

Children and Families Committee

Agenda

Date: Monday, 20th March, 2023
Time: 2.00 pm
Venue: Committee Suite 1,2 & 3, Westfields, Middlewich Road,
Sandbach CW11 1HZ

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 top 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 and non-pecuniary interests in any item on the agenda.

3. **Minutes of Previous Meeting** (Pages 5 - 12)

To approve as a correct record the minutes of the previous meeting held on 13 February 2023.

For requests for further information

Contact: Josie Lloyd

Tel: 01270 686466

E-Mail: josie.lloyd@cheshireeast.gov.uk with any apologies

4. **Public Speaking/Open Session**

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

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

5. **Children's Residential Provision** (Pages 13 - 36)

To consider the report on children's residential provision in Cheshire East.

6. **Department for Education Delivering Better Value Programme** (Pages 37 - 54)

To consider the report on the Department for Education Delivering Better Value programme which Cheshire East Council joined in July 2022.

7. **High Needs Funding Post-Pilot Update** (Pages 55 - 98)

To receive an update on the results of the recent pilot and consider the next steps.

8. **Educational Psychology Service Progress Update** (Pages 99 - 118)

To receive an update on the Educational Psychology service.

9. **Update on the transformation of travel support for children and young people** (Pages 119 - 140)

To receive an update on the transformation of travel support for children and young people and consider the next steps.

10. **Household Support Fund 4 & 5 (HSF4/HSF5) Grant Delivery** (Pages 141 - 152)

To consider the report on the delivery of the Household Support Fund 4 & 5.

11. **2022/23 Financial Update** (Pages 153 - 186)

To receive the financial update for the year 2022/23.

12. **School Organisation : Overview of planned capital schemes including funding revisions** (Pages 187 - 216)

To receive the school organisation report on priority projects in Cheshire East.

13. **School Organisation: Academisation of Schools: Forward Plan** (Pages 217 - 220)

To receive the report on the status of academy conversions across Cheshire East schools.

14. **Work Programme** (Pages 221 - 222)

To consider the work programme and determine any required amendments.

15. **Minutes of Sub Committees** (Pages 223 - 232)

To note the minutes of the following sub committees:

Local Authority School Governor Nomination Sub Committee – 5 October 2022

Corporate Parenting Committee – 1 November 2022

Corporate Parenting Committee – 10 January 2023

Membership: Councillors M Addison, L Anderson, M Beanland, J Buckley, C Bulman (Vice-Chair), K Flavell (Chair), A Gregory, S Handley, G Hayes, I Macfarlane, J Saunders, L Smetham and L Smith

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CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Children and Families Committee**
held on Monday, 13th February, 2023 in the Committee Suite 1,2 & 3,
Westfields, Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor K Flavell (Chair)
Councillor C Bulman (Vice-Chair)

Councillors L Anderson, M Beanland, J Buckley, S Handley, I Macfarlane,
J Saunders, L Smith, R Bailey, D Edwardes, L Wardlaw and S Holland

OFFICERS IN ATTENDANCE

Deborah Woodcock, Executive Director of Children's Services
Jacky Forster, Director of Education and 14-19 Skills
Claire Williamson, Director of Strong Start, Family Help and Integration
Kerry Birtles, Director of Children's Social Care
Deborah Nickson, Legal Team Manager (People)
Steve Reading, Principal Accountant
Nicola Wood-Hill, Accountant
Janet Witkowski, Head of Legal Services
Dave Leadbetter, Head of Children's Commissioning
Lesley Seal, Senior Communications Officer
Josie Lloyd, Democratic Services Officer

ALSO PRESENT

Rob Carter, Deputy Chief Executive of OnSide Youth Zones

75 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Addison, Cllr Gregory, Cllr Hayes and Cllr Smetham. Cllr Holland, Cllr Edwardes, Cllr Wardlaw and Cllr Bailey attended as substitutes.

76 DECLARATIONS OF INTEREST

In the interest of openness, Cllr Bailey declared in relation to item 7 Schools Funding Formula and Early Years Funding Formula 2023/24 that a relative of hers serves on a local Multi Academy Trust. Cllr Bailey had also received correspondence on the matter from a local school but had not pre-determined the outcome of the decision to be taken at the committee's meeting.

77 MINUTES OF PREVIOUS MEETING

It was requested that the minutes of the previous meeting be amended to state that the police had been invited to attend the meeting for the Joint Targeted Area Inspection report but had sent apologies.

RESOLVED:

That the minutes of the meeting held on 16 January 2023 be agreed as a correct record, subject to the above amendment.

78 PUBLIC SPEAKING/OPEN SESSION

There were no public speakers.

79 UPDATE REPORT ON THE 2021/2022 ACTION PLAN TO ADDRESS THE ILACS RECOMMENDATIONS

The committee received the report which provided an update on progress on the recommendations from the Ofsted Inspection of Local Authority Children's Services (ILACS) in November 2019.

It was noted that there was a typographical error in section 6.3 of the report and that the correct date was July 2023.

Concerns were raised about staffing levels, caseloads and cuts to Early Help. Officers advised committee that while social worker vacancies were still being carried, it was an improving picture and average caseloads had continued to reduce since September. Assurances were given that cuts in Early Help were about remodelling, upskilling, and looking at where existing skills are and that there was a focus on ensuring recruitment and retainment.

The committee thanked officers for the transparency of the report.

RESOLVED (by majority):

That the Children and Families Committee:

1. Receive the update on the progress to date against the recommendations, and the impact for children and young people, recognising the areas for continued development as well as progress made.
2. Approve the proposal to undertake a review and refresh of the ILAC improvement plan. The decision to replace the existing plan with a broader more ambitious plan reflecting the improvement journey to date, the impact and learning achieved from the and the collective thinking of the senior leadership team, with support from the DfE improvement advisor.
3. Agree that the plan be presented to the committee in July 2023 in order to provide an opportunity for scrutiny against outcomes for children and young people and reviewed at 6 monthly intervals.

80 CORPORATE PARENTING COMMITTEE NAME CHANGE

The committee received the report which recommended a name change for the Corporate Parenting Committee to reflect the wishes of cared for children and care leavers who had asked for professionals to simplify the language that is used when working with them or making decisions about them.

It was noted that the term 'Corporate Parent' was a statutory term that would remain so would still be referred to in some contexts but that officers would work with the young people to ensure they understood this.

RESOLVED (unanimously):

That the Children and Families Committee endorse the recommendation from the Corporate Parenting Committee that the name of the Corporate Parenting Committee is changed to the Cared for Children and Care Leaver Committee in response to feedback from care experienced children and young people.

81 SCHOOLS FUNDING FORMULA AND EARLY YEARS FUNDING FORMULA 2023/24

The committee received the report on the Schools Funding Formula and Early Years Funding Formula 2023/24.

The Director of Education offered to hold a briefing to go through the formula in further detail for information if required. The committee agreed that this would be beneficial.

A query was raised as to whether more information had been provided in previous reports. Officers advised that there was no intention to provide less detail than previously but that this would be checked following the meeting to ensure there was no difference in the level of detail being provided.

A concern was raised that representation on the Schools Forum may not be robust enough as this matter had been approved unanimously although there had been some challenge from some schools. The Director of Education advised that in addition to the Schools Forum, all schools were invited to respond to the consultation and were invited to a briefing but that not all schools took that offer up; however it would be fed back to the representatives on the Schools Forum that there had been some challenge.

RESOLVED (by majority):

Schools Block

That the committee approves the following for the adoption of the Schools Funding Formula 2023/24:

1. The use of a local funding formula that uses the Department for Education (DfE) national funding formula factors, uplifted for the Cheshire East area cost adjustment, and with any additional funding being allocated via the basic entitlement factor. The formula factors are set out at Appendix 2.

2. The use of +0.5% as the minimum funding guarantee percentage.
3. The creation of a local Growth Fund at a value of £0.8m.
4. Provides delegated authority to the Executive Director of Children's Services to use the schools block grant and the mainstream schools additional grant in accordance with relevant guidance.

Early Years Block

That the committee approves the following for the adoption of the Early Years Funding Formula for 2023/24:

5. The continued use of the current funding formula and an increase in the hourly rates by the same percentage increase as the increased funding from the DfE.
6. The new funding rates. The rates for 2022/23 and the proposed rates for 2023/24 are set out at Appendix 4.
7. Approves funding to support children learning English as an additional language with effect from 1 April 2023. Westminster Nursery School, Crewe, would currently qualify for this funding.
8. Provides delegated authority to the Executive Director of Children's Services to use the early years grant in accordance with relevant guidance.
9. That the committee delegates authority to the Director of Strong Start, Family Help and Integration to enter into revised contracts with providers in accordance with the DfE funding increase.

High Needs Block

10. That the committee approves the provisional budget allocations of the high needs block and additional high needs funding as set out in Appendix 5.
11. Provides delegated authority to the Executive Director of Children's Services to use the high needs block and additional high needs funding in accordance with relevant guidance.

Central Schools Services Block

12. That the committee approves the provisional budget allocations and use of the Central Schools Services Block as per Appendix 6.
13. Provides delegated authority to the Executive Director of Children's Services to use the Central Schools Services grant in accordance with relevant guidance.

82 SCHOOL ORGANISATION: ACADEMISATION OF SCHOOLS: FORWARD PLAN

The committee received the report which informed of planned schools across the borough which were seeking to move to academy status and join a multi academy trust.

RESOLVED:

That the committee receives and notes the summary table (Appendix 1) showing the status of academy conversions across Cheshire East schools.

83 WORK PROGRAMME

The committee considered the work programme.

It was noted that the March agenda was heavy but was being reviewed and some reports may be deferred.

RESOLVED:

That the work programme be noted.

84 EXCLUSION OF THE PRESS AND PUBLIC

RESOLVED:

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

85 SCHOOL ORGANISATION: SELECTION OF A SPONSOR FOR KINGSLEY FIELDS PRIMARY SCHOOL, NANTWICH

The committee received the report which provided an update to the previous committee paper, considered by the Children and Families Committee on 10 January 2022, on the selection process for a sponsor for the new primary school at Kingsley Fields.

RESOLVED:

That the Children and Families Committee:

1. Notes the progress of the free school presumption process in the identification of the preferred sponsor trust following formal applications and interviews and notes that the final decision is determined by the DfE Regional Director in association with the Secretary of State.

2. Notes that the School Organisation team, working alongside the DfE representatives has adhered to the Free School Presumption Departmental advice (DfE November 2019) and that, following the necessary process, has put forward the local authority's preferred sponsor to run the new primary school at Kingsley Fields, Nantwich.

86 CREWE YOUTH ZONE

The committee received the report which provided an update on the progress of the Crewe Youth Zone project and the capital funding required to fully fund the development of the Crewe Youth Zone.

The committee requested to receive regular updates, including decisions made by other committees.

RESOLVED (by majority):

That the Children and Families Committee:

1. Approve the development of a Crewe Youth Zone in accordance with the final business plan.
2. Delegate authority to the Director of Governance and Compliance to enter into all necessary agreements to allow the project to be brought forward.
3. Delegate authority for any other decisions related to the delivery of the Crewe Youth Zone project to the Executive Director of Children's Services in consultation with the Executive Director – Place.
4. Note that a separate report will be presented to Economy & Growth Committee, as necessary, to obtain formal approval to dispose of any areas of public open space within the development site following the public consultation exercise.
5. Note that a separate report will be presented to Highways and Transport Committee, as necessary, to obtain formal approval to remove Oak Street Car Park from the Consolidation Order 2015, following the public consultation exercise.
6. Note that further actions will be taken under existing Officer delegations to facilitate and support the project namely to:
 - Subject to the successful completion of the process set out in 3.1.4 and 3.1.5, enter into an Agreement for Lease and Lease with Crewe Youth Zone Charity to make available Council land for 125 years at a peppercorn rent in order to develop a Crewe Youth Zone.
 - Support OnSide with any actions to gain full Planning consent

- Instigate the statutory process for a variation order to Oak Street Car Park
- As land owner to instigate the statutory process for the disposal of public open space with the public consultation exercise
- As a land owner take all actions required to assist Onside to take forward the Stopping Up Order required for Cross Street (road that runs through Oak Street Car Park).

The meeting commenced at 14:00 and concluded at 16:43

Councillor K Flavell (Chair)

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Working for a brighter future together

Children and Families Committee

Date of Meeting:	20 March 2023
Report Title:	Children's Residential Provision
Report of:	Deborah Woodcock, Executive Director of Children's Services
Report Reference No:	CF/24/22-23
Ward(s) Affected:	All

1. Purpose of Report

- 1.1. The purpose of this report is to outline the council's current pressures relating to placements for our cared for children and seek approval on recommendations relating to the development of our own council-run provision in order to improve young people's outcomes, alongside increasing placement options, our capacity to meet current and future demand, and provide better value for money.
- 1.2. This work falls under the 'fair' priority of Council's Corporate Plan 2021-25 and specifically our priority to 'be the best corporate parents to the children in our care'.

2. Executive Summary

- 2.1. Children's social care nationally and within Cheshire East is facing unprecedented challenges around placement sufficiency and costs for cared for children.
- 2.2. We are ambitious for our children and this report sets out proposals to develop our own internal council-run residential provision in order to improve young people's outcomes, alongside increasing placement options and value for money. Primarily, this paper focuses on the proposed development of up to 3 council-run children's residential homes.

3. Recommendations

- 3.1.** Children and Families Committee are asked to:
- 3.1.1.** Approve the planned transition of 2 (independent and Ofsted registered) children's homes currently commissioned in Crewe and Macclesfield to become Cheshire East Council-run provision during 2023, following a recent decision of mutual termination with the commissioned organisation.
 - 3.1.2.** Approve the development of one further 3 bed (2 medium term beds + 1 emergency bed) council-run children's home in the first instance, for development and go-live by the end of February 2024.
 - 3.1.3.** Note the intention to develop at least one further council-run children's home (in line with the No Wrong Door framework if possible-see background documents), by the end of the 2025 calendar year, pending successful implementation of 3.1.1 and 3.1.2 and positive proof of concept.

4. Reasons for Recommendations

- 4.1.** As corporate parents, support for our cared for children is a key priority for the council and its partners. At the end of Q3 2022-23 (December 2022), Cheshire East Council were responsible for 557 cared for children, with 36 (7%) of these children and young people living in residential care (against a national average of 10%). Our overall cared for population is currently statistically higher than our stat neighbour and England average however our population of children in residential care is slightly below.
- 4.2.** This demonstrates our commitment to utilise foster care at every opportunity however there is more to do in relation to providing homes for our cared for children locally within their communities. Whilst we are embarking on this journey from a strong position with this cohort following work to improve numbers in residential provision, we have greater ambitions for our local children and therefore want to build upon the previous improvement work that we have completed to reach this position.
- 4.3.** Cheshire East awarded two contracts with two independent residential children's home providers in 2018. Unfortunately, in 2022 we reached mutual termination with one of those providers due to poor outcomes for children and failure to deliver on the commission. We have continued to work with the remaining provider, continually reviewing the benefits of the block contract arrangements, the outcomes achieved for children and young people and the cost effectiveness with the ambition of maintaining the two children's homes we currently commission. However, this arrangement is no longer deemed viable in the current context due to under occupancy and the local authority's inability to influence this from a regulatory perspective.

- 4.4. We are facing various issues with the current care market of external providers being unable to provide what we need for our local young people, in terms of availability, quality, value and effective holistic support through resourceful and well-organised partnership working. This is preventing us from effectively supporting some of our young people to remain within their families and communities, and to achieve their desired outcomes.
- 4.5. When the authority has had to utilise the external agency market (via the regional purchasing systems or spot purchase), we regularly find that there is little correlation between the effectiveness of a service in terms of outcomes for young people, its Ofsted rating and the weekly fees. In short these are frequently categorised as high cost, low outcome placements.
- 4.6. There is also increased pressure on the availability of external residential care. When places are available, matching is often a barrier, and private companies are able to pick and choose the most appropriate fit for them - in terms of likely risk to reputation and/or Ofsted rating and are able to charge significantly more than is reasonable and proportionate - rather than what is in the best interests of children and young people. As stated in a recent paper produced on behalf of the Eastern region of the ADCS (Association of Directors of Children's Services): *"Given the levels of demand nationally, there is little incentive for providers to offer placements for young people who are likely to be more challenging than others for whom placements are also being sought."*
- 4.7. Despite the reduction in our residential cared for population and some success with the recruitment of new foster carers, our reliance on the independent care market to substitute our sufficiency shortfalls have resulted in additional expenditure. Costs for placements in the external market are rising year on year, and inflation pressures are further adding to this. The very difficult sufficiency landscape means residential care for some of our most complex and vulnerable children has had to be provided in temporary crisis placements which incur a significant cost. Our budget for cared for children external agency placements is therefore under significant pressure and year on year growth has been required.
- 4.8. The outlined issues with the current care market and sufficiency of placements are being seen nationally, as detailed in a wide range of recent national research and analysis, including [Ofsted research](#) published as recently as 18 November 2022 and the Competition and Markets Authority report in 2021. Taking control of our own residential offer and minimising the need to navigate a difficult private sector market is the priority for Cheshire East going forward. To improve this situation, we want to develop and deliver our own provision, which can be more responsive to local need and is run in line with a strong multi-disciplinary framework, strong partnership arrangements and ambitious evidence based principles, instead of depending solely on external options.

- 4.9.** There are a number of linked priority areas that we are aiming to improve through the introduction of council-run children's residential provision, which include:
- 4.9.1. reducing the number of cared for children living more than 20 miles from their home address and/or outside of the borough**, so they can be closer to their families and local communities. At the end of Q2 (September 2022), 207 (38%) cared for children were living out of borough and 121 (22%) cared for children were placed over 20 miles from their home address. We previously set a target of 20% for this in our latest sufficiency statement. By developing our own provision, we can improve the availability and quality of local provision options within the borough and can therefore support more young people to stay closer to their families and local communities.
- 4.9.2. reducing the likelihood of use of unregulated provision**, by providing more suitable options through the development of our provision. The Care Planning, Placement and Case Review [England] 9th [Amendment] Regulations 2021 [the '2021 Regulations'], which came into force in September 2021, made it unlawful to place any child under the age of 16 in unregulated provisions. There are therefore reputational risks associated with the use of such placements. However, an October 2022 paper produced on behalf of the Eastern region of the ADCS outlines how implementation of these regulations resulted in increased pressure to move young people to registered provision, exacerbating existing placement shortages in the residential market nationally, which in turn has resulted in growing numbers of the most vulnerable children and young people being left without appropriate registered provision. Many local authorities are therefore left with no option but to use unregulated placements which continue to rise in price and carry reputational risk, due to no available registered alternatives.
- 4.9.3. improving the mix of placement types** being used by young people in care at any one time, so that our young people are in the best placement for them and the local authority.
- 4.9.4. reducing the time and resources needed to find placements**, thereby increasing the time social workers have for other casework with children and families.
- 4.9.5. further reducing the number of cared for children in residential care** (where appropriate), **reducing the length of time young people spend in residential placements**, and **supporting those already in care to find permanence in a family-based setting**. We want to further embed a local culture that accepts that care is a short-term form of support, and where residential care is not viewed as a long term or permanent home.

- 4.9.6. **improving outcomes for our children and young people**, ensuring they are local to existing family and friends networks, schools and community provision, enabling continuity of love and care.
- 4.9.7. **reducing the overall spend against our children's social care placement budget**. Our main focus is ensuring that our local young people are living in the most suitable place for their needs at any given time and supporting as many of them as possible to have a permanent home. However, we also forecast that moving young people into internal provision rather than high-cost placements with external providers will produce long-term financial benefits.
- 4.10. Recent research has found links between the numbers of cared for children placed in externally run children's homes and local authority Ofsted ratings. In a recently published study, Oxford University academics found that councils with a greater proportion of cared for children placed in profit-making children's homes tend to receive worse Ofsted ratings. More specifically, the researchers shared that, for every additional percentage point of for-profit children's home provision, a council had 4.7% lower odds of being rated outstanding, good or requires improvement, as opposed to inadequate, from 2016-21, said researchers. The study also found that council-run homes tended to receive better overall ratings than for-profit ones, from 2014-21, and that for-profit homes also tended to be rated worse than council-run homes in relation to leadership and how well children were helped and protected.
- 4.11. Increasing local provision will enable more of our cared for children to be placed within Cheshire East. This will reduce the amount of travel that is required by children attending educational settings and by council staff conducting regular statutory visits to children within their placements, which will therefore reduce the council's overall carbon footprint and contribute positively to the Carbon Neutral Action Plan.

5. Other Options Considered

- 5.1. Do nothing and continue to maintain the two children's homes we currently commission and rely on the external agency market for our sufficiency gap. However, this option is not deemed efficient in terms of placement sourcing, value for money or improving outcomes for our children as evidenced since 2018.

6. Background

- 6.1. The Council has a legal duty to safeguard vulnerable children in Cheshire East where it is assessed and endorsed legally that they cannot remain within their immediate family. It is not an option to leave children in vulnerable situations. It is also our legal duty to be in a position to provide high quality care to them as their corporate parents. We aim to have as many children as possible in a family setting, including the use of fostering etc. When children do come into care and fostering doesn't match the

needs of the child and/or matching isn't achievable, then residential care is sourced.

- 6.2. With respect to providing residential care, we have continually reviewed and considered the option of maintaining the two children's homes we currently commission and relying on the external agency market for the additional residential care required. This option is not deemed efficient in terms of placement sourcing, value for money or improving outcomes for our children.

6.3. Financial context

- 6.3.1. Our total annual spend for Children's Social Care for the financial year 2021/22 was £48.7m with a significant overspend of £5.5m. This included a spend of approximately £10.5m on placements for children in residential care.

- 6.3.2. Children's social care costs:

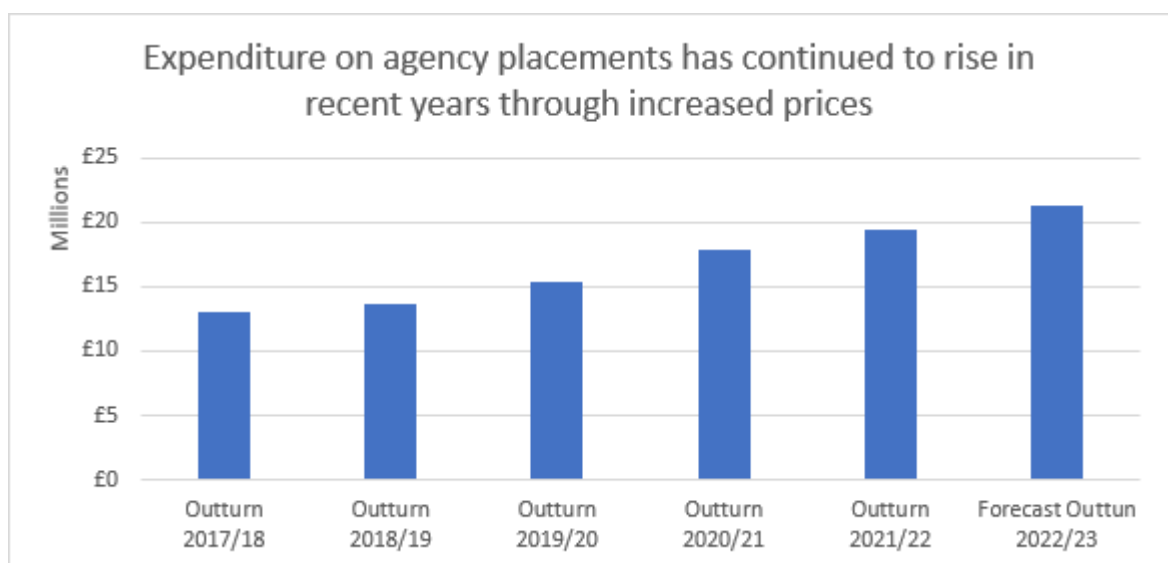
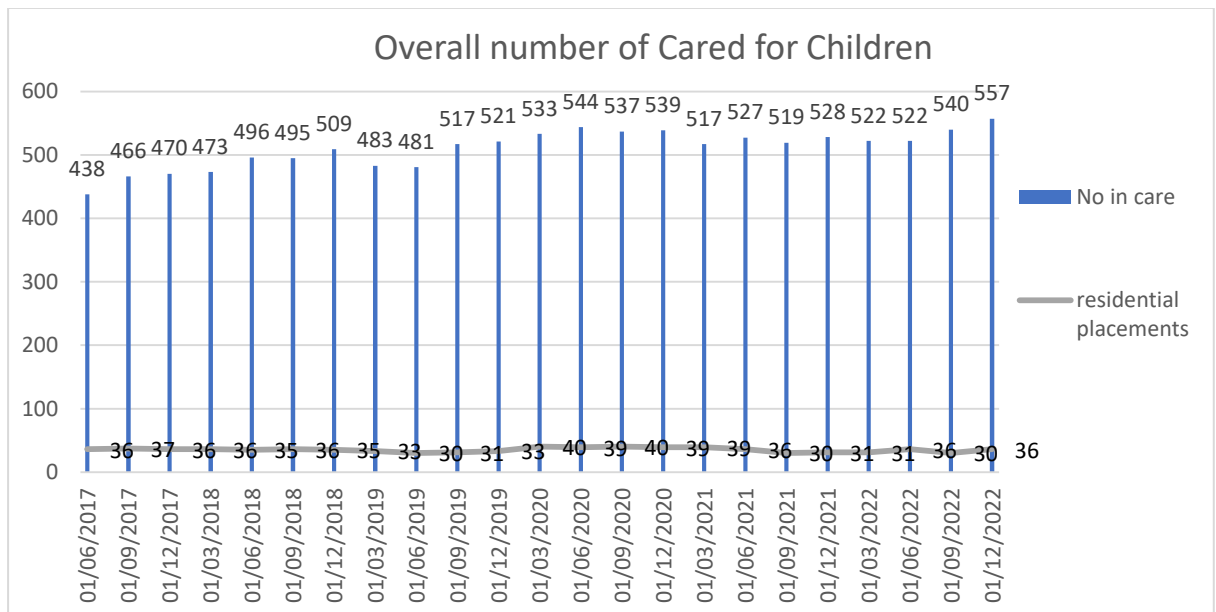
	Net Budget	Outturn/ Forecast	Variance
2019/20	£37.0m	£40.7m	+£3.7m
2020/21	£40.0m	£43.7m	+£3.7m
2021/22	£43.2m	£48.7m	+£5.5m
2022/23 (Forecast)	£47.0m	£49.5m	+£2.5m *

(*) This forecast is being achieved by temporary mitigations, the gross pressure is much higher. Given the pressure continues and some of the mitigations may not prove deliverable and outturn is expected to be higher. Growth of £1.9m has been included in the MTFS for 2023/24. The service faces a significant challenge to deliver in budget in 2023/24 and a number of projects need to be taken forward to achieve a balance.

- 6.3.3. The Children's Social Care Service has increased funding levels through the Council's Medium Term Financial Planning process for a number of years, but this has not been able to keep pace with rising numbers of children in care and the significant price increases being experienced.
- 6.3.4. The overall financial scenario means that further increases are not acceptable as they would have a significant impact on the Council's overall financial position. The service is therefore looking to more effectively manage the 2022/23 budget of £47.0m, and future budgets, and must ensure that the budget is deployed in a way that will provide a sustainable medium-term position and deliver value for money. Developing council-run provision is one potential route that could provide the local authority with the ability to achieve this aim and more such initiatives are needed.
- 6.3.5. One of our biggest current financial pressures is against our placements budget, particularly for external placements. Whilst we have positively maintained a low number of children in residential placements over the

last few years (compared with national averages), the quality of outcomes is not always evident and the cost of residential placements is increasing, giving an overall significant increase in spend.

- 6.3.6. The two graphs below show that the year-on-year increase in expenditure for placements over time does not match the trends in overall numbers of cared for children and those in residential placements (excluding residential special schools) over time, and cannot therefore be accounted for by increased numbers of children alone. Indeed, whilst there has been some increase in overall cared for children numbers since 2017, this does not match the level of increase in expenditure on placements since 2017, and the numbers in residential placements have been maintained or actually decreased at some points. Financial data shows that overall costs have risen by 10% per annum in recent years irrespective of the number of cared for children.



- 6.3.7. Therefore, the graphs show that, in addition to reducing the numbers of cared for children and those in residential placements, along with the length of time spent in high-cost placements, we also need to **act differently in how we meet needs in order to be more cost effective**. By introducing our own provision, we aim to have more control on the ever-increasing cost of care and on positive outcomes for our children and young people, in particular for those children that are placed in residential accommodation.
- 6.3.8. The below table shows our average weekly cost for residential provision (which makes up over 50% of the total expenditure) for the last few years:

Outturn or forecast	Financial Year	Average Cost Per Client Per Week (£)	% change in weekly costs
Outturn	2019-20	£3,140	
Outturn	2020-21	£3,820	21.7%
Outturn	2021-22	£4,559	19.4%
Forecast	2022-23	£4,791	5.1%

- 6.3.9. As can be seen, our average weekly cost of residential care continues to rise. This trend is also seen across the wider north-west region and nationally. However, in 2021 in particular, the complexity and vulnerability of a small cohort of children laid bare the problematic sufficiency position across the country and the precarious external market position. We had to utilise solo, 2:1 staffing ratios and crisis placements to accommodate four cared for children at a weekly fee ranging from £6,750 to £12,705. Our current maximum residential placement cost is still in excess of £12,000 per week.
- 6.3.10. An October 2022 paper produced on behalf of the Eastern region of the ADCS explores how costs for residential placements are increasing rapidly, with further recent exacerbation on already rising costs from implementation of the 2021 regulations reducing placement options, plus the impact of the covid-19 pandemic upon emotional wellbeing needs of children and young people. This document outlines the rises seen by local authorities by sharing how *“managers responsible for identifying placements for children in care in the region have all discussed how considering a residential placement at a cost of £5,000-£7,000 per week as recently as 2021 would have been seen as exceptional and associated with very specialist care around issues such as sexually harmful behaviour. Now, this price is seen as very much the norm for a placement that offers no additional therapeutic intervention or other specialist services.”* This document also describes a number of local authorities with individual placement costs for unregulated and unregistered provision of over £30,000 and as much as £50,000 per week where there has been a need for high staffing ratios, with

managers observing that such placements often simply provide containment as opposed to effective support that will make a positive difference to young people's outcomes.

- 6.3.11. This position is not sustainable, does not meet the needs of our children and young people, and operates outside the frameworks provided by our regulator Ofsted.

- 6.4.** This section of the report aims to provide further detail on the matters for approval.

- 6.4.1. **Approve the planned transition of 2 currently commissioned (independent and Ofsted registered) children's homes in Crewe and Macclesfield to become Cheshire East Council-run provision during 2023, following a recent decision of mutual termination with the commissioned organisation.**
- 6.4.2. Cheshire East will work with the current commissioned service to ensure that the stability of any of our children in placement receive strong, continued care.
- 6.4.3. Of the two currently commissioned homes, we plan to immediately transition one home (pending committee approval through this paper) to become a council-run children's home. This home currently has a Good Ofsted rating and has 2 children that are settled well in their placements.
- 6.4.4. We wish to use the other currently commissioned home for council-run provision (pending committee approval through this paper) but are considering whether to continue with this as a residential children's home (based on our current location requirements and Ofsted feedback) or whether this could alternatively be used as shared, semi-independent accommodation for Care Leavers as their next step in support. An Options Appraisal will be prepared to inform this decision.
- 6.4.5. During the transition we will explore requirements for any TUPE liability of existing staff, whilst scoping the new Statement of Purpose of these homes. Once we have agreed handover timescales, we will begin the process of recruiting Cheshire East children's home staff and/or Registered Manager(s) where required. From there we will submit our application to Ofsted and ensure our homes are ready for pending inspection.
- 6.4.6. The Responsible Individual for any CEC-run children's homes will be our Head of Provider Services, who will ensure we are compliant throughout the transition and application processes.
- 6.4.7. **Approve the development of one further 3 bed (2 medium term beds + 1 emergency bed) council-run children's home in the first instance, for development and go-live by the end of February 2024.**

- 6.4.8. A further 3-bed children's home would add additional capacity for residential placements on top of the two children's homes that we currently commission (and plan to bring in-house) and would aim to further reduce our reliance on the external agency market and spot purchasing for additional placements to improve placement quality and control spend against the placement budget.
- 6.4.9. The Children's Social Care service has already identified one potential property to use for the 3-bed council-run children's home. This property is already owned by the council, meaning no purchasing activity will be required. It already has planning permission for use as a children's home and has previously been used for this purpose. It also underwent recent refurbishment in Summer 2022, which will reduce any required refurbishment work needed before the home could open. Alternatively, we may use the capital funding agreed within the MTFS for purchasing or refurbishment of children's homes to identify and purchase a new property in a more rural location. This decision will be based on our assessment of need, current home locations and exploitation risks etc. at the time of developing the home.
- 6.4.10. We will be required to gain Ofsted registration for the new children's home. The registration process will involve some consultation work, as described in section 7 of this document. We are aiming to gain successful Ofsted registration for the home in 2023 or early 2024 at the latest, with a view to opening the 3-bed children's home by the end of February 2024.
- 6.4.11. A high-level business case has been prepared to request funding for the initial implementation costs of developing the new 3-bed council-run children's home prior to go live. This is due for imminent discussion and decision by the council's Director of Finance and Customer Service – Section 151 Officer. The total investment required for the initial implementation and the annual running costs have been included in **Appendix 1**. The business case is regarded as robust and dependent on high occupancy levels throughout the year to provide an alternative to existing higher cost options. The service is aware of the need to set up and start the new facility as soon as possible to help the financial position but it may be beyond one financial year before savings are made.
- 6.4.12. The key aim of the new model is to generate improved outcomes at better value than the current care options that are available, with an acknowledgement that the Council has to generate value for money for the £47.0m budget for Children's Social Care. The cost of agency placements has risen significantly over the last few years and a continuation of that is not sustainable.
- 6.4.13. The costs included in Appendix 1 estimate that the proposed 3-bed council-run children's home would cost the council £646,725 annually.

Due to demand, it would be reasonable to assume that the home would support 3 children at a 90% occupancy rate, therefore:

- annual costs per bed = £646,725 / 3 = £215,575
- weekly costs per child = £215,575 / 46.9287 weeks = £4,594

6.4.14. This is roughly equivalent to the current average weekly residential placement cost that is forecast for 2022-23 (shown above as £4,791). However, it is important to note:

- we cannot compare like-for-like as our estimated costs for the internal home include staffing costs that have been forecast forward for inflation at planned time of recruitment and home opening (proposed for February 2024 at the latest) and are therefore not comparable to current average costs which will also be subject to increased costs due to inflation in future years.
- Our data shows that the average weekly costs for residential placements have increased year on year, and there are no indications locally or nationally that this will cease or improve, due to a variety of factors. It is therefore likely that the average cost for external placements in 2023-24 and beyond will be higher than the current average given for 2022-23, and will only continue to increase, which we have very limited control over. Having our own setting would allow the council full control over the use of the asset and the opportunity to limit cost increases in future years.
- Our proposed initial homes are smaller compared to other residential settings. This reduces matching issues and allows for more individualised and focused support for young people. This would make our proposed home suitable for our young people with more complex needs which tend to be both harder to source and higher costing placements. Our current maximum residential placement cost is in excess of £12,000 per week, and we know from external reports (such as the ADCS Eastern Region October 2022 report) that such placements can cost over £30,000 and as much as £50,000 per week, depending on the setting and staffing required.
- Due to current demand levels, we are confident that the third emergency bed of the property would always be filled. However, if this was not the case at any point, we would also offer the placement to neighbouring authorities to ensure it was being used and to generate additional income for the council.

6.4.15. The Council has already agreed Capital funding to deliver services at better value (see 8.2 Finance section below for further details) and this proposal takes that a stage further in terms of delivering an in-house facility for children and families in Cheshire East. This gives the Council full control over the use of the asset, occupancy levels and the links to

other forms of care available to the current cohort. Having this additional facility will allow the Council to select the best option to meet need.

- 6.4.16. Our key sustainability aims are to meet need and achieve the best outcomes for children and young people in the most cost-effective way. Greater options allow the most expensive types of care to be reserved for those who really need it – and allows the funding to be available to pay for that. The ongoing revenue costs for the home would be met by rerouting funding within existing children's social care budgets away from increasingly expensive external placements that generate poor outcomes for our children and young people and using this to fund our own provision (see 8.2 Finance section below for further details).
- 6.4.17. In addition to gaining more financial control over placement spend going forward, we should also see a return for our young people directly. By developing and running our own internal provision in line with a strong multi-disciplinary framework, we expect to improve the quality of placement and support that our young people experience, so our young people feel happier, better supported to make positive decisions and more confident in their living arrangements, thereby resulting in more positive outcomes.
- 6.4.18. **Appendix 2** includes details of the proposed governance arrangements for the development of the 3-bed children's home, along with information on how progress will be monitored, how we will utilise existing council resources, and key milestones and activities.
- 6.4.19. **Note the intention to develop at least one further council-run children's home (in line with the No Wrong Door framework if possible), by the end of the 2025 calendar year, pending successful implementation of 3.1.1 and 3.1.2 and positive proof of concept**
- 6.4.20. This report is focusing primarily on approval for the development of up to 3 council-run children's homes (outlined above). However, this is intended as our first step as part of more ambitious plans to improve residential placement sufficiency and quality for our cared for children.
- 6.4.21. Subject to the successful development of our 3 council-run homes, we would intend to return to committee and seek permission to develop additional home(s) to further increase our residential capacity.
- 6.4.22. We hope to develop the additional home(s) in line with the No Wrong Door framework that has been successfully implemented elsewhere in the country. The No Wrong Door model replaces traditional young peoples' homes with innovative residential hubs, with each hub having a dedicated, multidisciplinary team of professionals operating under a shared framework. In the model, the hub is combined with specialist fostering, high needs supported lodgings, supported accommodation and bespoke placements to give multiple placement options, along with an outreach offer to support young people living with their families.

- 6.4.23. We will continue to work with and learn from colleagues from other local authorities that have successfully implemented their own provision using a No Wrong Door model, such as Salford City Council.
- 6.4.24. We will return to a future committee with more detail on proposals for future developments as required for approval purposes.

7. Consultation and Engagement

- 7.1. We will be required to gain Ofsted registration for any new children's home and the registration process will involve some consultation work.
- 7.2. As part of the Ofsted registration process, a location assessment is required to ensure that the location of the proposed children's home is suitable. Non-statutory guidance for the location assessment details consultation with appropriate local services (such as the police, probation services, appropriate voluntary services, health and education services) as part of this assessment. We will also consult with local residents close to chosen properties, our cared for young people that have experienced local services and local staff to inform our planning and the Ofsted registration process.
- 7.3. We will prioritise communication with local communities close to any proposed provision in order to minimise, as far as possible, any concerns that may arise relating to the developments. The property that we are potentially proposing for use for the new 3 bed provision (Claremont House) already has planning permission for use as a children's home and has previously been used for this purpose in the past, so local residents are already familiar with this. We are aiming to gain successful Ofsted registration for the new 3-bed home in 2023 or early 2024 at the latest, with a view to opening this 3-bed children's home by the end of February 2024.

8. Implications

8.1. Legal

- 8.1.1. The report identifies the Council's legal obligations in respect of cared for children and care leavers.
- 8.1.2. It is noted that a decision has been made for mutual termination of the current providers contracts. Legal advice should be sought to ensure any termination provides for no ongoing liability or recourse.
- 8.1.3. Further legal advice and support will be required throughout the projects identified particularly in relation to contracts and the procurement of the various contractors involved, as well as in relation to the various land and property issues that may arise. These will potentially include consideration being given as to ownership, how that will be transferred and the form it will take, the state of the properties being transferred, dilapidations and associated costs, and any planning permissions.
- 8.1.4. Any consultation on the proposals should comply with the Gunning principles (that consultation must be at a time when proposals are still at

a formative stage; that the proposer must give sufficient reasons for any proposal to permit of intelligent consideration and response; that adequate time is given for consideration and response; and that the product of consultation is conscientiously taken into account when finalising the decision) to ensure the decision making is fair and that the risk of challenge is reduced.

8.2. Finance

- 8.2.1. **One-off costs for project delivery:** Children's Social Care is bidding for funding through a High Level Business Case to support the implementation of the innovation and specifically, £194,744 towards implementation costs of the new 3-bed council-run children's home (cost breakdown is outlined in **Appendix 1**). There were alternative transformation funding sources, but these have been included as savings within the draft MTFS 2023-27. Other options will be considered.
- 8.2.2. **Capital:** The Council's Medium Term Financial Strategy (MTFS) for 2023/2027 was approved at a full Council meeting on 22 February 2023. The MTFS document includes capital funding for a children's home sufficiency scheme for a total of £2m. This previous business case was accepted by the Capital Board for the express purpose of achieving a sustainable position through a different way of working. We would use part of this capital funding for any renovation/refurbishment and furnishing costs for the development of the 3-bed home. If the identified facility is used it is expected that these will be minimised due to recent renovation undertaken in the home in 2022. Remaining funding could be used towards the development of an additional home (if the decision was made to develop an additional home), or other residential children's provision (to further increase our internal capacity).
- 8.2.3. As this capital is funded as part of the overall Council's borrowing strategy and funded, there is no intention to charge borrowing costs of the £2m to this project.
- 8.2.4. **Ongoing Revenue Costs:** The annual running costs of the home (as detailed in **Appendix 1**) would be funded by existing revenue budgets in Children's Social Care through both internal and externally commissioned budgets being reconfigured and redeployed.
- 8.2.5. It is acknowledged that there will be a period where there are additional costs while the service transitions but that is considered acceptable to achieve the medium-term aim of sustainability. Pro-active management of the placements will minimise this risk.
- 8.2.6. The staffing costs for the new home will be met from the Council's existing Children's Social Care Directorate placement budget. The Children's Social Care Directorate's annual budget is £47.0m for 2022/23. The council's draft MTFS document for 2023/2027 includes growth for children's social care to recognise pressures on the placement

budget. The service will also need to contribute to directorate wide savings from delivering services in a different way.

- 8.2.7. As this is an existing budget, financing internal provision is therefore about rerouting money that we currently spend on traditional ways of meeting children and young people's needs, which are often poor value for money in terms of outcomes and are increasing in cost, in order to implement an alternative model for supporting children and families to avoid higher costs being incurred later.

8.3. Policy

- 8.3.1. Our recently refreshed Cared for Children and Care Leavers Strategy (2022 – 2026) sets out how elected members, partner agencies, and individual council staff will work together to advocate and champion the needs of cared for children and care leavers in everything we do, having high aspirations for their future, keeping them safe, happy, and healthy and supporting them into adulthood. Through the implementation of this strategy, we intend to improve the experiences and outcomes for all our Cheshire East cared for children and care leavers.
- 8.3.2. Should agreement be given to implement the proposed provision, we will ensure that all related council and partnership policies are updated to reflect this improved offer.
- 8.3.3. Any policy implications that arise from the development of our internal provision will be dealt with through individual reports to Members or Officer Decision Records, as required.

8.4. Equality

- 8.4.1. An equality impact assessment initial screening exercise was completed as part of the High Level Business Case relating to implementation funding for the development of the 3 bed children's home. The results of this initial screening indicated that no groups with protected characteristics under the Equality Act 2010 would be negatively affected by this work to increase children's residential provision.
- 8.4.2. If agreement is given to implement the proposed 3-bed internal provision, a full equality impact assessment will be completed prior to any further planning and will be maintained during the planning of the detailed implementation steps to ensure that no individuals or groups are disadvantaged or treated unfairly.

8.5. Human Resources

- 8.5.1. Service managers are in conversation with the existing provider of the two currently commissioned homes regarding whether TUPE liabilities apply to existing staff in these homes. If TUPE processes are not required, we will recruit new Cheshire East Council employees in line

with the council's recruitment policies and procedures, which would lead to increased employment opportunities in the borough.

- 8.5.2. New Cheshire East Council employees would be recruited for employment in the new council-run children's home, thereby increasing employment opportunities in the Crewe area and elsewhere in Cheshire East (if a new property is purchased). The new staff would be recruited in line with the council's recruitment policies and procedures. There would be no requirement for consultation with existing council employees for the introduction of a new council-run children's home. We would however involve existing employees in the design and development of the children's home in order to learn from and utilise their local intelligence and knowledge of our cared for children.

8.6. Risk Management

- 8.6.1. 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. With all projects, we 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.
- 8.6.2. Risk and issue registers will be maintained throughout the lifetime of the project 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.
- 8.6.3. We will ensure that there is a clear escalation process to ensure risks are proactively considered and managed, e.g., risks that score highly will be reviewed by the Corporate Parenting Committee. Lower-level risks will be considered by the workstream.

8.7. Rural Communities

- 8.7.1. There are no direct implications for rural communities. Careful consideration will be given to the location of the newly developed children's homes, in line with a number of factors.

8.8. Children and Young People/Cared for Children

- 8.8.1. The proposed development of our own internal provision aims to improve the experiences and outcomes of our cared for children.
- 8.8.2. By developing and running our own internal provision in line with a strong multi-disciplinary framework, we expect to improve the quality of placement and support that our young people experience, so our young people feel happier, better supported to make positive decisions and more confident in their living arrangements. The proposals also aim to have more young people living in, or close to, their local communities.

8.9. Public Health

- 8.9.1. Cared for children and care leavers are more at risk of poor health outcomes. Health services need to be targeted to ensure that they meet the needs of this group of children and young people. We would hope to work closely with health colleagues in the development of our internal provision, so that placements within our own local provision present increased opportunities to access relevant health services and therefore contribute to improving the health and wellbeing of this group of young people.

8.10. Climate Change

- 8.10.1. Increasing local provision will enable more of our cared for children to be placed within Cheshire East. This will reduce the amount of travel that is required by children attending educational settings and by council staff conducting required regular visits to children within their placements, which will therefore reduce the council's overall carbon footprint.
- 8.10.2. Consideration is also being given to the addition of solar panels to the proposed children's homes (which may also positively impact annual running costs for the homes, in addition to reducing their overall carbon impact). The feasibility and costs of this will be investigated in conjunction with colleagues in Facilities Management, and implementation is dependent upon suitability of the building structure and required installation costs.

Access to Information	
Contact Officer:	Kerry Birtles, Director of Children's Social Care Kerry.Birtles@cheshireeast.gov.uk 07760996641
Appendices:	<ul style="list-style-type: none"> Appendix 1. Investment for 3-bed council-run children's home Appendix 2. Governance arrangements and high-level milestones
Background Papers:	'No Wrong Door' innovation programme: evaluation - GOV.UK (www.gov.uk)

	Children's social care market study final report - GOV.UK (www.gov.uk)
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Appendix 1: Investment required for 3-bed council-run children's home

1. The table below sets out in detail the estimated cost of implementing the new 3 bed children's home and the expected annual running costs for Cheshire East Council.
2. Estimated costs are based on learning from other areas and historic costs adjusted for inflation. Staffing costs have also been forecast forward for inflation at planned time of recruitment and home opening.

