young people, accurately represents children and young people's needs and is aligned to national plans	In progress
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2. Provide fair and appropriate funding and support to all children and young people with EHCPs that enables them to be effectively supported to make progress towards their individual outcomes	In progress
3. Provide flexibility to schools and settings to facilitate delivery of effective, high quality and more inclusive provision	In progress
<b>Progress Update June 2024</b>	
<ul style="list-style-type: none"> <li>A High Needs Funding Working Group has been in place since December 2021 and has focused on the funding model used for EHCPs and the introduction of banding. Funding for children with EHCPs in mainstream schools continues to be moved to the initial banding model that was introduced from September 2023. Going forward, a decision has been made to merge the High Needs Funding Working Group with the SEN Funding Working Group (developed as part of the mitigation on 'Partnership collaboration and financial sustainability'). An initial joint workshop session was held with members from both groups on 23 May 2024 to initiate work on banding descriptors for a wider model, as part of the next phase of using banding in Cheshire East. The Chair, membership and a new Terms of Reference document are to be agreed for the newly merged group.</li> </ul>	
<b>Concerns/Issues/Risks</b>	
<ul style="list-style-type: none"> <li>Special school banding work has not started and there have been delays in progressing banding actions due to capacity and delayed decisions around next steps and governance – additional capacity has been put in place through the SEND Transformation Team, who will drive forward action delivery and running of the newly merged working group.</li> <li>Recent requests for fee increases have been received from one of our local free special schools.</li> </ul>	

<b>Mitigation - Graduated Approach</b>	
<b>Objective/Purpose</b>	
1. Embed a culture of inclusion across the whole of Cheshire East to share good practice, create a coherent education system and enable every child and young person to access the provision they need	In progress
2. Build on the newly enhanced SEND Toolkit and embed the graduated approach across all schools and settings	In progress
3. Improve quality and efficacy of SEN support plans to ensure children and young people are effectively supported to achieve improved outcomes through supporting as early as possible and preventing escalation of need	Not on track

4. Upskill schools/setting and partners with strategies and interventions to identify children and young people's needs and how to effectively support them	Not on track
5. Revision of advice template for Educational Psychologists by EPs and other services to ensure the clear objectives of ordinarily available inclusive provision and quality first teaching are separate to the additional advice being given, thereby ensuring it is clearer for plan writers and parents to see the advice being provided	In progress
6. Develop a specialist outreach programme to improve access to early intervention	In progress
7. Monitor effectiveness of recently developed early years arrangements to ensure they remain effective around early identification and support	In progress
<b>Progress Update June 2024</b>	
<ul style="list-style-type: none"> <li>Updated and re-named Cheshire East Toolkit for Inclusion published on Cheshire East Local Offer for SEND at: <a href="https://cheshireeast.gov.uk">Toolkit for inclusion (cheshireeast.gov.uk)</a></li> <li>A Graduated Approach and SEN Support Task and Finish Group, and an Outreach and Training Offer Task and Finish Group have been established to drive forward actions in these areas.</li> <li>Educational Psychologist template has been revised, and we are now working on ensuring it is consistently embedded across the service.</li> <li>A specialist outreach programme pilot has been launched; next steps will focus on targeting support of the outreach programme and evaluating its impact.</li> <li>Ongoing monitoring of early years arrangements is taking place via the early years forum evaluation reference group.</li> </ul>	
<b>Concerns/Issues/Risks</b>	
<ul style="list-style-type: none"> <li>Delays to various actions within this mitigation – bringing in additional capacity through the SEND Transformation Team, and clarifying roles within this team, should help to drive this work forward.</li> </ul>	

