

# Children and Families Committee

## Agenda

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**Date:** Wednesday, 31st January, 2024  
**Time:** 10.00 am  
**Venue:** Committee Suite 1,2 & 3, Westfields, Middlewich Road,  
Sandbach CW11 1HZ

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

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

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

1. **Apologies for Absence**

To note any apologies for absence from Members.

2. **Declarations of Interest**

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

3. **Minutes of Previous Meeting** (Pages 3 - 6)

To approve as a correct record the minutes of the previous meeting held on 11 December 2023.

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For requests for further information

**Contact:** Josie Lloyd

**Tel:** 01270 686466

**E-Mail:** [josie.loyd@cheshireeast.gov.uk](mailto:josie.loyd@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. **Third Financial Review 2023/24 (Children and Families)** (Pages 7 - 52)

To consider a report on the third review of the Cheshire East Council forecast outturn for the financial year 2023/24.

6. **Medium Term Financial Strategy Consultation 2024/25 - 2027/28 Provisional Settlement Update (Children & Families Committee)** (Pages 53 - 70)

To consider the proposals within the budget consultation relating to the Committee's responsibilities.

7. **Work Programme** (Pages 71 - 74)

To consider the work programme and determine any required amendments.

**Membership:** Councillors L Anderson (Vice-Chair), R Bailey, M Beanland, S Bennett-Wake, C Bulman (Chair), D Clark, E Gilman, G Hayes, R Kain, B Posnett, J Saunders, G Smith and L Smith

**CHESHIRE EAST COUNCIL**

Minutes of a meeting of the **Children and Families Committee**  
held on Monday, 11th December, 2023 in the Committee Suite 1, 2 and 3,  
Westfields, Middlewich Road, Sandbach, CW11 1HZ

**PRESENT**

Councillor C Bulman (Chair)  
Councillor L Anderson (Vice-Chair)

Councillors R Bailey, M Beanland, S Bennett-Wake, D Clark, E Gilman,  
G Hayes, R Kain, B Posnett, J Saunders, G Smith and J Place

**OFFICERS IN ATTENDANCE**

Deborah Woodcock, Executive Director of Children's Services  
Claire Williamson, Director of Education, Strong Start and Integration  
Katherine Oldacre, Head of Safeguarding and Quality Assurance  
Danielle Holdcroft, Head of Early Years, Family Help & Prevention  
Janet Witkowski, Head of Legal Services  
Jennie Summers, Legal Team Manager  
Nikki Wood-Hill, Lead Finance Partner  
Josie Lloyd, Democratic Services Officer

**55 APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr Laura Smith. Cllr John Place attended as a substitute.

**56 DECLARATIONS OF INTEREST**

The following declarations of interest were made in relation to item 6,  
Proposed Closure of St Gregory's Catholic Primary School, Bollington:

- Cllr Place declared that he was a governor of the school
- Cllr G Smith declared that he was a NASUWT officer

**57 MINUTES OF PREVIOUS MEETING****RESOLVED:**

That the minutes of the meeting held on 13 November 2023 be agreed as  
a correct record.

**58 PUBLIC SPEAKING/OPEN SESSION**

There were no public speakers.

**59 SPECIAL EDUCATIONAL NEEDS AND INCLUSION (SENIF) POLICY WITH CONSULTATION**

The committee received the report which requested approval to implement the revised mechanism of support provided to enable children with special educational needs to access their early education entitlements.

**RESOLVED (by majority):**

That the Children and Families Committee consider the outcome from the consultation process and approve implementation of the policy set out in appendix 1 for new applications from January 2024, and all funding via the new policy from September 2024.

**60 PROPOSED CLOSURE OF ST GREGORY'S CATHOLIC PRIMARY SCHOOL, BOLLINGTON**

The committee received the report which reported on the outcomes of the pre-publication consultation and the statutory public consultation undertaken in respect of the proposed closure of St Gregory's Catholic Primary School, Bollington.

A query was raised as to how many other maintained schools in Cheshire East were forecasting future budget deficits. Officers undertook to provide a written response. It was requested that the committee be informed early to provide the opportunity for members to consider any mitigations.

Assurances were given that School Improvement Officers were working to understand the financial situations of schools to avoid further closures.

A query was raised regarding the implications section of the report, specifically paragraph 51 which referred to implications on rural communities and stated that this was not classed as a rural school. It was queried what the impact would be on surrounding rural communities and relocating pupils. Officers advised that there was a set definition of rural schools within guidance which must be adhered to but that this would be looked into further following the meeting.

The Director of Education, Strong Start and Integration asked the committee to note a minor change to the wording of the recommendations in the report, with recommendation 1 now reading 'Approve the process to date of the implementation of the closure the closure of St Gregory's Catholic Primary School, effective from 31st December 2023, subject to the Department for Education (DfE) revoking the Academy Order'. Recommendation 2 remained the same as set out in the report.

**RESOLVED (by majority):**

That the Children and Families Committee:

1. Approve the process to date of the implementation of the closure the closure of St Gregory's Catholic Primary School, effective from 31st December 2023, subject to the Department for Education (DfE) revoking the Academy Order
2. In line with Department for Education guidance, Opening and Closing Maintained Schools, approve the publication of the decision to implement the closure of St Gregory's Catholic Primary School

**61 BASFORD EAST NEW PRIMARY SCHOOL POSTPONEMENT TO SCHEME**

The committee received the report which provided an update on the proposed new primary school which would be located on the Basford East housing development in Shavington. The report notified the committee of the delay to the opening of the primary school due to the housing developer entering into administration.

A query was raised as to whether a new developer taking over the site could submit new plans which may not include a primary school. It was also queried, in relation to paragraph 26 on financial implications, whether some funds had already been spent on pre-construction costs. A written response would be provided.

It was noted that Phase 2 of the development was continuing and it was queried what the impact of this would be on home to school transport and what was being done with the Section 106 contribution from Phase 2. A written response would be provided.

A request was made for the committee to receive earlier notice if this issue arose with any developments in future.

**RESOLVED:**

That the Children and Families Committee note the delay for the opening new school at Basford East, Shavington.

**62 CHILDREN AND FAMILIES SCORECARD QUARTER 2 2023/24**

The committee received the Children and Families scorecard for quarter 2 of 2023-24.

A query was raised regarding the figure provided for social worker vacancies at the end of the period and whether this represented a percentage or full time equivalent. Officers advised that they would refine

the way this was presented in future reports to ensure the data was more meaningful.

**RESOLVED:**

That the Children and Families Committee scrutinise the performance of children's services for quarter 2.

**63 WORK PROGRAMME**

The committee considered the work programme. It was noted that officers would review and refine the January agenda.

**RESOLVED:**

That the work programme be noted.

The meeting commenced at 10.00 and concluded at 11.30

Councillor C Bulman (Chair)

OPEN

## Children and Families Committee

Thursday, 18 January 2024

Third Financial Review 2023/24

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**Report of: Alex Thompson, Director of Finance and Customer Services (s151 Officer)]**

**Report Reference No: [To be provided by Democratic Services]**

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

### **Purpose of Report**

- 1 This report provides Members with the third review of the Cheshire East Council forecast outturn for the financial year 2023/24. Members are being asked to consider the serious financial challenges being experienced by the Council (and other councils) and to recognise the important activities aimed at minimising the impact on services.
- 2 Members of the Committee are being asked to consider the financial performance of the Services relevant to their terms of reference.

### **Executive Summary**

- 3 The Council operates a financial cycle of planning, monitoring and reporting. This review is part of the monitoring cycle and provides a forecast outturn position for the 2023/24 financial year. The information in this report also supports planning for next year's budget. 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.
- 4 The full report was received by Finance Sub Committee on 11 January 2024. Service Committees will receive the sections relevant to their committee (see Appendices).

<b>RECOMMENDATIONS</b>
The Children and Families Committee:

1. Consider the report of the Finance Sub Committee: [Finance Sub Committee, 11th January, 2024](#)
2. Consider the factors leading to a forecast adverse Net Revenue financial pressure of £10.0m against a revised budget of £80.3m (12.5%).
3. Consider the forecast and further mitigations needing to be identified, aimed at bringing spending back in line with budget, for Children and Families services.
4. Consider the in-year forecast Capital Spending of £34.5m against an approved MTFS budget of £53.8m, due to slippage that has been re-profiled into future years, in respect of Children and Families projects.
5. Approve fully funded supplementary revenue estimates over £500,000 up to £1,000,000 in accordance with Financial Procedure Rules as detailed in **Appendix 2 Children and Families Committee, Section 2 Corporate Grants Register, Table 3.**
6. Scrutinise the contents of Annex 1 and Appendix 2 and note that any financial mitigation decisions requiring approval will be made in line with relevant delegations.