Pre-Live (Project Year 1)	
Implementation	
Business Development Manager (0.5 FTE for 12 months)	£36,420
Business Administrator (0.5 FTE for 12 months)	£17,179
Training & Support	£10,000
Children's Home Manager (1 FTE, costed 4 months pre Go Live)	£27,774
Senior Keyworker (3 FTE, costed 3 months pre Go Live)	£40,432
Keyworker (6 FTE, costed 2 months pre Go Live)	£43,383
Ofsted Application / Registration cost	£1,056
ICT set up costs	£13,500
Miscellaneous	£5,000
Total implementation costs (and therefore funding requested from this High Level Business Case bid)	£194,744
Year 1 post go-live and beyond	
Ongoing Annual Costs	
Children's Home Manager (1 FTE)	£83,323
Senior Keyworker (3 FTE)	£161,727
Keyworkers (6 FTE)	£260,298
Casual Staff (to cover emergency bed / holiday / sickness etc.)	£54,441
ICT (PSN circuit annual rental)	£2,000
Site Maintenance/repairs and annual certification	£7,000
Transport	£15,000
Supplies and Services	£46,000
Allowances and Assistance	£10,500
Annual Ofsted Registration Fee	£2,836
Reg 44 Visitor	£3,600
Total ongoing annual costs	£646,725
Funding allocated	Nil
Net costs of the scheme	£646,725

Appendix 2: Governance arrangements and high-level milestones

Governance arrangements

1. We will utilise governance arrangements that are similar to those in place for other local multi-agency projects and partnerships. The work required to implement and deliver new council-run children's residential provision would be overseen by a multi-disciplinary workstream, which would report directly into our Corporate Parenting Committee and have grandparent oversight from the Council's Children and Families Committee. There will also be regular review through safeguarding challenge sessions with the DCS.
2. The governance structure supports strong multi-discipline engagement, ownership and reporting:
 - 2.1. The multi-disciplinary workstream would comprise of a small group of key representatives from pertinent agencies and teams which may include children's social care, education, health, local police, youth justice and business intelligence. Other enabling services, such as estates, finance and legal, would be engaged as needed.
 - 2.2. The group would also engage more widely with colleagues in partner agencies and additional reference groups as needed, to ensure that their expertise is incorporated and utilised, and to establish their buy-in from the very beginning.
 - 2.3. The workstream would establish temporary task and finish groups as/if needed. These would be comprised of colleagues relevant to the group's specified objective from all involved stakeholder teams, and each group would close upon successful delivery of their individual objectives.
 - 2.4. We have recently appointed to a Head of Provider Services post who, along with further project support from our internal Children's Development and Partnerships Team and further operational knowledge from our Head of Service for Cared for Children and Care Leavers, will hold operational responsibility for the delivery of this innovation, including oversight of the project plan and the operation of the multi-agency workstream.
 - 2.5. The workstream would be chaired by our new Head of Provider Services (Samantha Walker), who will retain strategic responsibility for this innovation from this initial bid and throughout its delivery.

Progress monitoring

3. Progress monitoring and reporting against project objectives will be achieved as follows:
 - 3.1. The Head of Provider Services, the Head of Service for Cared for Children and Care Leavers, and the Business Development Manager will work with the multi-disciplinary workstream to prepare and oversee a detailed project plan (with relevant stages, milestones, target completion dates and KPIs), that will be signed off by the Corporate Parenting Committee.
 - 3.2. The workstream will assign, oversee, monitor and sign off all work items completed by established task and finish groups related to this project.

- 3.3. The Chair of the workstream (along with the Head of Service for Cared for Children and Care Leavers, and Business Development Manager) will present regular updates to the Corporate Parenting Committee through RAG ratings and highlight reports in order to share progress against the project plan and milestones, and to highlight any risks or issues that have arisen.
- 3.4. The Corporate Parenting Committee will in turn provide regular updates to senior leadership teams within the Council, including regular updates to the Council's Children and Families Committee.

High-level milestones and activities

4. Below are some of the key milestones and activities for implementation of the initial 3-bed council-run children's home:

Phase 1 – establish initial home	1.a. Pre-project	<ul style="list-style-type: none"> Approval from Children and Families Committee to commence project Initiate engagement, communication and co-production activity with all stakeholders and partners (this has already commenced and will continue throughout the lifetime of the project) Establish multi-agency workstream with responsibility for project delivery and surrounding governance/reporting routes Initial exploration of earmarked site and identification of any requirements 	Month 1 (March 2023)	Project Year 1
			Month 2	
			Month 3	
	1.b. Project initiation	<ul style="list-style-type: none"> Finalise delivery plan with detailed milestones Finalise performance measures/KPIs and capture baseline values 	Month 4	
	1.c. Set up of Initial home	<ul style="list-style-type: none"> Establish and deliver components for initial home in line with delivery plan (including refurbishing and furnishing property as needed; undertaking necessary registration; preparing job roles; recruiting and training staff; agreeing shared framework for operational delivery, training and management etc. – utilising existing policies where possible) Identify potential young people for moving into initial home upon Go Live 	Month 5	
			Month 6	
			Month 7	
			Month 8	
			Month 9	
			Month 10	
			Month 11	
	1.d. Go Live	Go Live for initial council-run home in Cheshire East	Month 12 (February 2024)	
	1.e. Delivery and sustainability	Monitor performance and outcomes of initial home (in line with agreed KPIs), and continue to share results with wider stakeholders as required	(To continue beyond month 12)	

Existing council resources

5. Existing council corporate resources will be deployed and involved in joint working as needed to ensure successful implementation and ongoing delivery of our council-run residential provision; this includes colleagues from Finance, HR, Assets, Business Intelligence, Legal and others as required, such as Payroll/Payments etc. Many of these services have already been involved in the development of this business case, and are therefore already invested in this project. Depending on the nature of acquiring a building for a potential additional council-run home, the input from Corporate Services could be greater at later stages.
6. Our internal Children's Development and Partnerships Team will continue to provide project support to this initiative, which will include support with project management, communication and engagement of stakeholders and admin support for the project workstream (in terms of note taking, maintaining action logs, supporting workshops and events etc.), amongst other tasks.

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Working for a brighter future together

Children and Families Committee

Date of Meeting:	20 March 2023
Report Title:	Department for Education, Delivering Better Value Programme
Report of:	Deborah Woodcock, Executive Director of Children's Services
Report Reference No:	CF/72/22- 23
Ward(s) Affected:	All wards

1. Purpose of Report

- 1.1.** This report provides a briefing on the Department for Education Delivering Better Value programme, which Cheshire East Council joined in July 2022. The programme is linked to the Dedicated Schools Grant (DSG) management plan.
- 1.2.** The purpose of the report is to note the recommendations and agree delegations to the Executive Director of Children's Services to undertake any consultations deemed necessary to facilitate implementation.

2. Executive Summary

- 2.1.** The Department for Education (DfE) in February 2022 announced the Delivering Better Value Programme (DBV). The DBV programme is designed to provide dedicated support and funding to help 55 local authorities with substantial deficit issues in their high needs block of the DSG, to reform their high needs systems, with the aim to put more local authorities on a more sustainable footing so that they are better placed to respond to the forthcoming special educational needs and/or disabilities (SEND) reforms.
- 2.2.** The DBV programme consists of three modules and a grant clinic.

- **Module 1:** Baselines and forecasts – Understanding our data, financial forecasts and EHCP numbers. Identifying themes for further diagnostics in module 2.
- **Module 2:** Route cause diagnostics – Deep dives to understand what is driving demand and identifying potential financial opportunities.
- **Module 3:** Implementation planning – Identify workstreams based around the themes and opportunities and an assessment to understand how ‘ready’ the people, processes, and systems are for change.
- **Grant clinic and application:** Preparation of the grant application.

2.3. Cheshire East have been awarded £1 million in the form of a grant to support the transformational change programme with the aim of becoming more sustainable in the future, which are described in this report.

2.4. Although this is positive for Cheshire East, the opportunities identified via the DBV programme and the current mitigations within the DSG management plan, do not fully address the recurring in-year overspends and deficit position. It highlights that significant changes to funding levels and activity is required.

3. Recommendations

3.1. The Children and Families Committee is asked:

3.1.1. To note, Cheshire East have been awarded £1 Million in the form of a grant - approved by DfE on 13 February 2023.

3.1.2. To note, the profiled spend of the grant over a two-year period 2023-2024 and 2024-2025.

3.1.3. To note, the workstreams identified during the DBV programme and the intended use of the grant as set out within the report.

3.1.4. To note, the next update to the DSG management plan will include DBV findings and opportunities and will be based on up-to-date SEN data and intelligence. This will be presented to the Children & Families Committee in September 2023.

3.1.5. To note, the Chief Executive, Executive Director of Children’s Services and the Section 151 Officer will raise the financial issues with the DfE and the Department for Levelling Up, Housing and Communities (DLUHC).

3.1.6. Delegate to the Executive Director of Children’s Services authority to undertake any consultations deemed necessary to facilitate implementation.

4. Reasons for Recommendations

- 4.1. Work commenced on the DBV programme in September 2022, which led to completion of the grant application in February 2023.
- 4.2. The DBV programme has provided a robust evidence base, which has focused the strategic direction, to align our SEND strategy and DSG management plan.
- 4.3. The DSG reserve is in a deficit position of £25.7 million as of 31 March 2022. This is forecast to be £46 million as of 31 March 2023
- 4.4. To inform Children and Families Committee of the workstreams and implementation plans.
- 4.5. A grant of £1.2 million has been included in the Medium-Term Financial Strategy (MTFS) and has been approved by council on 22 February 2023 as part of the council's budget. The MTFS will be amended by the Section 151 Officer, to reflect the £1 million grant which has been awarded.

5. Other Options Considered

- 5.1. This section is not applicable. The Children and Families Committee noted the invitation to join the DBV programme in May 2022. This paper provides an update on the diagnostic phase of the programme.

6. Background

- 6.1. Supporting outcomes for children with an Education, Health and Care Plan (EHCP) has become more challenging due to increase in numbers and complexity of need. Children with an EHCP have their needs met through the council's DSG high needs grant but this has exceeded the funding received for that purpose.
- 6.2. This situation has occurred over the last seven years with several factors contributing to it locally, including a lack of provision, high rates of needs assessments, parental expectations and more generally the high needs funding basis which is not linked to EHCP numbers.
- 6.3. This is a national issue and as a result, the majority of councils are now facing significant deficits on their DSG reserve as recurring overspends are transferred to it each year. Despite this being a national issue, the situation is acute for Cheshire East.
- 6.4. This has prompted the DFE to take a number of actions:
 - 6.4.1. They released a DSG Management Plan template in 2020 to help councils set out their forecast spending pressures, income levels and DSG reserve deficit. In 2022 any council with a deficit DSG reserve (or a significant decrease in their reserve) must produce a management plan.
 - 6.4.2. They also introduced two support schemes for councils:

- Delivering Better Value – for councils with significant DSG deficits. This started in July 2022.
- The Safety Value - for councils with very high DSG deficits. This started in 2021.

- 6.5.** Cheshire East received an invitation in March 2022 to join the DBV programme. In May 2022, the Children and Families Committee were asked to note the invitation to participate in the programme. In September 2022, the Children and Families Committee, as part of the DSG management plan annual update, were asked to note that engagement had begun with the DBV programme.
- 6.6.** A strategic DBV board has been established, which has provided governance and steering throughout the programme. Members of this board include Director of Children's Services and S151 Officer.
- 6.7.** The high needs block is one strand of the DSG. This element of the DSG is primarily spent on securing suitable school and post 16 provision for children and young people in line with the 2014 SEND code of practice.
- 6.8.** The DSG management plan is based on a series of assumptions relating to growth in demand, expected costs and the impact of mitigations. This allows medium term forecast expenditure and income levels to be compared to establish the overall funding deficit. The plan assumes the deficit is carried forward each year, into the next financial year and adds to the pressure.
- 6.9.** The DSG management plan will continue to be updated on an annual basis for a rolling period of 5 years, therefore Children and Families Committee will be updated annually. The committee was provided with an updated DSG management plan covering the five-year period 2022/23 to 2026/27 in September 2022. The next update will include DBV findings and be based on up-to-date SEN data and intelligence. This will be presented to the Children and Families Committee in September 2023.
- 6.10.** Plans are in place to develop a series of dashboards to monitor the impact of mitigations included in the DSG management plan. The impact will be regularly assessed and evaluated to inform and continually develop the mitigations. This is to ensure that the mitigations are having the desired impact on the DSG management plan and are achieving ideal outcomes for children and young people.
- 6.11.** The DBV programme does not replace the DSG management plan. The programme has provided a robust evidence base to support and refine mitigations within the DSG management plan.

- 6.12.** As part of the DBV programme, the use of the high needs block has undergone a due diligence and an accounting practice process conducted by Chartered Institute of Public Finance and Accountancy (CIPFA) advisors. No issues have been identified.

Delivering Better Value programme

- 6.13.** The DBV programme is commissioned by the DfE and has been designed to support local authorities:
- To identify sustainable changes that can drive high quality outcomes for children and young people with SEND.
 - Place children and young people with SEND at the centre of the approach and decision making.
 - Build an evidence-based grant application to assist the implementation of those changes.
 - Grants will be allocated in a flat rate across all authorities in the first instance. This means each authority will receive £1 million in a lump sum once the grant application has been approved.
- 6.14.** The DfE aims to utilise the insight and knowledge provided by local authorities and their partners to build an objective evidence base across a third of the sector, which can be used to:
- Inform future policy and drive legislative and funding changes.
 - Build a national playbook & share best practice.
 - Inform future national programmes of similar scale and intent.
- 6.15.** As part of participating in the DBV programme, we have received dedicated capacity from Newton, the delivery partner and The Chartered Institute of Public Finance and Accountancy (CIPFA) as part of the diagnostics phase. They have worked with us to bring their experience and skills on identifying opportunities for change.
- 6.16.** Newton specialise in operational improvements and have extensive experience in working with public sector systems. Their experience includes analysing complex processes and systems, as well as working with frontline teams to understand the biggest challenges they are facing so they can create a bespoke solution.
- 6.17.** CIPFA are a professional accountancy body dedicated to public finance. Their team of chartered accountants includes experienced local government finance directors and officers with a deep knowledge of the education funding system.
- 6.18.** As the diagnostics phase and grant submission has now been completed, support from Newton and CIPFA will be withdrawn. However during the implementation phase, DfE SEND advisors are able to support as needed.

Module 1 of the DBV Programme: Baselines and Forecasts

6.19. Module 1 involved providing and analysing data to understand the volume and type of support the children and young people (CYP) have been achieving historically, and what that might look like going forward - clarifying our current position, forecasting future trends and understanding patterns of occurrence. This involved the following:

- Reviewing the existing DSG management plan and assessing forecasts, both financial and EHCP numbers.
- Identifying areas of interest based on high levels of spend and high volumes of CYP.
- Due diligence of existing mitigation targets and plans. This was carried out by CIPFA advisors.
- Accounting practice assessment to identify remedial actions for any inconsistencies with DSG accounting regulations.

6.20. Findings from module 1:

- Early years children are the largest driver of EHCP demand in mainstream settings. The associated need of these children is speech, language and communication needs (SLCN).
- The reliance on Independent Special schools and Non-maintained Special schools (INMSS) has increased significantly over the years mainly due to capacity constraints within existing maintained and academy special schools.
- New/first EHCPs in special schools are being issued in early years (age 3-4) and secondary years (age 10-14). The associated needs of these children are SLCN (age 3-4) and Social Emotional and Mental Health (SEMH).
- Demand of EHCPs is the main driver of the forecast position, increases in expenditure / unit costs are less of a driver.
- The unmitigated financial and EHCP forecasts within our DSG management plan were reviewed and Newton confirmed that Cheshire East projections resulted in a similar future expenditure as the DBV projections. This was largely due to similarities in projection methods.
- No remedial actions for any inconsistencies with DSG accounting regulations were identified.
- CIPFA advised Cheshire East to take a prudent approach with the existing mitigations during the assessment session. This was to take into account the current progression and existing and/or potential barriers to plans within the DSG management plan.
- Although the mitigations have been revised for DBV purposes, the DSG management plan will be updated to reflect the most recent progress and assessment of barriers in September 2023.

- The unmitigated and revised mitigated forecasts were agreed.

Module 2 of the DBV Programme: Route Cause Diagnostics

- 6.21.** Module 2 involved digging deeper into the root cause of why it has been difficult to achieve the high-quality outcomes previously, in terms of resource limitations and system barriers. This involved:
- Conducting 36 recent case reviews with multidisciplinary teams of practitioners to understand whether the outcome of each case was ideal.
 - The case reviews were not a review of the performance in systems. We asked practitioners to put aside system barriers and to judge each case based on what would be ideal without taking into consideration any resource limitations in the local authority. This allowed us to identify which system barriers we should address.
 - This gave the opportunity to identify recurring themes.
 - As a further deep dive to the themes identified from the case reviews, 3 surveys were completed by both educational providers and parents / carers on inclusive practice, the graduated approach and transition.
 - The uptake in responses from parent / carers was well received, as a result Cheshire East won a DBV award for stakeholder engagement.
 - The identification of potential financial opportunities.

6.22. Findings from module 2 include:

The recurring themes that were evident from the case reviews are:

- Lack / limit of inclusive practice within schools and settings.
- No evidence of the graduated approach within schools and settings.
- Lack of transition support.
- From the 3 surveys conducted, the results evidence that educational providers were the most positive around inclusive practice in their settings. Recruitment and training of staff was a key area of concern, particularly in early years settings and therefore will be a key focus for module 3.
- Parent / carers have widely differing views on what degree of inclusion is achieved at schools and settings. Well trained staff, higher staff to pupil ratio, tailored curriculum and smaller class sizes were deemed to be the most important factor for schools/settings to demonstrate inclusivity.
- The results from the graduated approach survey showed that there appeared to be a lack of confidence by schools and setting in discussing the approach with parents. This was confirmed within the parent / carer responses.
- Key barriers in the graduated approach survey highlighted; difficulty recruiting specialist personnel, quality, consistency and access to other services.

- From the transition surveys, the greatest area of concern for parent / carers was related to information regarding the transitions process and awareness of different settings Cheshire East has to offer.
- Schools and settings identified barriers to transition; this included time to implement transition plans, appropriate notice regarding transition and effective communication between settings.

Module 3 of the DBV Programme: Implementation Planning

- 6.23.** The aim of module 3 was to ensure that local authorities can practically implement solutions to the root causes that were discovered from module 2, by understanding how 'ready' the people, processes, and systems are for change.
- 6.24.** Workstream planning began based on the findings of modules 1 and 2, this included scoping the objective and approach of the required workstreams, identification of programme/workstream leads and teams, milestone events, key performance indicators (KPI's) and likely measures, key stakeholders, to support design and implementation and risks and interdependencies.
- 6.25.** Alongside this work, detailed stakeholder analysis/assessment was carried and a supporting readiness for change assessment.

6.25.1. Workstream 1 – Communicating our vision

- The objective of this workstream is to communicate and embed our vision and strategy for a sustainable future. This includes, reviewing and update our existing SEND Strategy, aligning our existing SEN Workstreams with the overall DSG High Needs Management Plan and producing a clear communication plan.

6.25.2. Workstream 2 – Inclusive Practice

This workstream has been divided into four sub-workstreams to ensure that there is focus on each element of delivery.

- **2A – Embed the graduated approach universally**
- The objective to this workstream is to embed the graduated approach universally at mainstream and post-16 with specific focus at the early years phase. We will do this by relaunching the Tool Kit so that the principles of the graduated approach are embedded within all settings and amongst parents and SEND colleagues. The aim of this is to increase and improve understanding of SEN support and the graduated approach. This will avoid escalation for a needs assessment, whilst ensuring SEND code compliance.

- **2B – Review and define the decision-making processes, panels and forums**
- The objective to this workstream is to review and define the decision-making processes, panels and forums with a view that all decisions are linked to a graduated approach, for new need's assessment, issuing and approving EHCP requests, change of placements and agreeing the delegation for locality managers outside of panel.
- **2C – Effective SEN support plans**
- The objective to this workstream is to provide quality assurance and interventions, to develop more effective SEN support plans where a decision has been made not to assess or issue an EHCP. We will do this by introducing new/more capacity into the Inclusion Quality Team to support providers/settings to further develop or enhance SEN support plans and to support children and families with advice and next steps when a decision has been made not to assess.
- **2D – Upskilling schools/settings and parents**
- The objective for this workstream is to upskill schools/setting and partners with the relevant training & resources to identify children and young people's needs and how to effectively support them. We will do this by developing and commissioning a universal offer of multi-agency training courses linked to autism, social, emotional, mental health and speech, communication, and language.

A fifth sub-workstream was identified, however this was dependant on additional grant funding being awarded, as Cheshire East were unsuccessful in securing additional grant funding at this time; this sub-workstream is on hold.

- **2E – Programme of support for teaching assistants (TAs)**
- The objective for this workstream is to recruitment, retain and progress TAs, to ensure there is confidence to provide SEN support. We will design a recruitment and retention programme for TAs and commission programme of support for TAs.

6.25.3. Workstream 3 – Transition

- The objective for this workstream is to re-design and enhance the transition process, to reduce the escalation to an EHCP and/or to reduce the escalation of a change of placement to a specialist provision. An interim transformation team, who will have a specific focus on transition will support this change programme and will be funded for two-years through the grant.
- After the two-year period, an impact evaluation of the transformation team will be conducted and the future capacity needs of the SEND team will be established.
- The transformation team will work with schools and settings to review and re-design the transition process at the three main transition points, to enable an earlier start e.g. Nursery 1, Y5 and Y10. The aim of this is to

make decisions around transition earlier. A longer and more detailed transition period for the child or young person will ensure that at transition, the most ideal provision is named in a child's EHCP and therefore will raise confidence levels with children and families.

- Schools and settings will be able to forward plan their requirements to meet the needs and outcomes of children and young people with an EHCP, at the point of transition.
- The transformation team will co-produce and deliver a two-year training programme for all schools and settings, tailored to educational phases (early years, primary/secondary, post-16); to understand the offer in the next phase of education, research and provide best practice, learn from best practice, what does good look like examples and develop clear expectations for schools, partners and parents regarding transition.

Grant Clinic and Grant Application – process and timelines

- 6.26.** During the grant clinic, Cheshire East participated in several peer challenge sessions with other local authorities who were part of the programme. These sessions were undertaken alongside CIPFA and Newton colleagues.
- 6.27.** Question and answer sessions were held to establish use of the grant and grant application processes.
- 6.28.** The final submitted grant application consists of 108 slides, which details the journey and outcomes of the DBV programme.
- 6.29.** Cheshire East received positive feedback on the grant application from Newton, CIPFA and DfE colleagues. They had stated that 'Cheshire East was the only one classified as excellent and that they would like to share our approach with future tranches as a best practice example.'
- 6.30.** Grants to all local authorities within the DBV programme will be allocated a flat rate in the first instance. This means each authority will receive £1m in a lump sum once the grant application has been approved. However, there will be a remaining balance for the DfE/Newton to deploy.
- 6.31.** Cheshire East applied for £1.2 million, however only £1 million has been awarded. We remain hopeful for consideration for any additional deployment of grant, following the completion of the DBV programme, across all 55 local authorities.
- 6.32.** There will be a two year spend profile of the grant, which will be split over the years 2024 and 2025, however it is not restricted to this timeframe under the conditions of the grant.

6.33. Grant Allocation

6.33.1. Grant Table: £1 million

Workstream & Area	Description	Impact (Which opportunity will this support?)	Total Financial Cost	Spend 2022/23 (Financial Year)	Spend 2023/24 (Financial Year)	Spend 2024/25 (Financial Year)
Inclusion (SEN Support) Workstream 2	Recruitment of Inclusion Support Officers to support the Inclusion and Quality Team (3 FTE)	All opportunities	£ 243,000	£0	£121,500	£121,500
Transition Workstream 3	Recruitment of transformation team to lead on the transition workstream, which supports children and young people and their families and schools at key transition points - 1x Manager/Lead and 6x Advisers (2 at each transition point, early years, primary/secondary and secondary/post-16) (7 FTE)	All opportunities	£ 742,000	£0	£371,000	£371,000
All Areas	Project management and communication costs to cover resources such as, the cost of events, roadshows, training material and communication materials.	All Opportunities	£ 15,000	£0	£10,000	£5,000
		Total delivery cost	£1,000,000		£502,500	£497,500

6.33.2. Grant Timeline

- Grant application submission date: 23 January 2023
- Quality Assurance panel – Newton Group, Department for Education SEND Advisor, CIPFA, Department for Education, Vulnerable Children Unit Advisor: 23 January 2023 – 1 February 2023
- Grant submitted to DfE-DBV Programme Board with recommendations from the QA Panel: 1 February 2023
- Approval at DfE-DBV Programme Board: 9 February 2023
- Expected payment date: before 31 March 2023

Potential Financial Opportunities

6.34. The DBV programme has identified potential financial opportunities of cost avoidance, these will help to refine the DSG management plan. The DBV workstreams give an “opportunity” to avoid cost of between £12.6m and £21m over a 5-year period and a reduction of between 290 – 302 EHCPs. Opportunities are not an exact target and our workstreams are focused on the opportunities identified.

6.35. As already stated in this report, the DSG management plan is updated annually with up-to-date data and knowledge and intelligence and will incorporate the new workstreams which address the financial opportunities. Therefore, at this point there is no impact on the DSG management plan and the existing deficit reserve position.

7. Consultation and Engagement

- 7.1.** TOGETHER is our shared definition of coproduction in Cheshire East, key stakeholders, including parent/carers, young people, our staff, and providers have been and will continue to be involved throughout the process.
- 7.2.** Engagement has taken place throughout our participation in the programme to support the development of the action plan to ensure shared ownership across the SEND sector. The SEND Partnership Board provides a platform to do this.
- 7.3.** Consultation and engagement workshops have been held with parent/carer forum representatives, schools, governors and colleges, our staff and health colleagues.
- 7.4.** Parent/carers and all providers were invited to engage in the completion of module 2 surveys. The survey response rate was well received.
- 7.5.** Case reviews were conducted with multi-disciplinary teams.
- 7.6.** Workstream 1 – communicating our vision includes producing a clear communication plan, which will involve a number of engagement events to all stakeholders, including a briefing session for Committee members.
- 7.7.** Where required, appropriate consultations will take place on the proposals included in the action plan as part of the delivery phase.

8. Implications

8.1. Legal

Legal advice will be required throughout the process, particularly regarding proposed changes and their implementation, to ensure compliance with the council's statutory and other SEND duties.

Legal advice would also be advisable to ensure the terms of grant funding provided, are understood and complied with.

Changes to policy will require appropriate approval and consultation in accordance with the Gunning principles i.e. that proposals consulted upon are formative and no decision has been made, sufficient information is given to consultees, adequate time is given for responses and conscious consideration is given to responses.

8.2. Finance

- 8.2.1.** The DBV Programme and grant funding will assist the council in delivery of the current DSG management plan and additional mitigations.
- 8.2.2.** The council has secured £1m of DBV grant funding. This has been included in the council's medium term financial strategy report going to full council on 22 February 2023 at £1.2m. The council report will allow the Section 151 officer to adjust the final amounts in light of final funding levels.
- 8.2.3.** The grant must be spent on mitigating activity.
- 8.2.4.** The DSG reserve is in a deficit position of £25.7 million as of 31 March 2022. This is forecast to be £46 million as of 31 March 2023.
- 8.2.5.** The council's DSG management plan approved at committee in September 2022 includes DSG reserve forecasts for the medium term for both the mitigated (£146 million deficit) and unmitigated position (£273 million deficit). It highlights that without significant changes to funding levels and activity, the reserve position cannot be recovered in the life of the plan.
- 8.2.6.** DBV has identified opportunities for cost avoidance, however this does not provide a solution to becoming sustainable in the medium term. The next update to the DSG management plan will include DBV findings and opportunities and will be based on up-to-date SEN data and intelligence. This will be presented to the Children and Families Committee in September 2023.
- 8.2.7.** The DSG reserve deficit is being managed by a statutory override put in place by the DLUHC that allows it to be treated as an unusable reserve. This override has recently been extended to March 2026 to allow time for the implementation of SEND reforms.
- 8.2.8.** It is not yet clear what other changes will occur to reduce the deficit by that point or what will happen to existing deficits when the override is removed.

8.3. Policy

- 8.3.1.** The SEND Code of Practice sets out the statutory guidelines and policy for SEND. The SEND Review: Right support, Right place, Right time sets

out proposed changes to policy which were open for consultation until 1 July 2022. There has been no published response from the DfE to date.

8.3.2. This statutory code contains details of the legal requirements that the local authority, health bodies, schools and colleges must follow without exception to provide for those with special educational needs under part 3 of the Children and Families Act 2014.

8.3.3. 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.

8.4. Equality

8.4.1. 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.

8.4.2. The Code of Practice is likely to be changed as a result of the SEND and AP Green paper consultation.

8.4.3. In line with the equality act 2010, an equality impact assessment has been completed.

8.5. Human Resources

8.5.1. Due to the increased demand for needs assessments the workloads of staff in the SEND assessment and monitoring team and associated support services remain high. This is making the ability to meet legal and statutory requirements remain a challenge. EHCP volumes increased by 63% from January 2019 to January 2022.

8.5.2. As a result, further base budget growth has been identified through the Medium-Term Financial Strategy for 2023/24 onwards.

8.5.3. The workstreams identified through the DBV programme have highlighted the need for recruitment of an interim transformation team, focusing on transition and recruitment of interim inclusion support officers to focus on inclusivity. These roles will be on a fixed term basis and will allow resource capacity to drive and embed the implementation phase of the DBV programme. The additional posts will be funded by the grant over a two-year period.

8.6. Risk Management

- 8.6.1.** An impact on the council's base budget (council tax, national non-domestic rates and general grants) as a contribution may be required to manage the high needs pressures or DSG deficit reserve balance.
- 8.6.2.** There is insufficient capital resources and / or capacity to deliver the additional changes needed to provide more places in the borough. This is a particular challenge if trying to bring the mitigations forward.
- 8.6.3.** 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.
- 8.6.4.** The council continues to make payments to settings but it is not able to fund them from the overall resources it has available. This is a key issue to discuss with the DfE.
- 8.6.5.** 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.
- 8.6.6.** The capacity to deliver the change programme. The expenditure of the grant allows for the recruitment of interim/fixed term staff, which will mitigate the risk of capacity to deliver the change programme. However, there is still a risk of recruitment being unsuccessful and timely.

8.7. Rural Communities

- 8.7.1.** This is a high-level high needs DSG budget issue and does not specifically impact differently on rural communities. In relation to individual school budgets, we have challenged the DfE at every possible point on the negative impact of the national school funding formula on rural schools. This continues to be our approach with the backing and support of the Schools Forum.

8.8. Children and Young People/Cared for Children

- 8.8.1.** 20% of our children and young people who are cared for have SEND or are vulnerable and need alternative education packages which are funded through our DSG high needs budget. As corporate parents it is

important we continue to ensure the appropriate additional support is in place to support the educational progress of our cared for children.

- 8.8.2.** It is important that ensuring the best outcomes for vulnerable children remain at the heart of any action plan.

8.9. Public Health

- 8.9.1.** Covid has had an impact on the mental health and wellbeing of children and young people. This is resulting an increase in the application for an education, health and care plan.

- 8.9.2.** In addition, the impact on children's education progress due to Covid is well documented. This is again leading to an increase in applications for an education, health and care plans.

8.10. Climate Change

- 8.10.1.** The mitigations in our DSG management plans that will have the greatest impact on reducing the deficit is the creation of additional local provision, whether that be through enhanced provision in mainstream or additional specialist schools. Children and young people attending a more local school will reduce the transport requirements. In addition, any new school builds are designed to be energy efficient. Reduced transport and energy efficient new builds both contribute positively our climate change strategy.

Access to Information	
Contact Officer:	Jacky Forster Jacky.forster@cheshireeast.gov.uk
Appendices:	There is no appendix to this report.
Background Papers:	<ul style="list-style-type: none"> • DBV paper noted at Children and Families Committee as item Decision report template (cheshireeast.gov.uk) in May 2023 • The Council's DSG Management Plan that was approved by Cabinet in March 2021 as item 95. • The Council's DSG Management Plan that was approved by Children & Families Committee in September 2022 as item Decision report template (cheshireeast.gov.uk) • SEND Green Paper: The following link should take you to the full report and consultation response document

	<p>https://www.gov.uk/government/consultations/send-review-right-support-right-place-right-time</p> <ul style="list-style-type: none">• SEND Green Paper: The following link should take you to the summary document <p>https://www.gov.uk/government/publications/send-and-ap-green-paper-responding-to-the-consultation/summary-of-the-send-review-right-support-right-place-right-time</p>
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Working for a brighter future together

Children and Families Committee

Date of Meeting:	20 March 2023
Report Title:	High Needs Funding Post-Pilot update and request to consult
Report of:	Deborah Woodcock, Director of Children's Services
Report Reference No:	CF/61/22-23
Ward(s) Affected:	All wards

1. Purpose of Report

- 1.1. The purpose of this report is to provide an update on the results of the recent pilot undertaken in relation to a potential change in model for the allocation of top-up funding associated with an Education, Health and Care (EHC) Plan, and gain recommendations on next steps for this work, including approval to carry out further consultation activity.

2. Executive Summary

- 2.1. This report updates Children and Families Committee on the results of the recently completed pilot phase to test a new banding model for the allocation of high needs funding associated with EHC Plans. Following the positive results observed from the pilot, the High Needs Funding Working Group (HNFWG) recommend wider implementation of the model and are seeking approval from Children and Families Committee to consult on these proposals.

3. Recommendations

Children and Families Committee is asked to:

- 3.1. Note the Results and Analysis Report for pilot phase 2b, and that results from pilot phase 2b can be shared with wider stakeholders at this stage (including parents/carers of children and young people with SEND).
- 3.2. Approve the High Needs Funding Working Group's (HNFWG) recommendation to not display the band on EHC Plans.
- 3.3. Consider and scrutinise the proposed new banding model for funding EHC Plans as developed by the High Needs Funding Working Group and supported by the Schools' Forum.

- 3.4. Consider and scrutinise the proposed staged implementation of the new banding model.
- 3.5. Approve plans to carry out a further open consultation on proposed changes to the High Needs Funding Model used in Cheshire East.
- 3.6. Note that the results of the consultation will be brought back to Committee.

4. Reasons for Recommendations

- 4.1. In the current model used in Cheshire East, high needs top-up funding associated with an Education, Health and Care (EHC) Plan is expressed as a number of hours of support.
- 4.2. However, the use of hours is a proxy measure which can cause confusion and does not accurately represent the many different ways in which support can be provided to meet the individual needs of a child or young person with an EHC Plan. Previous high needs funding work and consultations supported the development of a more flexible model.
- 4.3. Many Cheshire East schools already undertake a range of flexible support strategies to meet the needs of each individual child with an EHC Plan. This includes the use of small group work, equipment or specialised software for example. Changing from expressing total funding in 'hours' to a band with a financial amount would better support and reflect this, modernise our systems and remove any confusion for parents/carers, young people, schools and other professionals, including council colleagues.
- 4.4. Under the new model, agreed provision will remain focused on meeting individual needs – as it is now. Therefore, where a child's individual needs are being optimally met by existing support mechanisms (including 1:1 support), their individual provision is unlikely to change upon moving to the new model. Likewise, in schools where a range of support is already in place, there may be little difference to individual support when the new model is implemented. However, removing the use of hours (which incorrectly implies that support can only be delivered via 1:1 support from an individual) and introducing the proposed banding model supports the flexibility to try different types of provision to meet need where it may be beneficial for a child or young person. Ensuring that an individual child's needs are met through the most appropriate provision for them supports them to achieve positive outcomes. It can also provide opportunities for schools to unlock efficiencies in how they deliver effective support.
- 4.5. The following paragraphs set out further information for each of the proposed recommendations for Children and Families Committee:
- 4.6. **Note the Results and Analysis Report for pilot phase 2b, and that results from pilot phase 2b can be shared with wider stakeholders at this stage (including parents/carers of children and young people with SEND)**

- 4.6.1. The Results and Analysis Report for pilot phase 2b is provided in **Appendix 1**. The results of this pilot phase were very largely positive, and have provided evidence for the HNFWG to support wider implementation of the piloted banding model.
- 4.6.2. The HNFWG would like to share the results of this pilot with wider stakeholders for transparency purposes, to provide assurance that this work has continued to progress, and to outline the successes so far that are driving planning of wider implementation.
- 4.7. **Approve the High Needs Funding Working Group's (HNFWG) recommendation to not display the band on EHC Plans**
 - 4.7.1. The HNFWG previously agreed a proposal to not include any financial values (associated with bands) on EHC Plans upon a move to the new model. Further discussion around whether or not a band should be included on each individual EHC Plan was then required.
 - 4.7.2. A document outlining the pros and cons of including or not including the band on the EHC Plan itself has been attached in **Appendix 2**. This document was used by the HNFWG in their meeting on 6 September 2022 to inform their discussion on this decision.
 - 4.7.3. At this meeting, the working group voted unanimously in favour of **not including the band on individual EHC Plans** going forward (and instead sharing the band via the final EHC Plan letter and signposting to further information online).
 - 4.7.4. The group were therefore in favour of removing the 'total allocated resources' section that is on the current EHC Plan template (and existing EHC Plans) entirely (but retaining the remainder of section F, with detailed and specified provision, as is). This recommendation was supported by the Schools' Forum in their meeting on 6 October 2022.
 - 4.7.5. In the first instance, we are proposing to implement the new funding model for school aged children in mainstream schools; however, the proposal (supported by the Schools' Forum) is to remove the 'total allocated resources' section from all EHC Plans for consistency (note that this field is not usually used in EHC Plans for children and young people in specialist settings or post-16 settings, so would result in little change in information held in the document for such plans).
- 4.8. **Consider and scrutinise the proposed new banding model for funding EHC Plans as developed by the High Needs Funding Working Group and supported by the Schools' Forum**
 - 4.8.1. Using extensive modelling exercises, the HNFWG developed and agreed upon an appropriate model of bands and funding amounts which was then tested through the pilot. This is presented below (with loss/gain data based on 2020/21 pupil data; although demand has increased

significantly since then so the overall total cost will be higher and the overall variance is likely to have been impacted):

					Model 1 v2 - CEC current hourly rate amended (round up)	
<i>Band</i>	<i>Hours From</i>	<i>Hours to</i>	<i>Hours (round up)</i>	<i>Increments in hours</i>	<i>Top-Up Amount</i>	<i>Band Increments</i>
0	0	12	0		£ -	
1	12.1	15	15	3	£1,700	£1,700
2	15.1	18	18	3	£3,210	£1,500
3	18.1	20	20	2	£4,230	£1,030
4	20.1	22	22	2	£5,250	£1,020
5	22.1	25	25	3	£6,800	£1,550
6	25.1	28	28	3	£8,340	£1,540
7	28.1	30	30	2	£9,370	£1,030
8	30.1	32.5	32.5	2.5	£10,700	£1,330
Total Schools					141	
How many schools lose					110	
How many schools gain					31	
How many schools remain the same					0	
Biggest Loss School					-£1,461	
Biggest Gain School					£1,855	
Biggest Loss per Pupil					-£58	
Biggest Gain per Pupil					£1,235	
Total Cost					£10,551,850	
Total Variance					-£11,674	
					Model based on current hourly rate of £514 but adjusted to take account of the rounding from hours to bands	
					Biggest gain relates to pupils on 22.5 hours rounded up to 25 hours	
					Minimal saving – overall costs are forecast to increase due to demand.	

- 4.8.2. Data used to formulate banding models, amounts and costs have been based on 2020-2021 EHC Plan data (in terms of pupil numbers and need levels). The total variance represents the difference in total costs calculated using the 2020/2021 EHC Plan pupil cohort (number and need levels) when using the current model compared with the proposed model. Due to an increase in demand for EHC Plans, overall costs currently are considerably higher. The total cost detailed above (and calculated for other considered models) was used as a comparator to ensure the

impact of any banding model proposed would have the least impact and where possible have a neutral impact.

- 4.8.3. The HNFWG propose that this banding model (in terms of bands used and associated financial amounts) should be taken forward for full implementation (pending consultation and approval by Children and Families committee in a future meeting). This model was agreed upon by the group following extensive discussions and modelling exercises over a number of meetings and the pilot did not raise any issues with this model.

4.9. Consider and scrutinise the proposed staged implementation of the new banding model

- 4.9.1. The working group favours a staged roll-out of the new model, rather than implementing the change to all EHC Plans at once. **Appendix 3** contains information on the various options that could be used to undertake a phased implementation to the new model for existing EHC Plans; this information was used by the HNFWG in their meeting on 6 September 2022 to inform their recommendations. Please note that the content of this document, and the other appendices attached to this report, have been informed through meetings with colleagues from finance, legal and the SEND team, to ensure that due consideration was given to different factors when considering implementation options.
- 4.9.2. The working group agreed on the following recommendations for a staged implementation to the new model for **existing** EHC Plans:
- 4.9.2.1. Annual reviews/next review should be used. The group favoured this approach for a number of reasons including:
- it will prevent changes being made to individual EHC Plans twice in 1 year
 - it will allow the change to be discussed during the next review and ensure that discussions continue to focus on provision
 - we would only need to communicate it to all parents/carers once (if we used a system lasting several years with different roll out stages, stakeholders may need reminding several times and it may be seen as a more drastic change).
- 4.9.2.2. If there are cost or capacity issues with this approach, prioritising transition groups or certain year groups should be considered (but reviews should still be used).
- 4.9.2.3. Roll-out of the new model needs to be done in a timely manner (so parent/carers do not feel that there are 2 different systems running for a long time), but not so quick that it isn't done well.
- 4.9.3. Regarding implementing the use of the banding model for **newly issued EHC Plans**, the group strongly voted in favour of moving to the new

model for all new EHC Plans from the same date that staged implementation will start for existing EHC Plans.

- 4.9.4. All of the HNFWG's implementation recommendations were supported by the Schools' Forum in their meeting on 6 October 2022.
- 4.9.5. An implementation date is yet to be confirmed and will be planned based on further discussions around required actions, along with the feedback received through the latest consultation.
- 4.9.6. Clear communication with all stakeholders will be crucial (including to alleviate any concerns and dispel any myths surrounding the model) and a detailed communications plan has been prepared to ensure all relevant groups are kept updated on this work.

4.10. Approve plans to carry out a further open consultation on proposed changes to the High Needs Funding Model used in Cheshire East

- 4.10.1. Work to consider a new allocation model for high needs funding associated with EHC Plans has been ongoing since 2017/2018. Extensive consultation (both face to face and online) was previously undertaken in 2019, as outlined in the 'Consultation and Engagement' section of this paper.
- 4.10.2. The HNFWG is seeking approval to carry out a further consultation exercise on the proposed new model developed by the HNFWG and the proposed plans to implement it. This latest consultation, and the work leading up to it, build upon all of the previous work in this area (from 2017 onwards) and the feedback from the previous consultation activities (in 2019).
- 4.10.3. This consultation will be in the form of an online survey which will be open and available to everyone, including anyone affected by, or interested in, the way in which high needs top-up funding is allocated for children and young people with an EHC Plan in Cheshire East.
- 4.10.4. A proposed consultation document has been attached in **Appendix 4**.
- 4.10.5. The HNFWG proposes to hold some briefing sessions/question and answer sessions during the consultation period to assist any individuals that may find such sessions beneficial.

4.11. Note that the results of the consultation will be brought back to Committee

- 4.11.1. Details of the consultation outcomes will be included in a future paper for the committee on this work.
- 4.11.2. Any implementation of the proposed model will be dependent upon the consultation outcome and subsequent approval from the Children and Families Committee to proceed with the proposed model and implementation plans; a paper on this decision will be brought to a future

meeting of the Children and Families Committee after the consultation has been completed.

5. Other Options Considered

- 5.1.** Do nothing and continue to express total funding for EHC Plans in hours. However, our EHC Plans would continue to poorly reflect the variety of ways that a child or young person can receive support to meet their individual needs and would continue to cause confusion and lead to difficult conversations between parents/carers, educational settings and local authority staff. It would also mean that we would not be aligned with the proposed national direction of using a banding system (as proposed in the recent SEND Green Paper) and are likely to be required to make a bigger jump to implement a national banding system at a later stage.

6. Background

- 6.1.** In 2017, the Children and Families Overview and Scrutiny Committee identified the need for an in-depth review of the local SEN system. This review began in September 2017 and was carried out by a task and finish group of elected members chosen by the committee. The group's final report (agreed by the committee in 2018) included a recommendation "*that the Schools Forum be requested to review the distribution and methodology of funding*" and further specifically stated that "*a banding system should be considered. Parents find hourly funding confusing as they expect 1 – 1 tuition which is not always feasible*".
- 6.2.** In early 2018, the Schools' Forum established a High Needs Formula Working Group (HNFWG) to review the model for allocating high needs funding associated with EHC Plans in response to feedback on the current model. This work aligned with the recommendation from the Overview and Scrutiny Committee's task and finish group. As an initial piece of work, the HNFWG used feedback to develop a set of principles for a new funding allocation model.
- 6.3.** Following research into a number of models currently in place across the country (whilst considering the proposed principles), the HNFWG favoured the development of a model in Cheshire East based on the matrix model introduced by Essex County Council from September 2017. This model provides top-up funding in financial amounts in line with a number of bands, as opposed to a value in hours. In addition, the model utilises a 'needs-led' approach in which the appropriate financial band is determined for each individual child or young person through the completion of a Banding Descriptors 'matrix' with descriptions of different types and levels of SEN.
- 6.4.** Following consultation on the proposed principles and model, an initial feasibility pilot (now referred to as 'Pilot Phase 1') was launched in September 2019. From December 2019, the project team carried out an in-depth analysis of information submitted by the pilot schools. Although feedback on using the matrix was positive, the analysis returned a number

of issues that required further consideration. As a result, the analysis phase of this pilot was extended.

- 6.5. The project team met with individual pilot schools to further discuss their experiences, and used the feedback from the pilot schools to work with various professionals on amendments to the matrix wording, weightings and formulae, whilst also considering potential format changes.
- 6.6. In late 2020, we established plans to run a second phase of the pilot immediately after the February 2021 half-term break (the work leading up to this is now referred to as 'Pilot Phase 2a'). However, these plans had to be re-evaluated in 2021 as a result of the third national lockdown of the Covid-19 pandemic and then the subsequent announcement of a return date for all pupils back into schools.
- 6.7. In December 2021, we re-established a High Needs Funding Working Group, who then oversaw and led on a further pilot phase. This pilot looked specifically at the impact for schools, children/young people and parents/carers of moving from expressing funding in hours to bands with financial amounts. This phase was referred to as 'Pilot Phase 2b' and the results of this pilot are available in **Appendix 1**. Analysis undertaken by and shared with the working group indicated that this pilot phase went well, and the group agreed to pursue next steps with the piloted change. This report seeks approval for the next steps proposed by the HNFWG.

7. Consultation and Engagement

- 7.1. During 2019, extensive consultation was undertaken on the proposed principles and model developed by the HNFWG. The consultation activities were open to all stakeholders, including educational settings, parents/carers and health colleagues. The principles and model (including moving from hours to financial amounts in bands) received positive feedback overall in both the face to face and online consultations, and also when shared for scrutiny and challenge in a variety of other forums (including the previous Children and Families Committee), thereby supporting continued exploration of the proposed model.
- 7.2. The HNFWG is seeking approval from the committee through this paper to carry out a further consultation exercise on the proposed new model developed by the HNFWG and the proposed plans to implement it.

8. Implications

8.1. Legal

- 8.1.1. In relation to whether or not to include the band on the EHC Plan, there is no legal requirement to include a total funding amount in an EHC Plan.
- 8.1.2. Section 42(2) of the Children and Families Act 2014 ('the Act') states that *'The local authority must secure the specified special educational provision for the child or young person'* and at section 42(6) of the Act

“Specified”, in relation to an EHC plan, means specified in the plan.’

When an EHCP is maintained for a child or young person the local authority must secure the special educational provision specified in the plan. The legal duty for a local authority is to provide the provision as specified in the EHCP at section F.

8.2. Finance

- 8.2.1. The suggested change in the funding model is about flexibility, and accurately representing how support can be provided via many different methods (not just through ‘hours’ of support from an individual). When developing the proposed model of bands and associated amounts, the HNFWG was mindful that, whilst this change in allocation model is not about reducing costs, it could not be used as a means of increasing spend either and should not result in a spend increase, due to the significant Dedicated Schools Grant (DSG) deficit reserve position. Therefore, the group was aware that any financial impact of the change in allocation model needs to be neutral and sustainable overall.
- 8.2.2. The Council’s Finance Team has been involved in discussions regarding the potential implementation of this new banding model, and are aware of the likely need to run two concurrent systems for issuing/allocating funding to schools and monitoring overall top-up budgets whilst the new model is being implemented for existing EHC Plans.