## Mitigation - Review of Cheshire East Specialist Provision and Capital Programme

### Objective/Purpose

1. Review existing local specialist provision (including special schools, resource provision and SEN units) and their current designations, in order to understand current use, identify potential improvements and gaps, and assess whether children are being placed in the correct placement types to meet their needs	In progress
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2. Assess opportunities to secure placements in local, in-borough provision for more of our children and young people with SEND	Not on track
3. Expand, further develop and grow our own local specialist provision to ensure children and young people's needs can be met within their local community	In progress
4. Provide further support to address the placements imbalance resulting from the shortfall of SEN places across the borough through the use of creative commissioning and developing and implementing supporting policies	In progress
<b>Progress Update June 2024</b>	
<ul style="list-style-type: none"> <li>Review visits have been taking place within all existing resource provisions and enhanced mainstream provisions from 10 June 2024.</li> <li>A paper was taken and approved by Children and Families Committee on 3 June 2024 which included the additional funding of £16.574m and detailed the new schemes included within the Safety Valve Capital Bid.</li> <li>Initial meetings have been held between local authority officers and local colleges to consider our local offer for post-16, with plans to establish a task and finish group to work on this area (ties with mitigation to 'Rebalance the Profile of Plans').</li> </ul>	
<b>Concerns/Issues/Risks</b>	
<ul style="list-style-type: none"> <li>Overdue action to review data around primary area of need and develop a process within annual reviews whereby primary need is updated to reflect the current position due to capacity – this should be mitigated through establishment of SEND Transformation Team.</li> <li>Work to secure local placements for children has not progressed as quickly as planned - bringing in additional capacity through the SEND Transformation Team, and clarifying roles within this team, will help to resolve this.</li> </ul>	

<b>Mitigation - Transition</b>	
<b>Objective/Purpose</b>	
1. Re-design and enhance the transition process and develop clear expectations regarding transition to ensure that children, young people and families are supported and confident at key transition points (from early years through to adulthood) to reduce escalation of need	In progress
2. Develop resources, information and support for children, young people and families to ensure knowledge and build confidence regarding transition phases of education and provision/pathways	Not started



3. Co-produce and deliver a two-year tailored training programme for all schools and settings to ensure understanding of the transition process and the offer in the next phase of education	Not started
<b>Progress Update June 2024</b>	
<ul style="list-style-type: none"> <li>A Transition Team Manager and 2 Transition Advisors are in post. This Transition Team has been working to review the existing transition process, complete research to gain knowledge and understanding of best practice examples and to re-design and enhance the transition process at the three main transition points.</li> </ul>	
<b>Concerns/Issues/Risks</b>	
<ul style="list-style-type: none"> <li>The relevant workstream has asked the Transition Team to present the findings from their research and their resulting work around best practice examples etc. to ensure this action within the first objective can be signed off as complete, before work progresses on re-designing and piloting new transition processes.</li> </ul>	

<b>Mitigation - Alternative Provision and EOTAS</b>	
<b>Objective/Purpose</b>	
1. Ensure a strengthened alternative provision offer is in place in Cheshire East that better supports children and young people to make timely progress and reintegration to mainstream education, as appropriate, through a review of existing alternative provision arrangements, including the PRU, and exploration and development of alternative models	In Progress
2. Ensure clear and robust systems are in place to agree, track, monitor and review children and young people educated other than at school, to support successful progress towards their individual outcomes and progression into settings, as appropriate	In Progress
3. Review existing in-house services and their future role in a strengthened and more connected offer to support children and young people to achieve improved outcomes	In Progress
<b>Progress Update June 2024</b>	
<ul style="list-style-type: none"> <li>Work has been done to look at the journey of pupils who have been permanently excluded (including the impact between needs assessment request outcomes and exclusions, and costs to schools for alternative provision against exclusions) and to draft a service level agreement.</li> <li>An EOTAS (Educated Other Than At School) Working Group was established in early 2024 and has continued to meet to progress actions to improve EOTAS processes and practice. Data cleansing work is</li> </ul>	

underway, along with work on a review process for all existing EOTAS cases.

- Service review for Medical Needs Team in progress and due to be launched September 2024. Service review for Sensory Inclusion Service also in progress.

#### Concerns/Issues/Risks

- Data cleansing has been required around permanent exclusions within case management systems.
- Further investigation needed on apparent link between needs assessment request outcomes and exclusion levels.
- Some EOTAS actions have been delayed due to capacity within both education and legal services. Education Head of Service is raising with legal colleagues.
- There is a risk around the service review for the Medical Needs Team and the financial timescale for agreement of proportionate AWPU (Age Weighted Pupil Unit) contribution for the service.