### Reasons for Recommendations

- 5 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.
- 6 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.

<b>Access to Information</b>	
Contact Officer:	Alex Thompson, Director of Finance and Customer Services (s151 Officer) <a href="mailto:alex.thompson@cheshireeast.gov.uk">alex.thompson@cheshireeast.gov.uk</a> Paul Goodwin, Head of Finance & Deputy Chief Finance Officer <a href="mailto:paul.goodwin@cheshireeast.gov.uk">paul.goodwin@cheshireeast.gov.uk</a>
Appendices:	1 Third Financial Review 2023/24 2 Annex 1 – Third Financial Review 2023/24
Background	<a href="#">Medium Term Financial Strategy 2023-27</a> <a href="#">First Financial Review 2023/24</a>

Papers:	<a href="#">Second Financial Review 2023/24</a> <a href="#">Third Financial Review 2023/24</a>
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# Third Financial Review 2023/24

January 2024

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:**

[RandC@cheshireeast.gov.uk](mailto:RandC@cheshireeast.gov.uk)

# 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 £750m.

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 and interest rates. 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 a forecast outturn of £13.0m against a net revenue budget of £353.1m. The most significant impact is within the rising costs of Children's Social Care. Further activity is required to identify other mitigating measures.

When the 2023/24 budget was set, in February 2023, 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. The forecasts at first review highlight pressures due to demand, inflation, interest rates and pay negotiations. These will almost certainly affect the medium term finances of the Council. This situation must be addressed now and as part of the MTFS process for 2024 to 2028.

To support openness and transparency, and provide evidence of strong governance, the report has a main section, to provide background and context, and then nine supporting appendices with

detailed information about allocation and management of public money during 2023/24.

The **Financial Stability** section provides information on the overall financial stability and resilience of the Council. It demonstrates how spending in 2023/24 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** Highways and Transport Committee.
- **Appendix 7** Finance Sub-Committee.
- **Appendix 7a** Update to the Treasury Management Strategy.
- **Appendix 7b** Update to the Investment Strategy.

*Alex Thompson*

Director of Finance and Customer Services  
(Section 151 Officer)

# Contents

Introduction ..... 1

2023/24 Outturn Forecast - Financial Position ..... 3

Appendices to Third Financial Review 2023/24 ..... 5

    Appendix 2: Children and Families Committee ..... 6

# 2023/24 Outturn Forecast - Financial Position

2023/24	Revised Budget (NET) £m	Forecast Outturn £m	Forecast Variance £m	For further information please see the following sections
<b>SERVICE DIRECTORATES</b>				
Adults, Health and Integration	136.5	141.5	5.0	Appendix 1
Children's Services	80.3	90.3	10.0	Appendix 2
Place - Directorate/Growth & Enterprise	24.8	22.0	(2.8)	Appendix 4
Place - Environment & Neighbourhood Services	48.7	51.8	3.1	Appendix 5
Place - Highways & Infrastructure	11.2	11.0	(0.2)	Appendix 6
Corporate Services	41.7	40.7	(1.0)	Appendix 3
<b>Total Services Net Expenditure</b>	<b>343.2</b>	<b>357.3</b>	<b>14.1</b>	
<b>CENTRAL BUDGETS</b>				
Capital Financing	19.0	19.0	-	Appendix 7 Section 5
Transfer to/(from) Earmarked Reserves	(7.4)	(7.4)	-	Appendix 7 Section 6
Transfer from MTFs Earmarked Reserve	-	-	-	Appendix 7 Section 6
Corporate Contributions / Central Budgets	(1.7)	(2.8)	(1.1)	Appendix 7
<b>TOTAL NET EXPENDITURE</b>	<b>353.1</b>	<b>366.1</b>	<b>13.0</b>	
Business Rates Retention Scheme	(55.3)	(55.3)	-	Appendix 7 Section 2
Specific Grants	(26.8)	(26.8)	-	Appendix 7 Section 3
Council Tax	(271.1)	(271.1)	-	Appendix 7 Section 2
<b>Net Funding</b>	<b>(353.1)</b>	<b>(353.1)</b>	<b>-</b>	
<b>NET (SURPLUS) / DEFICIT</b>	<b>-</b>	<b>13.0</b>	<b>13.0</b>	

# Financial Stability

## Introduction

- 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 inflation, the legacy impact of the Coronavirus pandemic on people and on the economy and increasing cost of living pressure on households. These issues have the effect of increasing the demand for services and increasing costs of services.
- Complexity and market sustainability in Adults' and Children's Social Care remains the most significant financial pressure for the Council in the medium term. The affects of inflation on contracts, utilities and wage levels are affecting costs across all services.
- Table 1** provides a service summary of financial performance. The current forecast is that services will be £14.1m over budget in the current year which includes mitigating actions identified to date. The 2023/24 Approved Budget Policy Changes and Forecast Variances provide further details and changes to service net budgets since the Medium-Term Financial Strategy (Section 2 in the **Appendices 1-6**).
- It also shows that central budgets are forecast to be £1.1m below budget resulting in an overall forecast outturn of £13.0m against a net revenue budget of £353.1m.
- Further items impacting on the level of the Council's balances are detailed in **Appendix 7**.

**Table 1 - Service Revenue Outturn Forecasts**

2023/24	Revised Budget	Forecast Outturn	Forecast Variance	Forecast Variance FR1	Movement from FR2 to FR3
	(NET)				
	£m	£m	£m	£000	£000
<b>SERVICE DIRECTORATES</b>					
Adult Social Care - Operations	137.9	142.9	4.9	4.7	0.3
Commissioning	(1.4)	(1.4)	0.1	0.1	0.0
Public Health	-	-	-	-	-
<b>Adults and Health Committee</b>	<b>136.5</b>	<b>141.5</b>	<b>5.0</b>	<b>4.7</b>	<b>0.3</b>
Directorate	0.7	0.5	(0.2)	0.1	(0.3)
Children's Social Care	49.0	58.1	9.2	9.4	(0.3)
Strong Start, Family Help and Integration	7.4	6.4	(1.0)	(0.6)	(0.4)
Education & 14-19 Skills	23.2	25.2	2.0	1.8	0.2
<b>Children and Families Committee</b>	<b>80.3</b>	<b>90.3</b>	<b>10.0</b>	<b>10.8</b>	<b>(0.8)</b>
Directorate	0.3	0.1	(0.2)	(0.2)	-
Growth & Enterprise	24.5	21.9	(2.6)	(1.7)	(0.9)
<b>Economy and Growth Committee</b>	<b>24.8</b>	<b>22.0</b>	<b>(2.8)</b>	<b>(1.9)</b>	<b>(0.9)</b>
Environment & Neighbourhood Services	48.7	51.8	3.1	3.5	(0.4)
<b>Environment and Communities Committee</b>	<b>48.7</b>	<b>51.8</b>	<b>3.1</b>	<b>3.5</b>	<b>(0.4)</b>
Highways & Infrastructure	11.2	11.0	(0.2)	1.2	(1.3)
<b>Highways and Transport Committee</b>	<b>11.2</b>	<b>11.0</b>	<b>(0.2)</b>	<b>1.2</b>	<b>(1.3)</b>
Directorate	0.6	0.3	(0.26)	(0.1)	(0.2)
Finance & Customer Services	13.3	13.1	(0.19)	0.2	(0.3)
Governance & Compliance Services	10.8	10.4	(0.37)	(0.4)	0.1
Communications	0.7	0.7	0.01	0.0	0.0
HR	2.6	2.2	(0.35)	(0.2)	(0.1)
ICT	11.8	12.1	0.28	0.4	(0.1)
Policy & Change	2.0	1.9	(0.08)	(0.3)	0.2
<b>Corporate Policy Committee</b>	<b>41.7</b>	<b>40.7</b>	<b>(1.0)</b>	<b>(0.5)</b>	<b>(0.5)</b>
<b>TOTAL SERVICES NET EXPENDITURE</b>	<b>343.2</b>	<b>357.3</b>	<b>14.1</b>	<b>17.8</b>	<b>(3.6)</b>
<b>CENTRAL BUDGETS</b>					
Capital Financing	19.0	19.0	-	0.4	(0.4)
Transfer to/(from) Earmarked Reserves	(7.4)	(7.4)	-	-	-
Corporate Contributions / Central Budgets	(1.7)	(2.8)	(1.1)	0.5	(1.6)
<b>Finance Sub-Committee - Central Budgets</b>	<b>9.9</b>	<b>8.8</b>	<b>(1.1)</b>	<b>0.9</b>	<b>(2.0)</b>
<b>TOTAL NET EXPENDITURE</b>	<b>353.1</b>	<b>366.1</b>	<b>13.0</b>	<b>18.7</b>	<b>(5.7)</b>
Business Rates Retention Scheme	(55.3)	(55.3)	-	-	-
Specific Grants	(26.8)	(26.8)	-	-	-
Council Tax	(271.1)	(271.1)	-	-	-
<b>Finance Sub-Committee - Net Funding</b>	<b>(353.1)</b>	<b>(353.1)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET (SURPLUS) / DEFICIT</b>	<b>-</b>	<b>13.0</b>	<b>13.0</b>	<b>18.7</b>	<b>(5.7)</b>
<b>General Reserves Balance</b>					
2023/24 Budget					
	£m				
Opening Balance April 2023	14.1	Actual			
2023/24 Impact on Reserves (see above)	(13.0)	Forecast			
Closing Balance March 2024	1.1	Forecast			