8.3. Policy

- 8.3.1. The Education & Skills Funding Agency often refer to the use of banding systems for the allocation of high needs top up funding in their operational guidance to local authorities. For example, in their *‘High needs funding: 2023 to 2024 operational guide’* the EFSA state: *“Many local authorities have systems which indicate the range of top-up funding that might be provided for children and young people with a particular complexity of need (sometimes referred to as banded funding systems). These can be helpful in providing clear and transparent funding arrangements for many types of need that may be met in a range of different schools and colleges.”*
- 8.3.2. Should agreement be given to implement the new banding model, we will ensure that all related council and partnership policies are updated to reflect this change. This includes key local guidance documents such as the Cheshire East Toolkit for SEND.
- 8.3.3. The SEND Code of Practice sets out the statutory guidelines and policy for SEND. This statutory code contains details of the legal requirements that the local authority, health bodies, schools and colleges must follow without exception to provide for those with special educational needs under part 3 of the Children and Families Act 2014.

- 8.3.4. The DfE have issued “SEND Review: Right support, right place, right time” - a SEND and Alternative Provision (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.

8.4. Equality

- 8.4.1. If agreement is given to implement the proposed banding model, this will be applied equally to all school-aged children and young people in mainstream schools with a Cheshire East EHC Plan.
- 8.4.2. An equality impact assessment on this work has been prepared, and published on the [Equality Impact Assessment webpage](#) of the council's website.
- 8.4.3. We will review this assessment after the latest consultation is completed to assess whether any additional information could be added, or whether any amendments are needed. We will then continue to review this assessment at regular intervals as the proposals proceed through governance and through any agreed implementation work.

8.5. Human Resources

- 8.5.1. There are no direct implications for human resources.

8.6. Risk Management

- 8.6.1. Council officers overseeing this piece of work are maintaining a risk register to capture and monitor any risks as they arise, and to agree any required responses.
- 8.6.2. One noted risk is the proposal in the recent SEND Green Paper to introduce a national banding system. A legislated national framework would supersede any agreed local arrangements and, as we would need to comply with national arrangements, would likely result in having to stop or amend local arrangements. However, we cannot be sure how long a national model would take to develop and implement, and implementing a move to a banded model now will align us well with the intended future direction. We will monitor the Green Paper consultation results for any further details on this, including any proposed timelines for potential implementation.

8.7. Rural Communities

- 8.7.1. If agreement is given to implement the proposed change from expressing total funding in EHC Plans from hours to bands, this will eventually be applied equally across mainstream schools in all areas of Cheshire East. We were mindful to include a range of school sizes in the latest pilot phase. We will however continue to be vigilant and monitor any potential

risks or issues that may arise as a result of this model for smaller or more rural schools.

8.8. Children and Young People/Cared for Children

- 8.8.1. Should the piloted change be implemented across Cheshire East, children and young people with EHC Plans will still receive support to meet their individual needs in line with the provision detailed in their EHC Plan.
- 8.8.2. The proposed model aims to ensure that children and young people can be supported using the most appropriate type of provision for their individual needs.
- 8.8.3. It is essential that the council makes best use of resources to ensure that children and young people receive the services they need, and those services must be provided.
- 8.8.4. The council has approved its Children's Vision which contains a priority around children with additional needs.
- 8.8.5. The SEND Partnership Strategy sets out the Partnership vision for meeting the needs of children and young people with SEND.

8.9. Public Health

- 8.9.1. There are no direct implications for public health.

8.10. Climate Change

- 8.10.1. There are no direct implications relating to climate change or environmental sustainability.

Access to Information	
Contact Officer:	Victoria Whiting, Business Development Manager Victoria.Whiting@cheshireeast.gov.uk 07812 653591
Appendices:	<ul style="list-style-type: none"> Appendix 1: Cheshire East High Needs Funding Pilot Phase 2b - Results and Analysis July 2022 Appendix 2: Pros and cons of including band or not Appendix 3: Staged implementation options Appendix 4: High Needs Funding Consultation
Background Papers:	<ul style="list-style-type: none"> SEND Green Paper: SEND review: right support, right place, right time - GOV.UK (www.gov.uk) Cheshire East Press Release on Delivering Better Value: Delivering Better Value (cheshireeast.gov.uk)

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Cheshire East High Needs Funding Pilot Phase 2b - Results and Analysis

July 2022



1. Executive Summary

- The vast majority of results and ratings given by both parents/carers and schools were positive or neutral, with ratings for negative impact or concerns being rare.
- The majority of both parents/carers (60%) and pilot schools (100%) were either positive or neutral about the proposed change at the start of the pilot, although 40% of parent/carers did have some concerns at this stage. There was a positive trend in how both parents/carers and schools felt after the pilot.
- During the pilot, parents/carers and schools both confirmed that the support provided in school remained the same for the majority of involved children/young people, though some changes were noted by both schools and parents/carers. Where parents noted a change in quality of support, these were all listed as improvements.
- Parents/carers in pilot schools were positive about the support their child received prior to the pilot, and ratings for this stayed the same after the pilot.
- When asked to rate 6 different overall impact measures, all pilot schools reported observing either a slight positive impact or no impact in all measures bar 1 (with 1 of the 9 schools giving a slight negative impact for 1 measure).
- The majority of parents viewed their relationship with their school positively before the pilot. All relationships between schools and parents/carers either further improved or stayed the same during the pilot (with no negative impact reported by either schools or parents/carers). Overall, relationships improved further following the pilot according to parents/carers' perspectives.

2. Background

2.1. Pilot school and pupil numbers

This pilot is intended to test and provide information on the feasibility and impact of moving from expressing total provision on Education, Health and Care (EHC) Plans in hours to expressing it as a band with an associated financial amount.

9 schools took part in this pilot, including:

7 Primary Schools

- Alsager Highfields Community Primary School
- Beechwood Primary School
- Black Firs Primary School
- Chelford CE Primary School
- Elworth Hall Primary School
- Hollinhey Primary School
- St Mary's Catholic Primary School, Middlewich

2 Secondary Schools

- Alsager School
- Ruskin Community High School

Involved schools undertook the pilot with a total of **60** children and young people with Education, Health and Care (EHC) Plans. Pilot schools were provided with information on an appropriate pilot band and associated financial amount for each child/young person under the model being piloted, and were asked to model what support may look for each pupil if this new allocation system was in place.

2.2. The voice of parents / carers

All parent/carers of the children and young people involved in the pilot were:

- informed about the pilot, including its purpose, aims and timescales, through a detailed letter and invitations to attend dedicated information sessions at their child's school
- invited to provide feedback on the pilot.

A total of **16** completed parent feedback forms on the pilot were submitted, and 1 further parent sent feedback in an email [Note that 1 pilot school had a pair of siblings in the pilot, and the same parent completed 2 feedback forms – 1 for each child].

It is worth noting that, when returning their evidence, many of the pilot schools commented that parent carers had not felt the need to submit feedback as the piloted model had not changed much regarding the provision for their child or the way in which the school was already working with them and their child. This is, in itself, important evidence for the pilot.

2.3. Case studies and the voice of young people

All pilot schools were asked to complete at least 1 case study form for 1 pilot pupil (or a group of pupils in the case of shared innovative work) in their school. Pilot schools provided a total of **18** case studies to support the pilot.

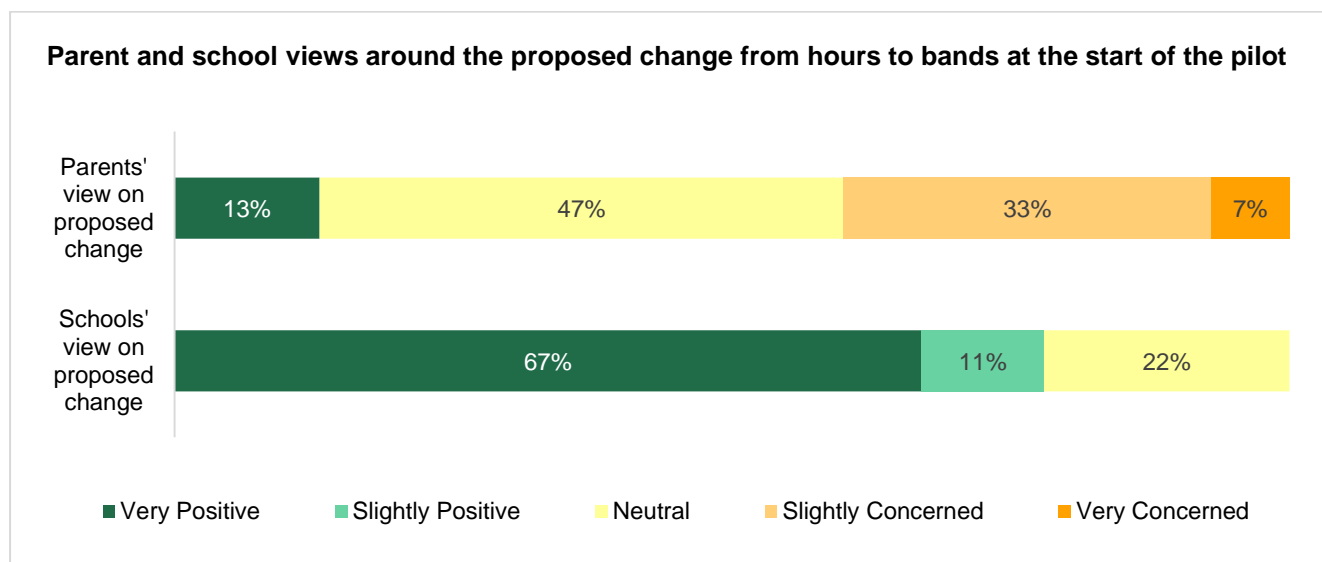
All pilot schools were also asked to collect views from involved pupils on their support using any creative method appropriate to the child/young person.

The voices of **8** young people were provided by schools as part of their pilot impact evidence.

3. Parent/carers and pilot school views about the piloted change

3.1. Views before the pilot began

Parents/carers and pilot schools were asked how they felt about the proposed change from hours to bands at the start of the pilot.



[Note that that 1 parent didn't answer this question, so summarised results are from 15 parents/carers].

The **majority** of both parents / carers (60%) and pilot schools (100%) were either **positive or neutral** about the proposed change at the start of the pilot.

Indeed, **no pilot schools at all felt concerned** about the proposed change at this point.

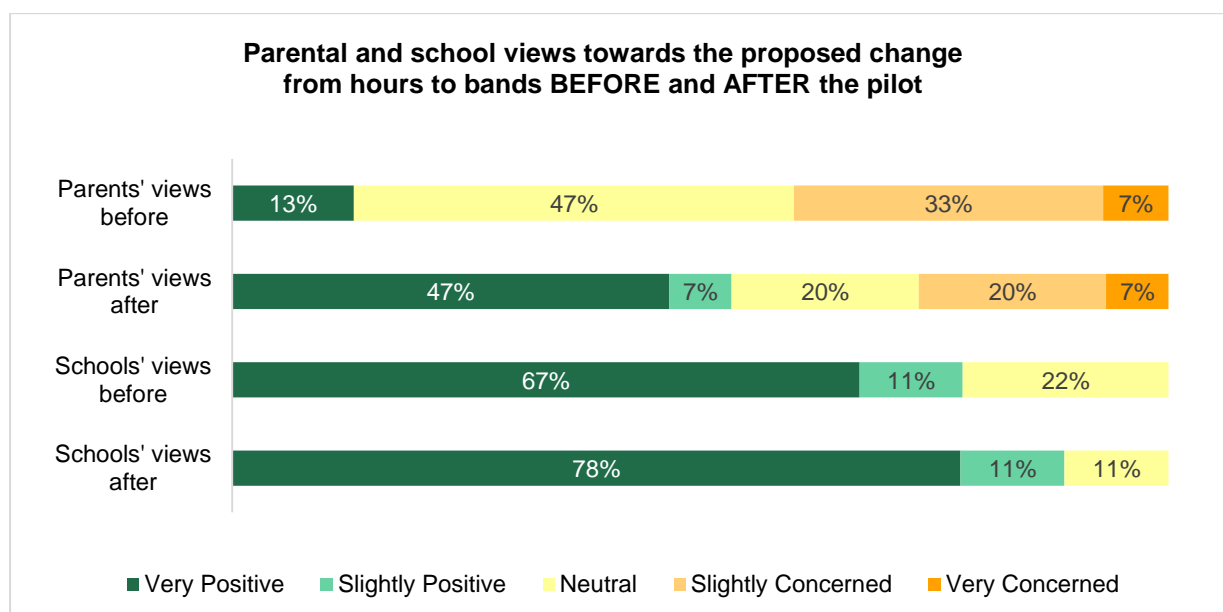
It is worth noting however that there was some hesitation about the change amongst parents/carers prior to the pilot, with 40% of those that responded saying they were either slightly or very concerned about the proposed change at this point.

When asked why they had a chosen a particular view level, comments from parents/carers and schools showed the following themes:

Key themes - parents / carers	Key themes - schools
Positive/neutral <ul style="list-style-type: none"> Change in support welcomed Belief that as support was always in place and needs met, this would not change 	Positive/neutral <ul style="list-style-type: none"> In line with approach already being adopted Reassuring to have documents to support approach already in place Will provide more flexibility to design support around individual needs, and also within groups and across school Moving towards an approach being proposed in the Green Paper Unsure whether change would impact our school or whether we could show impact
Concerns <ul style="list-style-type: none"> Current support could change Not knowing potential impact of change (e.g. whether change would affect thresholds for assessment or support, and then outcomes) Initially unsure how funding would be allocated Banding offers a less personalised approach Concern around if a child is banded incorrectly and ease of change Concern about how banding systems would be regulated 	Concerns <ul style="list-style-type: none"> The banding figures being piloted may provide less funding overall

3.2. Views after the pilot

Parents/carers and pilot schools were again asked how they felt about the proposed change from hours to bands at the end of the pilot.



[Note that that 1 parent didn't answer this question, so summarised results are from 15 parents/carers].

The response from both parents/carers and pilot schools showed a positive progression when compared to their collated views at the start of the pilot.

Parents' ratings from before to after:

- Very positive from 13% to 47%
- Slightly positive from 0% to 7%
- Neutral from 47% to 20%
- Slightly concerned from 33% to 20%
- Very concerned remained at 7%

Schools' ratings from before to after:

- Very positive from 67% to 78%
- Slightly positive remained at 11%
- Neutral from 22% to 11%

For individual parents/carers and schools, all views either stayed the same or changed positively after the pilot (in comparison to before the pilot), with the exception of one parent/carer (who changed from neutral to slightly concerned).

When asked why they had chosen a particular view level at the end of the pilot, comments from parents/carers and schools showed the following themes:

Key themes – parents / carers	Key themes - schools
Positive/neutral <ul style="list-style-type: none"> • Concern only for child needs being met and not the funding logistics • Confident that child will get required support • The approach to offering support made sense • Changes have had a positive impact on child (more social and independent) • Nothing has changed 	Positive/neutral <ul style="list-style-type: none"> • In line with approach already being adopted; reassuring • Fits with how the school wants to move forward in managing SEND • Better fit for schools who know their children well • Allows more flexibility in designing support around meeting individual needs and use of groups where appropriate
Concerns <ul style="list-style-type: none"> • The full impact of the changes that moving to a banding system would bring cannot be fully measured by short term paper-based pilot • Concerns as child needs adult with them to fulfil section F provision – feel this allows the LA and school to distribute funding elsewhere • Concerned about changing levels in funding if moving between local authority areas 	Concerns <ul style="list-style-type: none"> • Concerned approach may be used to reduce funding at a later date

This was before the start of this year. I was concerned X wasn't receiving his hours and that he wasn't getting the support he was supposed to be. I thought 'hours' meant 'hours'. Why would you tell parents it is 'hours' if it doesn't mean that?

Parent / carer that rated as 'slightly concerned' at start of pilot

"If they stop calling money 'hours' then it will stop parents thinking it means hours. The way it's been explained to me makes more sense now."

Same parent / carer rating as 'very positive' after pilot

4. Support for individual children/young people

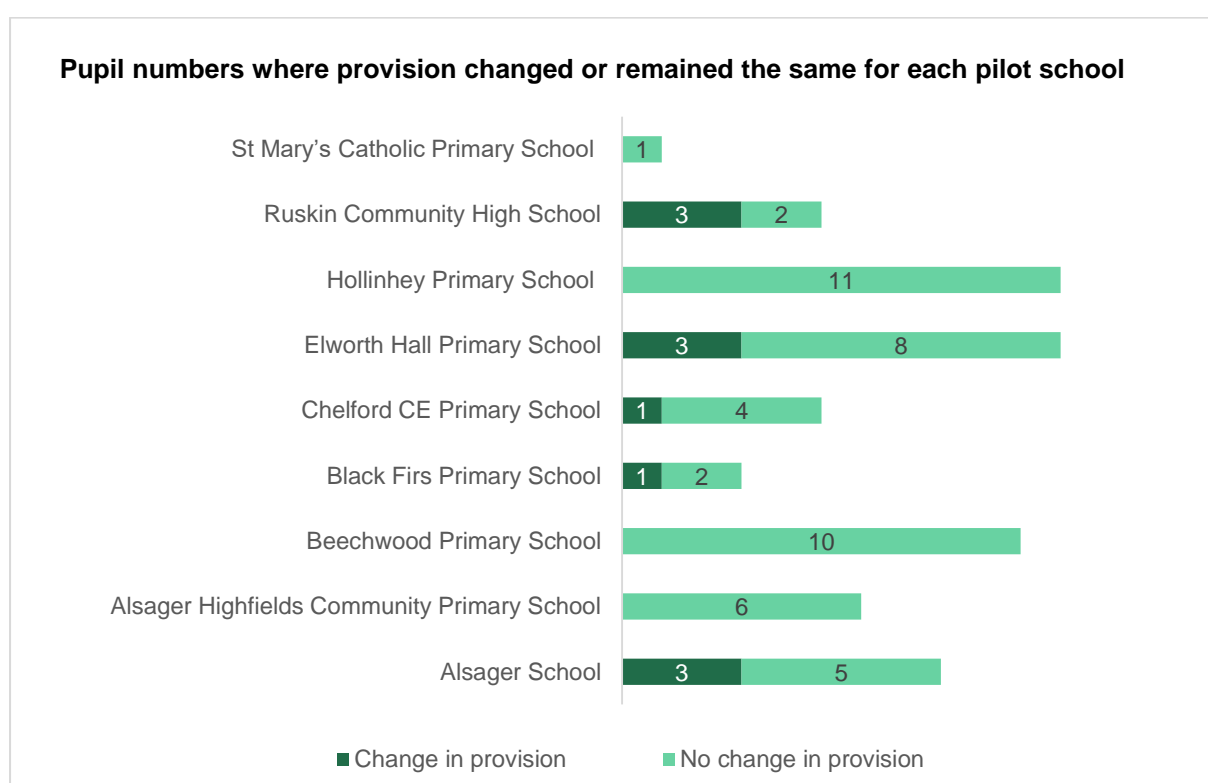
4.1. Information submitted by schools

The collated results show that, during the pilot, the support provided in school **remained the same** for the majority of involved children/young people.

Pilot schools were asked to state whether there had been any change to support for each individual involved pupil as a result of the pilot.

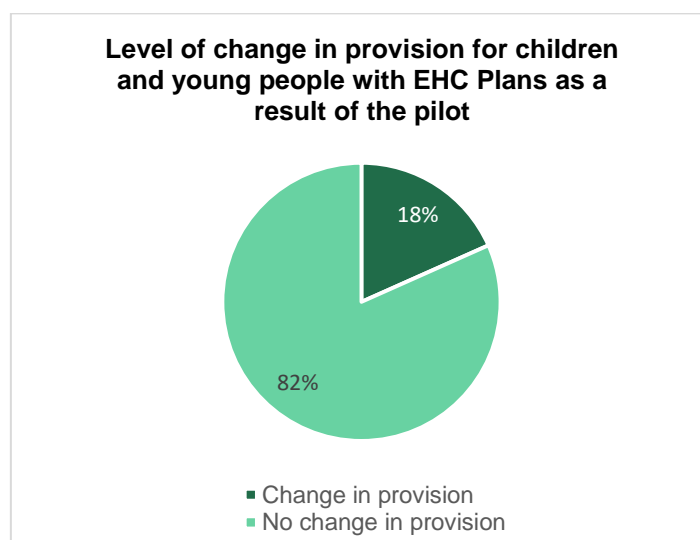
At a school level:

- 4 of the 9 pilot schools (44%) made **no changes** to any child or young person's support during the pilot
- 5 of the 9 pilot schools (55%) made **changes to at least 1** child or young person's support during the pilot



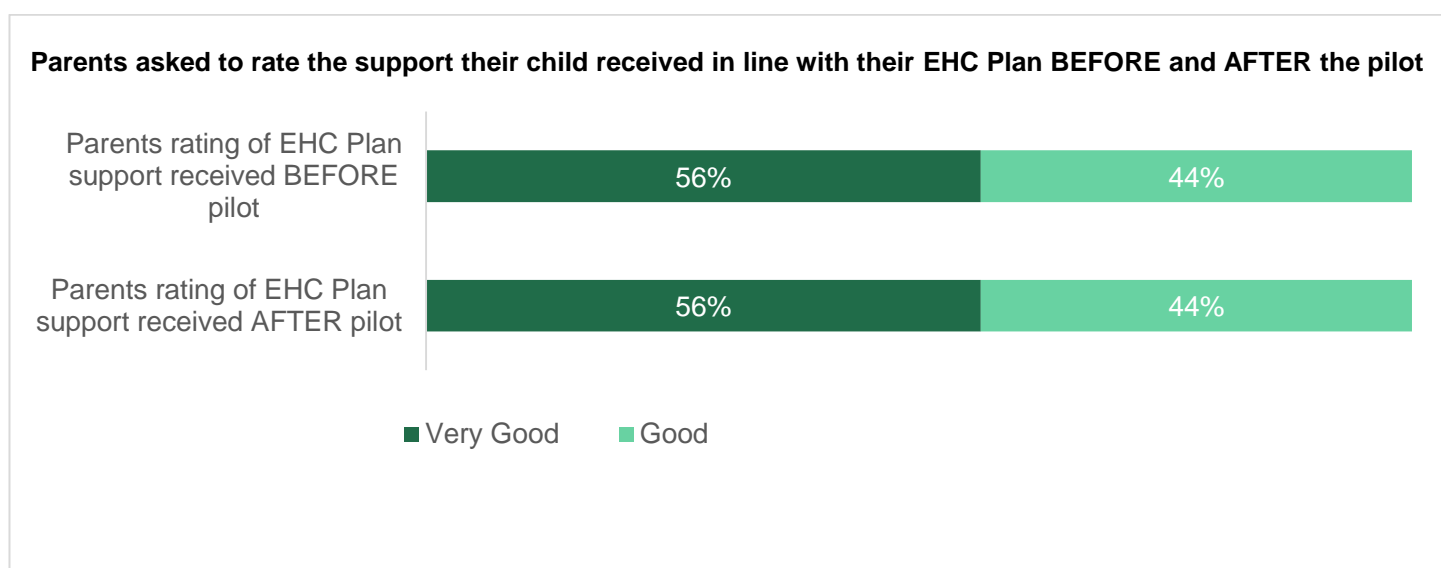
At an individual pupil level:

- **Support changed during the pilot for 18%** (11) of the 60 children and young people that took part in this pilot
- **Support remained the same for 82%** (49) of the 60 children and young people in this pilot



4.2. Parent/carer views on their child's support

Parents were asked for their views around the support their child received in school in line with their EHC Plan before and after the pilot. Parents were also asked whether the quality of the support had changed as a result of the pilot and whether they had noticed any change in their child since the pilot had begun.



All responding parents/carers viewed the support their children received **positively** and there was **no change** in the overall ratings, or in any individual ratings, provided before and after the pilot.

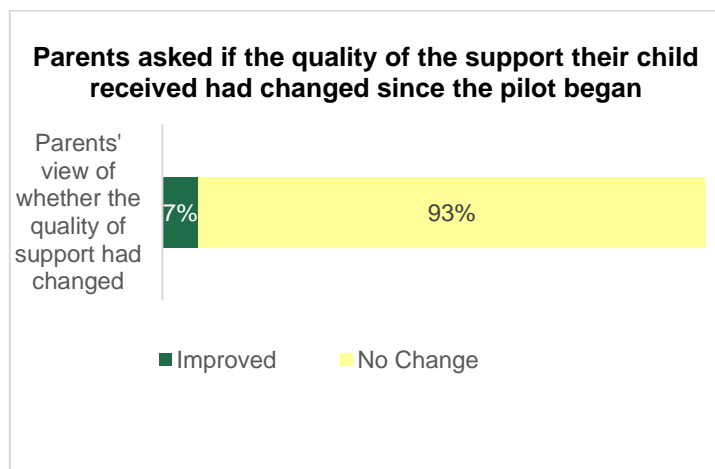
- 56% rated support as very good
- 44% rated support as good

Key themes that came through were:

- Good levels of support already in place that address the needs detailed in the EHC Plan
- Good communication already in place with school
- School already listens to parent views
- Child enjoys school
- Support hasn't changed / child has received same level of support throughout

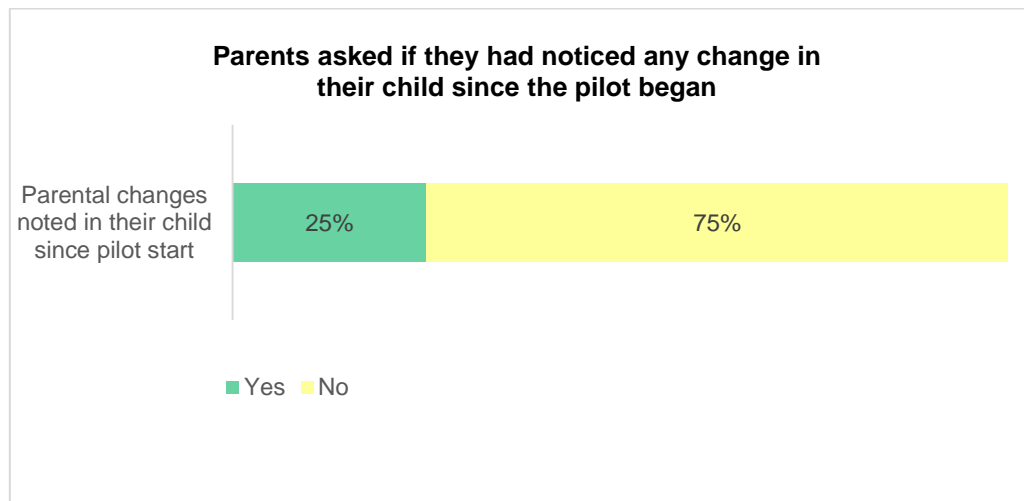
- When changes have occurred, this would have been put in place to support next steps / transition

Parents/carers were asked whether they thought the quality of their child's support had changed since the pilot began.



14 of the 15 parents responding noted no change in the quality of support their child had received (this question was left blank on another parent/carer response form, as the parent/carer felt they did not have sufficient evidence).

Although they responded to this question, 1 parent noted that this question was difficult to judge as their child did not require specialist equipment where the pilot would have allowed for a more flexible approach. This is worth noting as it provides an example of how some parents/carers may interpret descriptions of 'flexible provision'.



75% of parents stated no observed change in their child since the pilot start.

The 25% of parents who did report a change highlighted:

- Child was less reliant on specific staff
- Improved socialisation due to spending more time with other people
- Child is constantly progressing
- Some increased anxiety – however parent states they think this is due to other transitions rather than the pilot scheme

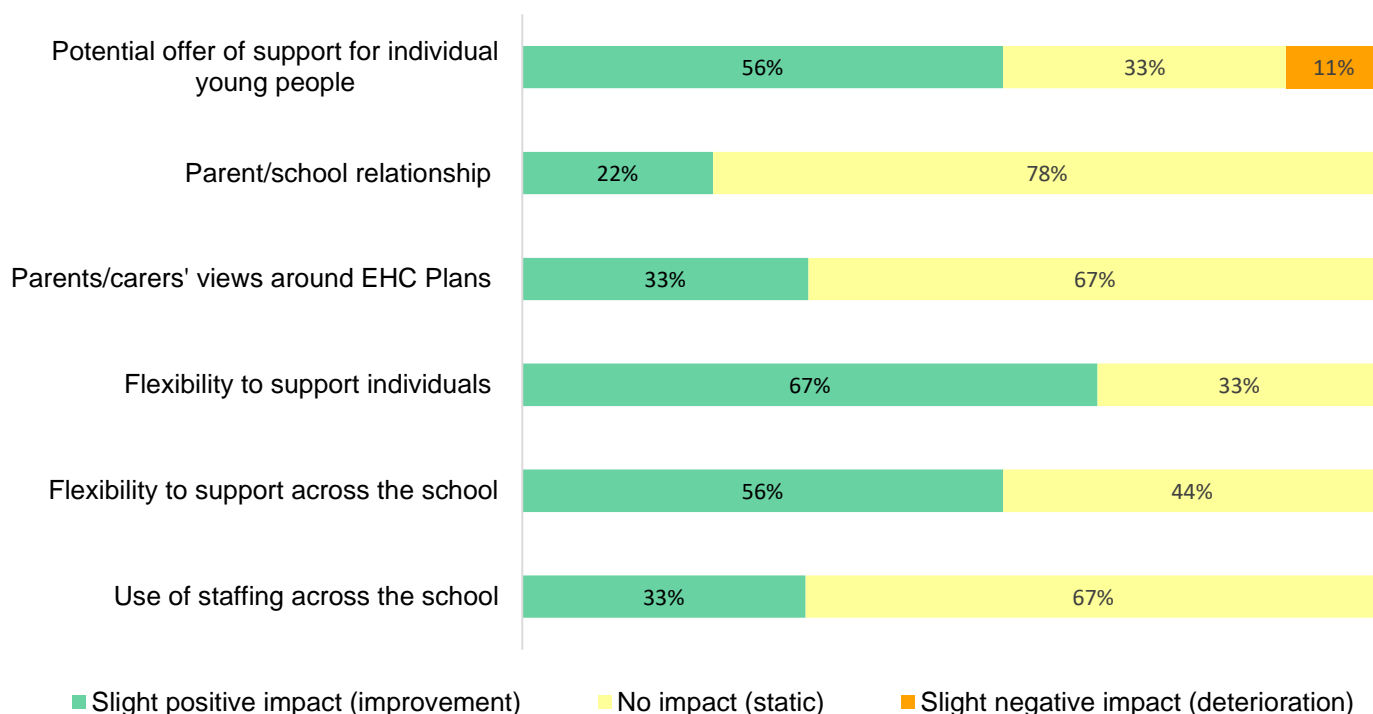
"There hasn't been a change since the start of the pilot, but since the start of the year when it was explained to me, X has really changed. The support has been great. It's amazing what the right support has done for him. It feels like he's always got support despite him not having the 'hours' for it because its being used more creatively. The teachers are now making him work rather than him having the work done for him."

Parent / carer of pupil in pilot

5. Overall impact (pilot schools' experience)

Schools were asked a series of questions about the impact that they have observed relating to the piloted change from expressing total provision on EHC Plans in hours to a band.

School views on the pilot observed impact on: potential offer of support for individuals, school/parent relationships, parent view around EHC Plans, flexibility for the individual, flexibility across the school, use of staffing across school



For all areas bar one, all pilot schools reported observing either a slight positive impact or no impact.

For slight positive impact, a number of key themes were noted:

- Approach allowed for greater flexibility allowing more effective use of staff and resources (which has had benefits for staff and pupils)
- Increase in staff confidence in continuing to adopt a more flexible approach
- Improved openness with parents around how support/interventions can be managed flexibly
- Parents welcomed the opportunity to discuss support provision and to be part of the pilot

When 'no impact' was observed, schools overwhelming identified that:

- SEND needs already met by utilising support strategically and flexibly

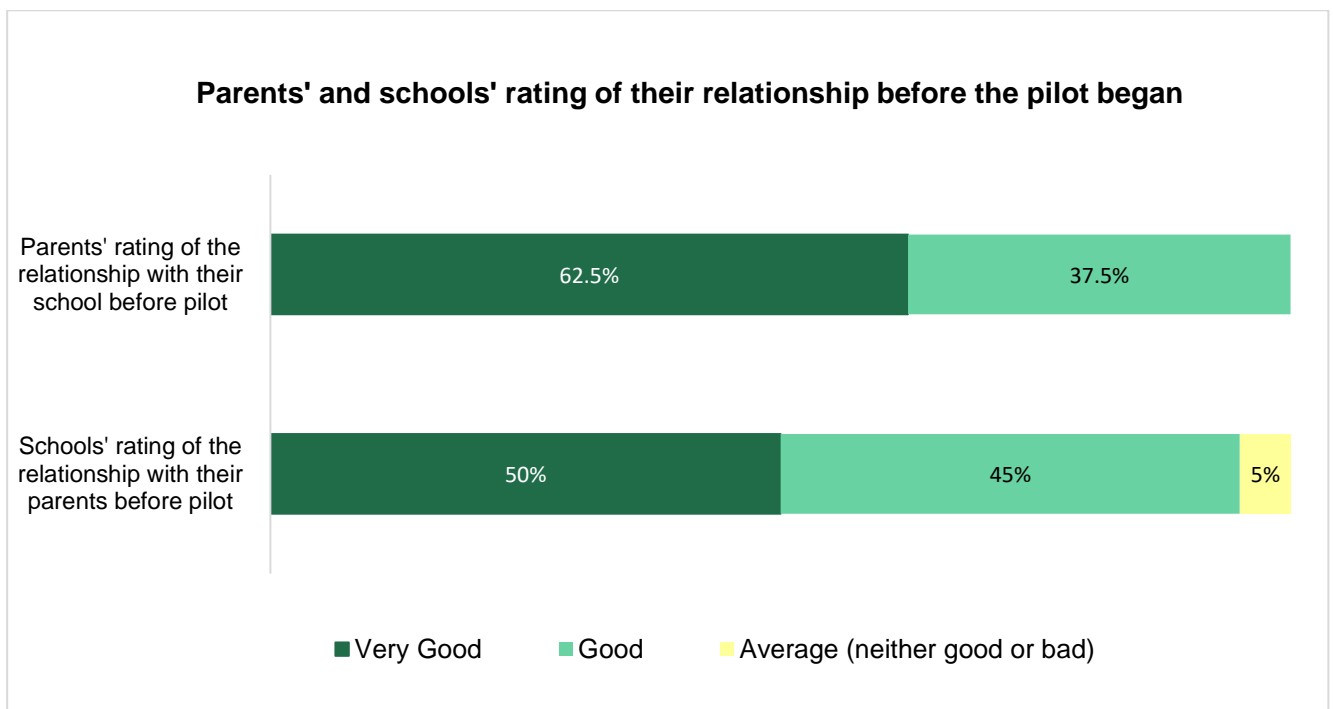
- Parents already happy with flexible support approach adopted

1 school did raise an observed slight negative impact for 1 measure, relating to the impact of the pilot on the potential offer of support for individual young people. This school noted that children who have particular types of need and who continue to need 1:1 support for the majority of the day are receiving less money and provision may be reduced. Whilst it is acknowledged that the piloted model may lead to a very small reduction in the funding provided to some children individually, the model was designed to ensure that any individual reductions were negligible. The model also allows for funding to be utilised in different ways, including sharing of resources. Some individuals would also see an increase in funding as they align into the new bands, if this piloted model was adopted across Cheshire East.

6. Parent/school relationship

6.1. Views before the pilot began

Both schools and parents/carers were asked to rate the relationship between the school and parent/carer before the pilot began (note that schools were asked to individually rate their relationship with the parents/carers of specific children taking part in the pilot – these results have been collated in the below chart).



The vast majority of parents and schools rated their relationship **positively** before the pilot, with no parents or schools rating any relationship as poor or very poor.

Parents rated:

- 62.5% as very good
- 37.5% as good

Schools rated:

- 50% as very good
- 45% as good
- 5% as average

Key themes that came through from parents were:

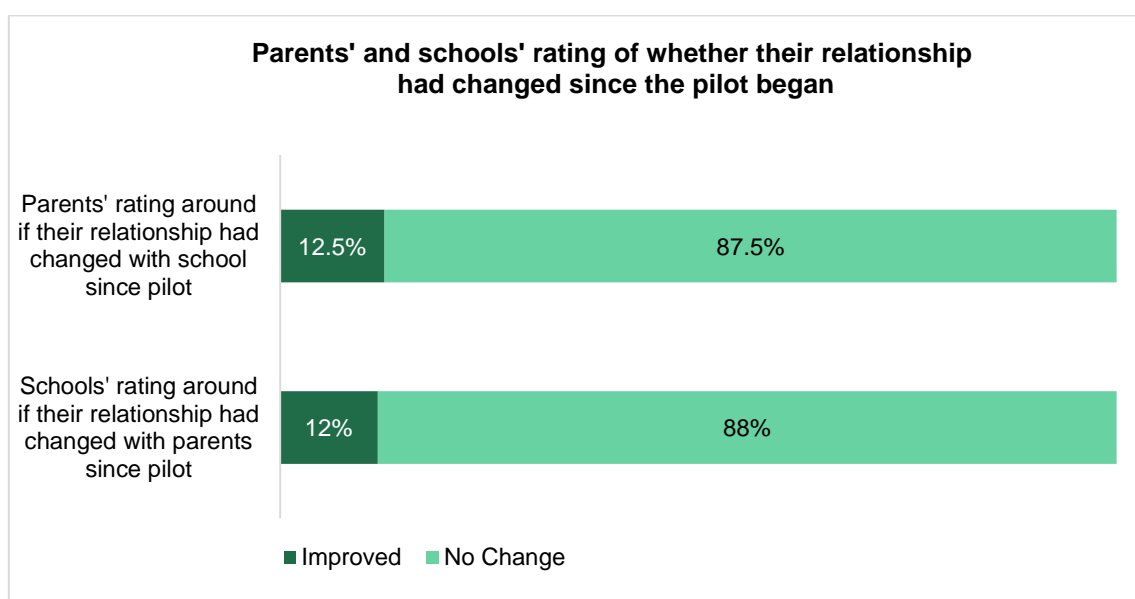
- Good communication in place between school and parents/carers
- School staff are approachable

- Parents/carers are kept informed
- Parents/carers are listened to and responded to positively so that best outcomes can be achieved
- School support child well

While parents generally viewed communication positively, one parent did highlight that at times communication has been vague, particularly around significant changes to support and how this will be delivered.

6.2. Views after the pilot

Both schools and parents/carers were asked whether the relationship between the school and parent/carer had changed since the pilot began (note that schools were again asked whether their relationship with the parents/carers of individual children taking part in the pilot had changed – these results have been collated in the below chart).



Parents/carers and schools reported an improvement for a small number of relationships, with the majority of both parents/carers and schools reporting no change.

In those parents where no change was noted, it was highlighted that:

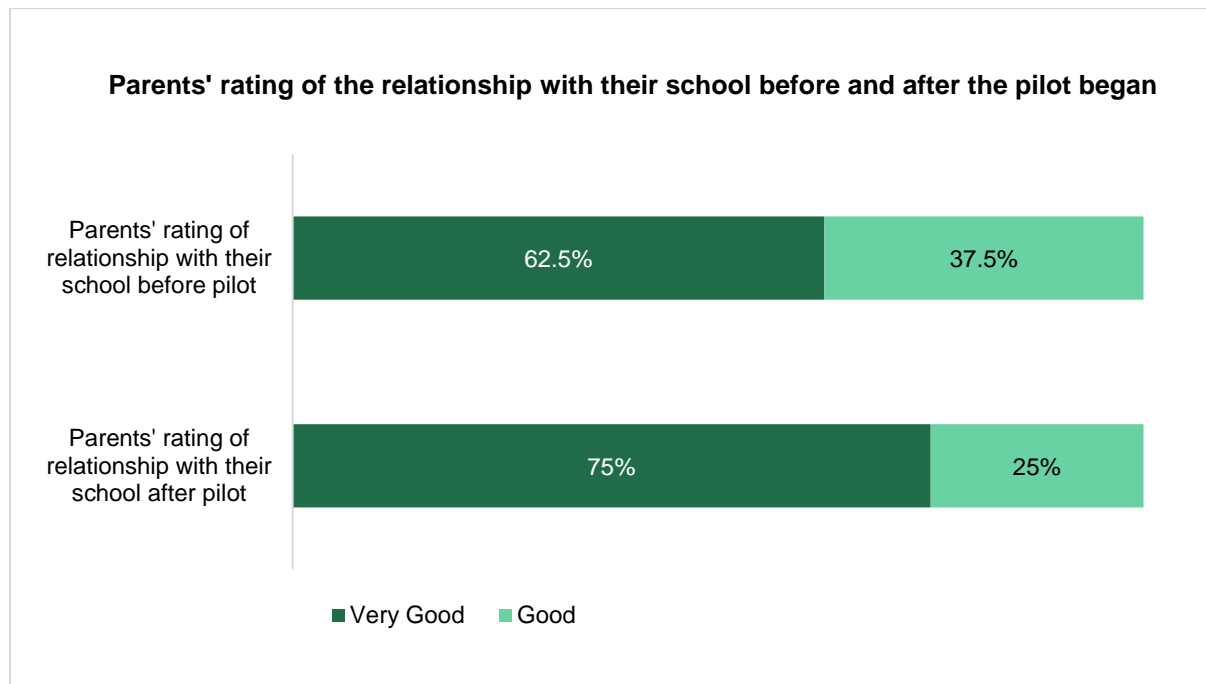
- Communication was already excellent

1 of the 2 parents/carers who noted an improved relationship highlighted that this change had occurred at the start of the year, not specifically following the pilot. It seems that the time spent by school with this parent explaining what hours on an EHCP meant and how support could be more creative, has led to a better understanding and consequently a better and improved relationship.

Key themes from schools for improved relationships were noted to be:

- Improved communication
- Opportunity to talk about how provision was managed was welcomed
- Parents felt more supported
- Parents happy with their child's response to change

Parents were asked about to rate their relationship with their child's school after the pilot.



The majority of parents viewed their relationship with their school positively before the pilot. **Relationships improved further** following the pilot as more parents rated that their relationship as very good (with 'very good' rating moving from 62.5% to 75%).

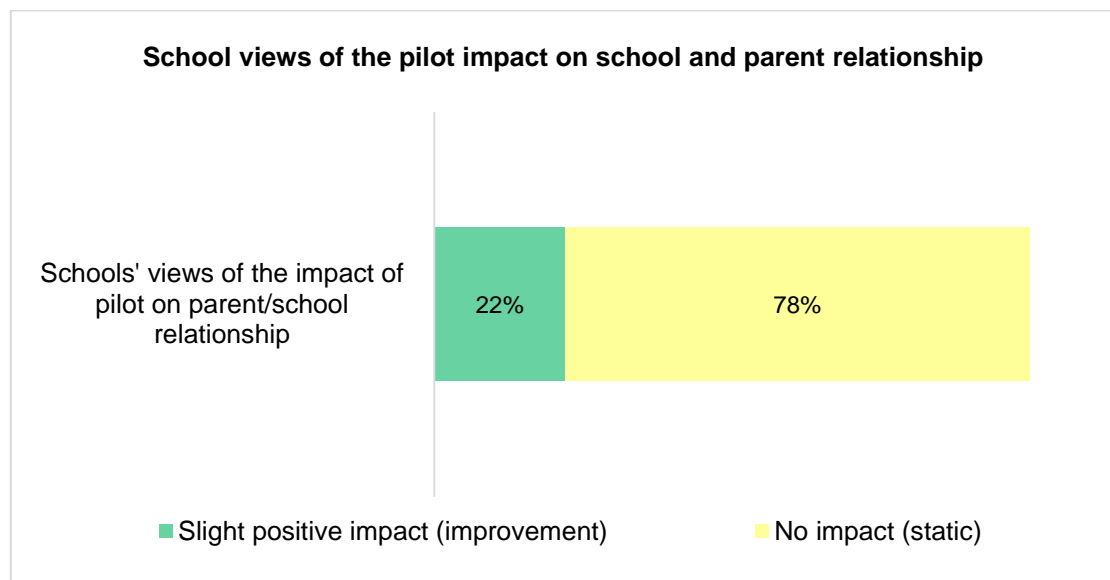
Indeed, there were no negative trends in scores given by individual parents/carers regarding their relationships with their child's school – all ratings given by individual parents/carers regarding relationships prior to the pilot either remained the same or increased (from 'good' to 'very good') after the pilot.

Therefore, the **pilot had a positive or static impact on relationships** between parents/carers and schools from parents/carers' perspectives.

Themes from parent/carer comments for this question included:

- No changes noticed
- Satisfied school is implementing required support / happy with support my child receives
- Child's needs are being met
- School have gone above and beyond / staff always go the extra mile (covered in comments from different parents/carers for different schools)

As part of measuring the overall impact of the piloted change, each pilot school was also asked to scale the impact of the pilot change on overall relationships between their school and parents/carers of children with EHC Plans.



While the impact of the pilot was perceived by some schools to slightly improve some relationships with parents (2 of the 9 schools, or 22%), the majority of schools felt that there had been no impact and relationships had remained the same (7 of the 9 schools, or 78%).

The following key themes were seen in school comments for this question:

- Relationships before the pilot were good with parents and this did not change
- The pilot supported current ways of working
- Parents enjoyed the opportunity to be part of the pilot and be involved in changes at a county level and being part of the process to inform positive outcomes
- Curious whether impact will remain as positive with any new families whose children need SEND support

7. Support for future implementation and other comments

7.1. Suggestions for supporting schools

In terms of supporting schools if this change was rolled out across Cheshire East, pilot school suggestions were mainly focused on ensuring that **clear guidance for parents was available** and that **schools were supported in communicating the change to parents**.

One pilot school specifically emphasised the need for **very clear explanations** to parents about **what the changes mean for everyone** – what it means for their child, what it means for the school and what it means to the local authority. This school also felt it was important that parents/carers have a very clear understanding of what the funding system means to a school and to them **at the point a plan is being written**, so parents have that understanding before schools have the conversations around their child's support and how they will meet need.

Another suggestion was to clearly communicate that this is a no change position but an **opportunity to share good practice** around how support can be achieved through flexible models if it is appropriate to do, whilst also reiterating that, where children do require 1:1 support, this can also be achieved under the banding system.

One of the larger schools in the pilot commented that they may have better capacity to employ and release staff in different ways than smaller schools, and that **capacity building** may be key to improving low incident / early intervention support to reduce or manage the high needs impact. We were aware that school size could affect impact of this piloted

change in some factors, and ensured that a range of school sizes were included in the pilot. This will however be kept in mind during any wider roll out.

Other comments and suggestions received from pilot schools related to:

- Useful for schools to have the additional support when explaining what 'hours' mean and that an EHCP doesn't automatically equate to 1:1 support (and that support is not reduced if it is not delivered via 1:1).
- Feel approach is moving in the right direction / will be a positive change for children
- Wider themes around SEND funding in Cheshire East, e.g.
 - Issues with national funding formula and use of deprivation factors
 - Issues with funding of Cheshire East primary sector (relative to secondary sector) and smaller schools, potentially leading to increased requests for assessment in order to attract funding for extra staff
 - Suggestions to improve early intervention and low incidence SEND funding, including capacity building through improved staff training and releasing trained staff to work across individual schools, and also across different schools

7.2. Suggestions for supporting parents/carers

In terms of supporting parents/carers if this change was rolled out across Cheshire East, parent/carer suggestions were mainly focused on the need for **consistent communication**, total **transparency** with parents/carers with **clear explanations of the changes**, and **offering continued opportunities for parent participation and feedback** throughout any changes.

There was particularly positive feedback from multiple parents/carers at one school where wider Cheshire East Council and working group members attended the introductory meeting.