#### Mitigation - Partnership collaboration and financial sustainability

##### Objective/Purpose

1. Improve joint SEND financial oversight, ownership and related working relationship between Schools' Forum and Cheshire East Council regarding SEND and high needs block financial management	In progress
2. Seek to secure collaboration and financial commitment from partner agencies where appropriate, ensuring health partners make adequate contributions to provision as appropriate	Not started
3. Seek to secure appropriate resources for additional support and interventions for schools through schools block disapplication submission	Completed (year 1)

##### Progress Update June 2024

- A Schools' Forum subgroup focused on high needs financial management and oversight (SEN Funding Working Group) has continued to meet, with a focus on notional SEN and high needs expenditure overview. The group presented a proposal to change the notional SEN for 2025-2026 in Mainstream Schools to the Schools Forum on 20 June 2024.
- Going forward, a decision has been made to merge the SEN Funding Working Group with the High Needs Funding Working Group (see mitigation on 'banding'). An initial joint workshop session was held with members from both groups on 23 May 2024 to initiate work on banding descriptors. The Chair, membership and a new Terms of Reference document are to be agreed for the newly merged group.

- Schools block disapplication process completed with successful outcome – 0.5% transfer from Dedicated Schools Grant (DSG) schools block to high needs block was approved by Secretary of State, and £1.4m has now been moved to the high needs block.

#### Concerns/Issues/Risks

- Need to ensure all members of the newly merged funding working group commit to being 'active' members that actively attend and contribute to the work of the group.

#### Mitigation - Commissioning

##### Objective/Purpose

1. Strengthen commissioning oversight arrangements through development of dedicated SEND commissioning resource, review of all commissioning contracts and arrangements and use of clear processes and procedures around SLA and contract management arrangements	In progress
2. Understand current levels of speech, language and communication needs (SLCN) and demand for SALT support in Cheshire East	Not on track
3. Improve access to and delivery of SALT services by jointly reviewing current arrangements and identifying areas for improvement, followed by development of a redesigned model for SALT delivery	In progress
4. Consistent and robust system in place for managing fee increase requests	Not started
5. Enhance the area's purchasing power through optimised use of bulk purchasing	In progress

##### Progress Update June 2024

- Work has started on the development of standard contracts (with support from legal)
- Clear arrangements and project team in place for joint review of SALT services and local authority/ICB support secured via appropriate governance routes.
- Initial meetings and pilot proposals planned around testing increased use of bulk purchasing.

#### Concerns/Issues/Risks

- Significant work still required to implement standard contracts across settings
- Data analysis currently being conducted around speech, language and communication needs and demand for SALT support, but this is now past previously planned timescales

OPEN

## Financial Impact - Budget Expenditure by Provision Type

	2024-25	Forecast 2024-2025 Quarter 1	Variance 2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
<b>Mainstream</b>	£22,248,509	£21,697,460	(£551,049)	£21,674,838	£19,779,577	£18,709,100	£18,177,178	£16,998,986	£15,195,043
<b>Resourced Provision or SEN Units</b>	£3,138,000	£3,094,667	(£43,333)	£4,132,667	£5,027,000	£5,540,000	£5,985,500	£6,431,000	£6,778,500
<b>Maintained Special Schools or Special Academies placements</b>	£20,724,458	£23,300,495	£2,576,037	£22,515,339	£24,279,480	£25,978,182	£27,579,555	£27,901,868	£28,135,953
<b>Non maintained special schools or independent (NMSS or independent) placements</b>	£51,163,557	£40,906,238	(£10,257,319)	£48,555,157	£39,959,970	£30,450,382	£21,677,943	£13,339,139	£6,710,643
<b>Hospital Schools or Alternative Provision placements</b>	£3,579,700	£3,580,850	£1,150	£3,375,626	£3,359,124	£3,342,667	£3,326,340	£3,339,883	£3,353,504
<b>Post 16 mainstream placements</b>	£5,643,352	£5,344,147	£299,205	£5,983,738	£6,439,561	£6,597,801	£6,702,899	£6,702,899	£6,734,285
<b>LA Specific spending Total Expenditure</b>	£1,765,563	£1,765,563	£0	£1,627,285	£1,637,217	£1,647,398	£1,657,833	£1,668,529	£1,679,492
<b>Health, Social Care, Therapy Services and Care Provision Total Expenditure</b>	£1,892,207	£2,022,884	£130,677	£1,577,206	£1,577,205	£1,577,204	£1,577,203	£1,577,202	£1,577,201
<b>Total Expenditure</b>	<b>£110,155,347</b>	<b>£101,712,312</b>	<b>(£8,443,035)</b>	<b>£109,441,857</b>	<b>£101,848,761</b>	<b>£93,684,495</b>	<b>£86,579,353</b>	<b>£77,959,506</b>	<b>£70,164,622</b>
<b>Deficit</b>	<b>£140,890,419</b>	<b>£121,576,722</b>	<b>(£19,313,697)</b>	<b>£188,994,589</b>	<b>£227,729,796</b>	<b>£256,471,589</b>	<b>£276,224,220</b>	<b>£285,416,464</b>	<b>£284,815,068</b>