# Appendices to Third Financial Review 2023/24

**January 2024**

# Appendix 2: Children and Families Committee

## Contents

1. Changes to Revenue Budget 2023/24 since Second Financial Review
2. 2023/24 Approved Budget Policy Changes and Forecast Variances
3. Corporate Grants Register
  - Table 1: Children and Families Committee Grants
  - Table 2: Committee Decision Additional Grant Funding (Specific Purpose) over £500,000 up to £1,000,000
  - Table 3: Delegated Decision Additional Grant Funding (Specific Purpose) £500,000 or less
  - Table 4: Delegated Decision Additional Grant Funding (General Purpose) £500,000 or less
4. Debt Management
5. Capital Strategy
6. Reserves Strategy

# Appendix 2

## Children and Families Committee

### 1. Changes to Revenue Budget 2023/24 since Second Financial Review

	Second Review Revised Net Budget	Adjustments to FR2 Budget	Third Review Revised Net Budget	Unringfenced Grants to be Actioned
	£000	£000	£000	£000
<b>Children's Services</b>				
Directorate	241	456	697	-
Children's Social Care	49,408	(457)	48,953	-
Education & 14-19 Skills	7,425	-	7,425	61
Strong Start, Family Help and Integration (Previously Prevention & Early Help)	23,201	(5)	23,196	-
<b>Children and Families Committee</b>	<b>80,275</b>	<b>(6)</b>	<b>80,271</b>	<b>61</b>

Note the unringfenced grants to be actioned column includes the expenditure part of centrally held unringfenced grants. These budget adjustments will take place once all third financial review approvals have been given.

# Children and Families Committee

## 2. 2023/24 Approved Budget Policy Changes and Forecast Variances

### Forecast Outturn Commentary:

At the end of last financial year the outturn for Children and Families was an overspend of £5.2m putting the service in a position of challenge from the outset of 2023/24. The growth within the Medium-Term Financial Strategy was not sufficient to cover all the pressures. The costs of children's social care is a concern for many local authorities and not unique to Cheshire East. The Third Financial Review for 2023/24 reflects a £10.0m in-year pressure. This is an improvement of £0.8m since Second Financial Review. The change mainly relates to the use of a number of grants and use of reserves (£1.0m), offset by small increased costs (£0.4m) in transport, placements and underfunded services for separated migrant children.

The key pressure areas for the directorate include:

- Children's social care agency placements – where the complexity of children in care has continued to increase but the number of children in care has reduced from 586 at April 2023 to 543 at November 2023 (compared to an increase from 521 at April 2022 to 545 at November 2022). Placement costs are increasing by significantly more than inflation and more than was projected for growth in-year. This has in part been affected by the disproportionate number of asylum seeking children in Cheshire East.
- The increased use and cost of agency staff in children's social care to cover vacancies, sick absence, and maternity leave.
- Higher legal costs within children's social care with longer processes and more legal challenge.
- Home to school transport costs – where a mix of increasing numbers of pupils with an education, health and care plan (EHCP), driver shortages and increasing fuel costs have seen overall costs rise.
- Schools Catering – where the costs of the service are above the current charged income level and base budget.

Work is underway in the services with the implementation of mitigating actions which can be taken to reduce this forecast position in-year, and these pressures will be considered as part of the MTFS process for 2024/25.

Mitigating actions include:

- Reduce spend following an in-depth review of Legal Costs and Educational Psychologists.

- Holding non statutory role vacancies, recruitment drive to reduce the requirement for agency workers including working with regional partners.
- Review of all high cost, low outcome placements for children in care.
- Review subsidy and funding related to school catering services.
- Working at pace to progress in-house sufficiency for children in care placements.

Further mitigations are being explored including benefit from early receipt of safety valve funding through lobbying government.

#### Dedicated School Grant (DSG)

- The key pressure on DSG relates to the high needs block where the SEND service continues to see a significant increase in the number of pupils with an EHCPs, and the associated school placement costs.

This has placed pressure on the grant used to provide funding for children with SEND in various settings and led to a £21.2m deficit in 2022/23. This adds on to the brought forward deficit of £25.7m to take the DSG Reserve to a £46.9m deficit position at the end of 2022/23.

This is in-line with the budget gap as determined by the Council's DSG Management Plan that was reported to Children and Families Committee in September 2022 and set out the planned expenditure and income on high needs over the medium term. An updated DSG Management Plan was presented to Committee in September 2023. This plan forecasts a deficit position at the end of 2023/24 of £85.9m.

The deficit is currently being managed by an accounting override until 2026 which allows it to be treated as an un-usable reserve. At this stage the position is not recoverable unless there are significant changes to funding or demand or both. The deficit position is adding to the pressures of the Council as borrowing is required to cover the £46.9m deficit that has not been funded (forecast to increase to £85.9m by the end of 2023/24). This results in annual interest costs of around £3.1m in 2023/24.

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
	<b>Children and Families Committee</b>	<b>5.623</b>		
24	School transport pressures	4.000	1.360	<p>This item includes the growth in special educational needs transport and the planned savings from the review of transport.</p> <p>There are additional pressures in-year due to a mix of increasing numbers of pupils with an education, health and care plan (EHCP), driver shortages and increasing fuel costs have seen overall costs rise.</p> <p>A major work programme is underway (including input from the consultants) to deliver the savings to mitigate those pressures and effectively meet needs. Further updates will be taken to Children and Families Committee.</p>
25	Pay inflation	3.059	0.573	The total cost of pay inflation will exceed 5% based on national pay negotiations. This may be mitigated through management of vacancies.
26	Growth in Children's Social Care	1.900	5.121	<p>The revised position for placements is under review. The service is facing a challenging position given the 2022/23 outturn results.</p> <p>Children's social care agency placements – where the complexity of children in care has continued to increase but the number of children in care has reduced from 586 at April 2023 to 543 at November 2023 (compared to an increase from 521 at April 2022 to 545 at November 2022). Placement costs are increasing by significantly more than inflation and more than was projected for growth in-year. This has in part been affected by the disproportionate number of asylum seeking children in Cheshire East.</p>
27	Recognise pressures in the Children's Social Care direct payments budget	0.743	-0.070	On track, subject to ongoing monitoring.