"The presentation and meeting with other parents was brilliant, to link up with other parents, and 2 people from the sen team came which was good for if we had any questions"

Parent / carer of pupil in pilot

This is in contrast to the feedback from one parent at another school where wider colleagues were not involved directly in briefing meetings:

"More communications from the SEND team at Cheshire East, explaining to parents fully what the changes mean, how they can affect a plan and why the changes are being introduced. I did not find the letter and communications from Cheshire East, given to me by the school, very comprehensive or indeed helpful during the pilot sadly. "

Parent / carer of pupil in pilot

Indeed, there was a clear message from many of the parental suggestions about the benefits of **more communication and opportunities to meet with wider SEND colleagues from the council**, alongside school staff, about the proposed changes. Other related suggestions included:

- An annual meeting with all Cheshire East parents/carers (including new ones) to explain this each year so there are no misunderstandings.

- Use of the presentation would help
- Make it simple
- Information on a leaflet
- A frequently asked questions document
- A specific contact for parents to ask questions (difficulties with contacting keyworkers and the SEND team were noted)
- Just being kept informed

A small number of parents also commented about the need for clarity on how the changes may change EHC Plans or the level of provision, and for this to be clearly stated.

Other comments and suggestions received from parents/carers in pilot schools related to:

- Parents/carers pleased with support in place and that needs are being met (with one parent/carer providing detailed information on how a change in support in this academic year has had a very beneficial impact on their child)
- Ongoing conversations with SENCOs about where things can improve further has led to even more improvements in home/school communication (use of a home/school book)
- Ongoing concern around whether change will be beneficial to individual child. Open to new ideas, but not yet alleviated concerns around why the change is needed for those children who rely on support in terms of a TA and hours
- Concern that a lack of immediate impact to individual child's provision will automatically equate to the change [piloted model] being better

8. The voice of children and young people

Council colleagues received information on the views of 8 young people from 4 different pilot schools. Rather than being provided with a prescriptive feedback form, pilot schools were asked to capture children's views in the most appropriate format for them. School staff asked pupils questions about how they feel about school, and recorded their answers. Some pupils drew pictures of themselves, their classroom and the people who support them.

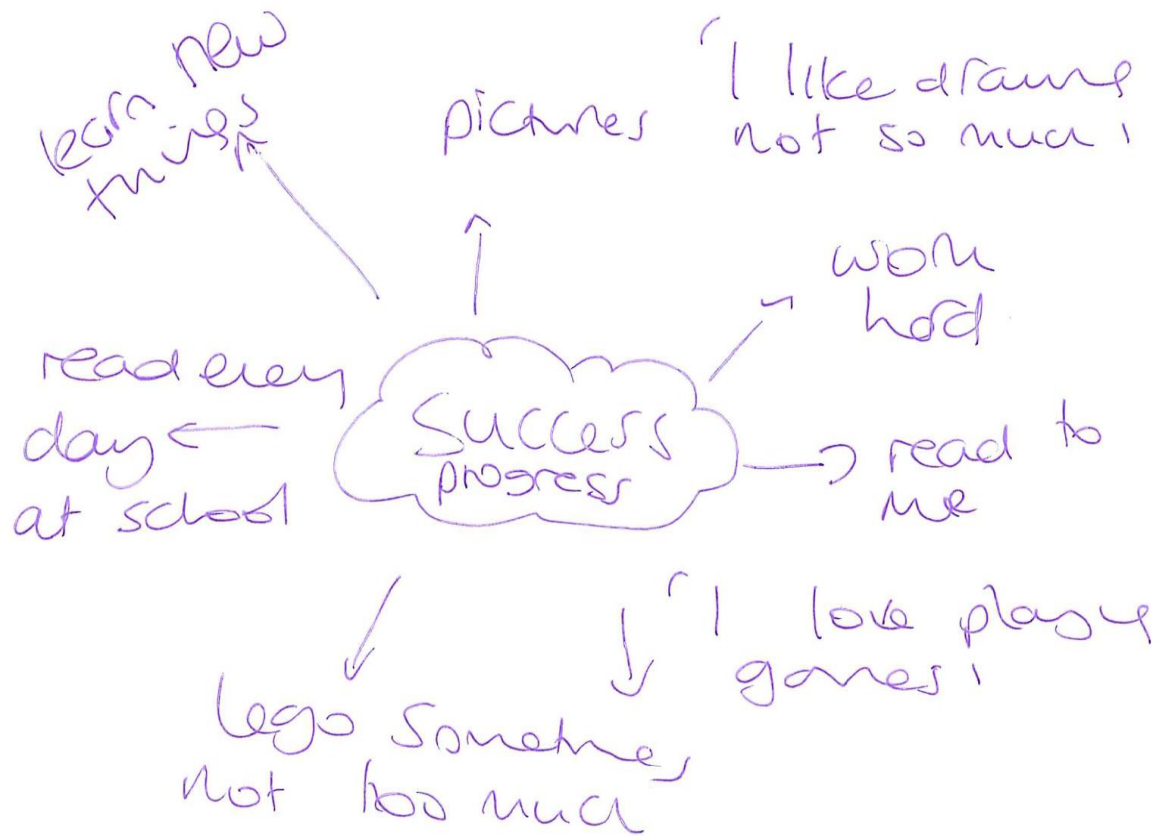
Some key summary points from young people's feedback are listed below, alongside a sample of demonstrating quotes.

When asked who helps them, all 8 pupils were able to clearly name school staff members and peers (friends), with one pupil even finishing a long list by saying:

'...and a lot of people I can't remember, I have so many friends'

Year 3 pupil in pilot

Pupils were able to talk about things that helped them, and their interests (with lots of support for friends, fidget toys and therapy dogs!).



Year 4 pupil in pilot

"trying don't give up"

"helping others helps me a little bit"

Year 3 pupil in pilot

"I feel happy about school. My friends make me happy and art and my teachers. My teachers are nice and help me. They help me if I have got something wrong they tell me how to do it right. If I get something wrong in maths they tell me how to work it out. When I am struggling to concentrate Mrs N tells me to use my fidgets and have a learning break where I can run around."

Year 4 pupil in pilot

"J reports that he knows that he has a TA to help him and can name all 3. He says they work with him at his table and with other children. He says that sometimes they work with just him on his own and that sometimes they have to do first aid – especially for him because he falls over a lot."

Year 1 pupil in pilot

"H reports that he likes his small group work in his separate classroom as it is quieter, he can understand easier and if he gets stuck the adults can help support him.

He also enjoys being in the main classroom too as he can listen to things the class are doing."

Year 5 pupil in pilot

"I like school now. All my teachers are really good. They're kind to me. Miss S [TA] is really clever. She helps me with my work. Mrs P [TA] helps me with my work. I like coming into school now. Miss S always has my work ready for me. I get to play and do my work. I do loads of work now. I never used to do any work. English is my favourite lesson because my handwriting is getting better. I read to my dad the other night. He was happy with me. I'm happy in school and love my teachers."

Year 4 pupil in pilot

When asked 'what helps you to learn?':

"I don't know! Counting I think and handwriting? It'll be tough in year 3. Counting will help me in year 3"

Year 2 pupil in pilot

Pupils were also asked about things they struggled with, and what would make school even better for them.

"People don't understand what I say sometimes"

Year 4 pupil in pilot

When asked 'what would make school better for you?'

"More art a bigger last break because last break isn't that long. My own table would be good because sometimes I get distracted by my friends."

Year 4 pupil in pilot

"J says school would be even better if there were more playtimes.

Year 1 pupil in pilot

"H says he doesn't think the school can help him anymore and he is happy with everything."

Year 5 pupil in pilot

9. Case studies

Pilot schools provided a total of **18** case studies to support the pilot, with a spread of pupil ages ranging from Early Years Foundation Stage and Reception up to year 9 and covering a range of needs.

How pupil support was delivered changed in some case studies during the pilot, and remained the same in others – which schools suggested was in line with each individual pupil's needs and the effectiveness of the current provision to meet needs as they presented at the time.

Examples of changes described in case studies include the following:

- Prior to pilot, pupil had 1:1 support from 1 single staff member at all times - good relationship but pupil lacked independence and was becoming too dependent on single staff member. Moved to same level of support from a range of staff members.
- Pupil previously had 1:1 TA support for number of hours on EHCP, but was isolated/missing out on social elements of learning and had other times where he wasn't supported (as 'hours' didn't cover this). Tension with parents around whether their child was receiving agreed 'hours'. Also difficult for young person to have a 'mind break'. Changed support to use of 4 different types (1:1, 2:1, small group support and whole class support) with example timetable of when support would be given - overall increase in time pupil supported and still retains some dedicated 1:1 sessions as needed.
- Pupil moved from another local authority area (where he had ad hoc 1:1 support) just before the pilot. Moved from the previous model of ad hoc 1:1 to timetable with mixture of provision and support staff.
- Pupil was undertaking social interventions in classroom in small group and 1:1. Pupil can struggle to work and focus in classroom. Agreed with family to move social communication work from classroom to delivery via new forest school provision. Pupil reported finding it easier to talk to peers when completing other tasks in this new environment.
- Pupil was benefitting from support from additional adults in class, and often worked in small groups or alongside other pupils requiring support; however, pupil was still showing a lot of off task behaviour. School introduced support from a qualified teacher 2 mornings a week to work with a group of pupils across year groups who were working at the same level. Noticeable improvement in the pupil's behaviour, progress and work quality (in these lessons and in others).
- Prior to pilot, pupil had a personalised curriculum in the afternoon (to meet SEMH needs) and used quiet space in a nurture support room. A decision was made with the family to try and increase the pupil's time in the classroom in the afternoons to support their transition into the next year group. School felt they had more flexibility to meet needs and section F provision in a different way.
- Pupil had TA support in most lessons and SALT interventions from hospital. During pilot, the school introduced use of a reading pen, tutor time interventions for quick snapshot SALT and more targeted 1:1 support on understanding exam questions for maths.

Content to inform decision on whether or not to include total allocation band on Cheshire East EHC Plans

Legal position

There is no legal requirement to include a total funding amount in an EHC Plan.

Section 42 of the Children and Families Act states that *'The local authority must secure the specified special educational provision for the child or young person'* and *"Specified", in relation to an EHC plan, means specified in the plan.'*

The SEND Code of Practice states the following regarding the content of section F of an EHC Plan:

- *Provision must be detailed and specific and should normally be quantified, for example, in terms of the type, hours and frequency of support and level of expertise, including where this support is secured through a Personal Budget*
- *Provision must be specified for each and every need specified in section B. It should be clear how the provision will support achievement of the outcomes*
- *Where health or social care provision educates or trains a child or young person, it must appear in this section*
- *There should be clarity as to how advice and information gathered has informed the provision specified. Where the local authority has departed from that advice, they should say so and give reasons for it*
- *In some cases, flexibility will be required to meet the changing needs of the child or young person including flexibility in the use of a Personal Budget*
- *The plan should specify:*
 - *any appropriate facilities and equipment, staffing arrangements and curriculum*
 - *any appropriate modifications to the application of the National Curriculum, where relevant*
 - *any appropriate exclusions from the application of the National Curriculum or the course being studied in a post-16 setting, in detail, and the provision which it is proposed to substitute for any such exclusions in order to maintain a balanced and broadly based curriculum*
 - *where residential accommodation is appropriate, that fact*
 - *where there is a Personal Budget, the outcomes to which it is intended to contribute (detail of the arrangements for a Personal Budget, including any direct payment, must be included in the plan and these should be set out in section J)*

The focus therefore should be on provision that is suitably specified in section F of the EHC Plan.

Option 1: Include total allocation band on Cheshire East EHC Plans

Pros	Cons
<ul style="list-style-type: none">• Some schools/settings and parents/carers may find it useful as a guide to the overall support level• Maintains status quo of including total provision (however, there will still be a change going from hours to a band)	<ul style="list-style-type: none">• Can detract focus from individual provision listed in section F (plus sections G and H1/H2)• Band on its own doesn't have much meaning - could raise unnecessary questions or confusion

Option 2: Do not include total allocation band on Cheshire East EHC Plans (share band via letter instead with clear signposting and recording elsewhere)

Pros	Cons
<ul style="list-style-type: none">• May 'future proof' EHC Plans and mean they require less changes at a later stage (for example, if a national banding model is implemented which uses a different naming system for bands – this would be less work for schools and the council's SEND team)• Would align with post-16 processes, which don't include a total amount in hours or a band on the EHC Plan (uses schedule 2 instead between LA and providers). Currently, post-16 colleagues have to have conversations with parents/carers around why an 'hours' amount has not been included on the EHC Plan• Has been adopted in other Local Authority areas, including our nearest neighbour (Cheshire West and Chester)• Feedback from some parents/carers has been that focus should be on provision – not on funding. Removing total from the EHC Plan would help this• Banding would still be communicated with parents/carers and schools via the letter with the final EHC Plan, and amounts published online	<ul style="list-style-type: none">• Will be a change for schools/settings and parents/carers not to have any indication of total allocation on individual EHC Plans and to perhaps consider provision in a different way (however, changing the model from hours to bands will still result in a change to the EHC Plan)• Would need to consider how this would work for consultations with new settings for transitions (e.g. transition from primary to secondary, where secondary school needs to consider whether they can meet need based on previously agreed provision) – however, a new template for consultations is being developed and this could be included on that form.

*Note: CEC finance colleagues don't look at the EHC Plan itself in processes to ensure funding is provided to settings; they use funding forms in Liquid Logic instead. Therefore, no impact on finance processes if band removed from EHC Plan itself.

Appendix 3: Options presented to the working group for staged implementation of new model for existing EHC Plans

- The group discussed their preferred approach for a staged roll-out for existing EHC Plans during the working group meeting on 06/09/2022.
 - Provided options are presented below with pros and cons for each option
 - All models are likely to result in simultaneous running of two systems at once (which may require increased capacity)
 - Approximate numbers of children/young people with EHCPs have been added to options where possible. These are based on filters within the council's Minimum Data Set as at 05/08/2022. Note that the year group is as at August 2022, and numbers will therefore be moved up a year group in September 2022.

Implementation Option	Pros	Cons
<p>a. implement for all EHC Plans in all schools in a geographic area (this could be according to SENCO clusters, SEND Team Locality areas, or another split)</p> <p>Numbers:</p> <ul style="list-style-type: none"> 1633 EHCP (taken from MDS 05.08.22 filter – CEC/Mainstream/maintained/academy/free/year group reception to yr11) <p>By Locality:</p> <ul style="list-style-type: none"> Central (Congleton) = 470 South (Crewe and nantwich) = 568 North (KWP/Macclesfield) = 595 	<ul style="list-style-type: none"> Consistency across whole of a school and geographic area – with all plans changing at same time May help transition (if child goes to local school in same geographic area) 	<ul style="list-style-type: none"> Would take much longer to implement for all EHC Plans (several years) if only targeting one geographic area at a time – some areas may have to wait for a significant period to see any changes (with risk of being viewed by parents/carers as having inequity due to different systems across CE – with areas perhaps being seen to be treated more favourably or penalised) Capacity may be an issue if we chose to do all EHC Plans in one area in a very short period of time If Annual Reviews not used, would mean changing plans twice in one year
<p>b. implement in secondary schools first, then primary schools (or vice versa)</p> <p>Numbers:</p> <ul style="list-style-type: none"> Secondary = 602 Primary = 1031 	<ul style="list-style-type: none"> Consistency across all schools in one age bracket – could lead to primaries sharing best practice between one another (same for secondaries) 	<ul style="list-style-type: none"> May take longer to implement for all EHC Plans, with one group of schools (primary or secondary) having to wait longer for change May cause issues for transition cases

		<ul style="list-style-type: none"> Capacity may be an issue if we chose to do all EHC Plans in all secondaries or all primaries in a very short period of time If Annual Reviews not used, would mean changing plans twice in one year
<p>c. implement in individual schools one at a time (school by school), moving through schools alphabetically or by number of EHC Plans</p> <p>[Numbers not provided at this stage as would form a very long list]</p>	<ul style="list-style-type: none"> Consistency for single school – all pupils with EHC Plans on same model at one time. Allows flexibility across whole school provision. 	<ul style="list-style-type: none"> May take longer to implement for all EHC Plans – potential inequity with some schools likely to wait a long time Miss benefits around transition or peer-sharing (though school that has just transitioned could mentor next school in list)
<p>d. implement by year groups across all schools</p> <p>Numbers:</p> <ul style="list-style-type: none"> Reception = 111 Year 1 = 126 Year 2 = 128 Year 3 = 142 Year 4 = 176 Year 5 = 172 Year 6 = 176 Year 7 = 146 Year 8 = 146 Year 9 = 136 Year 10 = 125 Year 11 = 124 	<ul style="list-style-type: none"> Familiar approach as used for transition from statements to EHC Plans 	<ul style="list-style-type: none"> Would take much longer to implement for all EHC Plans (several years) if only targeting specific year groups each academic year Could cause issues for small number of very small schools where classes are mixed year groups
<p>e. implement according to Annual Review dates across all schools</p>	<ul style="list-style-type: none"> EHC Plans only need to be amended once – more efficient as fewer changes for schools and families to review, plus less work for SEND team and fewer 	<ul style="list-style-type: none"> Current issues with timeliness and capacity of Annual Review processes, including issuing of amended plans after a review - may require more capacity in SEND team?

[Numbers not provided at this stage as would form a very long list]	<p>opportunities to appeal (which can also require increased capacity)</p> <ul style="list-style-type: none"> • Potential to change all EHC Plans to new system in space of one calendar year 	
<p>f. target transition groups first (those moving from early years to primary, primary to secondary, secondary to post-16 etc.)</p> <p>Numbers:</p> <ul style="list-style-type: none"> • Nursery 2 = 37 (please note: not included in 1633) • Year 6 = 176 • Year 11 = 124 	<ul style="list-style-type: none"> • EHC Plans need to be amended at transition points – so increased efficiency making multiple changes at once. • Would mean all in one year group would be transitioned to new model, which would then move through schools (new pupils on new model) 	<ul style="list-style-type: none"> • Would take much longer to implement for all EHC Plans (several years) if only targeting transition groups each academic year
<p>g. Include in any natural changes to an EHC Plan (e.g. interim review, change of placement) as an addition</p> <p>[Numbers not provided]</p>	<ul style="list-style-type: none"> • EHC Plans need to be amended due to other change – so increased efficiency making multiple changes at once. 	<ul style="list-style-type: none"> • May require additional capacity? • Potential for confusion if outside other agreed plan
h. a combination of the above suggestions	<ul style="list-style-type: none"> • Could be quicker if combining methods, and allow us to pick more favourable parts 	

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Cheshire East High Needs Funding Consultation

2023

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Purpose of this Consultation

We are looking to improve the system for allocating high needs top-up funding for children and young people with an Education, Health and Care (EHC) Plan in Cheshire East. EHC Plans are for a child or young person aged 0-25 who has special educational needs (SEN), and where it is necessary for special educational provision to be made for the child or young person in accordance with an EHC plan.

A High Needs Funding Working group made up of school representatives, Cheshire East Council employees and Cheshire East Parent Carer Forum representatives have developed a new model, and plans to introduce the new model, and we would like your views on these proposals. An online consultation survey has been designed to gather further views on the proposals. This consultation, and the work leading up to it, build upon previous work in this area (from 2017 onwards) and feedback from previous consultations (held in 2019).

To take part in this consultation, please complete the online survey available at:

https://surveys.cheshireeast.gov.uk/s/High_Needs_Top_Up_Funding_Consultation_2023/

Completing the online consultation should take no more than 10 minutes.

All responses to the online survey must be submitted **by xxxxxx**

For any queries about this consultation or work, please email SENDpartnerships@cheshireeast.gov.uk

Who is this consultation for?

This consultation is for anyone affected by, or interested in, the way in which high needs top-up funding is allocated for children and young people with an Education, Health and Care (EHC) Plan in Cheshire East. This includes:

- Children and young people with EHC Plans
- Parents/carers of children or young people with EHC Plans
- Representatives from educational settings (e.g. schools), such as Headteachers, Governors and Special Educational Needs Co-ordinators (SENCOs)
- Health commissioners or providers
- Local authority staff members
- Cheshire East Councillors
- Other professionals across education, health and care



OFFICIAL

Summary – what does this mean for individual children with EHC Plans?

This section provides a quick summary of what this consultation is about. Please do read the rest of this document for further detail.

- In the current model used in Cheshire East, high needs top-up funding associated with an individual Education, Health and Care (EHC) Plan is expressed as a number of hours of support on each individual EHC Plan.
- Using hours to express a total funding amount can cause confusion, as it doesn't reflect how the special educational needs provision identified in Section F is delivered, or the ways someone can receive support to best meet their individual needs (such as small group work, or using specialised software or equipment for example).
- In the new model, the total top-up funding for each individual EHC Plan will be expressed as a financial amount in line with an allocated band.
- The proposed change relates only to how the **total funding** is expressed in the EHC Plan, in order to remove confusion and accurately represent how flexible support can and should be provided via many different methods.
- Regardless of how total funding is expressed, the support that each child or young person requires to meet their needs will still be described through personalised and detailed provision descriptions in sections F, G and H in EHC Plans (in line with legal requirements).
- The group plan to move existing individual EHC Plans to the new model at their next review.

- The new model will be implemented for school-aged children with EHC Plans in mainstream schools **only** in the first instance.



The current model

In the current model used in Cheshire East, high needs top-up funding associated with an Education, Health and Care (EHC) Plan is expressed as a **number of hours of support** on each individual EHC Plan – however:

- Hours are used only as a proxy (nominal) measure to express total funding.
- Using hours to express a total funding amount can cause confusion, as it doesn't reflect how the special educational needs provision identified in Section F is delivered in practice (such as small group work, or using specialised software or equipment for example).
- The focus should always be on meeting the individual needs of the child or young person through personalised provision listed in section F.

What has been done so far?

This work has been ongoing for several years, and has involved input and joint working between different interested groups at various points, along with previous extensive consultation activities.

In 2017, a task and finish group of elected members chosen by the council's Children and Families Overview and Scrutiny Committee carried out an in-depth review of local SEN processes. The group's final report (agreed by the committee in 2018) included a recommendation *"that the Schools Forum be requested to review the distribution and methodology of funding"* and further specifically stated that *"a banding system should be considered. Parents find hourly funding confusing"*.

In early 2018, the Cheshire East Schools' Forum established a High Needs Formula Working Group (HNFWG) to review the

model for allocating high needs funding in response to feedback on the current model. As an initial piece of work, the HNFWG used the feedback to develop a set of principles for a new funding allocation model.

Following research into a number of models in place across the country (whilst considering the proposed principles), the HNFWG favoured the development of a model in Cheshire East based on the matrix model introduced by Essex County Council from September 2017. This model provides top-up funding in financial amounts in line with a number of bands, as opposed to a value in hours. In addition, in this model, the appropriate financial band is determined for each individual child or young person through the completion of a Banding Descriptors 'matrix' with descriptions of different types and levels of SEN.

During 2019, extensive face to face and online consultation was undertaken with all interested groups on the proposed principles and model developed by the HNFWG. Overall, the principles and model received positive feedback in both the face to face and online consultations, and also when shared for scrutiny and challenge in a variety of other forums, thereby supporting continued exploration of the proposed model. We also listened to any concerns or queries that were raised. All input from the consultation activities was taken forward and used to inform future work on the model.

An initial feasibility pilot (now referred to as 'Pilot Phase 1') was launched in September 2019. From December 2019, the project team carried out an in-depth analysis of information submitted by the pilot schools. Although feedback on using the matrix was positive, the analysis returned a number of issues that required further consideration. As a result, the analysis phase of this pilot was extended.

The project team met with individual pilot schools to further discuss their experiences, and used the feedback from the pilot schools and the consultation activities to work with various professionals on amendments to the matrix wording, weightings and formulae, whilst also considering potential format changes. In late 2020, we established plans to run a second phase of the pilot immediately after the February 2021 half-term break (the work leading up to this is now referred to as 'Pilot Phase 2a'). However, these plans had to be re-evaluated in 2021 as a result of the third national lockdown of the Covid-19 pandemic and then the subsequent announcement of a return date for all pupils back into schools.

In December 2021, we re-established a High Needs Funding Working Group, who then oversaw and lead on a further pilot phase. This pilot looked specifically at the impact for schools, children/young people and parents/carers of moving from expressing funding in hours to bands with financial amounts. This phase was referred to as 'Pilot Phase 2b' and was carried out with real Cheshire East pupils in local schools. Analysis undertaken by and shared with the working group indicated that this pilot phase went very well with positive feedback and trends from schools, parents/carers and children and young people. As a result, the working group agreed to pursue next steps with the piloted change, including planning how such a model could be implemented across Cheshire East, subject to approval.

The proposed new model

The key proposals for implementation are as follows:

- Moving from expressing total funding for EHC Plans in hours to a banding model developed and piloted by the working group. Under the new model, top-up funding will be allocated in **financial amounts in line with a number of bands** as shown on this page.

Band	Hours From	Hours to	Hours (round up)	Top-Up Amount
0	0	12	0	£ -
1	12.1	15	15	£1,700
2	15.1	18	18	£3,210
3	18.1	20	20	£4,230
4	20.1	22	22	£5,250
5	22.1	25	25	£6,800
6	25.1	28	28	£8,340
7	28.1	30	30	£9,370
8	30.1	32.5	32.5	£10,700

- Hours are shown here only to demonstrate how the initial move to the new model will work for **existing** EHC Plans. There will be no reference to a funding total in hours in the new model going forward.
- The new model will be implemented for school-aged children with EHC Plans in mainstream schools only in the first instance.
- The group plan to undertake a staged roll out by moving existing EHC Plans to the new model at their next review.
- The implementation date for starting to move new and existing EHC Plans to the new model is yet to be confirmed and will be planned based on further discussions around required actions along with the feedback received through this consultation.

Further information on the proposals

Moving from hours to bands

Many Cheshire East schools already undertake a range of flexible support strategies to meet the needs of each individual child with an EHC Plan. This includes the use of small group work, equipment or specialised software for example. Changing from expressing total funding in 'hours' to a band with a financial amount would better support and reflect this, modernise our systems and remove any confusion.

Under the new model, agreed provision will remain focused on meeting individual needs – as it is now. The proposals simply relate to how the total funding allocation is expressed in an EHC Plan. The proposed change is also in line with Department for Education (DfE) guidance which recommends the need to move to a national banding system for SEND High Needs Funding. Therefore, where a child's individual needs are being optimally met by existing support mechanisms (including 1:1 support), their individual provision is unlikely to change upon moving to the new model. Likewise, in schools where a range of support is already in place, there may be very little or no difference to individual support when the new model is implemented (as found in the recent pilot). However, removing the use of hours (which incorrectly implies that support can only be delivered via 1:1 support from an individual) and introducing the proposed banding model supports the flexibility to try different types of provision to meet need where it may be beneficial for a child or young person.

Financial impact

This work has been ongoing for several years. It is **not** part of any plans around reducing the Dedicated Schools Grant (DSG) Deficit and is not intended as a cost cutting exercise.

The suggested change in funding model is about **flexibility** and specifically about accurately representing how flexible support can and should be provided via many different methods (not just through 'hours' of support from an individual).

When developing the proposed model of bands and associated amounts, the HNFWG were mindful that, whilst this change in allocation model is not about cutting costs, it could not be used as a means of increasing spend either and must not result in a further spend increase, especially due to overspend in our Dedicated Schools Grant (DSG).

Therefore, the financial impact of the change in allocation model is intended to be **neutral** and **sustainable**.

Implementation plans

The group favour changing to the new model for individual EHC Plans at the point of their next review for a number of reasons including:

- it will prevent changes being made to individual EHC Plans twice in 1 year
- it will allow the change to be discussed during the next review and ensure that discussions continue to focus on provision
- we only need to communicate the change to all interested groups once (if we used a system lasting several years with different roll out stages, several reminders and separate communications may be needed).

Aligning other changes

To be as efficient as possible (and prevent further changes being needed later on), we intend to make sure other planned changes to EHC Plan formatting are brought in at the same time as the above proposals.

In addition to the above proposals, we are listening to feedback and simplifying EHC Plan templates, meaning that there will be no 'total allocated resources' box or allocated funding band on individual EHC Plans going forward. This section is not used on many EHC plans already (including those for children and young people in specialist provision or post-16 settings for example) and will allow for better consistency. The remainder of Section F, with all detailed and specified provision, and all other sections will remain the same. The simplified plan format will be implemented alongside the new funding allocation model; this implementation date is yet to be confirmed and will be planned based on further discussions around required actions along with the feedback received through this consultation. After the agreed implementation date, the simplified format will be used for all EHC Plans following their next review. Details of the band that has been allocated for individual EHC Plans will be included on the letter shared with the Final EHC Plan.

Next steps

The proposal to proceed with implementation of the new model, including outcomes and input from this consultation, will be taken to the Council's Children and Families Committee for a final decision.

The working group will ensure that a range of communications are shared widely throughout 2023 to provide updates and further opportunities for all interested groups to learn more about this work.

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Working for a brighter future together

Children and Families Committee

Date of Meeting:	20 March 2023
Report Title:	Educational Psychology Service progress update
Report of:	Deborah Woodcock, Executive Director of Children's Services
Report Reference No:	CF/24/22-23
Ward(s) Affected:	There are no direct implications for individual wards

1. Purpose of Report

- 1.1. To provide the Children and Families Committee with an update on the Educational Psychology Service.

2. Executive Summary

- 2.1. The Educational Psychology Service has clear priorities and aspires to develop an innovative programme of support through a sustainable Educational Psychology Service which can meet both statutory demand and provide early intervention support through a traded service. Traded service aims to promote positive outcomes for children and young people. The above, alongside other developments across the SEND partnership, will provide timely support for children, contribute to the reduction of education, health, and care needs assessments (EHCNAs), and consequently, minimise the current high reliance on external locum educational psychologists.
- 2.2. The Educational Psychology Service has developed an innovative recruitment and retention plan; a 'grow your own model' through recruitment, training, and development of assistant educational psychologists and trainee educational psychologists who progress to become fully qualified educational psychologists, over a five-year period. Thereafter, they will remain with Cheshire East for three years post-qualification which is built into their employment contract.

3. Recommendations

Children and families committee should

- 3.1.** Note the development and achievements of the Educational Psychology Service
- 3.2.** Support the continued recruitment and retention programme and plans to develop a stable and sustainable Educational Psychology Service in line with demand and budget which can:
 - Fulfil all statutory related duties.
 - Provide an adequate and balanced range of evidence-informed prevention and intervention work through an educational psychology traded service.

4. Reasons for Recommendations

- 4.1.** To assure members of the development of the Educational Psychology Service and the progress being made in terms of good practice and impact.

5. Other Options Considered

- 5.1.** We provide a statutory-only service which will therefore serve to increase statutory demand and elevate cost. This will meet children's needs neither effectively, nor in a timely way. Additionally, this way of working would not be attractive to the recruitment or retention of educational psychologists.
- 5.2.** We do not progress with a recruitment and retention programme. This would result in increased costs with high reliance on locum educational psychologists and difficulties in quality assurance and timeliness of locum reports.

6. Background

Summary of the priorities of the Educational Psychology Service.

- 6.1.** The development of the Educational Psychology Service is being led by our principal educational psychologist who took up post in May 2022, albeit work started in her previous role as a senior educational psychologist. The priorities of the service are:
 - To ensure all statutory advice provided is of high quality and within statutory timelines leading to improved positive outcomes for children and young people.

- To develop an early intervention offer through a traded service arrangement to build staff capacity, confidence, and skills in staff across all settings from early years to post-16 to able them to better meet children's education and SEND needs.
- 6.2.** The impact of the service, in collaboration with partner services, will be measured over time and demonstrate a reduction in needs assessment requests being received. This will be as a direct result of settings and schools being more confident and skilful in the use of the SEND toolkit and in implementing appropriate strategies and support; therefore, becoming more equipped to meet the needs of children without an education, health, and care plan.
- 6.3.** We will measure service impact over time, related to:
- Increase in the number of children and young people with their needs met at SEN support, which will result in a reduction in needs assessment requests.
 - Schools increasing confidence and skills in adopting inclusive practices and meeting the needs of children within mainstream school will be demonstrated by a reduction in the number of change of placement requests.
- 6.4.** Critical to the development of the service is the recruitment and retention of educational psychologists. This will enhance the service capacity to implement the above measures and reduce the use of locum educational psychologists.

Baseline position in 2018

- 6.5.** The timeliness of educational psychology reports for education, health, and care needs assessment in September 2018 was 0%, with many assessments waiting over 12 months. As a result of our improvement plan post-Ofsted inspection, this improved from November 2020 to November 2021. At this time, there was a service issue which resulted in a dramatic drop in progress. This issue has now been addressed. A new principal educational psychologist was appointed in April 2022 and significant work has taken place to address timeliness since. The Educational Psychology Service is now back on track (see Appendix 1 Statutory Timeliness data), and plans to ensure that this is sustained are being developed.
- 6.6.** Initial timeliness in 2018 was the result of there being limited capacity to provide direct educational psychology involvement with children in their education settings. Little, if any, prevention and intervention work was offered. The new approach will now ensure that statutory/legal compliance is maintained, and education, health, and care needs assessment demand is reduced through building educational psychology staff capacity to provide

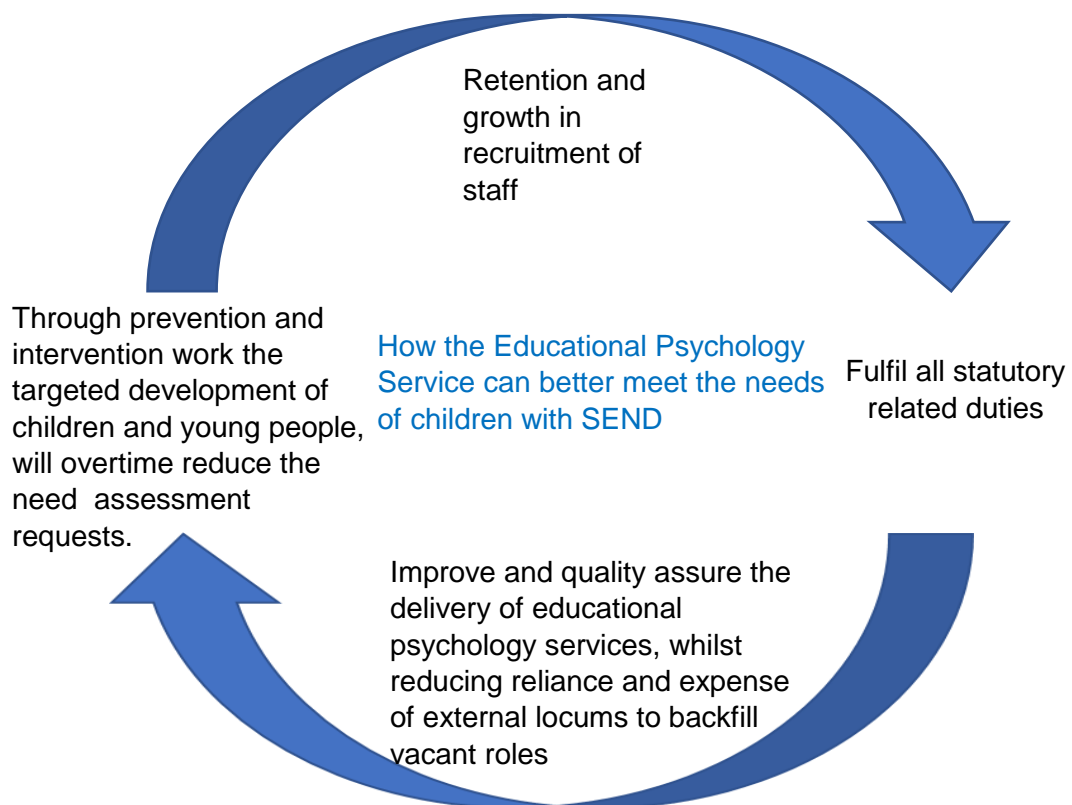
direct prevention and effective early intervention work within settings alongside other partner services.

- 6.7. Education settings were buying in the services of private educational psychologists at a significantly elevated cost to consult, provide formal assessment, psychological reportage and training.
- 6.8. The Educational Psychology Service held a poor reputation, being regarded as a statutory saturated service, and consequently, struggled significantly to recruit and retain staff.
- 6.9. The professional development of educational psychologists required updating in order to enhance their knowledge and skills to inform their involvement in promoting best outcomes for children.
- 6.10. There were very few locum educational psychologists commissioned to bring additional capacity to the Educational Psychology Service to support the reduction in the education, health, and care needs assessment backlog.

Transformation to date

- 6.11. By 2020, additional educational psychology capacity to provide statutory advice was achieved through building a bank of locum educational psychologists. The service successfully commissioned 31 locums to backfill educational psychology staffing shortage. By November 2020, the Educational Psychology Service achieved 100% timeliness and maintained an average of 91% until November 2021.
- 6.12. During November 2021 to mid-January 2022, there was a change in the management oversight of the educational psychology assessment tracker. During this period, timeliness fell, requiring considerable efforts to get this back on track.
- 6.13. Due to a persistent chronic national shortage of educational psychologists, most councils hold vacancies, and consequently, every council is seeking to competitively recruit to their workforce. This caused considerable retention and recruitment pressures, with the cost of procuring locum educational psychologists escalating. It is through the 'grow your own' plan, aligned with retention and recruitment, that we have successfully employed 5 trainee educational psychologists (providing two Educational Psychology Service days) and 5 full-time assistant educational psychologists, supporting prevention and early intervention work. (See Appendix 2 – Recruitment and Retention programme, Appendix 4 for Current Educational Psychology Service structure and Appendix 3 for Impact Data and Evaluation of Training)
- 6.14. The 'grow your own' model of educational psychology will achieve the following over a five-year period:

- Bring highly engaged employees through the Educational Psychology Service who are more likely to provide discretionary effort and remain loyal advocates of the service
- Fulfil their statutory duties, providing psychological advice for education, health, and care needs assessments on time and ensuring greater control of the quality assurance of advice and reports
- Reduce financial pressure through growing internal staffing capacity which will consequently, over time, lessen the reliance on expensive locum educational psychologists
- Expand prevention and intervention work, which will gradually contribute to a reduction in education, health, and care plans
- Provide sufficient educational psychologists to support non-statutory SEND related activities e.g., direct involvement to support schools and children linked with the graduated approach, support of change of placement requests, and tribunal work



6.15. A comprehensive supervision and continuous professional development (CPD) model has been developed to deepen and strengthen educational psychology practice and align prevention and intervention work with the aim of promoting positive outcomes for children and young people. This will, over

time, go some way to reduce the number of education, health, and care needs assessment requests.

- 6.16.** Strong relationships have been forged and maintained with course directors of educational psychology doctoral training courses. There is a strong confidence from these university providers in the leadership of the Educational Psychology Service and its transformational aspirations. This has resulted in our council successfully recruiting trainee educational psychologists and Cheshire East being an authority of preference for trainees. We have 7 out of 10 of the 2023 cohort requesting placement with us.

6.17. Development of prevention and intervention

- 6.18.** A pilot phase of prevention and intervention was introduced in the winter of 2021 which has been gradually developing, with a growing evidence base of impact.
- 6.19.** The Educational Psychology Service has delivered nationally recognised, evidence-informed prevention and intervention training to parents, school staff, and Cheshire East colleagues. This includes Emotion Coaching, Emotional Literacy for Support Assistants (ELSA), and Attachment and Trauma, with all receiving excellent feedback.
- 6.20.** Post-training evaluation clearly demonstrates the confidence, knowledge, and skill of staff in schools to use these approaches. (See Appendix 3 – Impact Data and Evaluation of Training)
- 6.21.** Emotional Literacy for Support Assistants training includes additional time to support delegates in embedding new skills through coaching, mentoring, and problem-solving opportunities, with supervision requirements each year. This ensures that children are getting the best possible intervention, at the right time. In addition, positive impact is demonstrated by every child making progress when supported by a qualified ELSA delegate. (See Appendix 3 – Impact Data and Evaluation of Training)
- 6.22.** ELSA delegates have contributed to a national research project to evaluate this programme, with excellent outcome data to inform best practice guidelines.

Continuation of transformation

- 6.23.** There is an assumption that the recruitment and retention policy will continue, within budget, to build educational psychology capacity whilst striving to reduce the financial pressure caused by the use of expensive locums. This will enable educational psychology statutory work to be more robustly managed. This is to ensure consistent practice, enhanced connection and collaboration with parents / carers, thereby reducing the potential of complaints and tribunal cases.

- 6.24.** The 'grow your own' model from assistant educational psychologist to trainee educational psychologist which will then lead onto qualified educational psychologist posts being filled and also offer gradual progression into specialist practitioner educational psychologist and senior educational psychologist posts. As trainees qualify and graduate into educational psychologist posts, recruitment payments and lengthy induction periods will not be required. This provides a cost efficient, sustainable workforce across all statutory duties and also the much-needed prevention and intervention work for the children and young people.
- 6.25.** The Educational Psychology Service will build on their existing prevention and intervention offer, informed by the needs of education settings, and deliver better value. This is focused on academic achievement, social, emotion and mental health / wellbeing. The offers include:
- Mediated Learning for Support Assistants (MELSA) - targeted support to develop children's cognitive and learning skills
 - Acceptance and Commitment Therapy (ACT) - a therapeutic intervention for children to support a range of emotional and associated behavioural needs
 - Restorative Practice - to support those whose emotional distress is externalised as challenging behaviours
 - Emotionally based school non-attendance training, informed by national research and best practice.
- 6.26.** The prevention and intervention offer to schools and settings will continue to develop over a 5-year period, enabling access to direct educational psychology support to schools and settings through a traded services offer.

7. Consultation and Engagement

- 7.1.** The principal educational psychologist will continue to consult and engage with all key stakeholders as changes are made and co-produce new intervention arrangements.

8. Implications

Legal

- 8.1.1.** Recruitment of trainee educational psychologist requires Soulbury Terms and Conditions. Contractual arrangements align with DfE and university salaried arrangements.

Finance

- 8.1.2.1** The Educational Psychology Service has a budget for 2022/23 of £1.1m which is under significant pressure and growth of £0.6m has been approved for 2023/24 to help the service to deliver their strategic plan.
- 8.1.2.2** This will give an updated budget of £1.7m for 2023/24 onwards.
- 8.1.2.3** This is based on the estimates of the directly employed staff less income expected to the service at the time the MTFS was finalised. It assumes a

certain level of needs assessments. If demand increases, there will be additional pressures on the budget.

- 8.1.2.4 The growth in directly employed staff will allow the service to deliver their plan to reduce spend on more expensive agency staff. If that does not happen, then further spending pressures are likely.
- 8.1.2.5 The service is generating income from trading with schools. A £25,000 income target was set for 2022/23 and this is being achieved. A further £75,000 target is being added in the MTFS for 2023/24 to help the overall service budget. The service is over delivering on the £25,000 target and is confident the further target can also be met. The budget and pressure will be reviewed during 2023/24 and 2024/25 to check the strategy is having the desired effect and what budget levels are needed for 2024/25.

8.2. Policy

- 8.2.1. The development of the Educational Psychology Service needs to be in line with the SEND Code of Practice and Association of Educational Psychologist guidelines.

8.3. Equality

- 8.3.1. Building educational psychology capacity to support our education settings will promote education staff knowledge and skills, and promote inclusion, thereby reducing the number of education, health, and care needs assessments. This, in turn, will ensure that all children with special education needs receive appropriate education and services in a timely manner.

8.4. Human Resources

- 8.4.1. Nationally, educational psychologist recruitment is a challenge. The steps taken in the Educational Psychology Service to recruit trainee educational psychologists (whilst studying) has given CEC a competitive advantage nationally to grow our own. In addition, those recruited have given a commitment to remain with the council after qualifying. This approach will support innovation and will enhance the reputation of the council and Educational Psychology Service.

8.5. Risk Management

- 8.5.1. If the council does not develop this plan, then it will continue to have difficulties in recruiting, leading to continued use of high-cost locums and budget pressures. In addition, it will remain vulnerable in being able to fulfil statutory requirements.

8.6. Rural Communities

- 8.6.1. There are no direct implications for rural communities.

8.7. Children and Young People/Cared for Children

- 8.7.1. The Educational Psychology Service prioritises support to the virtual school for cared for children, contributing to positive outcomes for our cared for children through advice on appropriate interventions and strategies.

8.8. Public Health

- 8.8.1. There are no direct Public Health Implications

8.9. Climate Change

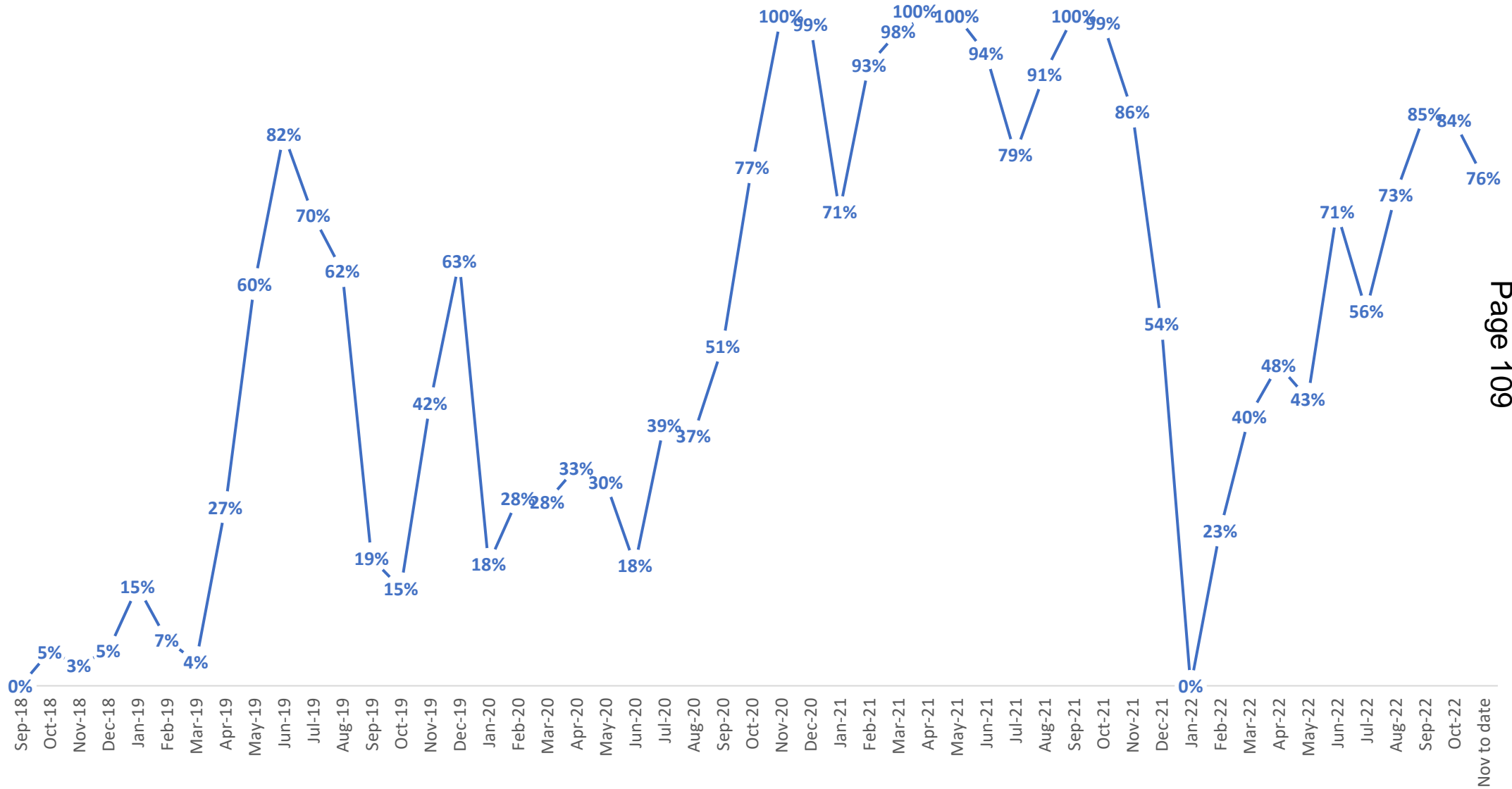
- 8.9.1. No direct Climate Change Implications

Access to Information	
Contact Officer:	Dr Alexandria Brightmore, Principal Educational Psychologist Alexandria.Brightmore@cheshireeast.gov.uk 07711 033995
Appendices:	A1 - Statutory Timeliness Data A2 – Retention and Recruitment Programme A3 - Impact Data and Evaluation of Training A4 – Educational Psychology Service Structure

Name of person involved in creating this Report	Role
Jacky Forster	Director of Education
Dr Alexandria Brightmore	Principal Educational Psychologist
Joe Carter	Project Manager
Steve Reading	Finance
David Worrall	HR
Roisin Beressi	Legal

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APPENDIX 1- STATUTORY TIMELINESS DATA 09/2018 - 11/2022



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Assistant
Educational
Psychologist

- Able to deliver a range of prevention and intervention work in schools and settings.
- Able to support qualified EPs with a range of duties e.g. evaluating programmes and undertaking relevant research.
- Provide a range of applied psychology experiences to enable Assistant Educational Psychologists to produce a competitive application to university. To support their doctoral application.
- Support some work of the EP to inform some statutory related duties.