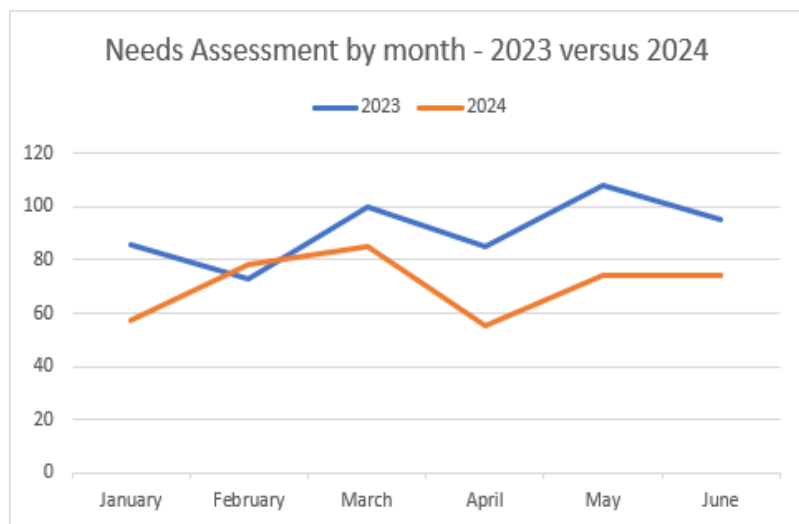
Quarter 1 expenditure forecast is currently expected to be approx. £8.4m less than originally forecast. This results in a cumulative deficit position of £121.6m, compared with the original forecast of £140.9m; a reduced deficit position of £19.3

## Impact Measures

Impact Measure		Baseline Jan 2024)	Baseline as per SV DSG mgmt. plan (2023-24)	Annual Target 2024-2025	Qtr1 24/25 (June 2024)	RAG	Annual Target 2025-2026	Annual Target 2026-2027	Annual Target 2027-2028	Annual Target 2028-2029	Annual Target 2029-2030	Annual Target 2030-2031
Total no. of EHCPs recorded on the SEN2 DfE survey return		4576	4776	5164	4744		5300	5240	5197	5061	4769	4413
Cumulative % growth of total EHCPs		14%	18%	8%	-0.7%		3%	-1%	-1%	-3%	-6%	-7%
Total no. of CYP in a specialist placement	RP / SEN Unit	148	156	172	178		254	308	335	362	389	409
	Special School	817	828	922	850		1016	1116	1206	1266	1286	1306
Increased proportion of CYP in a specialist placement	RP / SEN Unit	3%	3%	3.3%	3.7%		4.7%	5.6%	6%	7%	8%	9%
	Special School	18%	17%	17.8%	17.9%		19%	21%	23%	25%	27%	30%
No. of CYP in a NMSS/ISS/SPI placement		545	757	814	621		652	507	354	239	120	53