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
28	Statutory Education Psychology Service	0.600	-	On track following indepth review, subject to ongoing monitoring.
29	Reverse travel savings	0.430	-	Achieved.
30	Increase capacity to support statutory SEND service	0.300	-	Achieved although further pressures may emerge.
31	Household Support Fund Grant	-4.400	-	Achieved.
32	Household Support Fund into the Council's base budget (funded from grant)	4.400	-	Achieved.
33	Pension Costs Adjustment	-1.964	-	On track, subject to ongoing monitoring, dependent on in-year staffing costs.
NEW1	Delivering Better Value in SEND grant	-1.200	0.607	Achieved, change in profile.
NEW2	Delivering Better Value in SEND (funded from grant)	1.200	-0.607	Achieved, change in profile.
34	Use of Children & Families Transformation Reserve - estimated balance	-1.065	-	Achieved as a one-off mitigation.
35	Integrated Children's Service Strategy	-0.950	-	Project underway. One-off alternative mitigations are closing the gap where identified savings are for part of the year.
36	Holiday Activity Fund Grant	-0.900	-	Achieved.
37	Holiday Activity Fund into the Council's base budget (funded from grant)	0.900	-	Achieved.
38	Review of commissioned services across the Children and Families Directorate	-0.450	-	Shortfall of £0.220m so further work to do to find the whole saving. This is being off-set in-year by alternative mitigations relating to vacant posts.
39	Children's Development and Partnerships Service	-0.300	-	Achieved.

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
40	Early Help Redesign	-0.200	-	Achieved.
41	Deliver the Family Hub model	-0.150	-	Achieved.
42	Review of funding streams and income opportunities within Education and Skills	-0.230	-	Achieved.
43	Reduce Legacy Pension commitments	-0.100	-	Achieved.
44	Revenue costs for the Crewe Youth Zone (as above) aligned to Supporting Families Funding	-	-	Achieved.
45	Early Help budget to support funding towards the Crewe Youth Zone	-	-	Achieved.
	In-year Pressure Unaccompanied Asylum Seeking Children		0.895	Shortfall in Home Office grant compared to forecast cost.
	In-year Pressure Legal Care Proceedings		0.650	Higher legal costs within children's social care with longer processes and more legal challenge. Mitigation indepth review of Legal Costs.
	In-year Pressure Staffing		2.704	Increased use and cost of agency staff in children's social care to cover vacant posts.
	In-year Pressure School Catering		0.214	The costs of the service are above the current charged income level and base budget. This has been reduced by mitigation action to review charges and implement a price uplift.
	In-year Pressure		-1.450	Increased demand/costs offset by savings due to vacant posts.
	<b>TOTAL FORECAST VARIANCE</b>		<b>9.997</b>	

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
	Further Mitigating Actions			<p>Recruitment drive to reduce the requirement for agency workers including working with regional partners.</p> <p>Liaise with Government on opportunities associated with the 'Safety Valve' programme to mitigate impact on the Council's revenue budget from transport and borrowing costs. Also lobby on potential additional funding for new burdens.</p> <p>Increase senior management oversight of care costs to support holistic appraisal of financial impacts and opportunities.</p>
	<b>REVISED FORECAST VARIANCE</b>		<b>9.997</b>	

# Children and Families Committee

## 3. Corporate Grants Register

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

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

3.3 The increase in specific purpose grants mainly relates to the Teachers' Pay Grant and an increased forecast to the Recovery Premium. There have also been additional, smaller grants and increases to existing grants. Requests for the allocation of the additional specific purpose grants received are detailed in **Table 2** and **Table 3**.

3.4 **Table 1** provides a detailed listing of all Children & Families related grants, their movements between the reporting period and the treatment of the grant.

3.5 **Table 2** shows additional **specific purpose** grant allocations that have been received which are over £500,000 and up to £1m, and are for Committee approval.

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

3.7 **Table 4** shows additional **general use** grant allocations that have been received which are £500,000 or less and are for noting only.

**Table 1 – Corporate Grants Register**

Grants 2023/24	Original Budget	Revised Forecast Mid-Year	Revised Forecast FR3	Change from Mid-Year Forecast	Treatment of Grant
	2023/24 £000	2023/24 £000	2023/24 £000	2023/24 £000	Notes 2 - 5
<b>CHILDREN &amp; FAMILIES</b>					
<b>Specific Purpose (Held within Services)<sup>1</sup></b>					
Dedicated Schools Grant	165,459	152,962	152,950	(12)	
Pupil Premium Grant	4,500	4,958	4,958	0	
Pupil Premium Plus - Post 16 Funding	0	56	56	0	
Sixth Forms Grant	2,729	2,833	2,892	59	SRE
Universal Infant Free School Meals	1,732	1,926	1,928	2	SRE
Primary Physical Education Sports Grant	981	981	982	1	SRE
Teachers Pay Grant	0	0	953	953	SRE
Teachers Pension Grant	0	47	111	64	SRE
COVID-19 Recovery Premium	0	225	900	675	SRE
School Led Tutoring Grant	0	295	295	0	
Milk Subsidy	10	21	21	0	
Schools' Supplementary Grant	2,548	2,543	2,543	0	
Senior Mental Health Lead Training Grant	0	2	2	0	
Newly Qualified Teachers (Education Recovery 5% Time off Timetable)	0	48	48	0	
S14 Experts and Mentors Programme Grant	0	7	7	0	
Delivering Better Value in SEND	1,200	593	593	0	
Apprentice Incentive Scheme	0	2	2	0	
Digital Education Platform	0	3	3	0	
National Professional Qualification Grant	0	10	10	0	
Early Years Supplementary Grant	0	1,262	1,262	0	
	0	0	87	87	SRE
<b>Total Children &amp; Families - Schools - Specific Purpose</b>	<b>179,159</b>	<b>168,775</b>	<b>170,603</b>	<b>1,828</b>	

Grants 2023/24	Original Budget	Revised Forecast Mid-Year	Revised Forecast FR3	Change from Mid-Year Forecast	Treatment of Grant
	2023/24	2023/24	2023/24	2023/24	
	£000	£000	£000	£000	Notes 2 - 5
<b>CHILDREN &amp; FAMILIES</b>					
<b>Specific Purpose (Held within Services)<sup>1</sup></b>					
Asylum Seekers	788	3,906	3,647	(259)	
Supporting Families (previously Tackling Troubled Families)	0	384	384	0	
Supporting Families (Payments by Results) Upfront Grant	719	720	720	0	
Reducing Parental Conflict Grant	0	33	48	15	SRE
Adoption Support Fund	28	67	70	3	SRE
KS2 Moderation & Phonics	11	11	11	0	
NHS Cheshire CCG Grant to fund CEIAS Services	10	0	0	0	
Skills & Lifelong Learning	903	897	897	0	
Remand Grant	20	107	107	0	
Domestic Abuse Safe Accommodation Housing Grant	650	663	663	0	
Holiday Activities & Food Programme Grant	900	896	896	0	
Extension of the Role of Virtual School Heads to children with a social worker Implementation	118	118	118	0	
Homes for Ukraine, education and childcare elements	0	31	31	0	
Household Support Fund	4,400	4,400	4,400	0	
Hong Kong UK Welcome Programme (British Nationals)	0	53	53	0	
Early Years - Delivery Support Fund	0	0	82	82	SRE
Early Years - Wraparound Childcare Programme	0	0	11	11	SRE
Early Years - Professional Development programme	0	8	8	0	
Early Years - Experts and Mentors Programme	0	4	4	0	
Early Years - Childminder Programme	0	12	12	0	
Family Hubs Transformation Funding	0	248	248	0	
Leaving Care Allowance Uplift Implementation Grant (New Burdens)	0	72	72	0	
Staying Close Award	0	602	602	0	
Supported Accommodation New Burdens Grant	0	87	174	87	SRE
Enhance Programme Funding	0	0	150	150	SRE
<b>Total Children &amp; Families - Children's Services - Specific Purpose</b>	<b>8,547</b>	<b>13,320</b>	<b>13,408</b>	<b>88</b>	

Grants 2023/24	Original Budget	Revised Forecast Mid-Year	Revised Forecast FR3	Change from Mid-Year Forecast	Treatment of Grant
	2023/24 £000	2023/24 £000	2023/24 £000	2023/24 £000	Notes 2 - 5
<b>CHILDREN &amp; FAMILIES</b>					
<b>General Use (Held Corporately)</b>					
Social Care Support Grant	6,939	6,939	6,939	0	
Staying Put Implementation Grant	0	130	130	0	
Extended Rights to Free Transport (Home to School Transport)	0	256	256	0	
Extended Personal Adviser Duty Implementation	0	57	57	0	
Extension of the role of Virtual School Heads	0	0	61	61	SRE
<b>Total Children &amp; Families - General Use</b>	<b>6,939</b>	<b>7,383</b>	<b>7,443</b>	<b>61</b>	
<b>TOTAL CHILDREN &amp; FAMILIES</b>	<b>194,645</b>	<b>189,477</b>	<b>191,454</b>	<b>1,977</b>	

Notes

- 1 The Dedicated Schools Grant, Pupil Premium Grant, Sixth Form Grant and Other School Specific Grant from the Education Funding Agency (EFA) figures are based on actual anticipated allocations. Changes are for in-year increases/decreases to allocations by the DfE and conversions to academy status.
- 2 SRE - Supplementary Revenue Estimate requested by relevant service.
- 3 ODR - Officer Decision Record to approve immediate budget change to relevant service.
- 4 Reserves - transfer to reserves at year end.
- 5 Balances - amount will be included as a variance to budget.