Trainee
Educational
Psychologist

- Salaried Trainee Educational Psychologists to bring cutting edge, evidence informed theory, methods and interventions.
- To undertake both statutory and prevention and intervention work during their days in service.
- Contracted to work with CEC post qualification for a minimum of three years.

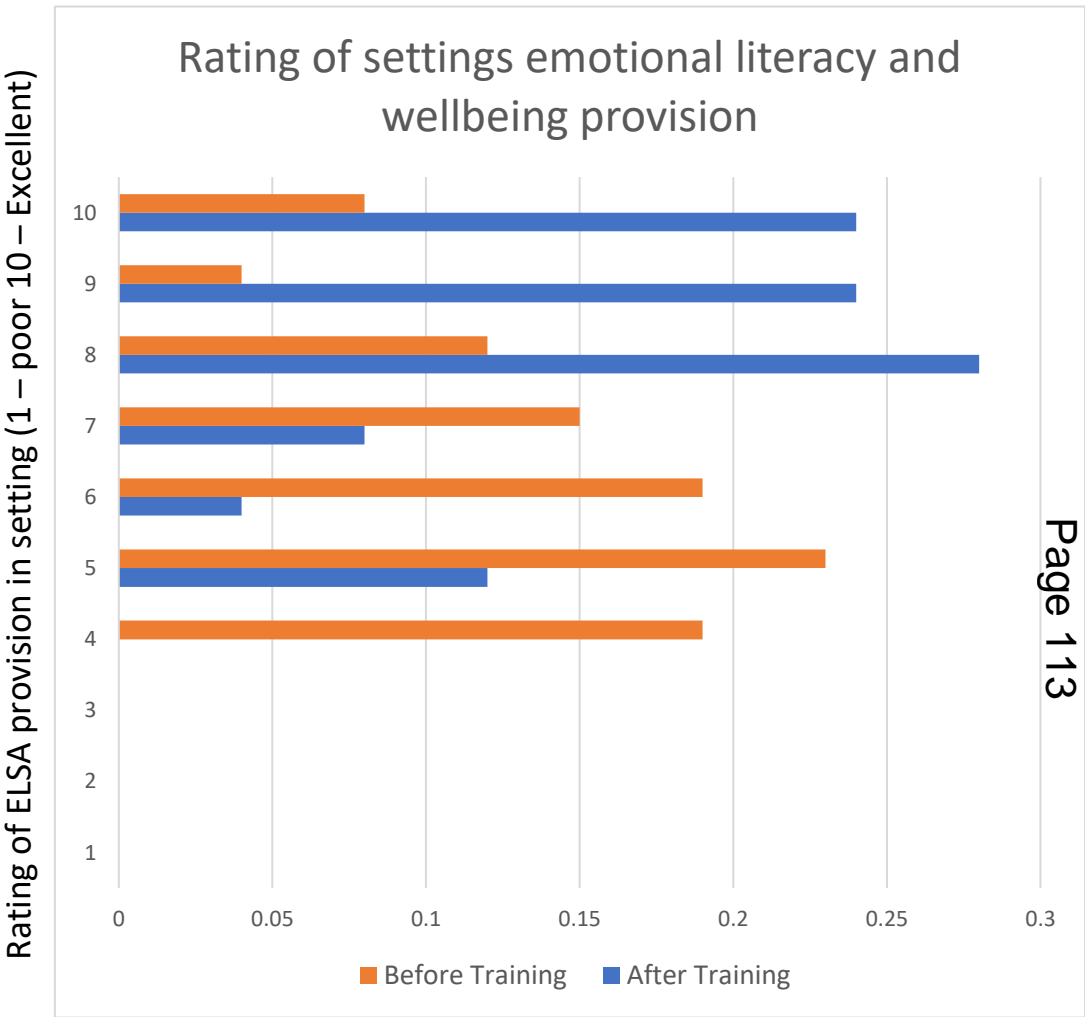
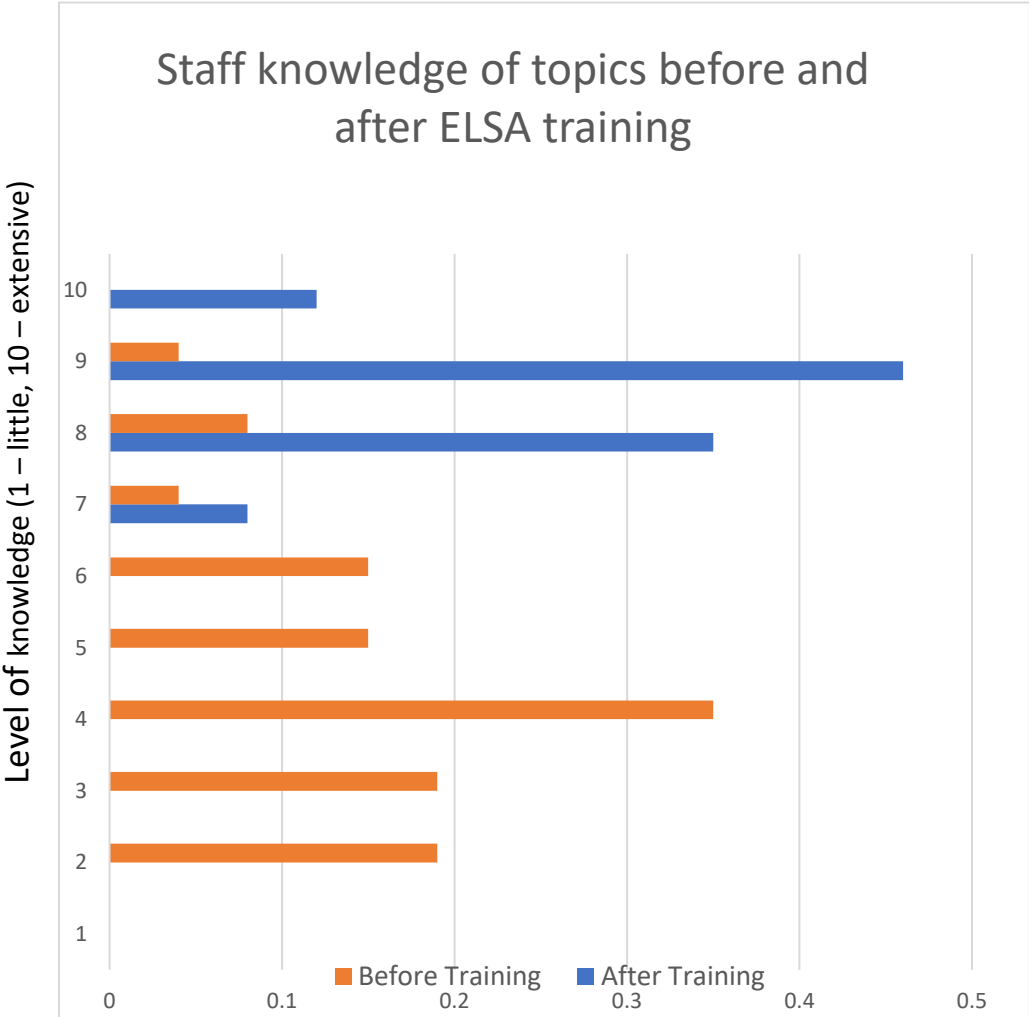
Main Grade
Educational
Psychologist

- Increased work capacity to undertake and fulfill statutory duties.
- Ability to offer direct EP work across Children's Services.
- Increased prevention and intervention.

Specialist
practitioner
Educational
Psychologist

- In addition to the above, protected time on strategic work linked to their areas of specialism e.g. early years, virtual school, social, emotional and mental health and cognition and learning.
- Value for money paid on main grade EP scale.

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Example of evaluation data relating to Emotional Literacy for Support Assistants (ELSA) in relation to Virtual School (VS) funded places.

No. of VS funded ELSA delegates: 86 all at various stages of either qualified or on-route to qualification

- All ELSA delegates found all topics relatively equally useful with some slight elevated scores relating to emotional literacy and awareness (incidentally the key area that underpins the rest!)
- 100% of ELSA delegates reported that the course had improved their knowledge in all ELSA topics
- With reference to the degree of improvement, data ascertained from respondents pre-and post-course demonstrated an average of 110% gains in their overall knowledge of all ELSA topics (knowledge on emotional literacy and awareness (regulation) | self-esteem & motivation | active listening, communication skills and understanding | social skills & social/therapeutic stories | friendships & loss and bereavement)
- Post training ELSA delegates confidence ratings in utilising ELSA resources has improved by 100%. From data collection across cohorts, it suggests that confident sharply increases after supervisions and the longer the ELSA has been trained. So, longer you are in the ELSA role, receive standard supervision, greater ELSA's confidence in their competencies in undertaking intervention
- Impact of ELSA's on children's development, respondent data firstly shows significant impact even with short intervention time (8 weeks). The longer the ELSA programme, the greater the child developmental gains are evident i.e. cohort F – ELSA application for 3 months, gains are noted as 'noticeable impact' versus cohort A – ELSA application for 18 gains are noted as 'excellent impact'. It might be helpful for any reader who may be unfamiliar with understanding that a typical timeframe is around 12-18 months to promote some noticeable and sustainable social, emotional and mental wellbeing improvements for children and young people. With this in mind, the above data is absolutely fantastically excellent

Going beyond quantitative, data driven analysis, we are committed to collecting active case studies.

Examples of feedback from VS ELSA is as follows:

"I act as an emotionally available adult for XX. He has now developed a secure attachment which has enabled him to build other relationships with peers and teachers. XX has been supported to develop confidence, name emotions and resolve conflict. He has also started to develop strategies to manage his emotions thanks to ELSA".

"I use the active listening all the time and this helps them feel that they are being heard and having their say. I use information on feelings, mindset, window of tolerance and look at their stresses and coping mechanisms. I have also supported with loss. I find that the skills learnt from the ELSA training just come naturally into our conversations now and my responses and advice to the students are far more effective than prior to the training".

"As a school we are very impressed with the training provided by Cheshire East Educational Psychology Service. We have received several training packages through their traded arm. We now have 2 trained ELSAs, our whole school is trained in emotion coaching and support staff are well equipped to deliver precision teaching interventions to support our pupils". – **Headteacher of a CE primary**

What can ELSAs help with?

ELSAs can support the emotional wellbeing of children and young people in the school setting and have a positive effect on social, emotional and academic outcomes. Through the use of psychological theory, ELSAs will be able to plan, deliver and evaluate an effective range of support programmes that can cater to a wide range of needs such as: attachment disorders, autism spectrum condition (ASC), anger management strategies, emotional awareness and many more. Training will increase schools' capacity for mental health provision from within their own resources and promote learning through support to emotional wellbeing.

What is Emotion Coaching?

Emotion Coaching is an evidence-based communication strategy that has been developed by psychologists. The strategy helps to support children and young people understand and self-regulate their emotions, empowering them to feel more confident and resilient. Emotion Coaching is based on the principle that developing a nurturing and emotionally supportive relationship will improve children's wellbeing and academic outcomes. Emotion Coaching enables a school ethos of positive learning behaviour and gives confidence to practitioners to de-escalate situations when behaviour is challenging, and emotions are heightened.

Key Elements of Emotion Coaching

Some of the key elements of **Emotion Coaching** are:

- Becoming aware of the child's emotions
- Recognising the emotion as an opportunity for intimacy and teaching
- Listening empathetically, validating the child's feelings
- Helping the child find words to label the emotion
- Setting limits and explore strategies to solve the problem at hand.

"I wanted to thank you for your contribution to our Ukraine briefing to schools earlier this week. Really useful to have your input and the schools clearly found it really helpful and informative." – **Feedback in response to receiving EP support with Asylum seekers**

What is Attachment and Trauma Informed Practice?

- It is a strengths-based approach to understanding and responding to the impact that attachment needs and trauma has on children and young people's lives.
- Using attachment and trauma informed approaches emphasises the importance of physical, psychological and emotional safety for all children and young people.

What you will learn in this training

- An introduction to key theories on attachment and trauma.
- A review of the impact attachment and trauma can have on children and young people, and how this may present in a school environment.
- An overview of key strategies and ways of working to support children and young people with attachment and/or trauma needs.

What is Precision Teaching?

Precision Teaching (PT) is not a method of teaching as the name may suggest – it is a form of **assessment**.

PT is a **direct daily recording** of a CYPs **progress** of learning a **particular skill** – such as number bonds or reading HFW.

It is used to make informed decisions about the suitability and effectiveness of a teaching programme.

PT uses charts so the CYP can see the progress made and it tells the adult if and when changes need to be made.

PT is a daily **intervention**, taking between 5 and 10 minutes to administer and record progress.

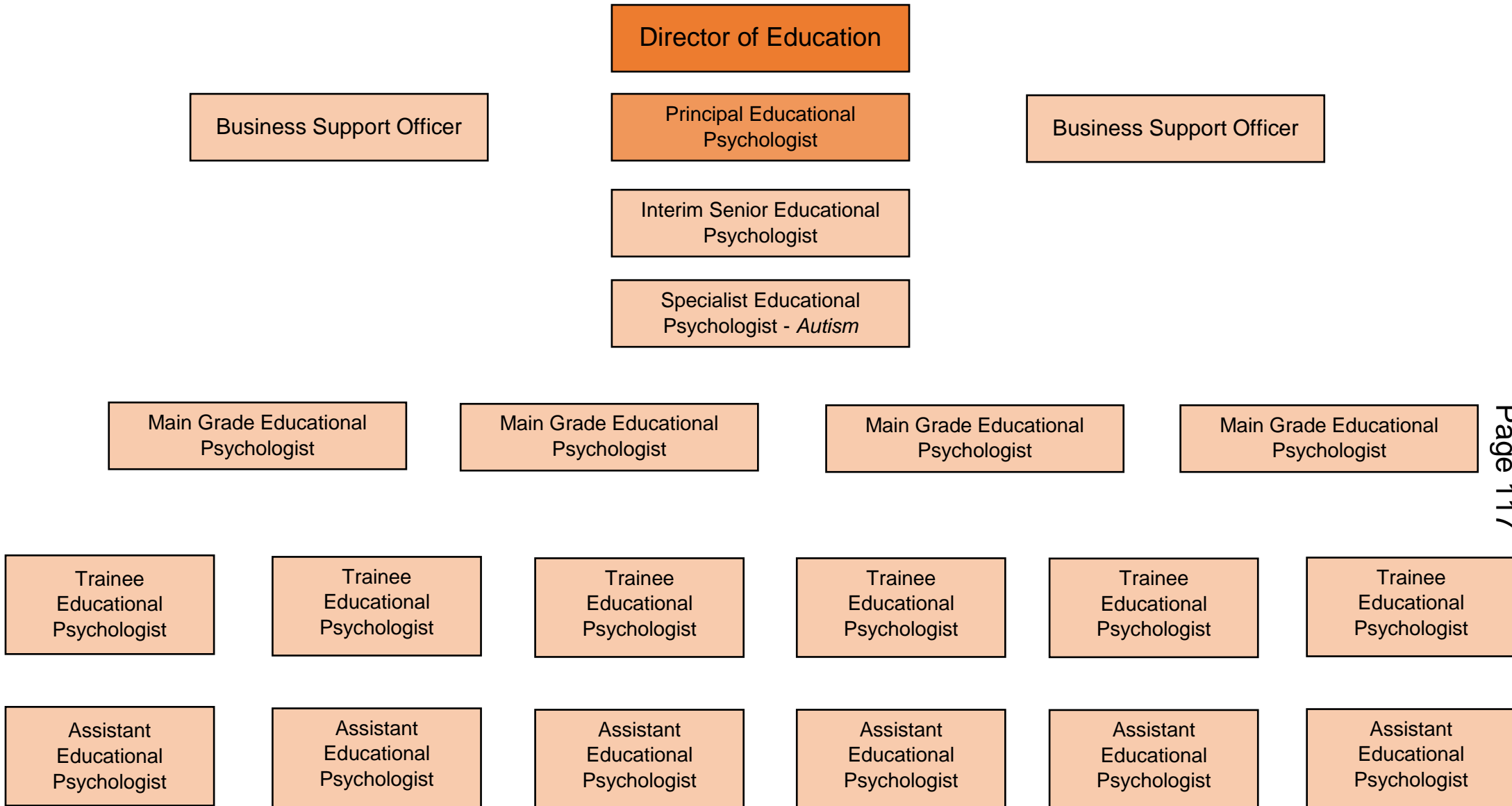
"I just wanted to reach out and say a huge thank you for today. I feel really confident that CG is going to be represented accurately in his plan and that the changes and support he needs are going to be captured well. We are so lucky to have you as our EP, thank you." – **CE School in response to buying additional time with their EP**

"Just want to say how amazing Hayley was delivering her session to over 60 delegates at our designated teacher training conference yesterday. The trainee EPs really impressed as well and engaged with our sessions brilliantly. We had such positive feedback !" – **Head of Virtual Schools**

"Emotion coaching has completely shaped our school ethos for the better... children feel safe to express their emotions and are able to self-regulate. Children are more likely to express their feelings through speech rather than actions" – **SENCo in CE School**

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Cheshire East Educational Psychology Service – Specialist Services



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Working for a brighter future together

Children and Families Committee

Date of Meeting:	20 March 2023
Report Title:	Update on the transformation of travel support for children and young people
Report of:	Deborah Woodcock, Executive Director of Children's Services
Report Reference No:	CF/73/22-23
Ward(s) Affected:	All wards

1. Purpose of Report

- 1.1. In November 2022, the children and families committee considered a report setting out the findings and recommendations from an independent review of travel support for children and young people. The committee agreed a number of recommendations to progress the transformation of travel support over the next three years.
- 1.2. The November report recommended that the committee receive interim reports around specific actions that require committee approval and to receive an initial update report within six months. This report sets out the progress to date and seeks approval for forthcoming planned activity to implement the transformation of travel support.

2. Executive Summary

- 2.1. The current arrangements for providing travel support for children and young people are unsustainable. The company, Edge Public Solutions (Edge), was appointed to conduct an independent review of Cheshire East's arrangements in 2022. The Edge review report made a number of recommendations to reduce the budget pressures and improve the customer experience in relation to sustainable travel support for children and young people over the next three years.

- 2.2.** Cheshire East's medium-term financial strategy (MTFS) 2023/24 to 2026/27 includes growth of £5.4m over the next four years (+£4m in 2023/24, £0 in 2024/25, +£600k in 2025/26 and +£800k in 2026/27). This growth proposal reflects the increase in special education needs and disabilities (SEND) demand and increasing costs of fuel and contracts. It also factors in savings identified in the external review, the SEND review work and ensures travel support is provided in line with policy and statute.
- 2.3.** The independent review recommendations were presented to the children and families committee in November 2022, along with an outline implementation plan, financial improvement plan and equality impact assessment.
- 2.4.** This report provides:
- An update on progress to date on implementation of the transformation programme.
 - Information on the requirement to publish the post-16 home-to-school transport policy statement for 2023-24.
 - Details on planned transformation activity over the next six months, including:
 - Consultation on the review of payments in relation to personal travel budgets for 2023/24.
 - Consultation on the review of all school transport policies in line with the Edge review recommendations [agreed by the committee in November 2022], including a review of charges for the post-16, spare seat and Poynton High School scheme for 2023/24.

3. Recommendations

- 3.1.** The children and families committee is recommended to:
- a. Note the progress to date on implementation of the transformation programme, including the imminent appointment of specialist professional capacity, funded from the school transport budget.
 - b. Consider and approve the proposed arrangements in relation to:
 - the post-16 home-to-school transport policy statement for 2023-24.
 - the revised payments in relation to cash grants/personal budgets for the 2023-24 academic year.
 - the proposed changes to the existing school transport policies in line with the Edge review recommendations, including the review of transport charges (the post-16, spare seat and Poynton High School scheme).

- c. Approve the proposals to go out to consultation and the results of the consultation will be brought back to committee.
- d. Delegate authority to the Executive Director of Children and Families, in consultation with the Executive Director of Place, to make decisions in relation to progressing the milestone and activity at Appendix 1 and Appendix 2 respectively, with any specific actions requiring a decision by committee to be subject of a further report.

4. Reasons for Recommendations

- 4.1. Implementing the transformation plans within the timeline proposed will require the external consultants and officers to work at pace if we are to achieve the ambitious savings proposed, meet statutory deadlines and ensure that the experiences of children and their parent/carers are positive.
- 4.2. Parents/carers who currently transport their own children to school have been impacted by the cost of living crisis, including increases in the cost of fuel. Making a change to the current payment, as soon as possible, would ensure that these payments are fairer, more in line with other local authority areas and would support these parents to continue to transport their children in line with our new policy.
- 4.3. Consulting as soon as possible on the charge for spare seats, Poynton High School scheme and the post-16 parental contribution will give parents sufficient notice of any proposed changes so that they can plan their arrangements accordingly. Finalising the Poynton High School Grant Agreement for the 2022/23 and 2023/24 academic years will ensure that arrangements that were in place with Transport Service Solutions (TSS) are formalised within the council whilst the wider policy review takes place.
- 4.4. Publication of the post-16 home to school travel assistance policy by the 31 May 2023 will ensure that the council is compliant with the latest statutory legislation and guidance.

5. Other Options Considered

- 5.1. The committee could maintain the existing payment arrangements for personal travel budgets. However, this would not increase uptake and could result in some existing arrangements being handed back to the council to put in place more costly transport such as taxis.
- 5.2. The committee could go ahead with changes to the spare seat, Poynton High School and post-16 parental contribution charges in the 2023/24 financial year. However, this would not be achieved before publication of the post-16 policy at the end of May 2023.
- 5.3. If the council does not carry out all the recommendations within the timescales provided by the review, then the ambitious savings may not be

achieved, and the council would not be able to sustain the existing school transport arrangements due to budget pressures.

6. Background

- 6.1.** In November 2022, the children and families committee considered a report setting out the findings and recommendations from an independent review by Edge Public Solutions in relation to travel support for children and young people. The committee noted the underlying principles and cultural change set out in the review and delegated decision making to the Executive Director of Children and Families, in consultation with the Executive Director of Place, to make a number of decisions in relation to progressing the transformation of travel support for children and young people. The report also committed to providing an interim update report within six months.

Progress to date on implementation of the transformation programme

- 6.2.** The focus of activity since the November committee has included:
- Mitigating against an increase in spend in 2022/23, including the promotion of cash grants/personal budgets, increased management oversight on all new budget commitments and the regular review of all temporary arrangements.
 - Ensuring we have the most accurate budget projections and savings plan for 2023/24 to include in the council's medium term financial strategy.
 - Communication with key stakeholders on the proposed changes.
 - Procurement of the specialist professional services required to implement the transformation, commissioned through the council's independent broker, Bloom.
- 6.3.** The cost of appointing specialist professional services for the next two years will now come from the school transport budget for 2023/24 and 2024/25 as the transformation fund is no longer available due to budget savings.

Post-16 home-to-school transport policy statement for 2023-24

- 6.4.** Transport provision for students in England between the ages of 16 and 19 is arranged by each individual local authority. These arrangements must be published in an annual transport policy statement by 31 May each year. Early publication (March) enables for more effective home-to-school/college route planning to happen before the end of the current academic year.

- 6.5.** The Department for Education's (DfE) statutory guidance Home to School travel and transport guidance – statutory guidance for local authorities (July 2014) sets out what local authorities must consider when making their transport policy statements for children and young people of compulsory school age – these statements must include provisions for students with special educational needs and disabilities.
- 6.6.** The sixth form age duty applies to young people of sixth form age and young people with education, health and care plans up to age 25 where they are continuing on a course started before their 19th birthday. The DfE has issued statutory guidance Post-16 transport and travel support to education and training (January 2019). The overall intention of the sixth form age transport duty is to ensure that:
- learners of sixth form age can access the education and training of their choice; and
 - if support for access is requested, this will be assessed and provided where necessary.
- 6.7.** Local authorities do not have a duty to provide free transport - they may provide discounted schemes. In Cheshire East post-16 travel assistance is only provided to children and young people with an education health and care plan (EHCP).
- 6.8.** It is not proposed to make any immediate policy changes to the statement for 2023-24 as this will be reviewed alongside all school transport policies over the coming months (see paragraphs 6.31 – 6.34). Although the charges for post-16 transport are not published within the policy (they are listed separately on the council's website), these will need to be agreed by the committee following the consultation and should be considered as part of the policy.
- 6.9.** Early publication of the policy means that parents/carers can apply for post-16 travel as soon as possible once the policy has been published and we can notify parents/carers if they need to apply or not. Early publication also provides sufficient time to assess eligibility, advise parents/carers, and route-plan and tender contracts in May/June. Parent/carers will then be notified of travel arrangements before the school summer holiday and 'meet and greet' meetings can be arranged. There is a significant proportion of young people with SEND who are eligible for travel assistance with autism that benefit from knowing about travel assistance changes in advance of the summer break.

Planned transformation activity

- 6.10.** A summary of the milestones to transform travel support for children and young people is set out at Appendix 1. Appendix 2 provides further detail of

the activity within each milestone. Those activities that are due to complete in the next six months are highlighted.

- 6.11. Any significant decisions, including changes to the school transport policies, will be reported to a future committee meeting. Other activity will be progressed under the delegated authority to officers requested above.

Consultation on the review of charging policies of the post 16, spare seat and Poynton High School scheme for 2023/24

- 6.12. Milestone 2 includes the review of travel policies to re-set the expectations of travel, to provide clarity and ensure robust application of entitlement. This includes the recommendation from the review to harmonise charging for the post-16 transport, spare seat and Poynton High School scheme, bringing them into line with other authorities and reflecting inflation. It also includes agreeing the Poynton High School scheme and underlying Grant Funding Agreement for the 2022/23 and 2023/24 academic years following the transfer of services-from TSS to the council. As set out in the Recommendations above, this decision will be delegated to the Executive Director of Children and Families, in consultation with the Executive Director of Place. The longer-term commitment to the Poynton High School scheme will be included as part of the review of the council's school transport policy as set out in paragraphs 6.31 to 6.34 below.
- 6.13. The charging rates are not currently included in the text of the school transport policies but are published separately on Cheshire East Council's website.
- 6.14. There are currently three different charges for parent/carers in Cheshire East:
- **Post-16 charges** - There is an annual parental contribution of £450 levied for eligible 16-19 year olds. This has been in place since its introduction in September 2018. A parental contribution cannot be levied for adult learners in receipt of home-to-school/college transport. The provision of free or subsidised travel assistance will not normally be provided for mainstream students.
 - **Spare/paid for seat** - The cost of a "paid for/spare seat" is currently £460. This rate has been in place since September 2018, to coincide with the introduction of the parental contribution. The cost of a "paid for/spare seat" was previously £930 and was reduced to encourage further take up. Of the 35 young people in this scheme, 30 attend mainstream high schools, 2 attend a special school and 3 are at local primary schools.
 - **Poynton High School scheme** – The council continues to operate a bespoke scheme in conjunction with Poynton High School. TSS previously provided the high school with a school transport service for

children who are not eligible for free school transport at a cost of £700 per year. When TSS ended in March 2022, its services transferred to the council, who have continued with the same transport providers and comparable arrangements. Eligible and ineligible pupils are transported to the school on the same vehicles.

- 6.15.** Demand for post-16 transport assistance has steadily increased over recent years, in line with the increase of the number of children and young people with an EHCP. This increased pressure is expected to continue to increase. The cost of providing transport is significantly above income generated from charges. The post-16 budget for 2023/24 is approximately £1.44 million and the highest cost contract is approximately £62k per year.
- 6.16.** A summary of the charges and projected income for 2022/23 is presented below.

Category	Students as at December 2022	Annual charge per pupil	Projected income for 2022/23	Estimated income if £900 per place
Post-16 (16-18 year olds)	129	£450	£58,050	£116,100
Post-16 (exceptions)*	10	£0	£0	£0
Spare seat	35	£460	£16,100	£31,500
Poynton High School scheme	95	£700	£66,500**	£85,500
Adults (19-25 year olds)	42	£0	£0	£0
TOTAL	311	-	£140,650	£233,100

* Exceptions are – students placed with Cheshire East foster carers, parents in receipt of a mileage rate/personal travel budget and students attending educational establishments that cannot access the 16-19 bursary and the family are in financial hardship.

** School makes a payment to Cheshire East in addition to parental charges.

- 6.17.** The provision of spare seats and post-16 transport is discretionary, so there is a significant variance in provision across local authorities. Most local areas do not offer a spare seat option. Latest data from neighbouring local authorities, compared to Cheshire East is set out below.

	Cost of Post-16 Parental Contribution 2022/23		Cost of Spare Seat 2022/23	
	Standard	Reduction for Low-Income Families	Standard	Reduction for Low-Income Families
Cheshire East	£450	N/A*	£460	N/A*

Cheshire West & Chester	£0 (discretionary)	N/A	£880	£440
Staffordshire	£688	£543	N/A**	N/A**
Stoke	£1,000	£500	N/A	N/A
Stockport	£510	£255	N/A	N/A
Warrington	£460	N/A	N/A	N/A
Shropshire	£918	£294	N/A	N/A
Liverpool	£0 - discretionary	N/A	N/A	N/A

* We would refer parents to the 16-19 Bursary Fund via their educational setting to apply for financial assistance

** Permanently discontinued the "Vacant Seat Scheme" December 2021

- 6.18.** It is difficult to compare against local bus prices in Cheshire East as these tend to operate on a more commercial basis. D&G advertise student travel for a year for £450 or £3 per day for a return trip in Crewe or £2.50 per day in the Knutsford area. This is not comparable for post-16 as the majority of provision is through smaller vehicles (taxis).
- 6.19.** The Edge review recommended increasing seat charges to £900 per annum, in line with Cheshire West and Chester. This increase would generate additional annual income of around £92,450 in 2022/23 figures if the charge were applied to all students. This may be reduced if the contribution from Poynton High School is used to offset their parental charges.
- 6.20.** The average cost for post-16 charges from the five areas listed above who charge for a place is £715. This equates to £3.76 per day for a full-time place. Cheshire East's charge of £450 equates to £2.36 per day for a full-time place.
- 6.21.** The only other local authority providing spare seats in the above table is Cheshire West, who charge £880 per place, or £4.63 per day for a full-time place. Cheshire East's charge of £460 equates to approximately £2.42 per day for a full-time school place.
- 6.22.** In the consultation we will seek feedback on the option for a reduction in the spare seat charge for low income families. For post-16 young families who are struggling to pay, the 16-19 Bursary Fund, available via their educational setting, will be available to support them. The current appeals process will also provide a route for any families who feel that they should not pay at all or the full amount for transport.

Consultation on the review of payments in relation to personal travel budgets for 2023/24

- 6.23.** Evidence has shown that paying a mileage rate is considerably less expensive than providing home-to-school transport. However, parent/carers have provided feedback that the current mileage rate of 25p per mile is not sufficient to meet the costs of transporting eligible children and young people to and from school. This is due to the increase in the costs associated with running a vehicle, including increased fuel costs over recent years.
- 6.24.** The acceptance of a mileage rate is a voluntary arrangement and can be refused by parent/carers. In these cases, the local authority must provide transport for eligible children/young people to attend school college.
- 6.25.** Neighbouring local authorities are currently paying higher rates to Cheshire East, as set out below:

Local authority	Mileage rate for 2022/23
Cheshire East	25 per mile
Cheshire West & Chester	45p per mile up to 10,000 miles per academic year 25p per mile for all miles over 10,000 per academic year
Staffordshire	Pay travelling expenses at pre-agreed rate
Shropshire	40p per mile, but only for nursery or post-16 students
Liverpool	£3 per day, plus 45p per mile for up to two journeys a day within Liverpool
Warrington	45p per mile

- 6.26.** Increasing the uptake of personal travel budgets is key to the proposed transformation programme. These have been actively promoted over recent months as set out below:

	September 2022	January 2023
Number of personal travel budgets	74	107
Number of children (includes siblings)	80	113

- 6.27.** To ensure the existing payments are maintained and to increase further uptake of personal travel budgets, we are proposing to consult on an improved payment rate for 2023/24. The estimated cost of increasing the existing 107 contracts to 45p per mile would be £124k (average cost at 25p per mile £1,445 per annum). The average cost of a mileage allowance paid at 45p per mile would be approximately £2,600 per annum. The compares

favourably to the average cost of transporting a child/young person with SEND which is approximately £7,753 per annum.

- 6.28.** The consultation will consider whether it is appropriate to include a lower mileage rate once a threshold mileage is reached, eg, in Cheshire West and Chester, their mileage rate reduces from 45p per mile to 25p for every mile over 10,000 miles per academic year. It will also look to align with HM Revenue and Customs advice around rates and allowances for travel.
- 6.29.** Whilst the initial proposal is to look to improve the mileage rate, we will also work with parent/carers to improve the process and accessibility of personal travel budgets over the coming months as part of the new policy development.
- 6.30.** Subject to consultation responses, it is proposed to implement the new mileage rate as soon as is practicable, ideally before the end of the summer term.

Consultation on the review of all school transport policies in line with the Edge review recommendations [agreed by the committee in November 2022]

- 6.31.** Following the Edge review, the committee approved the proposal to streamline and revise the school transport policy and process. It is proposed to work with key stakeholders to develop and consult on new travel support policies. This includes ensuring that the policy wording re-sets expectations of travel, independence at the core, provides clarity, and ensures robust application of entitlement.
- 6.32.** The current statutory guidance on home to school travel for children of compulsory school age has been in place since 2014. The DfE has recently consulted on revisions to this guidance and we expect this to be published in the near future. We will ensure that Cheshire East's revised policies are in line with the new guidance.
- 6.33.** Cheshire East's current policies are listed below:
- **Compulsory School Age Travel Policy**
 - **Post-16 Education Travel Policy**
 - **Education Travel Behaviour Code**
 - **Education Travel Payment Policy**
 - **Education Travel - Appeals and Complaints Policy**
- 6.34.** The consultation on the above existing policies will take place over the next few months. The outcome of the consultation will be presented to a future committee to make decisions on these policies.

7. Consultation and Engagement

- 7.1.** TOGETHER is our shared definition of coproduction in Cheshire East and the transformation of travel support will be carried out together with our key stakeholders, including parent/carers, young people, our staff and providers. Other stakeholders including transport operators, schools and settings will also be part of the transformation.
- 7.2.** An initial consultation will be carried out around the payments made in relation to travel support. This will be followed by a more detailed consultation working closely with our key stakeholders on the school transport policies, including charges for transport, over the coming months,
- 7.3.** DfE's home to school travel and transport statutory guidance states the following at Part 4 headed Policy Changes:

'52. Local authorities should consult widely on any proposed changes to their local policies on school travel arrangements with all interested parties. Consultations should last for at least 28 working days during term time. This period should be extended to take account of any school holidays that may occur during the period of consultation.'

53. Good practice suggests that the introduction of any such changes should be phased-in so that children who start under one set of transport arrangements continue to benefit from them until they either conclude their education at that school or choose to move to another school. Parents make school choices based on, amongst other things, the home to school transport arrangements for a particular school, and any changes might impact adversely on individual family budgets.'

- 7.4.** The following consultation timeline is proposed:

20 March 2023	Agreement from the children and families committee to consult
22 March – 17 May 2023	Consultation period (28 working days) during term time.
By April 2023	Publish post-16 statement for 2023/24
5 June 2023	Children and Families Committee to consider and agree response to consultation on mileage rates
Before the end of the summer term (if possible)	New mileage rate to be applied to new and existing personal travel budgets
By end of June 2023	Agreed charges for mileage rates published on the council's website
By September 2023	New mileage rate to apply
Date to be confirmed	Children and families committee to consider and agree changes to the school transport policies, including charges.

- 7.5.** The purpose of the consultation will be to:
- Seek consultees' views regarding the proposed changes and charges.
 - Enable views of stakeholders to be considered and to influence the proposal; and

- Ensure that those views are reported to and considered by the children and families committee who will make the decision about whether the proposals should be approved.

8. Implications

8.1. Legal

- 8.1.1. The local authority is required by the Education Act 1996 as amended by the Education and Inspections Act 2006 to make suitable travel arrangements for eligible children to attend school. This includes the duty to promote sustainable modes of travel for children and young people of compulsory school age. The government has also issued statutory guidance called Home-to-school travel and transport guidance 2014.
- 8.1.2. This means that a local authority is under a duty to have regard to it when performing their duties in relation to home to school travel and transport and sustainable travel.
- 8.1.3. The local authority's transport duties apply in respect of arrangements for young people aged 16-18 years and those continuing learners up to 19 years. Under Section 509(AA) Education Act 1996 the local authority has a duty to set its own transport policy, details of transport arrangements and financial assistance in respect of reasonable travelling expenses that the local authority considers it necessary to ensure access to education or training for learners of sixth form age. The local authority must publish the statement before the 31 May and publishing by that date would demonstrate adherence with the law.
- 8.1.4. Section 509 (AB) (1) Education Act 1996 requires local authorities to set out how their transport statement facilitates the attendance of young people with SEND.
- 8.1.5. Local authorities should publish their transport policies on their "local offer" as required under s30 of the Children and Families Act 2014.
- 8.1.6. The local authority has a legal duty to ensure that any decision it makes is transparent and has been made applying the Wednesbury principles and has a rationale for the decision made. When carrying out a consultation certain guiding principles ('The Gunning principles') must be followed:
- Consultation must take place when the proposal is still at a formative stage
 - Sufficient reasons must be put forward for the proposal to allow for intelligent consideration and response
 - Adequate time must be given for consideration and response
 - The product of consultation must be conscientiously taken into account

- 8.1.7. Failure to follow the principles could leave the local authority open to a judicial review challenge.
- 8.1.8. Since the closure of TSS, the Poynton High School scheme has been operated by the council and has provided transport continuity to both the school and its children. From a contractual point of view, work has been undertaken to update the scheme to a grant funding arrangement to better fit with the council's duties and powers. A draft Grant Funding Agreement has been agreed with the school but, as the scheme currently sits outside the council's current transport policies, Committee approval (or delegation) is required to continue with the scheme. As set out above, there is some risk of legal challenge if operating outside of established policies but, pursuant to the Constitution, this is just one factor for the decision maker to consider alongside other relevant considerations such as service continuity and the availability of alternative options.

8.2. Finance

- 8.2.1. The transport budget is under significant financial pressure as highlighted in 8.2.2 – 8.2.7.
- 8.2.2. The budgetary pressures around school transport are increasing due to increasing numbers of pupils with an education, health and care plan (EHCP) requiring transport, the increased costs of contracts due to a reduced number of suppliers and the impact of fuel inflation.
- 8.2.3. The financial improvement plan proposed by the Edge report estimates £2.1m annual savings at the end of the three-year transformation plan. The achievability of these savings will have to be carefully considered to establish whether they are deliverable in the current climate of increased demand, national inflationary increases and deflated market conditions. Either way, the result is expected to be a net increase in transport costs.
- 8.2.4. The Edge report is based on a consultant's forecast during the review period (March – July 2022) which members should consider against the latest financial position to be reported at the second finance review. The current indicative position is a £3.8m forecast overspend for 2022/23.
- 8.2.5. The 2023/24 MTFS includes growth of £4m relating to an increase in transport provision. The 2023/24 budget assumption is that £0.5m of Edge savings will be achieved and a further £0.5m of SEND process challenge savings. It should be highlighted that SEND transport provision is anticipated to increase in future years, in line with EHCP referrals, which will significantly increase cost pressures.

8.2.6. A further increase of up to £440k of specialist consultancy costs will need to be funded from the transport budget in 2023/24 with the withdrawal of the transformation funding.

8.2.7. The recent announcement that Arriva Bus services will no longer be operating in Cheshire East may impact on the school transport budget in 2023/24 and on wider access to schools. Officers from Cheshire East Council continue to engage with Arriva and other commercial operators, through our local bus partnership arrangements. We will ensure that travel support is in place for all children eligible for free home to school transport.

8.3. Policy

8.3.1. This paper proposes a consultation on changes to the council's school transport policies in line with recommendations from the Edge review. Proposed changes will be presented back to the children and families committee for decision.

8.4. Equality

8.4.1. A significant number of existing travel arrangements are put in place for children with SEND and are accessible to meet their needs.

8.4.2. We will ensure that any changes to policies, services and practice do not discriminate against any particular groups and, where possible, we will promote equality of opportunity.

8.4.3. An initial equality impact assessment (EIA) was presented to the committee in November 2022. This has been updated to ensure that the activity proposed over the next few months is included. This assessment will be updated again following the outcome of the consultation.

8.5. Human Resources

8.5.1. Additional capacity is being secured through Bloom to deliver the transformation of travel support.

8.5.2. The transformation includes establishing a new integrated travel support team. This will need support from HR and will include consultation with staff, unions etc, where appropriate.

8.6. Risk Management

8.6.1. There is a risk that, due to some delays in procuring the additional capacity to drive the transformation programme, the pace of change needed to make the proposed savings for 2023/24 will not be achieved. There is already a delay in initiating the consultation exercise, however the recommended proportional approach to consultation means that some of the benefits can be achieved in 2023/24 if approved by

committee. Senior managers within the council will regularly monitor and scrutinise this risk through performance and budget update reports.

- 8.6.2. There is a risk that demand for transport will continue to increase, in particular from children with education, health and care plans. This reduction in demand is being addressed and reported separately through the DSG management plan.
- 8.6.3. There is a risk that stakeholders will not engage positively with the consultation. We will work with key stakeholders ahead of the consultation to shape this.
- 8.6.4. There is a risk that the proposed increase in spare seat charges will have a significant impact on low income families. The consultation will include an option for a reduction in charge for these families. For post-16 young families who are struggling to pay, the 16-19 Bursary Fund, available via their educational setting, will be available to support them.
- 8.6.5. A risk management framework is being established as part of the new governance arrangements to oversee transformation of travel support.

8.7. Rural Communities

- 8.7.1. Children and young people across all areas of Cheshire East access travel support. However, as the statutory provision of free home-to-school transport is based on distance-to-school, residents in rural areas of the borough are more likely to be affected by any changes.
- 8.7.2. As those children living in rural communities often rely on home to school transport provision to access their learning, any proposals to improve the delivery and customer experience for these services supports our rural communities.
- 8.7.3. Any options as a result of the review will take into consideration the current geography and accessibility of transport in Cheshire East.

8.8. Children and Young People/Cared for Children

- 8.8.1. Wherever possible, the transformation of travel support will aim to improve the experiences and/or mitigate against any negative impact for children and young people. Children, young people and their parents are key stakeholders in the transformation.

8.9. Public Health

- 8.9.1. The provision of walking and cycling routes to school and promoting active travel, including safer walking routes to school is in line with our Public Health priorities. Wherever possible, we will support children,

young people and their families to engage in physical activity to help them to live well and for longer.

8.10. Climate Change

- 8.10.1. Wherever possible the transformation of travel support we will aim to benefit climate change through maximising shared transport arrangements, ie, larger vehicles, shared taxis etc. Initiatives such as independent travel training, cycle to school and available walking routes all make a positive contribution to the council's carbon reduction ambition. However, this is not always possible, in particular where children with SEND need to travel to more specialist provision, sometimes outside of Cheshire East.

Access to Information	
Contact Officer:	Gill Betton, Head of Service for Children's Development and Partnerships Gill.betton@cheshireeast.gov.uk 07764 166262
Appendices:	Appendix 1 – Summary of Transformation Milestones Appendix 2 - Milestone Activity
Background Papers:	Children's Travel Support Review Papers, Children and Families Committee, November 2022 Children's travel support review committee paper Appendix 1 – Independent review report Appendix 2 – Financial improvement plan Appendix 3 – Equality impact assessment

Summary of Transformation Milestones**(Those to be completed in the next 6 months highlighted)**

Milestone	Description	Completion Trigger	Start Date	End Date
Milestone 1	Revised implementation plan, savings and performance monitoring and communication plan	Completion of agreed detailed implementation plan and timescales, baseline savings plan, tracker and budget and performance Monitoring arrangements signed off	Feb 2023	Feb 2023
Milestone 2	New transport policies and governance	New policy, including charging policy, approved and launched. Governance in place. New Grant Agreement in place for the Poynton High School scheme for the 2022/23 and 2023/24 academic years.	Feb 2023	May 2023
Milestone 3	Integrated travel support team	Structure for new integrated travel support team approved	Feb 2023	Sept 2023
Milestone 4	Assessment policy and procedure	Assessment policy and procedure in place.	Jul 2023	Oct 2023
Milestone 5	Re-assessment policy and procedure	Re-assessment policy and procedure in place. Re-assessment of all passengers as a one-off exercise complete.	Aug 2023	Dec 2023
Milestone 6	Personal budgets	Personal budgets policy and procedure in place. Reassessment of all passengers complete.	Mar 2023	Dec 2023
Milestone 7	Independent travel training	Model of training delivery agreed and implemented	Oct 2023	Apr 2024
Milestone 8	Available walking routes	Proposals accepted. Agreed schemes implemented	Apr 2023	Oct 2024
Milestone 9	Market engagement	Initial market engagement complete	Feb 2023	Apr 2023

Milestone 10	Licencing	Licencing improvement plan agreed	Nov 2023	Apr 2024
Milestone 11	Tenders	Re-tender via DPS framework completed	Feb 2023	Mar 2024
Milestone 12	Contracts	Review and redraft of contract documentation for DPS re-tender in place	Feb 2023	Apr 2023
Milestone 13	Reprocurement	Reprocurement complete	Feb 2023	May 2023
Milestone 14	Re-routing changes	Re-routing complete	May 2023	Apr 2024
Milestone 15	System changes	System changes complete	Feb 2023	Sep 2023
Milestone 16	Handover/exit plan	Handover document/exit plan agreed with managers	To be agreed	To be agreed

Milestone Activity

Milestone 1

Implementation plan

- **Produce a detailed change plan** to implement the agreed recommendations from the independent review and cultural change needed, including governance, action leads, timescale and impact expected.
- Put in place arrangements to project manage and **monitor and evaluate progress** against the implementation plan.

Financial improvement plan

- **Review and revise the financial improvement plan** to provide a baseline for the start of the transformation.
- Ensure **robust tracker and budget management arrangements** are in place to monitor spend, savings and costs avoided.

Management information

- **Produce and implement clear performance management reporting** on costs and delivery performance to allow more accurate forecasting and management.

Communications and engagement

- Implement plans that are **aligned with our TOGETHER definition of coproduction**, by ensuring the transformation is carried out together with our key stakeholders, including parent/carers, young people, our staff and education and travel providers.
- **Provide regular communications and engagement** to schools, parents and users of transformation and culture shift, re-setting expectations and importance of the changes required.

Milestone 2

Policy review

- **Lead the review of travel** policies to re-set the expectations of travel, to provide clarity and ensure robust application of entitlement.
- Ensure review includes **promotion of alternative travel solutions** such as personal budgets and travel training and clarifies the appeal process.
- **Harmonise the charging policies** of the post 16, spare seat and Poynton High School scheme charges, bringing it into line with other authorities and reflecting inflation.
- Agree the **Poynton High School Grant Agreement** for the 2022/23 and 2023/24 academic years.
- Ensure **protocol is in place for annual routine inflation**.
- Lead on the **development of the consultation and outturn report** to seek the necessary approvals.