## EHCNA & EHCP Analysis

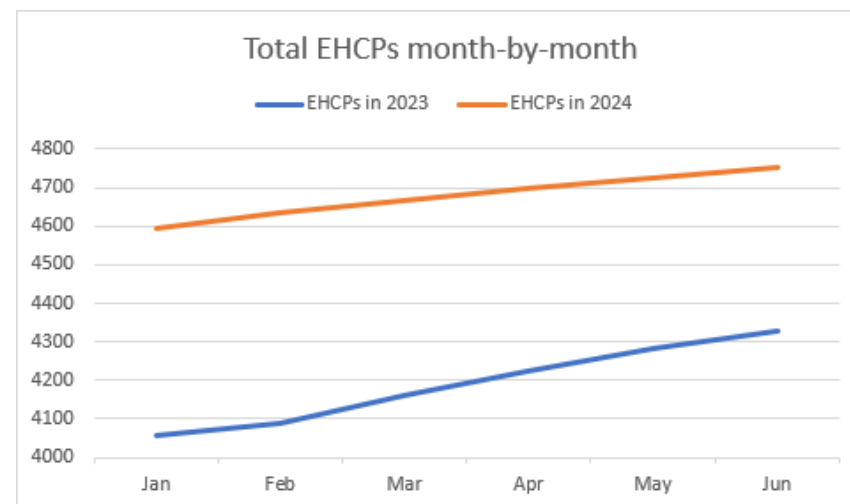
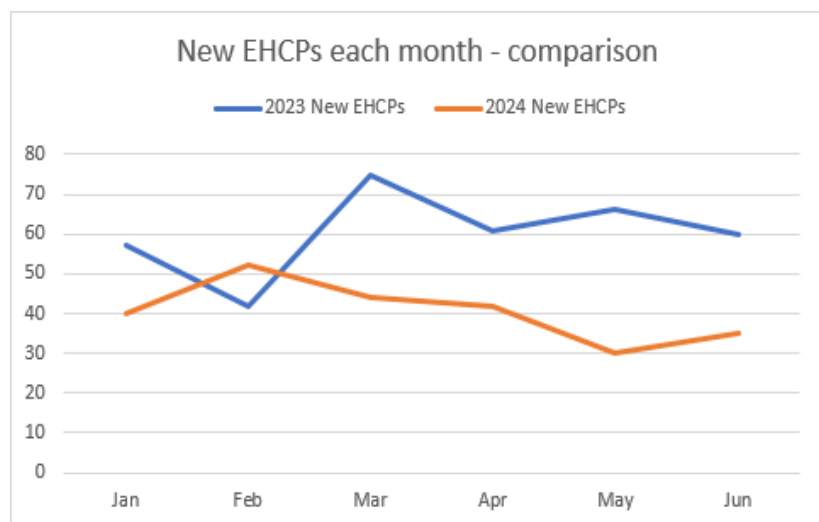
In the first six months (January to March 2024), we have **received** 423 needs assessment requests, compared to 547 in the same period in 2023, representing a 23% reduction. (top left graph)



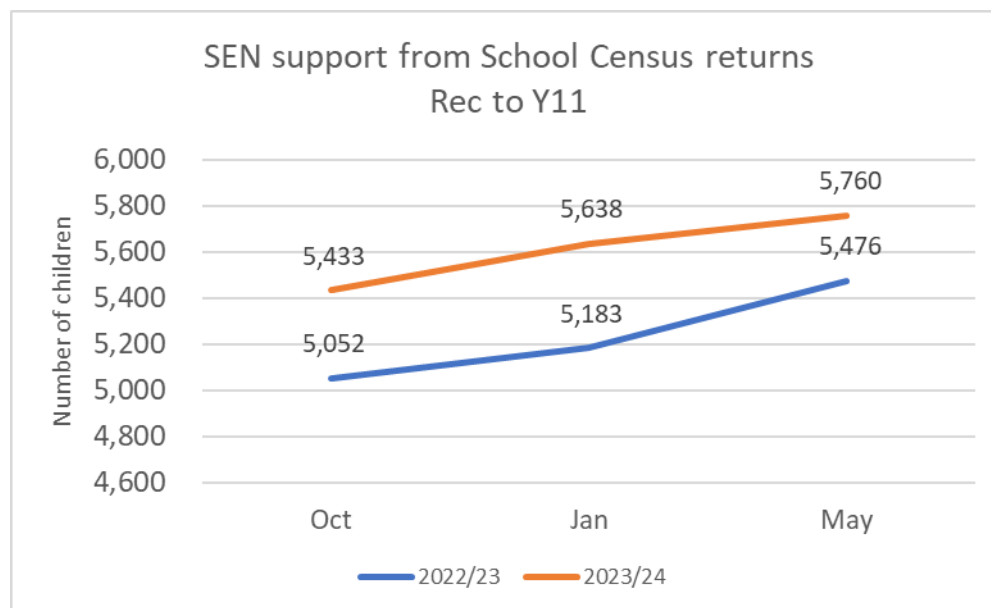
In the first six months (January to June 2024), we have **issued** 243 **new** EHCPs, compared to 361 in the same period in 2023, representing a 33% reduction. (bottom left graph)

During 2023 (January to December 2023), we issued 715 **new** EHCPs. If the trajectory outlined above continues for the remain 6 months of the calendar year, the number of new plans issued in 2024 could be approximately 500. However caution is needed as we can see from the graph that in 2024 during June there appears to be an increase in the number of plans issued. (bottom left graph)