**Table 2 – COMMITTEE DECISION**

Supplementary Revenue Estimate Requests for Allocation of Additional Grant Funding (Specific Purpose) over £500,000 up to £1,000,000

Committee	Year	Type of Grant	£000	Details
Children and Families - Schools	2023/24	Teachers Pay Additional Grant (Specific Purpose)	953	This is a new grant. This grant is from the Department for Education (DfE). In July 2023, the ESFA announced £482.5 million for schools through the teachers' pay additional grant (TPAG) in 2023 to 2024 to support schools to meet the costs of the 2023 to 2024 teachers pay award.
Children and Families - Schools	2023/24	COVID-19 Recovery Premium (Specific Purpose)	675	Increase of Financial Review 2 forecast. This grant is from the Education & Skills Funding Agency (ESFA). Recovery premium received on behalf of schools and allocated out as per funding <a href="#">schedule</a> (breakdown by school).
<b>Total Specific Purpose Allocations over £500,000 up to £1,000,000</b>			<b>1,628</b>	

### Table 3 – DECISION DELEGATED TO OFFICERS

Supplementary Revenue Estimate Requests for Allocation of Additional Grant Funding (Specific Purpose) £500,000 or less

Committee	Year	Type of Grant	£000	Details
Children and Families - Schools	2023/24	Sixth Forms Grant  (Specific Purpose)	59	Increase of Financial Review 2 forecast. This grant is from the Education & Skills Funding Agency (ESFA). Funding is based on Pupil Numbers which makes up the main funding profile, the MTFS estimate will have been based on pupils in 2022/23 being forecast for the remainder of financial year. This will now have been updated for 2023/24 pupil numbers. Sixth Form providers also receive a High Value Course Premium based on the number of pupils taking high value courses.
Children and Families - Schools	2023/24	Universal Infant Free School Meals (UIFSM)  (Specific Purpose)	2	Increase of Financial Review 2 forecast. This grant is from the Education & Skills Funding Agency (ESFA). The grant received from the Education & Skills Funding Agency (ESFA) to supports schools in delivering the legal requirement to offer free school meals, meeting the school food standards, to all their reception, year 1 and year 2 pupils. The funding allocation is based on the total number of eligible meals taken on October and January census multiplied by a set rate. This rate has increased for the 2023/24 academic year from £2.41 to £2.53.
Children and Families - Schools	2023/24	Primary Physical Education Sports Grant  (Specific Purpose)	1	Increase of Financial Review 2 forecast. This grant is from the Department for Education (DfE). PE and sports premium for primary schools is a grant allocated by the DfE to support schools in ensuring children have equal access to high-quality PE provision and opportunities to

Committee	Year	Type of Grant	£000	Details
				experience and participate in a wide range of sports and physical activities.
Children and Families - Schools	2023/24	Teachers' Pension Grant (Specific Purpose)	64	Increase of Financial Review 2 forecast. This grant is from the Education & Skills Funding Agency (ESFA). 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.
Children and Families - Schools	2023/24	Early Years Teachers Pay Additional Grant (Specific Purpose)	87	This is a new grant. This grant is from the Education and Skills Funding Agency. For the 2023/24 financial year, the ESFA has allocated £12.5m of this funding will be provided to local authorities to support early years providers delivering the government's early years entitlements with increased teacher workforce costs from 1 September 2023. This funding will be distributed via the early years teachers' pay additional grant (EY TPAG). The EY TPAG will be paid to local authorities to cover the 7-month period between 1 September 2023 and 31 March 2024.
Children and Families – Children's Services	2023/24	Reducing Parental Conflict Grant (Specific Purpose)	15	Increase of Financial Review 2 forecast. This grant is from the Department for Work and Pensions (DWP). The grant is to support local authorities to further embed support to address parental conflict in their area, to improve outcomes for children.

Committee	Year	Type of Grant	£000	Details
Children and Families – Children’s Services	2023/24	Adoption Support Fund (Specific Purpose)	3	Increase on Financial Review 2 position. This grant is from the Department for Education (DfE). The adoption support fund (ASF) provides funds to local authorities and regional adoption agencies (RAAs) to pay for essential therapeutic services for eligible adoptive and special guardianship order (SGO) families.
Children and Families – Children’s Services	2023/24	Early Years - Delivery Support Fund (Specific Purpose)	82	This is a new grant from the Department for Education (DfE). The DfE have provided a Delivery Support Fund to meet the delivery costs associated with rolling out the expanded Early Years entitlements from April 2024 onwards.
Children and Families – Children’s Services	2023/24	Early Years - Wraparound Childcare Programme (Specific Purpose)	11	This is a new grant from the Department for Education (DfE). The government are providing funding to local authorities to ensure that all parents of primary school children who need it, can access wraparound childcare in their local area from 8am-6pm. The purpose of the grant is to fund primary schools and private, voluntary and independent (PVI) providers, to introduce or expand before- and after-school childcare provision in their area where there is a gap in availability.
Children and Families – Children’s Services	2023/24	Supported Accommodation New Burdens Grant (Specific Purpose)	87	Increase on Financial Review 2 position. This is grant from the Department for Education (DfE). The Government is introducing new requirements for providers of supported accommodation for looked after children and care leavers aged 16 and 17. Providers will be required to register and be inspected by Ofsted against new national

Committee	Year	Type of Grant	£000	Details
				quality standards and associated administrative requirements. Ofsted will begin registering providers from 28 April 2023, and registration will become mandatory from 28 October 2023. The purpose of this grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred by them in respect of these changes. Local authorities can use this grant funding to offset the increased costs associated with the impact of these changes.
Children and Families – Children’s Services	2023/24	Enhance Programme Funding (Specific Purpose)	150	This is a new grant from the Department for Education (DfE). To deliver dedicated edge of care support to children and families with the aim of preventing children from entering high-cost placements and to live safely within their families. This will include a family group conferencing service / dedicated family support workers, to prevent escalation to care and also a specialist marketing officer to increase internal fostering capacity.
<b>Total Specific Purpose Allocations less than £500,000</b>			<b>559</b>	

## Table 4 – DECISION DELEGATED TO OFFICERS

Supplementary Revenue Estimate Requests for Allocation of Additional Grant Funding (General Use) £500,000 or less

Committee	Year	Type of Grant	£000	Details
Children and Families	2023/24	Extension of the role of Virtual School Heads  (General Purpose)	61	This is a new grant from the Department for Education. The purpose of this grant is to provide support to local authorities in England to help them to extend the role of the Virtual School Head to promote the educational outcomes of the cohort of children with a social worker. Virtual School Heads should take a strategic leadership role for this cohort of children and work with early years settings, schools, colleges, and social care leaders to create a culture of high aspirations that helps all children with social workers to reach their potential.
<b>Total General Use Allocations less than £500,000</b>			<b>61</b>	

# Children and Families Committee

## 4. Debt Management

	Outstanding Debt £000			Over 6 months old £000		
	Sep-23	Oct-23	Increase / (Decrease)	Sep-23	Oct-23	Increase / (Decrease)
<b>Children and Families Committee</b>						
Children's Social Care (Incl. Directorate)	4	10	6	-	4	4
Prevention and Early Help	65	8	(57)	11	(5)	(16)
Schools	9	6	(3)	-	-	-
	<b>78</b>	<b>24</b>	<b>(54)</b>	<b>11</b>	<b>(1)</b>	<b>(12)</b>

Note: Children's Social Care (Incl. Directorate) - increase of outstanding debt due to one invoice.