Policy launch

- **Launch the new policy and all assessment and delivery processes** into 'travel solutions' and away from transport and implication of a 'door to door' transport offer being the norm.

Milestone 3

Integrated travel support team

- i. **Produce proposals** to an agreed approach to integrate all aspects of travel delivery into a dedicated and integrated travel team that ensures corporate wide support and overall accountability for total expenditure.
- ii. **Support implementation** of the agreed approach
- iii. Lead on development of a **joined-up strategy** and direction for travel with internal and external stakeholders.

Milestones 4 and 5

Assessment and reassessment of need

- **Develop assessment and re-assessment forms and processes.**
- Ensure assessment and re-assessment **provides relevant supporting evidence required** for entitlement to be determined and highlight opportunities to offer alternative travel offers such as personal travel budgets and travel training.
- Support relevant contacts **to integrate travel needs into the assessment and reassessment process for education, health and care plans (EHCPs).**
- Ensure that **application forms are completed for SEND** by parents with full evidence of circumstances requested and checked.
- **Coordinate the re-assessment of all passengers as a one-off exercise**, prioritising those under statutory distance and agree protocols for implementation of changes with services and members.
- Ensure transport is **discussed as part of the annual EHCP review** to reflect changing needs that may impact transport requirements.
- Ensure a process is in place on a routine basis to ensure **record of review and outcome is kept.**
- **Prioritise changes** for those under statutory distance and lacking distance data, and expensive single person journeys.

Social care budget controls

- Oversee the **introduction of controls** on social care, **gatekeeping** of requests, **notice period** to allow effective procurement of supply and reporting use against available budget and reason codes.

Milestone 6

Personal travel budgets

- **Develop a flexible offer of personal travel budgets** for all appropriate passengers.
- Lead on the **re-assessment of all passengers** for personal travel budgets in line with prioritising expensive single passenger routes.

- Coordinate the development of a **new process and procedures** to automate payments and eradicate process of waiting for attendance data before approval.

Milestone 7

Independent travel training

- Develop model of training delivery** based on commissioning service from a partner and using in-house resources to lead on promotion and identification of candidates.
- Coordinate the implementation** of independent travel training.
- Ensure travel training is promoted** and uptake monitored and evaluated.

Milestone 8

Available walking routes (AWR)

- **Identify and review previous decisions** on current routes that are not deemed as AWRs for home to school transport purposes.
- Where routes are now deemed to be AWR and supported by managers to progress, **prepare and coordinate consultation**.
- **Identify small capital schemes** to improve safe walking routes on potential high-volume routes.
- **Prepare paper** setting out consultation outcome and capital proposals to committee.
- **Support the implementation** of routes agreed by committee as AWR.
- Develop a protocol and strategy for approval to implement safe walking routes, in line with the new policy.

Milestone 9

Market engagement

- Lead a **comprehensive supply market engagement exercise** to better understand the market, highlighting any good practice/issues with managers.
- Encourage **new suppliers to access the DPS** and bid for work.

Milestone 10

Licensing

- Work with the Licensing Team to **identify and implement improvements** to the licensing process to make entry for new applicants more appealing.

Milestones 11, 12 and 13

Tender and contract arrangements

- Put into place a system of **reverse auctioning** for all contracts to increase competition and conduct re-procurement exercise over three tranches commencing September 2023.
- Develop use of **tactical batching of tenders**
- **Provide coaching and support to suppliers** to use electronic and reverse auctioning. Focus on communications to schools and users.
- **Synchronise contract end dates**.
- **Update contracts** with re-balanced notice periods, more specific to smaller vehicles etc.

- Ensure the **DPS window** for new applicants is always open.

Milestone 14 and 15

Re-routing and system development

- Lead on the **integration of systems** and extension of the use of Mobisoft to assessment to streamline the process from application to delivery.
- **Carry out changes in a modular process** beginning with improving Mobisoft data integrity, ownership, and user training on the system.
- **Oversee re-route using software for each school**, prioritising schools with more than 5 vehicle routes, ensure re-routing over 3 tranches before development of new route tenders for re-procurement using reverse auctioning
- Bring together **data on route mileage** and test value on a cost per mile basis during tender process and during lifetime of contract.
- Oversee the **data cleanse exercise** on Mobisoft, if required.

Milestone 16

Handover and exit plan

- Develop **handover documents** and associated **operations manual**.
- Phased **handover of all operations and delivery responsibility**.
- **Formal sign off of programme**.
- Formal **project review and assessment of savings** delivered; **identification of any additional opportunities**.



Working for a brighter future together

Children and Families Committee

Date of Meeting:	20 March 2023
Report Title:	Household Support Fund 4 & 5 (HSF4/HSF5) Grant Delivery
Report of:	Deborah Woodcock, Executive Director of Children's Services
Report Reference No:	
Ward(s) Affected:	All

1. Purpose of Report

- 1.1. This report updates the Children and Families Committee on the Household Support Fund 4/5 (HSF4/HSF5) grant awarded to Cheshire East and seeks delegated approval to deliver the fund in line with the proposals set out in this paper.

2. Executive Summary

- 2.1. Following the Government's Autumn statement, at the end of November 2022 the Department for Work and Pensions (DWP), announced the HSF3 would be receiving an extension of £1bn worth of funding and would be called HSF4 and HSF5.
- 2.2. HSF4 funding allocations have been confirmed by the DWP, for £4.4m over a 12-month period. The funding is expected to be used to support households in Cheshire East with food, utilities, and other essentials from 01 April 2023 to 31 March 2024.
- 2.3. In January 2023, the HSF4/5 grants were submitted within the Medium-Term Financial Strategy (MTFS) presented to the Children & Families committee on 16 January 2023, with a recommendation to accept the grant into the budget. The MTFS will be approved by Council on 22 February 2023.

- 2.4. This paper seeks agreement from the children and families committee to consider the delivery option provided within the paper for the HSF4/5 grants for both the children and adult element of funding, pending grant determination. For children, this would mean providing payments aligned with key school holiday periods (Easter, summer, Christmas). The fund would also provide an enhanced offer for adults to include the existing group of pensioners in receipt of council tax support supported via the bulk payments, alongside individuals who Cheshire East are a corporate appointee for, and adults who are on housing benefit only.

3. Recommendations

- 3.1. The children and families committee is recommended to:
- i. Note Cheshire East's HSF4/5 grant allocation of £4.4m in 2023/24.
 - ii. Agree the proposed allocation of the grant, eligible cohorts and payment arrangements set out in this paper.
 - iii. Agree the closure of the public facing enquiry form and return to the professional/practitioner only enquiry form. This is a result of an excessive volume of claims received and validity of claim challenges.
 - iv. Delegate authority to the Executive Director of Children's services to incur expenditure in line with the HSF4/5 grant conditions.

4. Reasons for Recommendations

- 4.1. Whilst the MTFS accepted the funding for the HSF4/5 grants, the final allocation and delegation to the Executive Director of Children's Services is required to spend the grant. This delegation enables the fund to be allocated effectively to those residents most in need in Cheshire East.
- 4.2. It is proposed that Cheshire East continues to support the same cohorts through the HSF4/5 grants as previously, which have had a positive impact on targeted groups. Some additional groups have been identified to increase the inclusivity of the grant.
- 4.3. It is proposed to remove the public facing enquiry form as this has caused significant issues, including the volume of inappropriate and managing fraudulent claims. This has reduced the resources and impact available for our targeted cohorts.
- 4.4. The HSF grants will contribute to the delivery of the outcomes in the corporate plan under the priority to be a council that empowers and cares about people. Both adults and children and young people who suffer the greatest inequality in terms of lack of household income will directly benefit from this grant.

- 4.5. The proposed recommended delivery of the HSF4/5 fund in Cheshire East is based on what has worked well both within our borough and best practice from other local areas.

5. Other Options Considered

- 5.1. There is an option to deliver the children's portion of the grant over more of the school holidays (Easter, May half term, summer, October half term, Christmas holidays and February half term). Although this option spreads the financial support for families over a longer time period, it dilutes the grant's ability to target the periods of highest need. This option also carries increased administrative pressures upon our delivery partners (schools, colleges, etc.) and internal Cheshire East staff.

6. Background

- 6.1. Over the last two years, several temporary grants and funding initiatives were introduced in recognition of the hardship placed upon families and individuals. This included the 'COVID Winter Grant Scheme' (December 2020 – April 2021), the 'COVID Support Grant' (April 2021 – September 2021), the Household support Fund (October 2021 – April 2022), the Household support Fund 2 (April 2022 – October 2022), and Household support Fund 3 (October 2022 – March 2023). Families and adults have been supported by these grants via e-vouchers through early years settings, schools, colleges, and wider support services to families who were vulnerable to financial hardship due to the impact of the pandemic. Direct payments to eligible pensioners have also been ongoing alongside an online enquiry form.
- 6.2. Over 10,000 children and families across Cheshire East have been supported by these grants alongside over 8,000 adults and pensioners, with a total of over 150,000 vouchers provided and over £8mn in funding. The council also ensured that families in need of replacement goods, such as fridges, cookers and washing machines, were helped, and benefited from a partnership involving schools, colleges, the NHS, council services and third sector organisations to identify families in need. A similar process was in place for adults who needed assistance.

Cheshire East's grant allocation

- 6.3. In late November, the DWP announced that the HSF would be extended from 01 April 2023 to 31 March 2024. Cheshire East's HSF4/5 grant allocation of £4.4m in 2023/24 and we have received the guidance and grant conditions.
- 6.4. All elements of the HSF are in line with the previous grant plus we can now fund debt advice services if there is nothing delivering this locally. HSF3 did not ringfence any proportion of funding for any particular cohort of people. This meant that there was no requirement for at least 33.3% of the

fund to be allocated to households with someone over state pension age and that a further 33% must be allocated to support households that included a person under the age of 19 (as there was with the previous fund). However, as Cheshire East proposes to support the same cohorts as per the previous grant, the fund planned to be split broadly in line with the previous grant.

- 6.5. The HSF3 included a requirement for all local authorities to operate at least part of their scheme on an application basis i.e., residents should have the opportunity to come forward to ask for support. This has been retained in HSF4/5 and for a continued expectation to consider those groups who may not have benefitted from any of the recent cost of living support.
- 6.6. The aim of the HSF4/5 will be to provide support to vulnerable households in most need. In Cheshire East we are proposing to use the £4.4m fund to support vulnerable households with food, utilities and other essentials between April 2023 and March 2024.

Grant cohorts

- 6.7. It is proposed that Cheshire East continues to support the same cohorts through the HSF4/5 grants as previously, with some additional groups to increase the inclusivity of the grant. The children's groups which are provided with priority bulk payments include those who are eligible for free school meals (FSM), early years pupil premium (EYPP), two year old funded (2Y/OF), care leavers aged between 18 – 25, young people aged 16 – 18 who are not in education, employment or training (NEET) and young carers. These families will receive their vouchers via schools, colleges, early years settings and by a host of support services. We have provided these groups vouchers since December 2020, and since then an average of 90% have been redeemed by families. Any vulnerable adults or families who do not receive support via these channels would be eligible for referral from recognised professionals.
- 6.8. Based on cohort numbers at the beginning of the HSF3 grant, Cheshire East had approximately 9,500 FSM young people in schools and colleges, with a further 2,000 in 2YO funder/EYPP, totalling 11,500 individuals. A further 750 individuals were supported across the remaining cohorts (please note, most of the high-risk individuals from these groups are included in the FSM, 2YO/EYPP lists).
- 6.9. The council is encouraged to work closely with local partners to identify a broad range of vulnerable households across their local area. We will target those from low-income households that cannot increase their income through work, such as pensioners, people with disabilities, unpaid carers, and parents of very young children in their area.

- 6.10. As with the previous HSF grant, support will be distributed in the form of e-vouchers, and payments made to utility providers, payments to white goods providers (contracts in place for Emergency Assistance), payments made to landlords, or in some exceptional cases payments will be made directly to individuals.
- 6.11. Cheshire East's scheme targets pensioners who are in receipt of council tax support to enable referrals from professionals/practitioners for others who are in need. This group has been supported by both HSF2 and HSF3, receiving £100 in utilities vouchers. Over the HSF2 period, 93% of vouchers provided were redeemed by pensioners. In addition, we will include individuals who Cheshire East is a corporate appointee for. These customers have been assessed as lacking capacity to manage their finances, and due to their lack of capacity some of the customers have experienced hardship and would benefit from HSF grants.
- 6.12. In addition, we will include those in receipt of housing benefit only as the DWP have advised that these are a key group to be considered for support. This is because they are on a low income but not in receipt of any other benefits which would have resulted in them receiving the £650 cost of living payment, or one of the other cost of living payments as detailed in [Cost of Living Payment - GOV.UK \(www.gov.uk\)](https://www.gov.uk/cost-of-living-payments)
- 6.13. Regarding volumes, there are approximately 7,700 pensioners in receipt of council tax support, 400 individuals who Cheshire East is a corporate appointee for and around 300 individuals who are in receipt of housing benefit only and no other cost of living payment. If the option to support all of these groups was selected, a total of 8,400 individuals would be established within our adult's bulk offer.
- 6.14. Referrals are likely to come from colleagues in the benefits service, adult services, the Citizen's Advice Bureau, Age UK, the Winter Wellbeing Group, housing associations, disability and carer support services and other recognised professionals working with vulnerable adults. Referrals are also likely to come from wider council services who will have seen communications in Team Voice, and Members who receive communications via the Members briefing. This will include individuals at immediate risk of eviction or who are facing notable poverty with regards to food or utilities. A cross-service steering group, chaired by the Head of Prevention and Early Help, oversees eligibility and development of the HSF.
- 6.15. The HSF Fund sits within a wider context of poverty support being provided to individuals including, discretionary housing payments, homelessness prevention and support under the emergency assistance scheme.

Payments

- 6.16. Over the space of the next 12 months the budget will allow for £160 worth of payments to be made to the families of our children and young people who are within our identified cohorts.
- 6.17. In addition, £160 worth of payments to pensioners in receipt of council tax support, corporate appointees and housing benefit only. The budget will also facilitate an enquiry form with an inventory of food/utilities vouchers to capture those not included within the priority groups, and for wider support to be provided for housing support and wider essentials. Please note, these figures are only estimates as we do not have confirmation of the budget size, nor grant guidance.
- 6.18. Alongside food/utilities vouchers, the budget also allows for individuals to access support for boilers payments, housing payments and other essentials.
- 6.19. Enquiry payments for food would be available for £20 per child, £40 per single adult and £60 per couple for one week, and £100 per household for utilities. A further £20 will be available for wider essential payments per household. Support for housing would also be available via discretionary housing payments.
- 6.20. Payments to children and families are aligned with key school holiday periods (Easter, summer, Christmas) to provide optimal support for our families, whilst allowing for efficient delivery processes. This allows for focussed support during the key holidays, which are all over one week in length. This also aligns the HSF programme with the DfE's holiday activity fund programme, which delivers over the Easter, summer, and Christmas holidays. Due to their length and position as end of term holidays, these holiday periods were found to have the largest impact on holiday induced inequality and educational attainment. We therefore suggest aligning the delivery of the two projects to ensure maximal support is available during the periods of highest need.
- 6.21. In terms of payments to adults, providing 1 payment per grant period to the 7,800 pensioners in receipt of council tax support, eligible for either food or utilities. In addition to these groups, with the help of colleagues from the adult's department, we would recommend complimenting the pensioners council tax support group with individuals who are only in receipt of housing benefit only and no other cost of living payments, and individuals who Cheshire East are corporate appointees for. The housing benefit only group totals approx. 300 individuals, we suggest this group as the DWP have advised that they are another key group to be considered for support due to their omission from other grant processes.

Referrals

- 6.22. The HSF3 guidance includes a requirement for the enquiry form to be accessible. To address this, we introduced a public facing enquiry form. The main benefit of this was to increase inclusivity and ensure that those residents who are struggling and not currently engaged with services can get the help they need. We also encouraged those who apply through this route to take up other offers of support and services. However, for the HSF4/5 fund, we are recommending removal of the public facing enquiry form for the reasons set out below. We will continue to promote referrals via those working with our vulnerable residents.
- 6.23. The introduction of the public facing enquiry form increased access to the HSF3 grant, however volumes and moderated need of the recipient quickly became unmanageable. The number of enquiries rose from between 30 – 40 via trusted professionals per day to between 100 - 200 per day following the release of the public facing enquiry form. This placed increased financial strain upon the project, requiring us to reduce the level of support from £100 per energy voucher, £60 per couple and £40 per single adults, to only £20 per individual, with utility vouchers no longer offered. We also had to reduce eligibility by blocking applications who had received any of the other cost of living payments. The risk of fraudulent claims also sharply increased, with up to 100 known fraudulent claims received since December 2022. As a result, the ramifications of public facing enquiry form reduced the overall quality of the HSF offer whilst increasing administrative strain.
- 6.24. Feedback from our voluntary sector colleagues suggest that the public facing enquiry form posed challenges. They felt it increased low risk cases, and reduced access from higher risk individuals. They also recommended the trusted professional enquiry form mechanism, stating Cheshire East's support was targeted to the communities most need areas, whilst also being consistent. As the trusted professional enquiry form has been open since December 2020, there is an understanding of how the process works, and where it sits in terms of the wider portfolio of support on offer from Cheshire East. Those without trusted professionals can also apply for emergency assistance. They will then be means tested and if eligible, receive the HSF grant.
- 6.25. Over the HSF3 period, other local authorities introduced a self-referral option for those who do not engage with other services to make it more accessible to them, however they have also noted the forms as a source of extremely high volumes whilst carrying an increased risk of fraud despite reasonable mitigations being put in place. Many were forced to close the forms citing budgetary pressures, whilst others exhausted their funding early in the grant period. For wider context, colleagues in benefits quoted a 45 minute per case time frame for means testing each claim, as we

received a total of 200 per day at our peak, we agreed this was not a feasible option to pursue.

6.26. Previously, all enquiries required a recognised practitioner/professional to complete the referral form to access the household support fund. We used this method to reduce fraudulent claims, target those most in need whilst also allowing a significant degree of flexibility to capture the newly/unknown vulnerable during a period of increased financial instability. The current enquiry form has worked successfully over the past 2 years, with a total of £292,460.00 provided to over 2,347 families/individuals over the previous 6 months.

6.27. **Implications**

6.28. **Legal**

6.28.1. Additional funding has been made available by the DWP to Local authorities and covers the period from 1 April 2023 to 31 March 2024. Local authorities have full discretion on how the funding is to be used as long as it is in accordance with the guidance set out in the household support fund grant determination (yet to be confirmed by DWP).

6.28.2. Local authorities are expected to administer the HSF and provide assistance to households most in need to help with significantly rising living costs. Despite the fact that this is an extension to the previous three household support fund schemes, it is a new grant subject to its own grant conditions as is set out in the grant determination letter.

6.28.3. Underspends from previous schemes cannot be carried forward and funds should be spent or committed before 31 March 2024 as they cannot be held over for future usage.

6.28.4. When administering the fund, authorities are encouraged to adopt the following principles ;

- use discretion on how to identify and support those most in need, taking into account a wide range of information;
- use the funding from 01 April 2023 to 31 March 2024 to meet immediate needs and help those who are struggling to afford energy and water bills, food, and other related essentials. Authorities can also use the funding to support households who are struggling to afford wider essentials;
- in exceptional cases of genuine emergency, the funding can additionally be used to support housing costs where existing housing support schemes do not meet this exceptional need.
- this includes payments made, or committed to, by the authority or any person acting on behalf of the authority, from 01 April 2023 to 31 March 2024.

- work together with district councils and third parties, including where necessary and appropriate other local services. This may include social workers, housing and family support services, and may incorporate intelligence and data from wider children's social care systems to help identify and support individuals, families and households within the scope of the fund.
- 6.28.5. Local authorities must ensure that they have a clear rationale or documented policy/framework defining eligibility and how households access the fund. Local authorities are expected to review their existing approach including how they define eligibility.
- 6.28.6. Rather than focus on one specific vulnerable group, local authorities should use the wide range of data and sources of information at their disposal to identify and provide support to a broad cross section of vulnerable households to prevent escalation of problems. Authorities should ensure that they consider the needs of various households including families with children of all ages, pensioners, unpaid carers, care leavers, and people with disabilities.
- 6.28.7. Authorities should particularly consider how they can support those vulnerable households who are ineligible for other government support with the cost of living, including the
- Energy bills support scheme and the equivalence package confirmed on 29 July;
 - Council tax rebate and the associated £144m discretionary fund;
 - Cost of living payments for those on means tested benefits;
 - £150 disability cost of living payment;
 - One-off £300 pensioner cost of living payment (through the winter fuel payment),
- 6.28.8. In addition
- a) The authority is to ensure that the grant is primarily allocated to support with the costs of energy (for heating, lighting and cooking), food, water (for household purposes, including sewerage) and other essential living needs in accordance with the Scheme guidance;
 - b) in exceptional circumstances of genuine emergency, the authority may allocate grant funds to support with housing costs as set out in the Scheme guidance;
 - c) the authority is to use best endeavours to facilitate applications for assistance under the scheme from individuals who are eligible for assistance in their area.

6.46.9 Supplementary Estimates

Where services wish to undertake an activity not originally identified in the budget or incur additional revenue expenditure on an existing activity approval must be sought for a supplementary estimate in accordance with the tables below.

Approval of a supplementary revenue estimate requires adherence to the provisions of the Financial Procedure Rules as set out in the Constitution and specifically the provisions of Chapter 3 Part 3 at para 19 set out below shall apply. The level of grant funding (£4.4m) requires Council approval, or a decision under urgency powers on behalf of Council.

Supplementary Estimate Amount	Approval Level
Up to and including £250,000	Relevant member of CLT
In excess of £250,000 up to and including £500,000	Relevant Member of CLT in consultation with the Chair of the relevant Committee, Chair of Finance Sub-Committee and Chief Finance Officer
In excess of £500,000 up to and including £1,000,000	Committee
Over £1,000,000	Council

6.29. Finance

- 6.2.1 Expenditure on the Household Support Fund will be fully funded by a government grant expected to be £4,407,784.20. The duration of the scheme is from 01 April 2023 to 31 March 2024.
- 6.2.2 The expectation is that the council will spend the grant in accordance with the conditions and not exceed the amount advised by the DWP. There will not be any unfunded ongoing commitments as a result of this expenditure. It is not yet known if any funding will be provided after 31 March 2024 to continue this scheme or something similar.
- 6.2.3 The council will be required to provide four management information (MI) returns outlining their grant spend and the volume of awards as follows:
- An interim MI return for the period 01 April 2023 to 30 June 2023, due on the 22 July 2023.
 - A final MI return for the period of 01 April 2023 to 30 September 2023 due on the 21 October 2023.
 - An interim MI return for the period 01 October 2023 to the 31 December 2023 will be due on the 25 January 2024
 - A final MI return for the period 01 October 2023 to 31 March 2024 will be due 28 April 2024.

6.2.4 Grant payments will be made in arrears on receipt of a fully completed and verified MI return.

6.2.5 If the council has not spent the grant in accordance with the conditions, then there is scope for clawback. The service will manage that risk.

6.3 Policy

6.3.1 The HSF grants are part of the government's package of support, targeted at those vulnerable families and adults who are most in need, to help them to cope with the impact of rising prices.

6.4 Equality

6.4.1 In accordance with the public sector equality duty, DWP has had due regard for the potential equalities impacts of this grant.

6.4.2 An equality impact assessment has been completed to ensure that people are not disadvantaged or treated unfairly by this scheme. For example, that our processes are easy to access and to navigate.

6.4.3 We expect that the implementation of the grant will have a positive impact in relation to the protective characteristic of age, particularly for children and young people. It will also support the need to ensure that we have fairer and more resilient communities.

6.5 Human Resources

6.5.1 The current capacity in place to administer this grant will continue. Reasonable administration costs are funded as part of the grant and we will ensure that the full costs of any additional staffing are offset against the grant.

6.6 Risk Management

6.6.1 There are several risks associated with providing grants to a high number of individuals and families.

6.6.2 As with any welfare payment to vulnerable recipients there is a risk of fraud, as recipients might appear to be eligible when they are not. To help mitigate this risk, the local authority will work with other organisations, including early years, schools, and colleges to administer this scheme to help identify vulnerable families, households, and individuals.

6.6.3 As a significant amount of funding will be in form of e-vouchers, it is impossible to ensure that these are spent on essential household items,

however, these are families in need and our experience over the past year is that the funding has been used on necessary expenditure.

- 6.6.4 Risks are routinely assessed and reported on at the household support fund steering group, and remedial action is taken, as required.

6.7 Rural Communities

- 6.7.1 Children, families and adults in rural areas of the council will directly benefit from receipt of the new grant as we harness distribution methods through our network of community early years settings, schools, and colleges.

6.8 Children and Young People/Cared for Children

- 6.8.1 Children and young people who suffer the greatest inequality in terms of lack of household income will directly benefit from this grant. A wide range of vulnerable children and young people have been identified for priority support by the HSF grants and will continue to benefit from the grant.

6.9 Public Health

- 6.9.1 Poverty poses a threat to the public health of our residents as they are less likely to be able to access the conditions that promote a healthy physical and mental lifestyle. An adequate income can help people to avoid stress and feel in control, to access experiences and material resources, to adopt and maintain healthy behaviours, and to feel supported by a financial safety net.

6.10 Climate Change

- 6.10.1 There are not expected to be any climate change implications from the Household Support Grant.

Access to Information	
Contact Officer:	Douglas Hubbert, Business Development Manager Douglas.hubbert@cheshireeast.gov.uk
Appendices:	
Background Papers:	None



Working for a brighter future together

Children and Families Committee

Date of Meeting:	20 March 2023
Report Title:	2022/23 Financial Update
Report of:	Alex Thompson, Director of Finance and Customer Services (Section 151 Officer)
Report Reference No:	CF/42/22- 23
Ward(s) Affected:	Not Applicable

1. Recommendations

That Children and Families Committee:

- 1.1.** Notes the report of the Finance Sub-Committee ([Agenda for Finance Sub-Committee on Wednesday, 8th March, 2023, 2.00 pm | Cheshire East Council](#)), specifically the recommendations of that committee.
 - 1.1.1.** Finance Sub-Committee recommend Service Committees to:
 - 1.1.1.1.** note the financial update and forecast outturn relevant to their terms of reference.
 - 1.1.1.2.** note the delegated decisions relating to supplementary revenue estimates for specific grants coded directly to services in accordance with Financial Procedure Rules as detailed in **Appendix 2, Section 2, Table 3.**
- 1.2.** Notes Appendix 2 and the following sections specific to this Committee:
 - Changes to Revenue budget 2022/23
 - Corporate Grants Register
 - Debt Management
 - Capital Strategy
 - Reserve Strategy

2. Reasons for Recommendations

- 2.1.** Committees are responsible for discharging the Council's functions within the Budget and Policy Framework provided by Council. The Budget will be aligned with Committee and Head of Service responsibilities as far as possible.
- 2.2.** Budget holders are expected to manage within the budgets provided by full Council. Committee and Sub-Committees are responsible for monitoring financial control and making decisions as required by these rules.

Access to Information	
Contact Officer:	Alex Thompson Director of Finance and Customer Services (Section 151 Officer) alex.thompson@cheshireeast.gov.uk
Appendices:	Finance Sub Committee 2022-23 Financial Update which includes: Covering Report Annex 1: Appendix 2 Children and Families Committee.
Background Papers:	Medium-Term Financial Strategy 2022-26 First Financial Review, Item No.14 Financial Review 2022/23, Item No. 5 Financial Review Update 2022/23, Item No. 52 Medium-Term Financial Strategy 2023-27



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Finance Sub-Committee

Date of Meeting:	8 March 2022
Report Title:	2022/23 Financial Update
Report of:	Alex Thompson: Director of Finance and Customer Services
Report Reference No:	FSC/14/22-23
Ward(s) Affected:	Not applicable

1. Purpose of Report

- 1.1.** The report provides Members with an update on financial management for the year 2022/23.
- 1.2.** The in-year forecasts remain the same as reported to the Finance Sub-Committee on 19 January 2023 as part of the draft Medium-Term Financial Strategy 2023-27, which was subsequently presented to Corporate Policy Committee on 9 February, and Council on 22 February 2023.
- 1.3.** This report includes requests for formal approvals of various matters, including fully funded supplementary budgets, as required in line with the Constitution.
- 1.4.** Members are being asked to note the on-going serious financial challenges being experienced by the Council, due to global/ national economic circumstances which are raising prices and demand for services, and where local needs are becoming increasingly complex.
- 1.5.** Mitigating activity continues, to minimise the impact on services and the outturn position.
- 1.6.** Reporting the financial forecast outturn supports the Council's vision to be an open Council, as set out in the Corporate Plan 2021 to 2025 - in particular, the priorities for being an open and enabling organisation, and ensuring that there is transparency in all aspects of Council decision making.

2. Executive Summary

- 2.1. The Council aims to operate a financial cycle of planning, monitoring and reporting. This update is part of the monitoring cycle providing the forecast outturn position and any impacts on planning for next year's budget. The issues raised in this report are also seriously impacting on the planning cycle of the Council.
- 2.2. This report supports the Council priority of being an open and enabling organisation, ensuring that there is transparency in all aspects of Council decision making.
- 2.3. The Council set its 2022/23 annual budget in February 2022. The budget was balanced, as required, and included important planning assumptions about spending in the year. The budget is part of the Medium-Term Financial Strategy (MTFS) 2022 to 2026.
- 2.4. The provisional financial outturn for 2021/22 was reported in July 2022 and recognised emerging pressure within the final quarter of the year up to 31 March 2022. This was particularly linked to rising inflation and complexity of demand for care. It was also acknowledged specific risks remained unmitigated in respect of the Council's Private Finance Initiative and High Needs within the Dedicated Schools Grant.
- 2.5. National increasing inflation during 2022/23 is having a significant impact on the cost of Council services as well as on the cost of living for local residents.
- 2.6. The Council's Medium Term Financial Strategy recognises that the Council has relatively low levels of reserves as funding is instead utilised to manage ongoing service demand. This means mitigation of spending pressures must come from a combination of activities, such as:
 - 2.6.1. Additional use of grants and balances: Covid-19 grants to be fully utilised alongside appropriate application of Public Health Grants; integrated use of grants with Health Partners; drawing down from MTFS Reserve, General Reserves and specific service and company reserves where practical. Flexible use of capital receipts has also been reviewed, allowing eligible one-off revenue transformation expenditure by services to be funded from the proceeds of asset sales, in accordance with regulations.
 - 2.6.2. Further efficiencies and income generation: Services are limiting all non-essential spending requirements; efficiencies will be sought beyond the current MTFS; project spending will be delayed where this is cost effective; charging will be reviewed to ensure discretionary services are properly funded.
- 2.7. The report sets out details of the latest Financial Review of the Council's forecast financial performance for 2022/23:

Annex 1: 2022/23 Financial Update

- **Financial Stability:** Provides information on the overall financial stability and resilience of the Council. It demonstrates how spending in 2022/23 is being funded, including the positions on overall service budgets, centrally held budgets, council tax and business rates. Further details are contained in the appendices.
- **Appendices:**
 - Appendix 1** Adults and Health Committee.
 - Appendix 2** Children and Families Committee.
 - Appendix 3** Corporate Policy Committee.
 - Appendix 4** Economy and Growth Committee.
 - Appendix 5** Environment and Communities Committee.
 - Appendix 6** Finance Sub-Committee.
 - Appendix 7** Highways and Transport Committee.

3. Recommendations

Finance Sub-Committee is asked to:

- 3.1. Note the forecast adverse Net Revenue financial pressure of £7.7m against a revised budget of £328.3m, as previously reported to Finance Sub-Committee on 19 January 2023
- 3.2. Note the forecast Capital Spending of £125.2m against an approved MTFS budget £185.2m.
- 3.3. Note the contents of Annex 1 and each of the appendices.
- 3.4. Approve supplementary revenue estimates for specific grants coded directly to services up to and including £1,000,000 in accordance with Financial Procedure Rules as detailed in **Appendix 6 Finance Sub-Committee, Section 3 Corporate Grants Register, Table 3.**
- 3.5. Approve the drawdown from MTFS reserve for transport detailed in **Appendix 6, Section 5.**
- 3.6. Note that Council will be asked to approve:
 - 3.6.1. Fully funded supplementary revenue estimates for specific grants coded directly to services over £1,000,000 in accordance with Financial Procedure Rules as detailed in **Appendix 1, Section 2 Corporate Grants Register, Table 2, Appendix 2, Section 2 Corporate Grants Register, Table 2 and Appendix 3, Section 2 Corporate Grants Register, Table 2.**
- 3.7. Recommend to Service Committees to:
 - 3.7.1. Note the financial update and forecast outturn relevant to their terms of reference.

- 3.7.2. Note the delegated decisions relating to supplementary revenue estimates for specific grants coded directly to services in accordance with Financial Procedure Rules as detailed in **Section 2 of each Committee Appendix**.

4. Reasons for Recommendations

- 4.1. The overall process for managing the Council's resources focuses on value for money, good governance and stewardship. The approach to these responsibilities is captured in the Medium-Term Financial Strategy.
- 4.2. The budget and policy framework sets out rules for managing the Council's financial affairs and contains the financial limits that apply in various parts of the Constitution. As part of sound financial management and to comply with the constitution any changes to the budgets agreed by Council in the MTFS require approval in-line with the financial limits within the Finance Procedure Rules.
- 4.3. This report provides strong links between the Council's statutory reporting requirements and the in-year monitoring processes for financial and non-financial management of resources.
- 4.4. In approving the Cheshire East Council Medium-Term Financial Strategy members of the Council had regard to the robustness of estimates and adequacy of reserves as reported by the s.151 Officer. The s.151 Officer's report highlighted the importance of each element of the MTFS and the requirement to achieve all the proposals within it. The recommendations of this report highlight the need for ongoing activity to manage the financial pressure being experienced by the Council.
- 4.5. Financial plans are predicated on robust estimates and supported by adequate reserves. The issues raised in this report present significant challenges to this assessment due to ongoing uncertainty about costs, achievement of actions and use of reserves. It is therefore important for ongoing effort to be put into achievement of the Action Plans and associated financial targets.

5. Other Options Considered

- 5.1. None. This report is important to ensure members of the Committee are sighted on the financial pressure the Council is facing and the activity to date to try and mitigate this issue. Activity is required to ensure the Council balances its expenditure and income without serious impact on essential Council services.

6. Background

- 6.1. Managing performance is essential to the achievement of outcomes. This is especially important in evidencing the achievement of value for money across an organisation the size of Cheshire East Council. The Council is the third largest Local Authority in the Northwest of England, responsible for

approximately 500 services, supporting over 398,000 local people. Gross annual spending is over £700m, with a revised net revenue budget for 2022/23 of £328.4m.

- 6.2.** The management structure of the Council is organised into four directorates: Adults, Health and Integration; Children's Services; Place; and Corporate Services. The Council's reporting structure provides forecasts of a potential year-end outturn within each directorate during the year, as well as highlighting activity carried out in support of each outcome contained within the Corporate Plan.
- 6.3.** The political structure of the Council is organised into six committees, with a single sub-committee, all with financial responsibilities acutely aligned to the management structure. Performance against the 2022/23 Budget within each Committee, and the sub-committee, is outlined in Table 1 below.

6.4. Table 1 – Revenue Outturn Forecast split by the Six Service Committees and the Finance Sub-Committee

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

- 6.5.** The Council set a balanced net revenue budget of £327.7m at its meeting in February 2022. Current forecasts against the revised budget of £328.3m, shows a potential net expenditure of £336.0m. This position is despite significant and challenging mitigation work by staff. All staff were issued with information on spending controls, with ongoing communication planned on this topic.
- 6.6.** In December a forecast outturn of £8.7m net overspend was reported at the Corporate Policy Committee. The make-up of the changes in the forecast position to £7.7m is outlined in the following paragraphs:
- 6.6.1.** Increased care commitments within Adults, Health and Integration are being offset by further income, for example, from direct payment reimbursements and external grants (no change).

- 6.6.2. Children and Families Directorate (-£0.5m) - Additional costs of home to school transport from increasing SEND demand, fuel costs and contract costs offset by charging additional amounts to transformation costs to capital receipts and additional underspending in Strong Start from holding vacancies. This forecast assumes that £1.6m of resettlement funding can be applied to costs incurred in 2022/23 and that piece of work is ongoing. Pressure remains on the DSG high needs block as a result of the growth in the number of pupils with an education, health and care plan. The Council holds an unusable reserve to manage DSG balances without impacting on the Council's General Reserves. The balance on the DSG reserve is forecast to be £45.6m deficit at 31 March 2023. That position is under review and may be under additional pressure.
- 6.6.3. Environment and Neighbourhood Services (£1.1m) - Company pay pressures of £1.4m are partially offset by a number of vacancies within the Planning service which will not be filled before the year end -£0.2m and lower waste tonnage and premises costs.
- 6.6.4. Growth and Enterprise (-£0.9m) - Cost reduction in Estates of £0.3m due to deferral of some non-essential maintenance work. £0.4m due to release of reserve for the ELENA project and £0.2m grant received relating to Reopening High Streets Safely.
- 6.6.5. Highways and Infrastructure (-£0.7m) - Improved position due to continuing high levels of income which is contributing a further £0.5m in 2022/23, costs of the RJ contract are predicted to be £0.2m lower than budget.
- 6.6.6. Increase in the forecast overspend within the Transactional Service Centre due to additional temporary staff in recruitment and pay, external consultants costs (Agylisis), and additional Governance & Support staff costs. Fall in the underspend being forecast by Customer Services due to test & trace final grant income no longer being received, and back pay costs for staff regrades in the newly formed continuous improvements team (£0.4m).
- 6.6.7. Confirmation of new burdens funding within the Elections Service and lower than previously forecast electoral registrations costs (-£0.2m).
- 6.6.8. Improvement within ICT due to the use of capital reserve for laptop replacement and an improved revenue contracts forecast decreasing the ICT Strategy overspend (-£0.2m).
- 6.6.9. No change in forecast for Central Budgets.
- 6.7.** General Reserve balances are risk assessed and it was highlighted in the MTFs that emerging risks such as inflation and particularly the DSG deficit, have no alternative funding. To address the issue of emerging financial pressure senior officers set up Action Plans, which continued to be

developed to identify activities required to bring spending back in line with the MTFS. Actions may be required in-year to provide financial stability for future years. Such decisions will be appropriately governed and communicated ensuring relevant consultation and impact assessments are addressed.

- 6.8.** There is a clear ambition for each Committee to achieve spending in-line with the approved MTFS for all years. However, in some cases, given the seriousness of the financial pressure being put on the Council, Committee Members should consider options to exceed financial performance targets to retain an overall balanced position.
- 6.9.** Whilst some inflation factors may be temporary, the Action Plans must also consider the medium-term resilience of mitigation activity. For example, the use of one-off balances, to mitigate in-year spend, may be effective in the short term, but would not be effective if spending is likely to recur in later years.

7. Consultation and Engagement

- 7.1.** As part of the budget setting process the Pre-Budget Consultation provided an opportunity for interested parties to review and comment on the Council's Budget proposals. The budget proposals described in the consultation document were Council wide proposals and that consultation was invited on the broad budget proposals. Where the implications of individual proposals were much wider for individuals affected by each proposal, further full and proper consultation was undertaken with people who would potentially be affected by individual budget proposals.

8. Implications

8.1. Legal

- 8.1.1.** The legal implications surrounding the process of setting the 2022 to 2026 Medium-Term Financial Strategy were dealt with in the reports relating to that process. The purpose of this paper is to provide a progress report for 2022/23.
- 8.1.2.** Other implications arising directly from this report relate to the internal processes of approving supplementary estimates and virements referred to above which are governed by the Finance Procedure Rules.
- 8.1.3.** Legal implications that arise when activities funded from the budgets that this report deals with are undertaken, but those implications will be dealt with in the individual reports to Members or Officer Decision Records that relate.

8.2. Finance

- 8.2.1.** The Council's financial resources are agreed by Council and aligned to the achievement of stated outcomes for local residents and communities. Monitoring and managing performance help to ensure that resources are

used effectively, and that business planning and financial decision making are made in the right context.

- 8.2.2. Financial plans are predicated on robust estimates and supported by adequate reserves. The issues raised in this report present significant challenges to this assessment due to ongoing uncertainty about costs, achievement of actions and use of reserves. It is therefore important for ongoing effort to be put into the achievement of the Action Plans and associated financial targets.
- 8.2.3. Reserve levels are agreed, by Council, in February each year and are based on a risk assessment that considers the financial challenges facing the Council. If spending associated with in-year delivery of services is not contained within original forecasts for such activity it may be necessary to vire funds from reserves.
- 8.2.4. The unplanned use of financial reserves could require the Council to deliver a greater level of future savings to replenish reserve balances and / or revise the level of risks associated with the development of the Reserves Strategy in future.
- 8.2.5. As part of the process to produce this report, senior officers review expenditure and income across all services to support the development of mitigation plans that will return the outturn to a balanced position at year-end.
- 8.2.6. Forecasts contained within this update provided important information in the process of developing the Medium-Term Financial Strategy. Analysis of variances during the year identified whether such performance is likely to continue, and this enables more robust estimates to be established.

8.3. Policy

- 8.3.1. This report is a backward look at Council activities and predicts the year-end position.
- 8.3.2. The forecast outturn position, ongoing considerations for future years, and the impact on general reserves will be fed into the assumptions underpinning the 2023 to 2027 Medium-Term Financial Strategy.

8.4. Equality

- 8.4.1. In setting the 2022/23 budget, an Equality Impact Assessment was prepared to show that proposals included positive and negative impacts in headline terms. Any equality implications that arise from activities funded by the budgets will be dealt within the individual reports to Members or Officer Decision Records to which they relate. These will be reviewed, as appropriate in the light of the mitigation actions referred to in this report.

8.5. Human Resources

- 8.5.1. This report is a backward look at Council activities and states the forecast year-end position. Any HR implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

8.6. Risk Management

- 8.6.1. Performance and risk management are part of the management processes of the Authority. Risks are captured at Strategic and Operational levels, both in terms of the risk of underperforming and risks to the Council in not delivering its objectives for its residents, businesses, partners and other stakeholders.
- 8.6.2. Financial risks are assessed and reported on a regular basis, and remedial action taken if and when required. Risks associated with the achievement of the 2021/22 budget and the level of general reserves were factored into the 2022/23 financial scenario, budget and reserves strategy.

8.7. Rural Communities

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

8.8. Children and Young People/Cared for Children

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

8.9. Public Health

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

8.10. Climate Change

- 8.10.1. Climate change implications that arise from activities that this report deals with will be dealt with as separate reports to Members or Officer Decision Records as required.

Access to Information	
Contact Officer:	<p>Alex Thompson</p> <p>Director of Finance and Customer Services (Section 151 Officer)</p> <p>alex.thompson@cheshireeast.gov.uk</p> <p>01270 685876</p>
Appendices:	<p>Annex 1 including:</p> <p>Section 1 provides information on the overall financial stability and resilience of the Council. Further details are contained in the appendices.</p> <p>Appendix 1 Adults and Health Committee.</p> <p>Appendix 2 Children and Families Committee.</p> <p>Appendix 3 Corporate Policy Committee.</p> <p>Appendix 4 Economy and Growth Committee.</p> <p>Appendix 5 Environment and Communities Committee.</p> <p>Appendix 6 Finance Sub-Committee.</p> <p>Appendix 7 Highways and Transport Committee.</p>
Background Papers:	<p>The following are links to key background documents:</p> <p>Medium-Term Financial Strategy 2022-26</p> <p>First Financial Review, Item No.14</p> <p>Financial Review 2022/23, Item No. 5</p> <p>Financial Review Update 2022/23, Item No. 52</p> <p>Medium-Term Financial Strategy 2023-27</p>



2022/23 Financial Update

March 2022

This report receives scrutiny and approval from Members of Cheshire East Council. As a public report, the Council welcomes feedback to the information contained here.

Anyone wanting to comment is invited to contact the Council at:

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Introduction

Cheshire East Council is the third largest Council in the Northwest of England, supporting over 398,000 local people with annual spending of over £470m.

Local government is going through a period of financial challenges, with a combination of the impact of increasing demand for services and rising costs due to inflation. There is also increasing uncertainty associated with income from business rates and government grants.

Demand for Council services is increasing, with more individuals and families needing support and services than ever before. This reflects an increase in population but also reflects changes in demographics and the national cost of living increases. This demand is resulting in forecast outturn of £336.0m against a net revenue budget of £328.3m, with the most significant impact within the rising complexity of needs in Adult Social Care.

When the 2022/23 budget was set, in February 2022, it was highlighted that the use of reserves was not sustainable in the medium term. Net spending therefore needs to be contained within the estimates of expenditure that form the budget. Early in the year forecasts highlighted pressures due to demand, inflation and pay negotiations. The pressures affecting the medium term finances of the Council have been addressed as part of the MTFs process for 2023 to 2027.

To support openness and transparency, and provide evidence of strong governance, the report has a main section, to provide background and context, and then seven supporting appendices with detailed information about allocation and management of public money during 2022/23:

The **Financial Stability** section provides information on the overall financial stability and resilience of the Council. It demonstrates how spending in 2022/23 is being funded, including the positions on overall service budgets, centrally held budgets, council tax and business rates. Further details are contained in the appendices.

- **Appendix 1** Adults and Health Committee.
- **Appendix 2** Children and Families Committee.
- **Appendix 3** Corporate Policy Committee.
- **Appendix 4** Economy and Growth Committee.
- **Appendix 5** Environment and Communities Committee.
- **Appendix 6** Finance Sub-Committee.
- **Appendix 7** Highways and Transport Committee.

Alex Thompson

Director of Finance and Customer Services
(Section 151 Officer)

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2022/23 Outturn Forecast - Financial Position

2022/23	Revised Budget
(GROSS Revenue Budget £474.2m)	(NET) £m
SERVICE DIRECTORATES	
Adults, Health and Integration	121.1
Children's Services	74.2
Place	81.8
Corporate Services	40.6
CENTRAL BUDGETS	
Capital Financing	19.0
Transfer to/(from) Earmarked Reserves	(3.2)
Transfer from MTFS Earmarked Reserve	-
Corporate Contributions / Central Budgets	(5.2)
TOTAL NET EXPENDITURE	328.3
Business Rates Retention Scheme	(49.1)
Specific Grants	(24.5)
Council Tax	(254.7)
Net Funding	(328.3)
NET (SURPLUS) / DEFICIT	-

Financial Stability

Introduction

1. The Council has a track record of sound financial management. Nevertheless, in common with all UK local authorities the Council finds itself in a position where pressures on the revenue budget are intensifying as a result of rapid inflation, the legacy impact of the Coronavirus pandemic and increasing cost of living pressure on households. These issues have the effect of increasing the demand for services and increasing costs of services.
2. Complexity and market sustainability in Adults' and Children's Social Care remains the most significant financial pressure for the Council in the medium term. Rising inflation in fuel, utilities and wage levels are affecting costs across all services.
3. In December a forecast outturn of £8.7m net overspend was reported at the Corporate Policy Committee (The full report can be found [Agenda for Corporate Policy Committee on Monday, 1 December, 2022, 10.00 am, Item 10 | Cheshire East Council](#)).
4. The outturn position is now forecast to be an overspend of £7.7m due to the following changes since the second review:
 - Increased care commitments, within Adults, Health and Integration, are being offset by income, for example, from direct payment reimbursements and external grants. This results in no net change to the forecast.
 - The Children and Families Directorate forecast has improved by -£0.5m. Additional costs of home to school transport from increasing SEND demand, fuel costs and contract costs is being offset by charging additional

amounts to transformation costs to capital receipts and additional underspending in Strong Start from holding vacancies. This forecast assumes that £1.6m of resettlement funding will be applied to costs incurred in 2022/23. Pressure remains on the DSG high needs block as a result of the growth in the number of pupils with an education, health and care plan. The Council holds an unusable reserve to manage DSG balances without impacting on the Council's General Reserves. The balance on the DSG reserve is forecast to be at least £45.6m deficit as at 31 March 2023.