In the first six months (January to June 2024), **total** EHCPs, have risen by 157, representing 3% increase. For the same period in 2023, the rise was 267 EHCPs, representing a 7% increase. Overall increase for the year was 13.6% (bottom right graph)



**SEN Support Analysis**



SEN Support as a percentage of mainstream population Reception to Year 11	Oct Census	Jan Census	May Census
2022/23	9.8%	10.0%	10.6%
2023/24	10.5%	10.8%	11.1%

From the graph and the table shown above we can see that the number and percentage of pupils with a SEN Support plan has increased in academic year 2023/24, compared with academic year 2022/23. This indicates that our children and young people are receiving the appropriate support and early intervention at the **right time** and is contributing to the reduced number of education health and care needs assessments and education health care plans.

Statistically Cheshire East has a lower percentage of pupils being supported by a SEN support plan than national averages but has a higher percentage of pupils being supported with an EHCP. The mitigations within our DSG management plan which focus on inclusive practice, such as the Inclusion Toolkit and graduated approach training for schools is beginning to embed across our educational settings.

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## Audit and Governance Committee Work Programme 2023 - 2024

Report Reference	Date of Committee	Report Title	Purpose of Report	Lead Officer	Consultation	Equality Impact Assessment	Corporate Plan Priority	Part of Budget and Policy Framework	Exempt Item
<b>September 2024</b>									
AG/15/21-22	30/09/24	Whistleblowing Arrangements 2023/24 Update and Policy Development	This report provides the Audit and Governance Committee with an overview of the use of the Council's Whistleblowing Policy during 2023/24 and sets out the proposals for the review and refresh of the Whistleblowing Policy.	Interim Director of Governance and Compliance	Yes	No	Open; Fair	No	No
AG/21/24-25	30/09/24	Information Governance and Security 2023/24	This report provides assurance to the Audit and Governance Committee on the Council's arrangements for information governance and information security over the course of the previous financial year.	Corporate Manager ICT	No	No	Open	No	No

AG/22/24-25	30/09/24	Annual Report of the Audit and Governance Committee 2023/24	The purpose of this report is for the Committee to consider the draft version of the Audit and Governance Committee's Annual Report and agree the final version of the report that will go to the next meeting of Council.	Head of Audit and Risk Management	No	No	Open	No	No
CF/30/24-25 AG/25/-24-25	30/09/24	Revised 0-25 SEND Partnership Governance Structure and Strategy	To Note the revised Cheshire East 0-25 Special Educational Needs and Disability (SEND) Partnership Governance structure.  To Note the proposals for developing the SEND and Alternative Provision (AP) Strategy and Improvement Plan 2025-27	Director of Education	No	No	Fair	No	No
AG/24/24-25 / CF/30/24-25	30/09/24	Update on the progress of the key areas of the Dedicated Schools Grant Management Plan 2024/25 to 2030/31 – Quarter 1 2024/2025	To Note the key areas of progress outlined in the report regarding the DSG Management plan 2024/25 to 2030/31, as reported to	Director of Education	No	No	Fair	No	No

			<p>Children and Families Committee on 16 September 2024.</p> <p>To Note that the briefing report outlines the progress on mitigations and the forecast outturn position, based on quarter 1 April 24 to 30 June 2024.</p>						
AG/26/24-25	30/09/24	B4B / Unit 4 Health check – Verbal Update	Review across both CE and CWAC diagnosing issues relating to Unit 4 and the transactional shared service and how that impacts on the operation of our ERP (finance and HR system).	Director of Finance and Customer Service	No	No	Fair	No	No
AG/27/24-25	30/09/24	Localism Act 2011 – General Dispensations	This report recommends the Committee renews number of general Dispensations under the Localism Act 2011 as previously approved by	Interim Director of Governance and Compliance	No	No	Open	No	No

			Committee on 30 July 2020.  (Covered period to 28 September 2024)						
<b>December 2024</b>									
AG/23/24-25	05/12/24	Update on S106	To receive an update on the S106 improvement plan timetable	Head of Planning	No	No	Open; Fair; Green	No	Yes
AG/19/24-25	05/12/24	Monitoring Officer Report 2023/2405/12/24	This report seeks to provide information and assurance to the Audit and Governance Committee on key aspects of the Monitoring Officer's responsibilities over the previous financial year.	Interim Director of Governance and Compliance	No	No	Open	No	TBC