# Children and Families Committee

## 5. Capital Strategy

Children & Families													CAPITAL
CAPITAL PROGRAMME 2023/24 - 2026/27													
Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding
	Total Approved Budget £000	Prior Years £000	Forecast Budget 2023/24 £000	Forecast Budget 2024/25 £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Total Forecast Budget 2023-27 £000	Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
<b>Committed Schemes in progress</b>													
<b>Childrens Social Care</b>													
Foster Carers Capacity Scheme	634	404	231	0	0	0	231	0	0	0	0	231	231
Crewe Youth Zone	4,200	395	3,047	758	0	0	3,805	1,607	0	0	0	2,198	3,805
Family Hubs Transformation	131	6	89	36	0	0	125	125	0	0	0	0	125
Children's Home Sufficiency Scheme	2,100	0	50	2,050	0	0	2,100	0	0	0	0	2,100	2,100
<b>Strong Start, Family Help &amp; Integration</b>													
Beechwood Nursery Expansion	868	856	12	0	0	0	12	0	0	12	0	0	12
Early Years Sufficiency Capital Fund	1,036	913	123	0	0	0	123	123	0	0	0	0	123
<b>Education and 14-19 Skills</b>													
Adelaide Academy	854	39	59	756	0	0	815	645	0	0	0	170	815
Basic Need Grant Allocation	9,035	0	1,210	5,383	2,442	0	9,035	9,035	0	0	0	0	9,035
Brine Leas High School	700	0	250	450	0	0	700	700	0	0	0	0	700
Congleton Planning Area	4,470	639	3,811	20	0	0	3,831	1,637	2,194	0	0	0	3,831
Congleton Planning Area - Primary (1)	2,209	9	170	100	1,930	0	2,200	900	1,300	0	0	0	2,200
Congleton Planning Area - Primary (2)	628	66	562	0	0	0	562	562	0	0	0	0	562
Congleton Planning Area - Primary (3)	7,504	4	0	50	0	7,450	7,500	4,300	3,200	0	0	0	7,500
Devolved Formula Capital	1,910	0	955	315	330	310	1,910	1,910	0	0	0	0	1,910
Energy Efficiency Capital	713	48	666	0	0	0	666	666	0	0	0	0	666
Handforth Planning Area - New School	13,003	3	0	500	8,500	4,000	13,000	136	12,864	0	0	0	13,000
Holmes Chapel Secondary School	3,656	1,778	1,878	0	0	0	1,878	1,635	243	0	0	0	1,878
Little Angels Satellite Sites	29	3	26	0	0	0	26	26	0	0	0	0	26
Macclesfield Academy Resource Provision	103	3	100	0	0	0	100	100	0	0	0	0	100
Macclesfield Planning Area - Secondary	1,163	1,113	50	0	0	0	50	50	0	0	0	0	50
Macclesfield Planning Area - Secondary New	1,031	3	0	1,028	0	0	1,028	1,028	0	0	0	0	1,028
Macclesfield Planning Area - New school	4,001	1	0	0	0	4,000	4,000	0	4,000	0	0	0	4,000
Malbank High School	1,922	1,861	61	0	0	0	61	61	0	0	0	0	61
Mobberley Primary School	958	23	10	925	0	0	935	635	0	0	300	0	935

CAPITAL PROGRAMME 2023/24 - 2026/27

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding
	Total Approved Budget £000	Prior Years £000	Forecast Budget 2023/24 £000	Forecast Budget 2024/25 £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Total Forecast Budget 2023-27 £000	Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	
<b>Committed Schemes in progress</b>													
Nantwich Planning Area (Primary)	7,861	515	200	6,146	1,000	0	7,346	4,326	3,020	0	0	0	7,346
Provision of Sufficient School Places - SEND	7,182	293	3,890	3,000	0	0	6,890	1,361	0	0	0	5,528	6,890
Puss Bank SEN Expansion	29	6	23	0	0	0	23	0	0	0	0	23	23
Provision of SEN Unit - Wistaston Primary School	2,009	509	400	1,100	0	0	1,500	1,200	0	0	0	300	1,500
Sandbach High School - Basic Need	1,776	1,773	3	0	0	0	3	3	0	0	0	0	3
Sandbach Boys School - Basic Need	1,742	1,703	39	0	0	0	39	39	0	0	0	0	39
Sandbach Primary Academy	1,583	0	200	1,383	0	0	1,583	1,583	0	0	0	0	1,583
School Condition Capital Grant	9,306	779	2,527	2,000	2,000	2,000	8,527	8,473	0	54	0	0	8,527
Shavington Planning Area - Primary	8,040	131	50	600	5,000	2,259	7,909	5,549	2,360	0	0	0	7,909
Shavington Planning Area - secondary	3,506	168	1,782	1,557	0	0	3,339	3,339	0	0	0	0	3,339
Special Provision Fund Capital Grant	725	603	123	0	0	0	123	116	0	6	0	0	123
Springfield Satellite Site (Dean Row)	6,112	807	4,805	500	0	0	5,305	4,505	0	0	0	800	5,305
The Dingle Primary School Expansion	1,395	67	850	478	0	0	1,328	1,328	0	0	0	0	1,328
Wheelock Primary School	2,400	0	200	2,200	0	0	2,400	1,890	510	0	0	0	2,400
Wilmslow High School BN	14,178	4,923	5,745	3,510	0	0	9,255	7,237	1,971	0	0	48	9,255
Wilmslow Primary Planning Area	626	1	0	625	0	0	625	125	500	0	0	0	625
<b>Total Committed Schemes</b>	<b>131,329</b>	<b>20,443</b>	<b>34,195</b>	<b>35,470</b>	<b>21,202</b>	<b>20,019</b>	<b>110,886</b>	<b>66,954</b>	<b>32,162</b>	<b>73</b>	<b>300</b>	<b>11,398</b>	<b>110,886</b>
<b>New Schemes</b>													
Childcare Capital Expansion	749	0	0	749	0	0	749	749	0	0	0	0	749
<b>Education and 14-19 Skills</b>													
Adelaide Heath Academy	120	0	120	0	0	0	120	120	0	0	0	0	120
Cledford House	100	0	10	90	0	0	100	100	0	0	0	0	100
Edleston Primary School - Condition Project	30	0	30	0	0	0	30	30	0	0	0	0	30
Future Schemes - Feasibility Studies	250	0	0	250	0	0	250	250	0	0	0	0	250
Oakfield Lodge & Stables	50	0	50	0	0	0	50	50	0	0	0	0	50
Poynton Planning Area	1,500	0	20	480	1,000	0	1,500	697	803	0	0	0	1,500
Sandbach Boys School	20	0	20	0	0	0	20	20	0	0	0	0	20
SEN Free School 1	500	0	0	500	0	0	500	500	0	0	0	0	500
SEN Free School 2	500	0	0	500	0	0	500	500	0	0	0	0	500
Styal Primary School - Condition Project	28	1	27	0	0	0	27	27	0	0	0	0	27
Tytherington High School	2,502	2	0	200	2,300	0	2,500	2,500	0	0	0	0	2,500
Various SEN Sites - Small Works/Adaptations	153	3	0	150	0	0	150	150	0	0	0	0	150
<b>Total New Schemes</b>	<b>5,753</b>	<b>6</b>	<b>277</b>	<b>2,919</b>	<b>3,300</b>	<b>0</b>	<b>6,496</b>	<b>5,693</b>	<b>803</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6,496</b>
<b>Total Children and Families</b>	<b>137,082</b>	<b>20,449</b>	<b>34,472</b>	<b>38,389</b>	<b>24,502</b>	<b>20,019</b>	<b>117,382</b>	<b>72,648</b>	<b>32,965</b>	<b>73</b>	<b>300</b>	<b>11,398</b>	<b>117,382</b>