- Environment and Neighbourhood Services forecast pressures have changed by £1.2m. Environmental services operational costs of £1.3m are partially offset by lower premises costs, and vacancies within the Planning service which will not be filled before the year end.
- Growth and Enterprise forecast has improved by -£1.0m. Cost reduction in Estates of £0.3m due to deferral of some non-essential maintenance work. £0.5m due to release of reserve for the ELENA project and £0.2m grant received relating to Reopening High Streets Safely.
- Highways and Infrastructure forecast has improved by -£0.7m. Continuing high levels of income is contributing a further £0.5m in 2022/23, costs of the Ringway Jacobs contract are predicted to be £0.2m lower than budget.
- Increase in the forecast overspend within the Transactional Service Centre due to additional temporary staff in recruitment and pay, external consultants costs (Agyllis), and additional Governance and Support staff

costs. Fall in the underspend being forecast by Customer Services due to test and trace final grant income no longer being received, and back pay costs for staff regrades in the newly formed Continuous Improvements team (£0.4m).

- Confirmation of new burdens funding within the Elections Service and lower than previously forecast electoral registrations costs (-£0.2m).
 - Improvement within ICT due to the use of capital reserve for laptop replacement and an improved revenue contracts forecast decreasing the ICT Strategy overspend (-£0.2m).
 - No change in forecast for Central Budgets.
5. This forecast may be subject to variation in the final quarter, as budget managers will continue to take robust actions to control costs and reduce non-essential expenditure to improve this position further.
6. Individual pressures identified above are reflected in the MTFS for 2023/24 to 2026/27. Any betterment to the forecast outturn position should be utilised to replenish reserves in line with the priority of the Corporate Plan.

Table 1 - Service Revenue Outturn Forecasts

2022/23	Revised Budget	Forecast Outturn	Forecast Variance
(GROSS Revenue Budget £474.2m)	(NET)		
	£m	£m	£m
SERVICE DIRECTORATES			
Adult Social Care - Operations	117.5	126.1	8.6
Commissioning	3.6	3.9	0.3
Public Health	-	-	-
Adults and Health Committee	121.1	130.0	8.9
Directorate	1.0	0.6	(0.4)
Children's Social Care	47.0	49.5	2.5
Strong Start, Family Help and Integration	7.7	6.0	(1.7)
Education & 14-19 Skills	18.5	21.6	3.1
Children and Families Committee	74.2	77.7	3.5
Directorate	0.8	0.7	(0.1)
Growth & Enterprise	22.8	22.1	(0.7)
Economy and Growth Committee	23.6	22.8	(0.8)
Environment & Neighbourhood Services	44.4	47.3	2.9
Environment and Communities Committee	44.4	47.3	2.9
Highways & Infrastructure	13.8	13.6	(0.2)
Highways and Transport Committee	13.8	13.6	(0.2)
Directorate	1.4	1.3	(0.1)
Finance & Customer Services	12.5	13.1	0.6
Governance & Compliance Services	11.9	11.3	(0.6)
Communications	0.7	0.7	-
HR	2.4	2.2	(0.2)
ICT	9.8	10.5	0.7
Policy & Change	1.9	1.9	-
Corporate Policy Committee	40.6	41.0	0.4
TOTAL SERVICES NET EXPENDITURE	317.7	332.4	14.7
CENTRAL BUDGETS			
Capital Financing	19.0	19.0	-
Transfer to/(from) Earmarked Reserves	(3.2)	(9.2)	(6.0)
Corporate Contributions / Central Budgets	(5.2)	(6.2)	(1.0)
Finance Sub-Committee - Central Budgets	10.6	3.6	(7.0)
TOTAL NET EXPENDITURE	328.3	336.0	7.7
Business Rates Retention Scheme	(49.1)	(49.1)	-
Specific Grants	(24.5)	(24.5)	-
Council Tax	(254.7)	(254.7)	-
Finance Sub-Committee - Net Funding	(328.3)	(328.3)	-
NET (SURPLUS) / DEFICIT	-	7.7	7.7

Outturn Impact

7. It is planned that £5.2m will be used from the MTFs reserve to mitigate the overspend. The residual impact on General Reserves would be a reduction of £2.5m, decreasing the forecast closing balance of £14.9m to a potential closing balance of £12.4m, which is aligned to the risk assessed level of reserves for the 2023/24 Budget.
8. The Council will continue to manage and review the financial forecasts in response to emerging pressures and how this affects the Council's revenue budget.

Collecting Local Taxes for Local Expenditure

9. Cheshire East Council collects Council Tax and Non Domestic Rates for use locally and nationally.

Council Tax

10. Council tax is set locally and retained for spending locally. Council tax was set for 2022/23 at £1,626.24 for a Band D property. This is applied to the taxbase.
11. The taxbase for Cheshire East reflects the equivalent number of domestic properties in Band D that the Council is able to collect council tax from (after adjustments for relevant discounts, exemptions and an element of non-collection). The taxbase for 2022/23 was agreed at 156,607.48 which, when multiplied by the Band D charge, means that the expected income for the year is £254.7m.
12. In addition to this, Cheshire East Council collects council tax on behalf of the Cheshire Police and Crime Commissioner, the Cheshire Fire Authority and Parish Councils. **Table 3** shows these amounts separately, giving a total budgeted collectable amount of £313.8m.

13. This figure is based on the assumption that the Council will collect at least 99% of the amount billed. The Council will always pursue 100% collection, however to allow for non-collection the amount billed will therefore exceed the budget.
14. This figure may also vary during the year to take account of changes to Council Tax Support payments, the granting of discounts and exemptions, and changes in numbers and value of properties. The amount billed to date is £315.6m.

Table 3 – Cheshire East Council collects Council Tax on behalf of other precepting authorities

	£m
Cheshire East Council	254.7
Cheshire Police and Crime Commissioner	36.9
Cheshire Fire Authority	12.9
Town and Parish Councils	9.3
Total	313.8

15. **Table 4** shows collection rates within three years, and demonstrates that 99% collection is on target to be achieved within this period.

Table 4 – 99% of Council Tax is collected in three years

Financial Year	CEC Cumulative			
	2018/19	2019/20	2020/21	2021/22
	%	%	%	%
After 1 year	98.2	97.9	97.4	97.8
After 2 years	99.0	98.8	98.3	**
After 3 years	99.2	98.9	**	**

**data not yet available

16. The council tax in-year collection rate for the period up to the end of December 2022 is 82.9%. This is a small decrease of 0.5% on the previous year, indicating current cost of living pressures. Facilities are in place for residents to extend payments where needed and staff are engaging with residents who need additional support.
17. Council tax support payments were budgeted at £18.4m for 2022/23 and at the end of December the total council tax support awarded was £18.7m.
18. During 2021/22 there was a consultation and review of the Council Tax Support scheme resulting in some amendments being made. The revised scheme was confirmed by full Council in December 2021.
19. Council tax discounts awarded are £29m which is a slight increase in comparison to the same period in 2021/22. A small increase is attributable to work related to raising awareness of the discounts available to residents.
20. Council tax exemptions awarded is £7.7m which although broadly in line with previous years shows a slight increase due to reasons shown at 19.

Non-Domestic Rates (NDR)

21. NDR is collected from businesses in Cheshire East based on commercial rateable property values and a nationally set multiplier. The multiplier changes annually in line with inflation and takes account of the costs of small business rate relief.
22. The small business multiplier applied to businesses which qualify for the small business relief was set at 49.9p in

2022/23. The non-domestic multiplier was set at 51.2p in the pound for 2022/23.

23. **Table 5** demonstrates how collection continues to improve even after year end. The table shows how over 99% of non-domestic rates are collected within three years.
24. The business rates in-year collection rate for the period up to the end of December 2022 is 80.8%. This is a significant increase on last year and begins to revert collection rates back to pre-pandemic figures. A return to standard collection processes and government support through additional reliefs has assisted the recovery in collection.

Table 5 – Over 99% of Business Rates are collected within three years

Financial Year	CEC Cumulative			
	2018/19	2019/20	2020/21	2021/22
	%	%	%	%
After 1 year	98.5	98.2	92.4	95.6
After 2 years	99.4	98.4	97.4	**
After 3 years	99.4	99.2	**	**

**data not yet available

Appendices to the 2022/23 Financial Update

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Appendix 2 : Children and Families Committee

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Appendix 2

Children and Families Committee

1. Changes to Revenue Budget 2022/23 since Financial Review Update

	Second review Net Budget £000	Additional Grant Funding £000	Restructuring & Realignments £000	Revised Net Budget £000
Children and Families				
Directorate	1,006	-	-	1,006
Children's Social Care	47,023	-	-	47,023
Education & 14-19 Skills	18,541	-	-	18,541
Strong Start, Family Help and Integration (Previously Prevention & Early Help)	7,936	-	(249)	7,687
	74,506	-	(249)	74,257

2. Corporate Grants Register

Table 1 – Corporate Grants Register

Corporate Grants Register	National Allocation 2022/23 £m	Revised Forecast 2022/23 £000
SPECIFIC USE (Held within Services)		
Children and Families Committee - Schools		
Dedicated Schools Grant		331,867
Less Academy Recoupment		189,061
Dedicated Schools Grant (Cheshire East)	53,651.489	142,806
Pupil Premium Grant	2,683.555	4,500
Sixth Forms Grant	not available	2,729
Universal Infant Free School Meals (UIFSM)	not available	1,732
Primary Physical Education Sports Grant	324.111	981
Teachers Pay Grant	not available	12
Teachers Pension Grant	not available	99
COVID-19 Recovery Premium	not available	447
School Led Tutoring Grant	not available	279
School Improvement Monitoring & Brokering Grant	not available	98
Milk Subsidy	not available	18
Schools Supplementary Grant	not available	2,072
Senior Mental Health Lead Training Grant	not available	5
Newly Qualified Teachers (Education Recovery 5% Time off Timetable)	not available	58
Delivering Better Value in SEND	not available	45
COVID-19 Workforce Fund	not available	22
Apprentice Incentive Scheme	not available	1
Digital Education Platform	not available	1
Mass Testing	not available	9
Vaccination funding	not available	9
Total		155,923

Corporate Grants Register	National Allocation 2022/23 £m	Revised Forecast 2022/23 £000
Children and Families Committee		
Asylum Seekers	not available	1,411
Tackling Troubled Families (Payments by Results)	not available	238
Supporting Families PBR Upfront Grant	not available	719
Reducing Parental Conflict Grant	not available	36
Adoption Support Fund	not available	36
KS2 Moderation & Phonics	not available	11
NHS Cheshire CCG Grant to fund CEIAS Services	not available	26
Skills & Lifelong Learning	not available	903
Remand Grant	not available	75
Domestic Abuse Safe Accommodation Housing Grant	124.998	650
Holiday Activities & Food Grant Programme	201.100	879
Extension of the Role of Virtual School Heads to children with a social worker Implementation	not available	118
Homes for Ukraine, education and childcare elements	not available	1,508
Household Support Fund	not available	4,408
Hong Kong UK Welcome Programme (British Nationals)	not available	14
Early Years Professional Development programme	not available	21
Early Years - Experts and Mentors Programme	not available	2
Family Hubs Transformation Funding	not available	335
Total		11,390
GENERAL PURPOSE (Held Corporately)		
Children and Families Committee		
Social Care Support Grant	not available	0
Staying Put Implementation Grant	99.834	130
Extended Rights to Free Transport (Home to School Transport)	43.311	250
Extended Personal Adviser Duty Implementation	12.118	57
Extension of the role of Virtual School Heads	not available	61
Total		498
Total Children and Families Committee		167,811

3.1 Cheshire East Council receives two main types of Government grants; specific use grants and general purpose grants. Specific use grants are held within the relevant service with a corresponding expenditure budget. Whereas general purpose grants are held in central budgets with a corresponding expenditure budget within the allocated service area.

3.2 Spending in relation to specific use grants must be in line with the purpose for which it is provided.

3.3 **Table 2** shows additional grant allocations that have been received over £1m that Council will be asked to approve.

3.4 **Table 3** shows additional grant allocations that have been received which are £500,000 or less and are for noting only.

Table 2 – Note that Council will be asked to Approve Supplementary Revenue Estimates of Additional Grant Funding (Specific Purpose) over £1m

Committee	Type of Grant	£000	Details
Children and Families	Homes for Ukraine, education and childcare elements	1,270	This grant is from the Education & Skills Funding Agency. Funding to provide education and childcare services for children who have entered England via the Homes for Ukraine scheme 2022 to 2023. Grant conditions .
Total Specific Purpose Allocation for Council Approval		1,270	

Table 3 – Note Delegated Decision - Supplementary Revenue Estimate Requests for Allocation of Additional Grant Funding (Specific Use) £500,000 or less

Committee	Type of Grant	£000	Details
Children and Families	Teachers Pay Grant	12	The teachers' pay grant (TPG) provides funding for schools to support teachers' pay awards. Local authorities must follow the terms and conditions set out in the conditions of grant. Teachers' pay grant: allocations for 2022 to 2023 financial year - GOV.UK (www.gov.uk)
Children and Families	Teachers Pension Grant	99	The teachers' pension employer contribution grant (TPECG) supports schools and local authorities with the cost of the increase in employer contributions to the teachers' pension scheme. Local authorities must follow the terms and conditions set out in the conditions of grant. Teachers' pension grant: 2022 to 2023 allocations - GOV.UK (www.gov.uk)
Children and Families	School Improvement Monitoring & Brokering Grant	3	The grant is allocated to local authorities to allow them to continue to monitor performance of maintained schools, broker school improvement provision, and intervene as appropriate. School improvement monitoring and brokering grant allocations - GOV.UK (www.gov.uk)
Children and Families	Reducing Parental Conflict Grant	36	The grant is to support local authorities to further embed support to address parental conflict in their area, to improve outcomes for children. Reducing Parental Conflict programme and resources - GOV.UK (www.gov.uk)
Children and Families	Early Years - Experts and Mentors Programme	2	The experts and mentors programme supports private, voluntary or independent (PVI) nursery settings, maintained nursery schools and school-based nurseries. Early years experts and mentors programme - GOV.UK (www.gov.uk)
Total Specific Purpose Allocations less than £500,000		152	

3. Debt Management

	Outstanding Debt £000	Over 6 months old £000
Children and Families Committee		
Children's Social Care (Incl. Directorate)	6	1
Education and 14-19 Skills	44	16
Strong Start, Family Help and Integration	24	-
Schools	(5)	-
	69	17

4. Capital Strategy

Children and Families														CAPITAL
CAPITAL PROGRAMME 2023/24-2026/27														
Scheme Description	Total Approved Budget £000	Forecast Expenditure							Forecast Funding					Total Funding £000
		Prior Years £000	Forecast Budget 2022/23 £000	Forecast Budget 2023/24 £000	Forecast Budget 2024/25 £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Total Forecast Budget 2022/27 £000	Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Committed Schemes														
Childrens Social Care														
Foster Carers Capacity Scheme	635	349	0	286	0	0	0	286	0	0	0	0	286	286
Crewe Youth Zone	4,200	323	360	2,159	1,358	0	0	3,877	1,677	0	0	0	2,200	3,877
Children's Home Sufficiency Scheme	2,100	0	100	2,000	0	0	0	2,100	0	0	0	0	2,100	2,100
Total Children's Social Care	6,935	672	460	4,445	1,358	0	0	6,263	1,677	0	0	0	4,586	6,263
Strong Start, Family Help & Integration														
Early Years Sufficiency Capital Fund	1,036	913	0	123	0	0	0	123	123	0	0	0	0	123
Total Strong Start, Family Help & Integration	1,036	913	0	123	0	0	0	123	123	0	0	0	0	123
Education and 14-19 Skills														
Adelaide Academy	784	34	5	550	195	0	0	750	580	0	0	0	170	750
Basic Need Grant Allocation	7,319	11	0	2,500	4,808	0	0	7,308	7,308	0	0	0	0	7,308
Congleton Planning Area	5,034	44	50	3,940	1,000	0	0	4,990	2,593	2,397	0	0	0	4,990
Congleton Planning Area - Primary (1)	2,200	0	0	500	1,700	0	0	2,200	1,000	1,200	0	0	0	2,200
Congleton Planning Area - Primary (2)	625	0	100	525	0	0	0	625	625	0	0	0	0	625
Congleton Planning Area - Primary (3)	7,500	0	0	250	1,500	5,750	0	7,500	4,300	3,200	0	0	0	7,500
Devolved Formula Capital	1,330	0	0	350	340	330	310	1,330	1,330	0	0	0	0	1,330
Handforth Planning Area - New School	13,000	0	0	0	500	8,500	4,000	13,000	136	12,864	0	0	0	13,000
Holmes Chapel Planning Area	3,625	770	10	2,845	0	0	0	2,855	2,480	375	0	0	0	2,855
Macclesfield Planning Area - Secondary	4,084	1,106	0	1,500	1,478	0	0	2,978	2,978	0	0	0	0	2,978
Macclesfield Planning Area - Secondary New	600	0	100	0	500	0	0	600	600	0	0	0	0	600
Macclesfield Planning Area - New School	4,000	0	0	0	0	2,000	2,000	4,000		4,000	0	0	0	4,000
Mobberley Primary School	900	0	50	850	0	0	0	900	600	0	0	300	0	900
Nantwich Planning Area (Primary)	7,780	104	200	4,800	2,676	0	0	7,676	4,487	3,189	0	0	0	7,676
Nantwich Planning Area (Secondary)	700	0	0	700	0	0	0	700	700	0	0	0	0	700
Provision of Sufficient School Places - SEND	6,044	16	0	5,028	1,000	0	0	6,028	500	0	0	0	5,528	6,028
Resource Provision - Wistaston	1,400	0	0	1,400	0	0	0	1,400	1,100	0	0	0	300	1,400
Sandbach Planning Area - Primary	3,683	0	0	2,000	1,683	0	0	3,683	3,173	510	0	0	0	3,683
Sandbach Planning Area (secondary - 300 places)	41	3	0	38	0	0	0	38	38	0	0	0	0	38
School Condition Capital Grant	8,868	0	0	2,868	2,000	2,000	2,000	8,868	8,868	0	0	0	0	8,868

Children and Families

CAPITAL

CAPITAL PROGRAMME 2023/24-2026/27														
Scheme Description	Total Approved Budget £000	Forecast Expenditure							Forecast Funding					Total Funding £000
		Prior Years £000	Forecast Budget 2022/23 £000	Forecast Budget 2023/24 £000	Forecast Budget 2024/25 £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Total Forecast Budget 2022/27 £000	Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
Committed Schemes														
Sen/High Needs Grant Allocation	2,483	47	46	1,195	1,195	0	0	2,436	2,436	0	0	0	0	2,436
Shavington Planning Area - Primary	8,000	0	10	500	5,114	2,376	0	8,000	5,640	2,360	0	0	0	8,000
Shavington Planning Area - secondary	3,500	70	100	1,773	1,557	0	0	3,430	3,430	0	0	0	0	3,430
Springfield Satellite Site (Dean Row)	6,100	91	50	5,459	500	0	0	6,009	5,209	0	0	0	800	6,009
The Dingle Primary School Expansion	1,385	0	10	990	385	0	0	1,385	1,385	0	0	0	0	1,385
Wilmslow High School BN	13,944	1,658	1,050	7,950	3,286	0	0	12,286	9,551	2,687	0	0	48	12,286
Wilmslow Primary Planning Area	626	1	0	0	625	0	0	625	125	500	0	0	0	625
									0	0	0	0	0	
Total Education & 14-19 Skills	115,557	3,957	1,781	48,511	32,042	20,956	8,310	111,600	71,171	33,283	0	300	6,846	111,600
														0
Total Committed Schemes	123,527	5,541	2,241	53,079	33,400	20,956	8,310	117,986	72,971	33,283	0	300	11,432	117,986
New Schemes														
Education and 14-19 Skills														
Poynton Planning Area	1,500	0	0	750	750	0	0	1,500	697	803	0	0	0	1,500
Total New Schemes	1,500	0	0	750	750	0	0	1,500	697	803	0	0	0	1,500
Total Children and Families Schemes	125,027	5,541	2,241	53,829	34,150	20,956	8,310	119,486	73,668	34,086	0	300	11,432	119,486

5. Reserves Strategy

Children and Families Committee

Name of Reserve	Opening Balance 1st April 2022 £000	Forecast Movement in Reserves 2022/23 £000	Forecast Closing Balance 31st March 2023 £000	Notes
Directorate				
Childrens Directorate - Transformation Funding	1,079	(365)	714	Expectation of £200k for CSC Court and Care Planning Service Proposals plus £65k for CSC New Beginnings.
Childrens Directorate - C&F ED	422	(68)	354	Potentially reducing this reserve to assist with in year mitigations of £100k. Estimated spend of £30k transport review, £50k Chess review and £30k catering review.
Childrens Social Care				
Domestic Abuse Partnership	112	(61)	51	To sustain preventative services to vulnerable people as a result of partnership funding. This is the current budgeted position, however updates will be provided on future reviews. Service will need to consider in year deficit as this would not be sustainable in 2023/24 based on current assumptions.
Education and 14-19 Skills				
Skills and Lifelong Learning	30	(30)	0	To support adult learning, training and improving skills for the workplace. Need to review likelihood of use in 2022/23.
School Organisation & Capital Service	16	(16)	0	Springfield lease of £28.5k per annum will be a pressure in 2022/23.
SSIF Nexus Programme	9	(9)	0	Reserve drawdown has now been actioned and allocated to School Improvement to continue to support schools with high disadvantaged learners - agreed with CWAC.
Strong Start, Family Help and Integration				
Troubled Fams Initiative	2,215	(375)	1,840	Crewe Youth Zone and ACT have been assigned funding from shared outcomes of the Supporting Families Programme.
Emotional Healthy Schools	71	(71)	0	Funding by partners to deliver service.
Public Sector Transformation – contribution to Early Youth Inclusion Fund	57	(57)	0	Intention to use reserve for in-year mitigation in 2022/23
Complex Dependencies	21	(21)	0	Intention to use reserve for in-year mitigation in 2022/23
CHILDREN AND FAMILIES TOTAL	4,032	(1,073)	2,959	

6.1 The Dedicated Schools Grant (DSG) is ring-fenced funding received for: schools; high needs / special educational needs; and early years provision. In recent years there has been a pressure on the DSG high needs block where funding has not kept pace with the increasing numbers and cost of children with an education, health and care plan. This has created a deficit DSG reserve balance which is held in an unusable reserve. The DSG reserve deficit is forecast to be £45.6m at the end of the year. This is in line with the budget gap as determined the Council's DSG Management Plan that was approved by Children and Families Committee in September

2022 and set out the planned expenditure and income on high needs over the medium term.

Table 3 – DSG Deficit

	£m
DSG – Forecast in-year pressure	19.9
DSG – Deficit Balance B/F	25.7
DSG Deficit Balance at 31 March 2023	45.6

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Working for a brighter future together

Children and Families Committee

Date of Meeting:	20 March 2023
Report Title:	School Organisation –overview of planned capital schemes including funding revisions.
Report of:	Deborah Woodcock, Executive Director of Children's Services.
Report Reference No:	CF/76/22-23
Ward(s) Affected:	All Wards

1. Purpose of Report

- 1.1. The purpose of this report is to provide committee with a comprehensive overview of the school capital programme both in terms of current/projected schemes and those which have been completed over the recent 5-year period. This strategic overview is summarised in appendix 1.
- 1.2. The supporting documentation details planned capital investments into schools in response to our statutory duties of providing sufficiency of school places across the borough for both mainstream and specialist SEN provisions. The requirement to make financial changes to schemes have been undertaken in conjunction with finance leads. Appendix 2 provides a summary of ongoing capital programmes across priority planning areas based upon approved MTFS block allocations. This summary is the basis upon which decision making is progressed in meeting our constitutional requirements to be both compliant and transparent in the progression of schemes from concept to delivery.

- 1.3. The key purpose of the overview of programmes is to provide committee with oversight of the range of capital investment into the school's estate from concept to delivery. The basis of this work stems from the strategic function of securing sufficiency of school places and this is delivered through the school sufficiency framework as delivered by the School Organisation service. The overarching framework uses detailed forecasting methodology and evaluation of trend data to shape the future needs of school places for both mainstream and specialist SEN provisions.
- 1.4. Significant work is undertaken to work closely with corporate finance leads to effectively manage capital expenditure, ensure value for money against available funding streams and make appropriate variations to MTFS block funding as schemes progress to fully costed schemes. The current economic climate and demands to meet carbon reductions are adding to funding pressures as schemes progress and such factors are outlined in detail in section 6.3.
- 1.5. Two further appendices attached to this report provide details of specific named schemes, where committee are requested to give approvals to increased budgets: -
- Springfield school, Crewe campus. This is a critical scheme for the council in terms of providing urgently needed additional special school places to help mitigate pressure on the high needs funding, as detailed in the High Needs Management Plan that committee approved in September 2023. Appendix 3 sets out the decision making over time relating to this scheme, budget variations and causes of increased costs.
 - Kingsley Fields – New Primary Free school in Nantwich. Appendix 4 sets out the decision making over time relating to this scheme, budget variations and causes of increased costs.
- 1.6. In responding to the critical need for additional SEN special school places across the borough, it is pleasing to report that the two SEN free school applications (as reported to committee in January) have both been successful and this should be celebrated in terms of important investment in Cheshire East utilising national capital funding.
- 1.7. This report builds upon the significant work undertaken via the 'Strategic Programme Board' (SPB) which is chaired by the Executive Director and includes leads from key Council services. This group utilises project management office (PMO) methodology and acts as a key monitoring forum for capital schemes ahead of seeking approvals through the committee system.

- 1.8 It is important for committee to note the recent national announcement regarding the SEN Free School applications which were considered by committee in January. It is to be celebrated that both of these applications were successful and the decision to award Cheshire East two new SEN special schools in Middlewich and Congleton will make a significant contribution in providing additional SEN specialist places. This is highlighted in recommendation 3.5 in terms of referencing potential abnormal costs linked to the progression of both schemes.

2. Executive Summary

- 2.1. As the Strategic Commissioner of school places, Cheshire East Council has a statutory duty to ensure that there are sufficient places in our schools to meet the needs of residents. Having the right educational placement for all children and young people is key to supporting children and young people achieve their potential and to develop the range of skills and experiences they need to equip them for adulthood.

- 2.2. As strategic commissioner we are also required to ensure we have sufficient provision for pupils with special educational needs. Due to the increasing level of complexities of children and young people identified through assessment, the demand for specialist SEN places continues to increase and is most acute in SEN special schools. We are currently over-reliant on high cost out of borough independent schools to meet the needs of children and young people with complex needs which can also include long travel journeys. Therefore, the need to increase local specialist provisions is essential to enable us to deliver high quality local schools for our children and young people and at the same time, reduce revenue costs.

- 2.3. Appendix 1 – Overview of Mainstream and SEN Places

This information outlines the full range of schemes which have delivered additional schools places across the borough. These places include both mainstream provisions (in both local authority maintained and academy schools) as well as specialist places for SEN and includes the two new Free Special schools as result of the successful bids. It is worth noting and celebrating that over £40 Million (£26M into mainstream and £15M into SEN provisions) has been committed over the last 5 years in capital schemes. Funding for these programmes utilises a range of funding streams including ring fenced DfE capital grants as well as Section 106 developer contributions.

2.4 Appendix 2 – MTFS

This information outlines the schemes included in the MTFS and highlights the following: -

- Changes from the 2022/23 to 2023/24 programmes
- Where applicable, details of schemes within block allocations as agreed with finance leads.
- Stage of works currently being progressed (March 2023)
- Rational for any changes
- Budget uplifts
- Details of unallocated funding (March 2023)

2.5 Appendix 3 - Springfield school, Crewe campus

The information provided in appendix 3 outlines the chronology relating to the progression of this critical scheme and provides the rationale regarding the increase in costs for this planned expansion of Springfield school, Crewe campus. These increased costs relate to a variety of factors including the impact of the current economic climate, the costs of materials, carbon reduction and associated services to manage and deliver capital projects within agreed timescales.

2.6 Appendix 4 – Kingsley Fields, Nantwich, new primary free school.

The information provided in appendix 4 outlines the timeline and key milestones and provides an explanation regarding the increase in costs for the proposed new build primary school in Nantwich.

3. Recommendations

3.1. For Children and Families Committee to receive the strategic overview of capital planned programmes, as outlined in appendix 1, and to note the progression of these schemes over time to meet our statutory duties of sufficiency of school places.

3.2 Note that the size and complexity of the school estate necessitates regular and timely decision making, and that all such decisions will continue to be captured and reported to the Committee. Noting also that the constitution establishes the necessary authority for such decisions, and that this may require the Committee to note decisions made under delegated powers or approve delegate decisions or note decisions that may require Council approval.

- 3.3 To note the required budgetary changes in appendix 3 and to approve a further capital virement of £1.13M from the uncommitted grant funding to the Springfield School, Crewe campus capital scheme thereby increasing the scheme budget to £7.13M.
- 3.4 To note the information in appendix 4 which shows the revised funding allocation for the new primary school at Kingsley Fields, Nantwich capital scheme which has increased to £7.78m.
- 3.5 Approve the virement of £500,000 from the uncommitted grant funding which supports the two new SEN Free Schools in managing potential site abnormality costs (total £1.0 Million)
- 3.6 Note Council's approval, as part of the Medium-Term Financial Strategy (MTFS) of the School Condition Funding grant of £2.868m, noting also that the Executive Director of Childrens Services will regularly report on decisions taken or required on the spending of this and other schools' capital projects as the programme of works is finalised.

4. Reasons for Recommendations

- 4.1. The necessity to commit to the significant capital investment in our schools as shown in appendices 1 and 2 is fundamentally in response to our statutory requirement to provide sufficiency of school places for Cheshire East families. Failure to meet this requirement would result in increased anxieties in families to be able to attend a local school and added competition between schools many of whom set their own admission arrangements. The recommendation to seek approval from committee to progress with these priority schemes and allocate funding accordingly will allow for the effective management of each of these programmes of work and avoid the need to return to committee meetings on a regular basis to present individual reports. It is very much hoped that committee can recognise the significant work undertaken by officers to effectively manage this capital investment in our schools and work within existing financial processes linked to the MTFS. There is much to celebrate in achieving a comprehensive programme of capital investment in Cheshire East schools to allow families to attend a successful and local school of their choice.
- 4.2. Committee have been previously informed about the current pressures on funding which are resulting in costs of scheduled schemes increasing due to a range of factors which are outlined in 6.3.

5. Other Options Considered

- 5.1. The option to do nothing and not increase mainstream and special school provisions across the borough would result in a failure to meet our statutory duties as a commissioner of school places and incur increasing costs for out of borough SEN places.
- 5.2 There is an option that officers continue to provide individual committee reports for each scheme within appendix 2. This is both timely for officers and for consideration on committee agendas.
- 5.3 In each of the schemes in appendix 2, detailed consultations are planned or will have taken place with school leaders, local ward members and local school communities to ensure that feedback and option appraisals are thorough and take into account local views. These processes will identify a range of options in terms of identifying schools to expand. Consultation responses are available as required to show that there is a robustness and openness to ensure that effective decision making is applied.
- 5.4 In terms of SEN programmes of works, the option to continue to place SEN learners in placements out of borough or in independent specialist provisions is not considered appropriate as this will result in a continuation of financial pressures on the High Needs DSG budget. This approach aligns with the detailed work undertaken as part of the 'Developing Better Value' (DBV) programme to increase local provisions which reduce travel costs and time and offers increased value for money.
- 5.5 The service has considered very carefully the option to abort certain programmes where costs have risen considerably especially relating to new SEN to increased costs as the 'value added' from providing additional SEN provisions. To help to try to compare such localised costs to the position nationally, valuable data is presented below to help to determine the levels of risk.

The organisation Educational Building and Development Officers Group (EBDOG) have benchmarking documents showing annual increases in SEN build costs and the challenges across the sector. Based upon this comparative dataset, the following data is available for 2022

2022 publication (July 2022) had an average cost per pupil place of £81,003 for buildings 750 – 1500sqm. It is important to note that this benchmarking data does not include statutory fees, survey costs, loose furniture and equipment, client department costs including programme management, legal and land acquisition costs.

Looking specifically at the Springfield School, Crewe campus scheme as outlined in appendix 2, based on the latest cost estimate for this scheme, providing 80 additional places would be £86,590 per pupil. Considering our project costs do include associated fees, surveys and carbon neutral costings, this comparison does show that even with the increased costs, the Crewe campus scheme is not significantly different to national comparisons for similar educational build schemes.

- 5.6. There is an option to consider further alternative sites for the increasing SEN demand. The service works closely with colleagues in the assets team to identify other potential local sites to address the forecast need for specialist school places across the borough. However, the timescales require the education directorate to progress at pace and seeking an alternative site and commencing all necessary stages to deliver to opening would be both lengthy and may not necessarily result in financial savings.
- 5.7 The option to include member(s) within our SPB forum to review the detailed and robust processes followed at each stage ahead of consideration by committee.
- 5.8 There is a potential option not to provide new free schools as per Kingsley Fields but to continue to expand existing schools to accommodate more pupils. However, there are a growing number of existing school sites which cannot expand further as well as the fact that having a new school in the heart of a large housing development provides a local community school, and which reduces travel for families and congestion in roads.

6. Background

- 6.1. The various funding streams which are utilised to support the capital investment into our schools include Basic Need Grant (DfE funded), Schools Condition Allocation Grant (DfE funded), SEN/High Needs Capital Allocation (DfE funded), Special Provision Fund Capital Grant (DfE funded), Section 1056 Developer Contribution and Approved Council Prudential Borrowing. Many of the grant allocations from the DfE are based upon annual returns which the Council completes outlining our levels of need.
- 6.1.1. Detailed below is our current position regarding uncommitted grant funding. This information provides reassurance to committee that where changes are required to financial allocations to agreed schemes, that there are available budgets to be able to address such changes.

Uncommitted Funding (Grant Allocation) profiled spent as per MTFS approved February 2023	Total Approved Budget
	£000
Basic Need Grant Allocation	7,319
Schools Condition Capital Grant	2,868
SEN/High Needs Provision Capital Allocation	2,483
Total	12,670

- 6.1.2. The DfE provides basic need capital grant funding to local authorities to support them to meet their statutory responsibility to ensure there are enough school places available in their area for every child aged 5 to 16, as set out under section 14 of the 1996 Education Act. The annual 'School Capacity Survey' return (SCAP) as submitted to DfE in July provides the summary of priority areas where additional places are needed, and this is used to generate basic need allocations. As part of this return and our forecasting process, our 5-year plan of additional places is generated, see appendix 1
- 6.1.3. The DfE provides School Condition Allocations (SCA) on an annual basis for local authority-maintained schools only and provides the council with the mechanism to maintain/improve school building infrastructures. In line with DfE guidance, investment should be prioritised on keeping school buildings safe and in good working order by tackling poor building condition, building compliance, energy efficiency, safeguarding concerns as well as health and safety issues. An indicative budget for the anticipated 2023-24 School Condition Allocation (SCA) grant of £2.868m is included in the Medium-Term Financial Strategy (MTFS) 2023-27, which was approved at full council in February 2023.
- 6.1.4. The DfE have provided High Needs Provision Capital Allocation to meet the capital costs associated with providing new places and improving existing provision for children and young people with complex needs, who have Education, Health and Care plans (EHCPs), and where appropriate, other children and young people with SEND who do not have an EHCP.
- 6.2. As detailed in appendix 1, over the last 5 years we have provided over 1700 new mainstream places, with proposals for a further 3000+ places in the next 5 years. For pupils with SEN, we have provided over 230 new places in our Special Schools and Resource Provisions with proposals for a further 330 places planned for the next 5 years.

- 6.3. The critical themes which combine to present the position of having to potentially increase any budget envelope for our named capital schemes are outlined below.
- a. Inflation – whilst it is recognised that the overall inflation rate is in the region of 10%, some building associated costs are showing higher rates than this which is impacting on overall costs. As an example, costs of glass are showing significant increase.
 - b. Planning requirement – during the planning process, there are often conditions set on a planning decision which require additional costs to be added to the overall budget.
 - c. Design and development – as schemes progress from an initial feasibility stage, associated costs may change as a result of more detailed investigations. This can often relate to the outcomes of required surveys and can often relate to ground conditions/stability.
 - d. Carbon Neutral – the Council is committed to being carbon neutral by 2025 which results in capital build schemes being required to modify buildings to align with this expectation.
 - e. School infrastructure/condition – any scheme will attempt to improve certain conditions of existing buildings and/or to ensure existing infrastructure has the capacity to cope with the increase of school places. Meeting catering /dining hall requirements or additional toilets are examples of common infrastructure changes
- 6.4. The delivery of a growing number of SEN schemes detailed in appendix 1 will ultimately support the Council’s ambitions to provide more in borough specialist school placements to support its residents whilst helping the Directorate with its management plan in reducing the overall deficit within its dedicated schools grant budget.

7. Consultation and Engagement

- 7.1. Prior to and during the scoping and progression of capital programmes of work, engagement events, both formal and informal take place to seek views and feedback from key stakeholders on proposed schemes. Such events involve meetings with Headteachers/Governors individually and across planning areas, briefings for local members as well as structured consultations.
- 7.2. In accordance with the guidance issued by the Department for Education, making significant Changes (‘prescribed alterations’) to maintained schools, section 5, formal consultation is undertaken as required on all schemes where specific criteria are met. Similar national guidance applies

to academies; Department for Education, making significant changes to an open academy.

- 7.3 Detailed records of consultations are kept for all schemes where formal consultation is required, and the feedback received is carefully considered as part of the finalisation of a scheme to ensure community views are considered.

8. Legal Implications

- 8.1 The committee terms of reference state:

“2.3 discharging the Council’s functions and powers in relation to the provision of education and Schools Forum.

2.6 discharging the Council’s functions in relation to Special Educational Needs and/or Disability (SEND).”

- 8.2 The Committee under 2.3 must be assured that the report on the school capital programme is an accurate reflection of and gives effect to the Council’s obligation to provide sufficient education provision in our area the details are usually encapsulated in the schools sufficiency plan. The capital programme should give effect to the sufficiency plan and must be assessed against that plan. The committee should satisfy itself of the need by reference to the sufficiency plan.
- 8.3 It is a constitutional requirement for the committee to review the school’s capital programme each year.

Chapter 3 – Part 4: Section 4

“3.16 Major recurring programmes of capital expenditure will require a detailed annual report to be submitted to the relevant Service Committee covering all the schemes within each programme of works and will include total projected cost, expenditure profile and the full financial implications, both capital and revenue. This will include, but not be limited to, the programmes for Schools & Corporate Landlord Planned Maintenance, ICT Investment and the Local Transport Plan. The Council may determine specific virement responsibilities for such recurring programmes.

3.17 The Capital Programme will distinguish between committed expenditure from schemes already approved, recurring programmes and new proposals, both medium and longer term.”

And

“3.21 Council will approve the re-profiling of spend on approved capital schemes across financial years and carry forward of slippage/accelerated spend into future financial years as part of the budget process in February.”

- 8.4 The committee may consider if the updating information contained in the sufficiency plan and capital programme should be sequenced to ensure the committee has all the relevant up to date information and ensure compliance with paragraph 3.16,3.17 and 3.21.
- 8.5 The committee must be clear what information on the capital programme is being reported and if the committee are proposing to authorise further elements of the programme it will require specific, precise recommendations or decisions. The committee may place on its work programme a forward looking report to assess the programme and/or seek to monitor progress.
- 8.6 This report identifies additional spending. The committee approval to initiate the original school build set a budget envelope which cannot be exceeded without further approval. This report provides for explicit approval for two current builds and a further contingency for two proposed school builds. The committee must assure itself the existing approvals are in place and align with and support the delivery of the correct education provision in the correct geographical area.
- 8.7 The Committee must satisfy itself that the proposed increases in budget are justified, proportionate, and represent value for money for the taxpayer.
- 8.8 If additional cost is incurred on any project it must impact on other possible proposals, the committee must have a clear understanding of the impact of authorising additional funding and the potential impact on the wider programme.
- 8.9 The budget set by full council provided for a capital programme by planning area. Page 258-259 [MTFS 2023-27 - app C.pdf \(cheshireeast.gov.uk\)](#) Full Council has set the budget allocation for each planning area. This is the budgetary framework set by full council. The committee must be satisfied that the cumulative increases and changes in costs do not infringe or alter the planning area limits set out in the budgetary framework.

9. Finance

- 9.1. Funding for Children and Families capital programme is through a range of routes with the main ones relating to the use of the 'Basic Need' grant along with agreed Section 106 developer funding for education to mitigate the need for additional school places due to the impact of new housing. In addition to this external DfE grant was allocated in March 2022 that supported SEN/High Needs schemes including provision of additional places. There is an annual allocation of School Condition funding, but this can only be used for local authority-maintained schools.
- 9.2. The Authority receives differing allocations of Basic Need grant which is based upon our submitted annual SCAP return. This funding is used to meet the additional places required in priority planning areas as referenced in the SCAP
- 9.3. The School Condition Grant allocation is based on the number of maintained schools within the authority and can change subject to the number of schools that have converting to an academy or an academy order has been submitted.
- 9.4. We are awaiting details of future Basic Need and School Condition grant allocations, which the DfE have not yet given any dates for publication of this information. In addition to this the DfE has not confirmed if there will be future allocations of the SEN/High Needs grant. An indicative budget for the anticipated 2023-24 School Condition Allocation grant of £2.868m is included in the Medium-Term Financial Strategy 2023-27, which was approved at full council on 22 February 2023. Once the formal announcement from the DfE is made the allocation in the MTFS will be adjusted accordingly.
- 9.5. For the New Primary School at Kingsley Fields, Nantwich, the additional funding, as detailed in appendix 4 has already been detailed within the MTFS as report and has been fully funded.
- 9.6. The ringfenced funding of £500,000 per site for the purpose of meeting any potential site abnormal costs for the 2 new special free schools, these will be new lines within the Children and Families Capital Programme and will be funded from the uncommitted SEN/High Needs Provision Capital funding.
- 9.7. In terms of estimating the mitigation of further SEN spending on specific schemes, this would be factored into the overall DSG High Needs recovery plan. The information below is based on average cost to the council per

pupil per year for placing children in a Cheshire East Council SEND school and the average placement cost per pupil per year for buying placements at independent non maintained schools.

- The average cost per pupil at a CEC School is £13,800 pa.
- The average cost per pupil at an independent non maintained school is £55,500 pa.

This equates to a per pupil mitigation of costs of £41,700 pa.

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10. Policy

- 10.1. Local authorities are under a duty to ensure sufficiency of school places in their area (section 14 of the Education Act 1996) and over the last 5 years, the percentage of parents receiving one of their three preferences has remained very strong and above the national average.
- 10.2 The programme of works for additional SEN special school provision would support the council in meeting its duty to provide sufficient school places. The SEND Code of Practice requires us to consult with parental preference schools and parents have a right to appeal where we are unable to name their preference school through the tribunal process.

11. Equality

- 11.1. Equality Impact Assessments are completed informally and formally to determine the varying needs of learners and their families to be able to access schools. Such factors are built into all stages of the progression of a scheme.

12. Human Resource

- 12.1. There are no direct human resource implications for the council, but if any additional school provision forms part of a current maintained school, the local authority will work with the school in the appointment of additional specialist staffing to ensure high quality staffing is achieved, both teaching and non-teaching. Levels of support will be dependent upon buy back of certain services including Hr and payroll.

13. Risk Management

- 13.1. As outlined in the finance section, the DfE have confirmed capital funding grants which allows for the virement of funding. This funding is already available and therefore is not reliant on future funding allocations
- 13.2. Appendix 2 outlines the availability of unallocated funding which is currently in the region of £12.6 Million. This does reduce levels of risk where scheme costs are increasing. However, we often have no ability to predict future grant allocations.
- 13.3. Force Majeure – The global Covid pandemic has identified that there can be some risks that on impact cannot be mitigated against and will inevitably cause some delay, disruption, and any additional costs.

14. Rural Communities

- 14.1. The creation of additional school places would potentially bring benefit to rural communities in that it will result in residents having a more reasonable travel distances to transport pupils if a local school place cannot be met.

15. Children and Young People/Cared for Children

- 15.1. In accordance with the programme to provide additional school places within Cheshire East, the schemes as outlined will provide more spaces for young people to learn and develop friendships with other local children within a local school thus promoting local community cohesion.
- 15.2. The school organisation service wherever possible will directly involve the young people in some of the design elements of schools as well as decision making with the appointment of sponsors for new schools.

16. Public Health

- 16.1. There are no direct implications for public health however, some children and young people currently travel significant distances to access the specialist provision they may require. This can have an impact on their emotional wellbeing and can significantly lengthen the school day. The successful applications for new SEN free schools will mean more vulnerable children getting a placement in their local area thus keeping supporting their needs within their local community.
- 16.2. By reducing the distances which children are having to make to attend school the programme of works as outlined will also help reduce congestion on the roads and therefore reduce emissions improving the air quality and making a better local environment to live in.

- 16.3.** Any increase in SEND provision will require strategic joint commissioning of specialist health services to ensure resources for such services as physiotherapy are sufficient to meet increased demand as more localised school places are generated.