# Children and Families Committee

## 6. Reserves Strategy

### Children and Families Committee

Name of Reserve	Opening Balance 1 April 2023 £000	Forecast Movement in Reserves 2023/24 £000	Forecast Closing Balance 31 March '24 £000	Notes
<b><u>Directorate</u></b>				
Childrens Directorate - Transformation Funding	779	(779)	0	Budgeted drawdowns as per MTFS 2023-27.
Childrens Directorate - C&F ED	422	(422)	0	Budgeted drawdowns as per MTFS 2023-27.
<b><u>Childrens Social Care</u></b>				
Domestic Abuse Partnership	146	(146)	0	To sustain preventative services to vulnerable people as a result of partnership funding in previous years. Further analysis to be completed by Second Financial Review to assess drawdown requirements.
<b><u>Strong Start, Family Help and Integration</u></b>				
Troubled Fams Initiative	1,949	(178)	1,771	Crewe Youth Zone and ACT have been assigned funding from shared outcomes of the Supporting Families Programme. Anticipate remaining balance to be utilised in 2024/25.
Public Sector Transformation – contribution to Early Youth Inclusion Fund	57	(57)	0	Revenue grant carried forward, to be fully utilised in year.
Complex Dependencies	21	(21)	0	Revenue grant carried forward, to be fully utilised in year.
<b>CHILDREN AND FAMILIES TOTAL</b>	<b>3,374</b>	<b>(1,603)</b>	<b>1,771</b>	

## Dedicated Schools Grant Deficit

Dedicated Schools Grant Deficit	£m
Deficit Balance B/F	46.9
Additional In-year Pressures	38.9
<b>Deficit Balance at 31st March 2024</b>	<b>85.8</b>

- 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 on-going pressure is regularly reviewed; at the end of 2022/23 the deficit was £46.9m; the deficit is forecast to increase to £85.8m by the end of 2023/24.

OPEN

## **Finance Sub Committee**

**11 January 2024**

### **Third Financial Review 2023/24**

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**Report of: Alex Thompson, Director of Finance and Customer Services**

**Report Reference No: FSC/29/23-24**

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

#### **Purpose of Report**

- 1 This report provides Members with the third review of the Cheshire East Council forecast outturn for the financial year 2023/24. Members are being asked to consider the serious financial challenges being experienced by the Council (and other councils) and to recognise the important activities aimed at minimising the impact on services.
- 2 The report highlights the ongoing negative impact of high inflation, rising interest rates and increasing demand for services since the Council set its budget in February 2023. Annex 1 of the report highlights in detail what the Council is forecasting to achieve as part of the 2023/24 budget. Tables include updates to items identified in the MTFS plus further items identified in-year.
- 3 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 an open and enabling organisation, ensure that there is transparency in all aspects of Council decision making.
- 4 The report also requests Member approval for amendments to the Council's budget in-line with authorisation levels within the Constitution.

#### **Executive Summary**

- 5 The Council operates a financial cycle of planning, monitoring and reporting. This review is part of the monitoring cycle and provides a forecast outturn position for the 2023/24 financial year. The information

in this report also supports planning for next year's budget. 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.

- 6 The Council set its 2023/24 annual budget in February 2023. The budget was balanced, as required by statute, and included important assumptions about spending in the year. The budget is part of the Medium-Term Financial Strategy (MTFS) 2023 to 2027.
- 7 The MTFS for 2023/24 included £70m of service growth and £42m of service savings. The equivalent figures for 2022/23 were £21m of growth and £7m of savings. This highlights the challenge of delivering the 2023/24 budget even before the impact of increased demand, prevailing high inflation and rising interest rates.
- 8 Prices, and demand, for services to support children and adults that require Council services continue to rise, reflecting complexity of care needs and market conditions.
- 9 The third financial review of 2023/24 is forecasting a pressure of £13.0m by 31 March 2024, an improvement of £5.7m compared to second financial review.
- 10 Improvements since second financial review include:
  - (a) Increased use of flexible capital receipts.
  - (b) Increased income.
  - (c) Holding vacant posts.
  - (d) Reducing non-essential spend.
- 11 As the Council continues to monitor the position closely, the aim is to reduce the financial pressure to Nil in 2023/24. This will ensure that the Council's reserves will be protected for future years.
- 12 The Council's General Fund Reserve balance is currently at £14.1m. A forecast outturn of £13.0m deficit would nearly eradicate the Council's remaining General Fund Reserve balance, severely reducing the ability of the Council to produce a balanced MTFS for the next financial year(s). There is also limited scope in the Council's other earmarked reserves to help mitigate the current forecast pressure as they have been set aside for specific purposes such as: funding the capital programme, future changes in funding Local Authorities by central government, and Insurance claims.
- 13 The Reserves balances are still lower than the Council would like, so the Council will be looking at opportunities to increase the General Fund Reserve, or to not draw down on an earmarked reserve where that is

possible, to ensure the Council has a robust level of reserves moving forward and is financially resilient.

- 14 In October 2023, the Cheshire East Budget Response Team (CEBERT) was set up to lead on coordinating this work across the organisation. Weekly meetings are chaired by the Chief Executive with updates relating to the workstreams identified in the review. These workstreams include Establishment Management, Spending Control Panel, Pricing Strategies and Capital Spending. The impact of this work, as well as focused activity on services within each committee is reflected in Annex 1. The Chief Executive has arranged for frequent Member updates on progress.
- 15 The financial pressures being experienced by Cheshire East Council are not unique. A recent [Local Government Association \(LGA\) Survey](#) reported that almost one in five council leaders and chief executives in England surveyed think it is very or fairly likely that their chief finance officer will need to issue a Section 114 notice this year or next due to a lack of funding to keep key services running. The LGA estimates that councils in England face a £4 billion funding gap over the next two years just to keep services standing still.
- 16 The LGA survey of council leaders and chief executives also reported:
  - (a) Half are not confident they will have enough funding to fulfil their legal duties next year (2024/25). This includes the delivery of statutory services.
  - (b) Nearly two thirds of council leaders and chief executives said there were no announcements in the Autumn Statement that they thought would help them deal with their council's financial position.
- 17 The LGA said the circumstances that have led to a Section 114 notice so far have been unique to each local area and the pressures they face. However, all those that have had to curb spending in this way have faced the same underlying pressures - councils' core spending power falling by 27 per cent in real terms from 2010/11 to 2023/24, the impact of the pandemic, rising demand for services, in particular statutory services like social care and homelessness support, and the extra costs to provide them.
- 18 The UK Parliament's Levelling Up, Housing and Communities Committee opened up a new inquiry [Financial distress in local authorities](#) in early November 2023 to "examine the current landscape of financial resilience in local authorities in England, what lessons can be learned from the recent issuers of section 114 notices, and how the various responsible bodies are fulfilling their responsibilities to ensure effective and sustainable local government". The Committee has

considered oral and written evidence on the subject over various hearings in November/December 2023. It is usual for a report to be published following such an inquiry.

- 19 Local authorities that have committed, or are likely to commit to, financial activities beyond their legal means must issue a s.114 notice. This has already happened for various reasons at eight local authorities to date (Birmingham, Northamptonshire, Nottingham, Northumberland, Croydon, Woking, Thurrock, and Slough). The pressures quoted in these councils are between £35m and £1.5bn.
- 20 Please see Financial Implications section for risks and consequences relating to a s.114 notice.
- 21 Press articles continue to report that more councils are concerned about further s.114 notices being issued. Further Councils identified since [Second Financial Review](#) include Dudley, Hampshire and Windsor and Maidenhead. The pressures quoted in these councils reported range from £8.5m to £47m.
- 22 Local authorities, including Cheshire East Council, therefore continue to liaise with Government departments over the severity of so many emerging financial issues. The Council achieves this liaison either directly or through professional or political networks. The focus of this lobbying for Cheshire East Council is on the following important local issues:
  - (a) High needs / special educational needs deficit.
  - (b) Capital Funding and HS2.
  - (c) Children's Services.
  - (d) Local Government Settlement.
- 23 **Annex 1: Third Financial Review 2023/24**
- 24 **Financial Stability:** Provides information on the overall financial stability and resilience of the Council. It demonstrates how spending in 2023/24 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.
- 25 **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** Highways and Transport Committee.