17. Climate Change

- 17.1. Providing additional school places will enable Cheshire East children the ability to secure at place at their local school thus reducing the need to travel outside of the area which will reduce energy consumption.
- 17.2. Cheshire East Council are very aware of their environmental education and stewardship role and are very interested in promoting sustainability in general.
- 17.3. Cheshire East Council is committed to being carbon neutral by 2025 and our capital build schemes are required to align with this expectation.
- 17.4. It is noted that any funding is for a capital project and not for the ongoing revenue costs. Therefore, as part of the detailed design process, the design team will be exploring how the expansion could be designed to minimize future running costs. Systems that save on energy consumption will be considered, particularly for electricity, with absence detection being the preferred lighting strategy

Access to Information	
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<p>Background Papers:</p>	<p><u>3a. Springfield Expansion.pdf (cheshireeast.gov.uk)</u></p> <p><u>Information relating to 2.4:</u></p> <p>May 22 C&FC RESOLVED (unanimously): That the Children and Families Committee:</p> <ol style="list-style-type: none"> 1. Approve the proposed expansion of Springfield School from 170 to 250 places for implementation in September 2023 having given due consideration to the responses to the statutory public notice and consultation process without modification. 2. Provide authority to the Executive Director of Children's Services to procure and award a construction contract for the provision of additional places at Springfield School (Crewe), inclusive of any other agreements associated with or ancillary to the contract.
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Planning Area - No	SEN Schemes previous 5 year period	New schemes 2023-2027	Type of Provision	Stage of Work	Number of places provided	Number of places proposed	Capital Investment in Completed schemes for additional places (2017 - 2022) - £000's	Capital investment - Committed/Approved Scheme(s) included in the MTFS	Capital Investment - Proposed Scheme(s) included in MTFS
Central	Holmes Chapel Secondary		New Resource Provision	Completed	14		£ 600		
Central	Marlfields Primary		New Resource Provson	Completed	7				
Central	Middlewich High School		Reprovision of accommodation to address suitability/fit for purpose	Completed			£ 180		
Central	Sandbach Boys		Enhanced Mainstream Provision	Completed					£ 20
North	Ash Grove Primary		Enhanced Mainstream Provision	Completed			£ 5		
North	Park Lane School		Special School - Expansion	Completed	40		£ 4,600		
North	Macclesfield Academy		New Resource Provision	Completed	14		£ 100		
North	Pussbank Primary		Increase Resource Provision	Completed	7		£ 535		
North	Ivy Bank Primary		Reprovision of accommodation to address suitability/fit for purpose	Completed			£ 746		
North	All Hallows		Enhanced Mainstream Provision	Completed			£ 20		
North	Fallibroome School		Enhanced Mainstream Provision	Completed			£ 20		
South	Axis Academy		New Special School (DfE Funded Free School)	Completed	68		£ 4,500		
South	Oakfield Lodge		PRU	Completed	40		£ 3,000		
South	Springfield Crewe		Special School - Expansion - 2019	Completed	24		£ 1,135		
South	Shavington Primary		New Resource Provson	Completed	12		£ 200		
South	Monks Coppenhall		New Resource Provson	Completed	7		£ 125		
South	Mablins		Enhanced Mainstream Provision	Completed			£ 45		
Central		Eaton Bank	Enhanced Mainstream Provision					£ 50	
Central		New Free School Bid - Congleton - Dfe funded	New Free Special school	Concept		60			£ 500
Central		Adelaide Heath	Special School Expansion	Outline Design					£ 80
North		Springfield Satellite Handrorth	Special School Expansion -2023	Construction		80		£ 6,100	
North		Tytherington	Enhanced Mainstream Provision						£ 10
South		Shavington Academy (Secondary)	New Resource Provsvion	Detailed Design		14			£ 750
South		Springfield Crewe	Special School Expansion -2023	Detailed Design		80			£ 7,100
South		Wistaston Academy	New Special Resourced Provson	Outline Design		24			£ 1,400
South		Adelaide Crewe	Special School Expansion	Outline Design		12			£ 784
South		New Free School Bid - Cledford site - Dfe funded scheme but budget allocation for potential abnormals	New Free Special school	Concept		60			£ 500

	Total				233	330	£ 15,811	£ 6,150	£ 11,144

Overview of All Planning Areas - Mainstream - APPENDIX 1																	
Planning Area	Expansion Schemes previous 5 year period		Capital Investment in Completed schemes for additional places (2017 -2022) - £000's													Capital investment - Committed/A included in the MTFS approved Scheme(s) - See Mainstream Projects tab for details of funding	Capital Investment - Proposed Scheme(s) included in MTFS - See Mainstream Projects tab for details of funding
				2023		2024		2025		2026		2027		PRIMARY	SECONDARY		
				Pri	Sec	Pri	Sec	Pri	Sec	Pri	Sec	Pri	Sec	COMMENTS	COMMENTS		
Adlington														No housing in the area, no need identified. Any shortfall shown is due to admissions over PAN	For this planning area secondary need feeds into the Macclesfield Planning area		
Alsager	Expansion Scheme at Alsager High School completed in2019, this provided 150 additional places at a capital cost of £2.81m. Expansion scheme at Cranberry Primary Academy, this provided an additional 105 places at a capital cost of £1.2m	255	4,000.10											Following expansion of Cranberry no further need within 5 year plan	Following expansion of high school no further need within 5 year plan. Alsager High School takes pupils from out of area which impacts on overall numbers		
Bollington														No significant housing in the area, no need identified.	For this planning area secondary need feeds into the Macclesfield Planning area		
Bosley St Mary's														No housing in the area, no need identified.	For this planning area secondary need feeds into the Congleton Planning area		
Congleton (Secondary)					300										Expansions at both secondary schools has been agreed and are progressing in 2023 to provide a total of 300 places (150 at each school, for year groups 7 to 11). Will need to closely monitor this area as may need further places in the future	Y	
Congleton Central												210		Significant number of housing developments have planning approval and also additional developments have been submitted for planning. Based on approved housing there will be a shortfall of places in 2029, but if the submitted developments get approved and are progressed then there is a potential need from 2027 which would require us to initiate the new school and free school presumption in 2024 giving us the approx. 3 years to deliver a new school - this is subject to ongoing review of places and changes to the local demographics.		N	Y
Congleton East															As per Congleton Central comment		
Congleton West	Expansion scheme at The Quinta Primary Academy completed in 2018, this provided an additional 70 places at a capital cost of £650K. Also scheme completed in 2022 to provide accommodation at Black Firs to firm up capacity at 315	70	800.00					105						There is a shortfall at Black Firs Primary but there are surplus places at the surrounding schools. The is a slight shortfall forecast in 2024 which increase slightly in 2025. Based on housing and future need this needs to be reviewed in 2024 regarding proposals for an expansion in this planning area. Capital allocated in MTFS but this would need to be reviewed once proposals for this area are agreed.	As per Congleton Central comment	N	Y
Crewe (Secondary)															No need identified within the 5 year period. Expansion in Shavington could have impact. Sir William Stanier have reduced PAN but capacity remains the same, providing potential flexibility for the future		
Crewe North	Expansions at Hungerford Primary Academy - 210 places, Monks Coppenhall Primary Academy 210 places, Mabllins Lane Primary 105 places all completed in readiness for September 2017 at capital cost of £2.53m, £2.73m and £1.35m respectively.	525	6,610.00											Due to previous expansions no further need identified within this 5 year period	For this planning area secondary need feeds into the Crewe Planning area		
Crewe South														No need identified within this 5 year period	For this planning area secondary need feeds into the Crewe Planning area		
Disley	Expansion scheme at Disley Primary School completed in 2018, this provided 70 additional places at a capital cost of £880K		880.00											Following previous expansion of Disley Primary any shortfall in places is due to admissions over PAN.	For this planning area secondary need feeds into the Poynton Planning area.		
Haslington				70										Overall shortfall in this planning area. Scheme at the Dingle is progressing increase to 2FE. Scheme included in the MTFS at £1.385m	For this planning area secondary need feeds into the Crewe and Sandbach Planning areas	Y	
Holmes Chapel	Expansion scheme at Chelford Primary this was completed in 2019, this provided an additional classroom allowing their PAN to increase from 9 to 13 at a capital cost of £320K	28	320.00		150									Shortfall across the area but more so between the 2 village schools, but both schools will only expand by a whole form of entry which would create too much capacity for the area. This issue is being closely monitored and will be reviewed during the current academic year	Scheme to expand HCPS by 150 places has been approved and is progressing on site. Construction started early 2023.	Y	
Kettleshulme														No housing in the area, no need identified. Any shortfall shown is due to admissions over PAN which will decrease as the larger year groups progress through the school	For this planning area secondary need feeds into the Macclesfield Planning area		
Knutsford (Secondary)															No need identified		
Knutsford Rural														No need identified	For this planning area secondary need feeds into the Knutsford Planning area although the pupils generally		
Knutsford Village														No overall need identified, places available within the planning area although Egerton Primary can be oversubscribed. This is being monitored	For this planning area secondary need feeds into the Knutsford Planning area although the pupils generally transfer to Lymm High in Warrington		

Macclesfield (Secondary)	Works undertaken at Tytherington School in 2021/22 to provide additional accommodation as a result of the school admitting over PAN.		1,100.00		150			150						Scheme to formally expand Tytherington by 150 places is progressing to design development and planning to be submitted mid 2023. Need to agree further secondary expansion in this planning area, ongoing discussions with schools and need to look at impact of housing. Need to review this planning area within the 2023 Academic year	N	Y
Macclesfield North	In 2019 there was investment at Hurdfield Primary School to remodel their ICT area to create an additional teaching space for year 6 pupils, at a capital cost of £213K		213.00										No need identified	For this planning area secondary need feeds into the Macclesfield Planning area		
Macclesfield Rural													No need identified	For this planning area secondary need feeds into the Macclesfield Planning area		
Macclesfield South													No immediate need indicated but there is a New school proposed for SMDA site. Maybe more a consideration of when we want a new school on the site, housing development proposals for SMDA have not moved forward at this stage.	For this planning area secondary need feeds into the Macclesfield Planning area		
Middlewich													No need identified	A small shortfall is indicated although the school takes a number of pupils from out of area. Discussions have previously been held but site constraints may impact any expansion plans. This is being monitored		
Nantwich (Secondary)											125			Expansions at Brine Leas and Malbank now completed. No further immediate need indicated, in terms of actual additional places although there is a requirement for further works at Brine Leas regarding school infrastructure such as WC's and Dining facilities. Funding of £700K has been allocated for these works whis will allow the PAN to be formalised at 240 (subject to necessary approvals). We continue to monitor the numbers in this planning area especially regarding the new pupils from the KF development to ensure the forecast yield is correct	N	Y
Nantwich Rural North													No need identified	For this planning area secondary need feeds into the Nantwich Planning area		
Nantwich Rural South	In 2019 there was investment at Sound and District Primary School to create an additional teaching space for KS2 pupils		120.00										No need identified	For this planning area secondary need feeds into the Nantwich Planning area		
Nantwich Town	Expansion Scheme at Malbank School completed in 2020, this provided 150 additional places at a capital cost of £1.52m. Expansion scheme at Brine Leas School, this provided an additional 50 places at a capital cost of £1.26m	200	3,780.00			210							Free School Presumption Process for a new school on Kingsley Field is progressing and sponsor for new school has been confirmed. Planning app submitted and scheme due to commence on site mid 2023. Places to be available for Sep 2024, admissions to the school will be on a phased basis.		N	Y
Poynton				42		70			35				Small need identified in this area and discussions are progressing with local schools regarding schemes to formalise PAN's at higher numbers and undertake some capital works to provide the necessary accommodation (Lostock Hall Primary, Vernon Primary and Lower Park Primary)	No need identified and all housing to date already taken into account but there is the potential impact of the new school at Woodford and also HFGV which needs to be monitored	N	Y
Sandbach	Expansion scheme at St Johns CE primary completed in 2020, to provide an additional 35 places which brought the PAN up to 30. The capital cost was £480K. Expansion scheme at Elworth CE completed Sep 21 to provide an additional 105 places. The capital cost was £1.8M . Expansions to provide 150 places at each secondary schools completed 2020/2021 at a captital cost of £3.4M	440	5,690.00	105		105							Further expansions necessary for this planning area. Currently we are progressing with a proposal at Wheelock to provide an additional 105 places (Design development stage). In addition to this based on latest forecast data further places are needed and discussions have been initiated with Sandbach Primary for an expansion to provide an additional 105 places	Ongoing shortfall shown in projections is due to admissions over PAN in previous years but in terms of places for local children the number of places is adequate for need.	N	Y
Scholar Green & Woodcocks Well	In 2017 there was investment at Scholar Green Primary School to create an additional teaching space for KS2 pupils, at a capital cost of £160K		160.00										Small shortfall shown in forecasts is due to admissions over PAN and also small development of 31 houses (yielding 6 primary pupils)	For this planning area secondary need feeds into the Congleton Planning area		
Shavington	Expansion scheme at Shavington Primary Academy completed in 2018, to provide 210 additional places at a capital cost of £2.62m	210	2,620.00		150			210					Free School Presumption progressing for new school for Basford proposed opening Sept 2025.	Scheme progressing at Shavington Academy (Secondary) to provide a further 150 places. Scheme due to commence on site imminently (March 2023) (Scheme cost includes works to provide Resource Provision as this is being let as 1 contract by the school)	N	Y
Wilmslow (Secondary)					300						500			Expansion of Wilmslow High underway to provide 300 additional places. This is a significant scheme due to the level of remodelling required in order to achieve the 300 places. The planning application for HFGV has now been approved and includes a site for an 'all through' school. Due to the ongoing shortfall of secondary places and no further expansion of Wilmslow possible we may have to review time scales for the 'all through' school and bring it forward as there are no secondary places in the area. Costs included in Primary column. Indicative budget for new school needs to be reviewed annually to assess impact of rising costs etc	Y	

Wilmslow North	In 2016 there was investment at St Benedicts Catholic Primary to extend existing teaching spaces which provided the additional space to increase the schools PAN from 26 to 30, at a capital cost of £225K	28	225.00							315				The planning application for HFGV has now been approved and includes a site for all through school. This will include 210 primary places. This is also the potential of 0.5 expansion at a neighbouring primary school if the places are required and the projected yield of pupils is achieved. At this stage a figure of £13m has included in the MTFS but this figure is based on the s106 funding and will need to be reviewed once a timeline for the delivery of the housing/new school has been agreed. Anticipated cost £20m, this indicative budget for new school needs to be reviewed annually to assess impact of rising costs etc		
Wilmslow South						35								Talks previously taken place regarding Alderley Park, and 0.5 Fe expansion at NAPS but based on current projections this level of expansion is not needed. Discussions taking place to increase school PAN to 20 and provide additional classroom and toilets.		
Windle														No housing in the area, no need identified.		
Total:		1756	26,518.10	217	1050	420	0	315	185	315	625	210	0			
Data Source -2022 Forecasts													Total Place	3337		
EXPANSIONS ALREADY AGREED AND UNDERWAY																
EXPANSIONS IN DISCUSSION/PROPOSED BUDGET INCLUDED IN MTFS awating full approval (C&F/Planning/DfE etc)																

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APPENDIX 2 - C&F Committee Report - 20 March

APPENDIX 2 - C&F Committee Report - 20 March		Approved MTFS February 2022						Progress Changes during 2022/23				Uplift/Changes during year/added to new year MTFS	Approved MTFS February 2023							Scheme were funding uplift/changes are anticipated
Scheme Description	Scheme details for block allocation schemes	Prior Years	Forecast Budget 2022/23	Forecast Budget 2023/24	Forecast Budget 2024/25	Forecast Budget 2025/26	Total Forecast Budget	Stage of Work - March 2023	Number of Places being created	Changes	Changes Funded		Total Approved Budget	Prior Years	Forecast Budget 2023/24	Forecast Budget 2024/25	Forecast Budget 2025/26	Forecast Budget 2026/27	Total Forecast Budget	
		£000	£000	£000	£000	£000	£000					£000	£000	£000	£000	£000	£000	£000		
Adelaide Academy/Adelaide Heath	Support additional places at Adelaide Academy and Adelaide Heath	31	300	300	0	0	631	Feasibility	20	Budget Uplift due to inflation/ Rising Costs/Design Development	Yes	154	784	39	550	195	0	0	784	
Basic Need Grant Allocation								Grant allocation												
Congleton Planning Area	Congleton High School - 150 places, Eaton Bank School - 150 places and funding to support EMP	227	1000	2800	0	0	4028	Construction	300	Budget Uplift due to inflation/ Rising Costs/Design Development/Site abnormals/planning conditions	Yes	1006	5,034	94	3,940	1,000	0	0	5,034	
Devolved Formula Grant								Grant funding (schools)												
Holmes Chapel Planning Area	Holmes Chapel Secondary School - 150 places and 14 place RP	758	1400	455	0	0	2613	Construction	150	Budget Uplift due to inflation/ Rising Costs/Design Development/Site abnormals/planning conditions	Yes	1012	3,625	780	2,845	0	0	0	3,625	
Macclesfield Planning Area - Secondary	Tytherington and support for other Macc school (TBC) for additional places	1428	1543	500	0	0	3470	Outline design	150	Budget Uplift due to inflation/ Rising Costs/Design Development	Yes	614	4,084	1,106	1,500	1,478	0	0	4,084	
Middlewich Planning Area		1	1500	0	0	0	1501	On hold		Funding transferred back to unallocated BN	N/A	2	2	0	0	0	0	0	2	
Monks Copperhall SEN Expansion		0	100	0	0	0	100	Complete		Budget Uplift due to inflation/ Rising Costs/Design Development	Yes	27	127	127	0	0	0	0	127	
Nantwich Planning Area - Primary	Kingsley Fileds new primary school - 210 places	200	1500	2500	0	0	4200	Detailed Design	210	Budget Uplift due to inflation/ Rising Costs/Design Development/Site abnormals/Low Carbon build standards	Yes	3680	7,780	304	4,800	2,676	0	0	7,780	
Nantwich Planning Area - Secondary		0	500	0	0	0	500	Feasibility		Budget Uplift due to inflation/ Rising Costs/Design Development	Yes	200	700	0	700	0	0	0	700	
Schools Condition Capital Grant								Grant allocation												
SEN/High Needs Capital Allocation								Grant allocation												
Shavington Planning Area - Secondary	Shavington Secondary School - 150 places plus 14 place RP	157	1562	781	0	0	2500	Detailed Design	150	Budget Uplift due to inflation/ Rising Costs/Design Development/Site abnormals/planning	Yes	1,125	3,500	170	1,773	1,557	0	0	3,500	
Special Provision Fund Capital Grant								Grant allocation												
Springfield Satellite Site										Budget Uplift due to inflation/ Rising Costs/Design Development/Site abnormals/planning conditions/low carbon build standards	Yes	3100	6,100	141	5,459	500	0	0	6,100	
		100	2150	750	0	0	3000	Construction	80											
Wilmslow High School		1863	6316	5000	0	0	13178	Construction	300	Budget Uplift due to inflation/ Rising Costs/Design Development/Site abnormals/Planning Conditions	Yes	766	13,944	2,708	7,950	3,286	0	0	13,944	
Wilmslow Primary Planning Area	400k of funding developer contribution which is assigned to NAPs	0	500	0	0	0	500	Concept	45	Budget Uplift due to inflation/ Rising Costs	Yes	126	626	1	625	0	0	0	626	
Congleton Plannng Area - Primary (1)	Scheme to be determined	0	800	900	0	0	1700	Concept	105	Budget Uplift due to inflation/ Rising Costs	Yes	500	2,200	0	500	1,700	0	0	2,200	*
Congleton Planning Area - Primary (2)	Buglawton Primary School	0	250	250	0	0	500	Construction		Budget Uplift due to inflation/ Rising Costs/Design Development	Yes	125	625	100	525	0	0	0	625	
	Giants wood new primary school - 210 places	0	0	0	0	3200	3200	Concept	210	Costs updated to reflect current scheme costs will need to be reviewed once scheme is progressed	Yes	4300	7,500	0	250	1,500	5,750	0	7,500	*
Congleton Planning Area - New School (3)																				
Sandbach Planning Area - Primary	Wheelock Primary School 105 places plus a further 105 places to be confirmed	0	1000	1000	0	0	2000	Outline Design	210	Budget includes 2 schemes now, Wheelock and Sandbach Academy	Yes	1683	3,683	0	2,000	1,683	0	0	3,683	
Handforth Planning Area - New school	HFGV - potential all through school	0	0	7500	7500	0	15000	Concept		As this is a concept scheme at this stage, £2m of BN funding to be transferred into unallocated for other priority projects		-2000	13,000	0		500	8,500	4,000	13,000	*
Haslington Planning Area - Primary (The Dingle)		0	800	200	0	0	1000	Detailed Design	70	Budget Uplift due to inflation/ Rising Costs/Design Development/site abnormals	Yes	385	1,385	10	990	385	0	0	1,385	
Macclesfield Planning Area - New School	SMDA - potential new primary school	0	0	0	2000	2000	4000	Concept		SMDA new primary school - Budget figure will need to be updated once a timeline for SMDA is provided			4,000	0	0	0	2,000	2,000	4,000	*
Macclesfield Planning Area - Secondary	SMDA - scheme to be agreed	0	0	0	4000	0	4000	Concept		Concept scheme at this stage		-3500	500	0	500	0	0	0	500	*
Mobberley Primary School		0	300	300	0	0	600	Outline Design		Budget Uplift due to inflation/ Rising Costs/Design Development/Impact of restrictive site	Yes	300	900	50	850	0	0	0	900	
Provision of Sufficient School Places - SEND - Spingfield Crewe	Springfield Crwe	0	1350	1650	3000	0	6000	Detailed Desgn	80	Budget Uplift due to inflation/ Rising Costs/Design Development/Site abnormals/planning conditions/low carbon build standards	Yes		6,044	16	5,028	1,000	0	0	6,044	*
Resource Provision - Wistaston		0	1100	0	0	0	1100	Outline Design	21	Budget Uplift due to inflation/ Rising Costs/Design Development	Yes	300	1,400	0	1,400	0	0	0	1,400	
Shavington Planning Area - New Primary School	Basford East new primary school - 210 places	0	500	2500	2000	0	5000	Feasibility	210	Budget Uplift due to inflation/ Rising Costs/Design Development/Low carbon built standard	Yes	3000	8,000	10	500	5,114	2,376	0	8,000	*
Poynton Planning Area	Scheme to be determined							Feasibility	100	New scheme	Yes		1500		750	750			1500	
Total		4765	24470	27386	18500	5200	80321		2411			15,779	97,044	5,659	43,435	23,324	18,626	6,000	97,044	

Unallocated Funding (Grant Allocation) profiled spent as per MTFS approved February 2023

Approved MTFS February 2023							
Total Approved Budget	Prior Years	Forecast Budget 2023/24	Forecast Budget 2024/25	Forecast Budget 2025/26	Forecast Budget 2026/27	Total Forecast Budget	
£000	£000	£000	£000	£000	£000	£000	
Basic Need Grant Allocation	7,319	11	2,500	4,808	0	0	7,319
Schools Condition Capital Grant	2,868		2,868				2,868
SEN/High Needs Capital Allocation	2,483	93	1,195	1,195	0	0	2,483
Special Provision Fund Capital Grant	0	0	0	0	0	0	0
Total	12,670	104	6,563	6,003	0	0	12,670

NB - Section 106 developer contributions are in addition to the above grant funding from the DfE and will be applied to the funding of individual schemes relevant to the s106 agreement. This will be detailed against the individual schemes as part of the reporting process

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Background and Chronology

Springfield Crewe – Expansion scheme to formally increase the school capacity from 170 to 250 places

1. May 2022

A report was taken to C & F committee and approved based on the following recommendations: -

Recommendations

- *To approve the proposed expansion of Springfield School from 170 to 250 places for implementation in September 2023 having given due consideration to the responses to the statutory public notice and consultation process without modification.*
- *To provide authority to the Executive Director of Children's Services to procure and award a construction contract for the provision of additional places at Springfield School (Crewe), inclusive of any other agreements associated with or ancillary to the contract.*

Within this committee report, the finances in place for this scheme estimated a budget in excess of £4Million and the following text was included within section 8.2.5. of the report: -

This funding was identified within the Medium-Term Financial Strategy (MTFS 2022-26) to support delivery of our strategy to increase local specialist provision. This programme was approved by full Council on 24 February 2022. Since this outline proposal, the advancement of the feasibility for this scheme has seen expected increase of costs above £4 million. This revised projected cost envelope includes the impact of increased costs of resources/ supplies which is ever increasing and adding significant challenge to effective budget control. Other whole school infrastructure changes are having to be planned into the scheme, e.g., the need to extend kitchen/dining facilities to meet the increased number of pupils.

2. July 2022

At the 2022/23 outturn and to fund additional costs at the Park Lane expansion, £500k was vired from the funding block titled 'Provision of Sufficient School Places – SEND' with an overall £6million allocation. The remaining budget in this block this was £5.5m. This change was approved by Finance Sub Committee on the 6 July 2023.

3. June/July 2022

Following more detailed design and further detailed cost reports and as part of the MTFS reprofiling exercise undertaken across the council, there was a request that within the funding block titled 'Provision of Sufficient School Places – SEND' with £5.5 Million allocation, that £5 Million was to be allocated to Springfield Crewe scheme.

4. October 2022

This increase in budget was approved by DMT and was then taken to Corporate Policy Committee on 6 October 2022, in the report titled First Financial Review 2022/23. Also, as part of the same report, the funding block titled 'Provision of Sufficient School Places – SEND' was topped back up to £6Million, viring £500k from the High Needs funding allocation.

5. February 2023: Consideration of project and cost issues was discussed at the Strategic Programme Board chaired by Deborah Woodcock – agreement to generate a paper for March committee along with wider projects paper.

6. February 2023: consideration of committee paper by CLT with amendments made based upon feedback

Financial summary

During summer 2022, the Planning Application was submitted and during the consultation period a significant number of objections were received regarding the impact of extending the carpark and subsequent removal of trees and vegetation. As a result of this, a number of changes were made to the scheme design which further impacted on costs and delayed the planning process. Planning was granted in late November 2022 and the decision notice being issued on the 1 December 2022.

Following planning approval and finalising the costs for the scheme, taking into account rising material costs and the necessary planning conditions the current scheme cost is £7,131,609.

The key elements that are affecting the increased costs include: -

a. Inflation

- Inflation risk allowance plus prelims and fixed overheads & profit percentage. This is the contractor building in an additional contingency where they have not been able to finalise a contract sum with subcontractors/suppliers. The Project team are hoping that this will be reduced once these sub-contractor contracts are agreed.
- We have a client risk register which includes professional fees

b. Planning requirement

- Biodiversity Net Gain/Loss payment
- Requirement of Pitch roof rather than flat
- Additional permanent car parking spaces to mitigate the increased number of staff and to meet Planning requirements

c. Design development/additional works as a result of surveys, ground conditions, site restrictions

- Piling due to ground conditions
- New Substation and Power Upgrade
- Brook Easement

d. Compliance with Low Carbon Build Standard

The scheme cost has increased by additional costs in order that the building is compliant with the low carbon build standard currently adopted by CEC, this includes the following: -

- Increasing wall & roof insulation
- Triple glazing
- Reduced air permeability
- Cross flow ventilation
- Additional Photovoltaics Panels
- Air source Heat pumps
- Additional electric vehicle charging points

e. School infrastructure

- Consequential expansion School kitchen

With regards to the programme, it was originally planned that the scheme would start onsite mid-February so that the contractor could commence with the enabling works which includes removal of trees and vegetation prior to the start of the bird nesting season (this was a planning condition), this would also have allowed the contractor to commence with site set up whilst the school was on half term, minimising the impact and disruption on the children. Due to the requirement to obtain Committee approval for the additional budget we are now anticipating that the scheme will commence on site in early April.

In order to limit any further delays to the scheme whilst approvals are sought for the additional funding, a direct order has been issued to instruct the enabling works that need to be completed prior to the 1 March 2023, this includes some works to trees and removal of vegetation as per the planning condition detailed below: -

'No removal of any vegetation or the demolition or conversion of buildings shall take place between 1st March and 31st August in any year, unless a detailed survey has been carried out to check for nesting birds. Where nests are found in any building, hedgerow, tree or scrub or other habitat to be removed (or converted or demolished in the case of buildings), a 4m exclusion zone shall be left around the nest until breeding is complete. Completion of nesting shall be confirmed by a suitably qualified person and a report submitted to and approved in writing by the Local Planning Authority before any further works within the exclusion zone take place.'

As noted above there is a block of funding titled 'Provision of Sufficient School Places – SEND with £6 million allocation, based on the revised budget figure of £7,131,609. This funding will need to be topped up from SEN High Needs Grant allocation which currently has £2.390m of unallocated funding available. For purposes of information the block funding titled 'Provision of Sufficient School Places – SEND with £6 million allocation was funded from prudential borrowing following the submission and approval of a HLBC in 2021, this funding was approved by Full Council on 22nd February 2022 and was included in the MTFS. This prudential borrowing is funded by the Council and is included in the next 4 years budgets and therefore is not considered a budget pressure.

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Kingsley Fields New Primary Free school, Nantwich – New build 210 place primary school and 14 place resource provision

1. A report was taken to Children and Families Committee on 15/06/21. At this stage, no site investigations or design work had taken place. Also, there was no inclusion of the 14-place resource provision which was proposed after the initial consultation period. The following was noted in the committee report: -
 - 1.1.1. In the draft Medium-Term Financial Strategy (MTFS) for the Nantwich Planning Area, £3.5m is allocated to this project within the Children & Families Capital Programme. This was approved by Council on 17th February 2021
2. The funding at this stage was based around the section 106 developer contribution.
3. The following information has been taken from the paper that was taken to committee on 14 February 2022 but at this stage the budget figure reported was still £3.5Mllion: -

Purpose of Report

- 1.1. Following the approval of the Children and Families Committee at the meeting on 12 July 2021 to proceed with the free school presumption process and seek a sponsor for the proposed new one form entry primary school at Kingsley Fields in Nantwich, and to transfer the site into council ownership, initial design development work has been commissioned through the Estates Property Projects Team for RIBA Stages 0-2 to cover initial feasibility and survey work on the proposed site.
- 1.2. Following completion of this initial phase of work, which is due to be completed at the end of February 2022, approval is sought to tender for and appoint a design and build contractor to further progress the proposal with a view to overall completion for the commencement of the 2024-25 academic year. The next steps would involve further design development and preconstruction services including submission of a formal planning application, prior to award of a formal construction contract.

Recommendations

- 3.1. That committee gives approval:
- 3.2. To provide authority to the Executive Director of Children's Services to award a construction contract for the provision of a new one form entry primary school in Nantwich, inclusive of any other agreements associated with or ancillary to the contract.
4. As part of the annual review of the MTFS, the scheme value was uplifted to £4.2Million, on the 24 February 2022; this was approved by Full Council. At this stage the uplift was to reflect the additionality of the SEN resource provision.
5. The RIBA Stage 0-2 feasibility was commissioned in October 2021. The first cost indications indicating major cost concerns were initially flagged in March/April 2022, this reported a figure of £6.9m. T
6. Following more detailed design work and detailed cost reports, as part of the MTFS reprofiling exercise undertaken in June/July 2022, we requested that within this block

funding titled Nantwich Planning Area (Primary) the scheme budget was increased to £7.080Million. This was then taken to Corporate Policy Committee in October 2022, First Financial Review 2022/23 and figures included were approved.

7. As part of the ongoing cost increases being reported in December 2022 a report was taken to DMT requesting a further uplift of the budget by £700k and this was included as part of the MTFS review: -
 - Nantwich Planning Area (Primary) – Increase budget by £700k – Funded from unallocated Basic Need grant. Justification: this is in line with current cost plan for the new school at Kingsley Fields and includes allowance for furniture and ICT.
8. On 18 January 2023 at the Children and Families Committee meeting the proposed uplifts for this project were included in the MTFS consultation report.
9. This uplift for the Kingsley Field Scheme at £7.780Million was included in the MTFS and was approved by Council in February 2023.

The key elements that are affecting the increased costs include: -

- a. **Inflation and Increased Contractor Risk Allowances /Contingencies**
- b. **Design development/additional works as a result of surveys, ground conditions, site restrictions**
- c. **Compliance with Low Carbon Build Standard**

In order that the building is compliant with Manchester low carbon build standard currently adopted by CEC, this includes the following: -

 - Increasing wall & roof insulation
 - Triple glazing
 - Reduced air permeability
 - Cross flow ventilation
 - Additional Photovoltaics Panels
 - Air source Heat pumps
 - Electric vehicle charging points

In order to achieve the opening date of September 2024 in readiness for the new reception class intake, the programme is indicating a start on site date of June 2023, with anticipated handover of July 2024, this will allow the trust the Summer Break to set up the new school. Please note that these timelines are subject to planning being granted in May 2023.

Throughout the last 12 months the Project Team have constantly challenged the increasing costs and have requested where viable to value engineer elements of the project, but this has been further impacted by the need to achieve the low carbon build standard. As we have not yet achieved planning for this scheme there could be some additional costs as a result of planning conditions. At this stage the overall target cost is £7.280Million, there is an additional contingency included in the funding for £500K, making the allocation as detailed in the MTFS at £7.780Million of which some of this funding will be used to provide IT, loose furniture and as mentioned potential planning conditions.



Working for a brighter future together

Children and Families Committee

Date of Meeting: 20 March 2023

Report Title: School Organisation: Academisation of Schools:
Forward Plan

Report of: Deborah Woodcock, Executive Director of
Children's Services.

Report Reference No: CF/40/22-23

Ward(s) Affected: All

Purpose of the report

This report is presented to committee to allow committee members to be informed of planned schools across the borough who are seeking to move to academy status and join a multi academy trust. The forward plan shows such schools and those that will require committee approval or will be progressed through delegated authority.

1. Executive Summary

- 1.1 At the Children and Families Committee meeting on 12 July 2021 committee approved the delegation, with certain exemptions, for current and future conversions including academy leases and commercial transfer agreements jointly to the Executive Director of Children Services and the Executive Director of Place. Where exemptions apply delegation is not applicable and a full report would be presented to committee.
- 1.2 It was proposed that committee will receive a forward plan at each meeting highlighting conversions due to take place and confirmation of the conversions that have taken place so that committee is fully informed and can note and scrutinise the academisation process. The forward plan has not been to the last two committees due to the size of the agenda and number of key decisions being taken at these meetings, however, this will be included on the forward plan for all meetings going forward.

Recommendations

- 2.1 That the committee approves to receive a 6 monthly update on academy conversions rather than a separate report each committee meeting.

3. Reasons for Recommendation

- 3.1 The committee has asked to receive a forward plan at each meeting highlighting conversions due to take place and confirmation of the conversions that have taken place.

4. Other Options Considered

- 4.1 The option to not inform committee of academy approvals is not considered appropriate as each academy conversion will have varying levels of risk and the inclusion of a forward plan of pending conversions allows committee members to be kept aware of future changes.
- 4.2 School governing boards apply to the secretary of state to progress with an academy order, the alternative is to remain a maintained school. There is no requirement for a school to convert to an academy unless directed to do so through an inadequate Ofsted inspection.
- 4.3 Failure to cooperate could result in the Secretary of State making transfer schemes which would be binding on the council.

5. Background Information

- 5.1 At the C&F committee meeting in July 2021, committee agreed the delegation for academy conversions as below:
- a. The Executive Director of Children's Services, in consultation with the Chief Finance Officer and Monitoring Officer, has authority to take all steps necessary to agree and execute the commercial transfer agreement, novation of third-party contracts, shared use agreements/facilities access agreements, staffing and information transfer.
 - b. The Executive Director of Place in consultation with Chief Finance Officer and Monitoring Officer to take all steps necessary to agree and execute any transactions in relation to land, facilities or shared use agreements.
 - c. No delegation may be exercised to execute any agreement as set out above where:
 - The school has a deficit of £100k or there is any significant impact on the Medium Term Financial Strategy
 - There are substantive third-party land interests.
 - i. Any public funds are to be reclaimed under section (land contributions)

ii. Any current or proposed legal claim has been identified where an indemnity is sought against Cheshire East Council on any matter.

- 5.2 This report presents the status of a range of recent and future conversions so that committee are kept aware of ongoing work in this area. However, it should be noted that proposed conversion dates can be delayed for a variety of reasons.

6. Consultation and Engagement

- 6.1 Appropriate consultation and engagement takes place as part of the academy process with both staff and the local community.

7. Implications of the Recommendations

7.1 Legal

- 7.1.1 All legal requirements are undertaken and approved ahead of any academy conversion.

7.2 Finance

- 7.2.1 All financial requirements are undertaken and approved ahead of any academy conversion

7.3 Policy

- 7.3.1 The implementation of academy conversion is undertaken in accordance with national legislation as per the various Education Acts

7.4 Equality

- 7.4.1 Not applicable for this report summary

7.5 Human Resources

- 7.5.1 All HR requirements (mainly relating to TUPE arrangements) are undertaken and approved ahead of any academy conversion.

7.6 Risk Management

- 7.6.1 All associated risks are considered by legal, finance and HR as part of managing the academy conversion process.
- 7.6.2 The implications of the roll out of UNIT 4 /ERP administrative/transactional system have increased levels of risk due to the requirement to establish a new payroll process as part of the transition to academy status. This has generated some delays in conversion dates due to associated services having the capacity to build payroll structures ready for conversion.

7.7 Rural Communities

7.7.1 Not applicable for this report summary

7.8 Children and Young People/Cared for Children

7.8.1 There is scrutiny of multi academy trusts by the Regional Schools Commissioner to ensure they have capacity to adopt the school. Therefore, assuring that the school joins a strong trust that can ensure outcomes for children and young people continue to improve

7.9 Public Health

7.9.1 There are no direct implications for public health.

7.10 Climate Change

7.10.1 There are no direct implications for climate change.

Access & Authorisation of Information	
Contact Officer:	Mark Bayley Head of Service – Infrastructure and Outcomes mark.bayley@cheshireeast.gov.uk
Background Papers:	https://www.gov.uk/government/collections/convert-to-an-academy-documents-for-schools Committee paper from 12 July 2021
	Academisation of Schools Report.pdf (cheshireeast.gov.uk)

Work Programme – Children and Families Committee – 2022/23

A Report title in Bold indicates that this is a significant decision

Reference	Committee Date	Report title	Purpose of Report	Report Author /Senior Officer	Consultation and Engagement Process and Timeline	Equality Impact Assessment Required and Published (Y/N)	Part of Budget and Policy Framework (Y/N)	Corporate Plan Priority	Exempt Item and Paragraph Number
CF/44/22-23	June 2023	12 Month Report on Councillor Frontline Visits to Safeguarding Teams	To receive an update on the findings from member frontline visits carried out over the last 12 months.	Director of Children's Social Care	N/A	No	Yes		N/A
CF/57/22-23	June 2023	Development of Family Hubs Update Report	To provide Children and Families Committee with an update on the development of family hubs in Cheshire East, review progress of the transformation so far, and next steps.	Director of Early Help and Prevention	No	No	Yes		No
CF/45/22-23	June 2023	Progress on the All Age Carers Strategy	To receive an update on the progress against the All Age Carers Strategy.	Director of Commissioning	N/A	No	Yes		N/A
CF/18/21-22	June 2023	Annual Progress Report on the SEND Strategy	To receive the annual progress report on the SEND Strategy.	Director of Education and 14-19 Skills	N/A	No	Yes		N/A
CF/29/22-23	June 2023	Update report on progress against the Mental Health Spotlight Review	To receive an update on progress against the Mental Health Spotlight Review.	Director of Early Help and Prevention	N/A	No	Yes		N/A
CF/75/22-23	June 2023	Independent Care Review Outcomes	To update Committee on the outcome of the Independent Care Review and implications for services.	Director of Children's Social Care	N/A	No	Yes		N/A

OFFICIAL

CF/68/22 -23	September 2023	Complex Needs Commissioning	This report seeks approval to establish a shared marketplace for the future procurement of care and support services across both health and social care for individuals with complex needs, including those individuals in transition to adulthood who have a learning disability and or mental health support needs.	Director of Commissioning	No	Yes	No	Fair	
CF/41/22 -23	September 2023	Cheshire East Place - Learning Disability and Mental Health Plans	To review the learning disability and mental health strategy.	Director of Commissioning	Yes	Yes	Yes		N/A
CF/31/22 -23	TBC	School Catering Review Outcomes	To consider the recommended outcomes from the review of school catering.	Director of Education and 14-19 Skills		Yes	Yes		N/A
CF/74/22 -23	TBC	School Organisation : Springfield School : Crewe project update	To inform committee regarding changes to costs relating to the agreed expansion of Springfield School in Crewe.	Director of Education and 14-19 Skills	No	No	Yes	Open	Yes

CHESHIRE EAST COUNCIL**Minutes of a meeting of the Local Authority School Governor Nomination Sub-Committee**

held on Wednesday, 5th October, 2022 in the Council Chamber, Macclesfield Town Hall

PRESENT

Councillor S Carter (Chair)

Councillors M Beanland and D Edwardes

OFFICERS IN ATTENDANCE

Su Garbutt, Senior Governance Officer, School Governance and Liaison
(joined remotely via Microsoft Teams)

Josie Lloyd, Democratic Services Officer

Apologies

Councillors A Harewood

1 APOLOGIES FOR ABSENCE

Apologies were received from Cllr Harewood.

2 PUBLIC SPEAKING/OPEN SESSION

There were no public speakers.

3 DECLARATIONS OF INTEREST

There were no declarations of interest.

4 MINUTES OF PREVIOUS MEETING**RESOLVED:**

That the minutes of the meeting held on 8 June 2022 be agreed as a correct record.

5 EXCLUSION OF THE PRESS AND PUBLIC**RESOLVED:**

That the press and public be excluded from the meeting during consideration of the following item in pursuant to Section 100(A)(4) of the Local Government Act 1972 as amended on the grounds that it involved the likely disclosure of exempt information as defined in Paragraph 1 of

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

6 LOCAL AUTHORITY NOMINATIONS TO SCHOOL GOVERNING BODIES

The committee received the report which detailed the current Local Authority

Governor vacancies within Cheshire East maintained schools and academies, in the context of vacancies at a national level, and recommended individuals for nomination to identified posts.

RESOLVED:

That, having regard to the statutory guidance in making nominations, the following be approved:

Nominations for Appointment:

ST ANNE'S CATHOLIC PRIMARY SCHOOL
Liz Moffatt

ST GABRIEL'S CATHOLIC PRIMARY SCHOOL
Catherine Fox

Nominations for Re-appointment:

GOOSTREY COMMUNITY PRIMARY SCHOOL
Robert Northwood

HIGH LEGH PRIMARY SCHOOL
Dana Thompson

7 DATE OF NEXT MEETING

It was noted that the meeting scheduled for 9 November 2022 was likely to be cancelled if no applications were received in time. The next meeting would be 15 February 2023.

The meeting commenced at 10:00 and concluded at 10:08

Councillor S Carter (Chair)

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Corporate Parenting Committee**
held on Tuesday, 1st November, 2022 in the Committee Suite 1,2 & 3,
Westfields, Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor K Flavell (Chair)

Councillors M Asquith, R Bailey, J Buckley, C Bulman, P Butterill, S Handley,
S Holland, D Jefferay and M Beanland

OFFICERS PRESENT

Deborah Woodcock, Executive Director of Children's Services
Kerry Birtles, Director of Children's Social Care
Georgie Fletcher, Deputy Virtual School Headteacher
Annemarie Parker, Head of Service: Cared for Children and Care Leavers
Jenny Foulkes, Children's Society
Annie Britton, Lead Participation Worker - Youth Support Service
Angela Murney, Participation Worker – Youth Support Service
Josie Lloyd, Democratic Services

ALSO PRESENT

Callum and Crystal on behalf of My Voice (Shadow Committee)

48 APOLOGIES FOR ABSENCE

Apologies were received from Councillor Abel and Councillor Saunders.
Councillor Beanland attended as a substitute.

49 DECLARATIONS OF INTEREST

There were no declarations of interest.

50 MINUTES OF PREVIOUS MEETING

It was requested that the minutes of the previous meeting be amended to include Councillor Handley's apologies and to correct a typographical error under the Care Leavers Service Annual Report.

RESOLVED:

That the minutes of the meeting held on 6 September 2022 be agreed as a correct record, subject to the above amendments.

51 UPDATE FROM SHADOW COMMITTEE (VERBAL)

Callum and Crystal, on behalf of the shadow committee My Voice, attended the meeting as part of a committee takeover for Children's Rights Month to speak on issues that were important to care experienced young people. These included:

- Having consistent support in place
- Having a safe and secure home to live in and ensuring communication throughout any moves
- Continuing to have their voices heard and have the opportunity to work with officers and elected members

The Chair advised that the Shadow Committee meet monthly and members of the Corporate Parenting Committee were welcome to attend.

52 CARE LEAVER SURVEY AND CARED FOR CHILDREN SURVEY REPORT

The committee received the report which shared recommendations and actions from cared for children and care leavers following surveys and focus groups from October 2021 to September 2022.

Communication was a key concern and was largely down to staff shortages. Improving communication was to be prioritised. The mobile application was continuing to be explored although there was a significant cost attached to app development. Cheshire East had approached neighbouring Manchester authorities to enquire about being part of an app that they had developed.

It was noted that the action plan was a working document to be updated as feedback was received.

RESOLVED:

That the report be noted.

53 CHILDREN'S RIGHTS ANNUAL REPORT

The committee received the report which provided an update on how the Children's Society has delivered the Independent Visiting Service for Cheshire East over the year, as well as an overview of the work undertaken from 1 April 2021 to 31 March 2022.

RESOLVED:

That the report be noted.

54 VIRTUAL SCHOOL FOR CARE FOR CHILDREN HEAD TEACHER'S ANNUAL REPORT 2021-22

The committee received the report which gave an overview of the operation and impact of the virtual school during 2021-22.

The report included details of the universities being attended by cared for young people and which courses they were studying. A request was made for future reports to include a similar breakdown for apprenticeships.

A further request was made for future reports to include data on the progress and performance of cared for young people at university which could provide an opportunity to celebrate their achievements.

RESOLVED:

That the report be noted.

55 CORPORATE PARENTING SCORECARD QUARTER 1

The committee received the Corporate Parenting scorecard for quarter 1 of 2022 – 2023.

A request was made for the scorecard to include percentages or RAG rating going forward. It was agreed that officers would look at bringing the Corporate Parenting scorecard in line with the format of the Children and Families scorecard which would provide this and ensure consistency.

The committee thanked the young people who had attended the meeting. A suggestion was made to ask members of the shadow committee how often they would like to attend and what time they would want the meetings to take place.

RESOLVED:

That the report be noted.

The meeting commenced at 10:00 and concluded at 12:00

Councillor K Flavell (Chair)

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CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Corporate Parenting Committee**
held on Tuesday, 10th January, 2023 in the Committee Suite 1,2 & 3,
Westfields, Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor K Flavell (Chair)
Councillor J Saunders (Vice-Chair)

Councillors M Asquith, J Buckley, C Bulman, S Holland, D Jefferay and
B Puddicombe

ALSO PRESENT

Deborah Woodcock, Executive Director of Children's Services
Kerry Birtles, Director of Children's Social Care
Annemarie Parker, Head of Service: Cared for Children and Care Leavers
Georgie Fletcher, Deputy Virtual School Headteacher
Annie Britton, Lead Participation Worker - Youth Support Service
Nicola Booth, Operations Manager – Adoption Counts
Alice Taylor, Adoption Counts
Josie Lloyd, Democratic Services Officer

56 APOLOGIES FOR ABSENCE

Apologies were received from Cllr Bailey, Cllr Barber, Cllr Butterill and Cllr
Handley. Cllr Puddicombe attended as a substitute.

57 DECLARATIONS OF INTEREST

There were no declarations of interest.

58 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 1 November 2022 be agreed as a
correct record.

59 UPDATE FROM SHADOW COMMITTEE (VERBAL)

A Christmas lunch event for Care Leavers had taken place on 22
December 2022 with positive feedback received. Attendees were in
support of it being an annual event.

The committee were reminded that they were welcome to attend a
meeting of the Shadow Committee and that this could be arranged through
the Corporate Parenting Committee Chair.

60 CORPORATE PARENTING COMMITTEE NAME CHANGE

The committee received the report which recommended a name change for the Corporate Parenting Committee to reflect the wishes of cared for children and care leavers who had asked for professionals to simplify the language that is used when working with them or making decisions about them.

It was noted that the term 'Corporate Parent' was a statutory term that would remain so would still be referred to in some contexts.

A report would go to the Children and Families Committee for endorsement before the Constitution would be updated to reflect the change.

RESOLVED:

That the name of the Corporate Parenting Committee is changed to the Cared for Children and Care Leaver Committee in response to feedback from care experienced children and young people.

61 ADOPTION COUNTS - ADOPTION SERVICE ANNUAL REPORT AND ADOPTION PANEL CHAIRS SIX-MONTHLY REPORT

The committee received the report which outlined the delivery of adoption services and outcomes for children.

There was a concern around court delays, some of which appeared to be due to delays in receiving medical reports. It was noted that Cheshire East was one of the highest performing local authorities for timeliness but that the team were aware of these delays and were focused on ensuring they were reduced.

A query was raised regarding funding for the educational psychology service and whether the funding would continue. The committee were advised that the team were not aware of any reason as to why it would not continue but that this could not be confirmed until agreed by the board.

It was noted that there had been a fall in adoption applications nationally and a query was raised as to whether this was expected to worsen due to the cost of living crisis. The committee were advised that this was difficult to predict but that Adoption Counts had still seen good engagement and would regularly review the situation.

RESOLVED:

That the Corporate Parenting Committee:

1. Note the contents of the Adoption Counts Adoption Service annual report, and the Adoption Panel Chairs six monthly report.
2. Provide support and challenge in respect of the reports.

62 INDEPENDENT REVIEWING OFFICERS ANNUAL REPORT 2021-22

The committee received the Independent Reviewing Officers Annual Report for the period 2021 – 2022.

A query was raised as to whether there were enough Independent Reviewing Officers (IROs). The committee were advised that the team were stretched sometimes at various points throughout the year but that the IROs were good at managing their time. It was raised that sometimes the IRO reports were not received at the Fostering Panel and the committee were advised that this would be looked into going forward.

RESOLVED:

That the report be noted.

63 CORPORATE PARENTING Q2 SCORECARD 2022/23

The committee received the Corporate Parenting scorecard for quarter 2 of 2022 – 2023.

RESOLVED:

That the report be noted.

The meeting commenced at 14:00 and concluded at 15:37
Councillor K Flavell (Chair)

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