**Appendix 7** Finance Sub-Committee.

**Appendix 7a** Update to the Treasury Management Strategy.

**Appendix 7b** Update to the Investment Strategy.

## RECOMMENDATIONS

The Finance Sub Committee:

1. Consider the factors leading to a forecast adverse Net Revenue financial pressure of £13.0m against a revised budget of £353.1m (3.7%).
2. Consider the forecast and further mitigations needing to be identified, aimed at bringing spending back in-line with budget.
3. Consider the in-year forecast Capital Spending of £171.1m against an approved MTFS budget of £214.7m, due to slippage that has been re-profiled into future years.
4. Scrutinise the contents of Annex 1 and each of the appendices and note that any financial mitigation decisions requiring approval will be made in-line with relevant delegations.
5. Approve fully funded supplementary revenue estimates over £500,000 up to £1,000,000 in accordance with Financial Procedure Rules as detailed in **Appendix 2 Children and Families Committee, Section 2 Corporate Grants Register, Table 3.**
6. Approve fully funded supplementary revenue estimates over £500,000 up to £1,000,000 in accordance with Financial Procedure Rules as detailed in **Appendix 5 Environment and Communities Committee, Section 2 Corporate Grants Register, Table 2.**
7. As recommended by the Economy and Growth Committee on the 12<sup>th</sup> September 2023, approve a virement of £6.8m from the North Cheshire Garden Village project to create a separate project for the S106 Development obligations that is required by the Local Planning Authority to fund the initial infrastructure works on the site. As detailed in **Appendix 7 Finance Sub Committee, Section 5 Capital Strategy, Table 5.**

## Background

- 26 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 £750m, with a revised net revenue budget for 2023/24 of £353.1m.
- 27 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.
- 28 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 2023/24 Budget within each Committee, and the sub-committee, is outlined in Table 1 below.

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

2023/24	Revised Budget	Forecast Outturn	Forecast Variance FR3	Forecast Variance FR2	Movement from FR2 to FR3
	(NET)				
	£m	£m	£m	£m	£m
<b>Service Committee</b>					
Adults and Health	136.5	141.5	5.0	4.7	0.3
Children and Families	80.3	90.3	10.0	10.8	(0.8)
Corporate Policy	41.7	40.7	(1.0)	(0.5)	(0.5)
Economy and Growth	24.8	22.0	(2.8)	(1.9)	(0.9)
Environment and Communities	48.7	51.8	3.1	3.5	(0.4)
Highways and Transport	11.2	11.0	(0.2)	1.2	(1.4)
<b>Sub-Committee</b>					
Finance Sub	(343.2)	(344.3)	(1.1)	0.9	(2.0)
<b>TOTAL</b>	<b>-</b>	<b>13.0</b>	<b>13.0</b>	<b>18.7</b>	<b>(5.7)</b>

## National Key issues causing the pressures

- 29 The national economic position of the UK has seen prevailing high inflation. The Office for Budget Responsibility (OBR) forecast, in March 2023, that inflation should reduce to 2.9% by quarter 4 of 2023.

However, that forecast has been updated (in November 2023) to 4.8%. The Council is affected by inflation in wages (for Council staff and staff of contracted services), utilities and fuel. But the Council cannot inflate in-year income from Council Tax, Business Rates or Government Grants. The forecast impact of additional pay inflation above the estimates in February is £2.8m.

- 30 The national economic position of the UK is seeing increasing interest rates. In January 2023, when the current MTFS was drafted, interest rates were at 3.5%. Current interest rates are 5.25%. The Council has loans of £303m, mainly acquired to support important Highway and Regeneration schemes, and is therefore exposed to financial pressure from increasing borrowing costs. The Council is receiving more money from investments, but this does not offer adequate compensation. Interest rates are forecast to reduce once inflation is controlled which means a shift to long-term borrowing at this point is not a favourable option.
- 31 In November 2023, the Chancellor presented the Autumn Statement. There were no direct announcements on funding for Local Government that changed the announcements already made. The Chancellor will use the new powers to de-couple the business rates multipliers, to freeze the small business rating multiplier, and to index the standard multiplier. This will complicate the settlement, but it will not significantly affect the funding that is received by local authorities.
- 32 Details of the funding allocations for each local authority will be confirmed at the provisional settlement due w/c 18th December 2023 but will mainly focus on allocations for 2024/25. Council tax referendum limits were confirmed as part of the Policy Statement 2024/25 made on 5th December. Limits for “core” Band D council tax have been set once again at 2.99% for base increases, plus 2% ringfenced for Adult Social Care. The Policy Statement also confirmed the continuation of the New Homes Bonus grant for another year, again, attracting no legacy payments.
- 33 Demand for public services, particularly those that are required to support the health and wellbeing of local residents, has increased since the pandemic. Temporary grants associated with the pandemic have ended though. The Council is experiencing demand for care for more individuals, which is driving up costs, as well as experiencing more complex demand that requires more hours of support in each case.

### **Consultation and Engagement**

- 34 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.

### **Reasons for Recommendations**

- 35 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.
- 36 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.
- 37 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.
- 38 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.

### **Other Options Considered**

- 39 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.
- 40 Do nothing. Impact – Members are not updated on the financial position of the Council. Risks – Not abiding by the Constitution to provide regular reports.

## Implications and Comments

### *Monitoring Officer/Legal*

- 41 The legal implications surrounding the process of setting the 2023 to 2027 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 2023/24. Implications arising from individual proposals regarding service growth and savings have and will continue to be the subject of ongoing advice and support.
- 42 Implications arising directly from this report relating to the internal processes of approving supplementary estimates and virements referred to are governed by the Constitution and in particular the Finance Procedure Rules.
- 43 In relation to the proposed review to ensure that all available resources are directed towards the delivery of statutory functions, savings and efficiency plans, it should be noted that local authorities are creatures of statute. They are created by statute and are regulated through the legislative regime and whilst they have in more recent times been given a general power of competence, this must operate within that regime. Within the statutory framework there are specific obligations placed upon a local authority to support communities. These duties encompass general and specific duties and there is often significant local discretion in respect of how those services or duties are discharged. These will need to be assessed and advised on as each circumstance is considered.

### *Section 151 Officer/Finance*

- 44 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 helps to ensure that resources are used effectively, and that business planning and financial decision making are made in the right context.
- 45 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.
- 46 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.

- 47 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.
- 48 Forecasts contained within this review provide important information in the process of developing the Medium-Term Financial Strategy. Analysis of variances during the year will identify whether such performance is likely to continue, and this enables more robust estimates to be established.
- 49 The risk associated with the scale of these challenges is that the Council could act illegally, triggering the requirement for a s.114 report from the Chief Financial Officer. Illegal behaviour in this context could materialise from two distinct sources:
- i) Spending decisions could be made that exceed the available resources of the Council. This would unbalance the budget, which is unlawful.
  - ii) Spending decisions to restrict or hide pressures could be made that avoid an immediate deficit, but in fact are based on unlawful activity.
- 50 The consequences of the Council undermining a budget with illegal activity, or planned illegal activity, is the requirement to issue a s.114 report. Under these circumstances statutory services will continue and existing contracts and commitments must be honoured. But any spending that is not essential or which can be postponed must not take place.
- 51 Further consequences would be highly likely and could include the appointment of Commissioners from the DLUHC, and potential restrictions on the decision-making powers of local leaders.

### *Policy*

- 52 This report is a backward look at Council activities and predicts the year-end position. It supports the Corporate Plan aim Open and priority to be an open and enabling organisation.
- 53 The forecast outturn position, ongoing considerations for future years, and the impact on general reserves will be fed into the assumptions underpinning the 2024 to 2028 Medium-Term Financial Strategy.
- 54 The approval of supplementary estimates and virements are governed by the Finance Procedure Rules section of the Constitution.

*Equality, Diversity and Inclusion*

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

*Human Resources*

- 56 This report is a backward look at Council activities at outturn and states the 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.

*Risk Management*

- 57 Financial risks are assessed and reported on a regular basis, and remedial action taken if required. Risks associated with the achievement of the 2022/23 budget and the level of general reserves were factored into the 2023/24 financial scenario, budget, and reserves strategy.

*Rural Communities*

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

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

- 59 The report provides details of service provision across the borough and notes the pressure on Children in Care.

*Public Health*

- 60 This report is a backward look at Council activities at the third review and provides the forecast year end position. Any public health 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.

*Climate Change*

- 61 There are no direct implications for climate change.

<b>Access to Information</b>	
Contact Officer:	<p>Alex Thompson</p> <p>Director of Finance and Customer Services (Section 151 Officer)</p> <p><a href="mailto:alex.thompson@cheshireeast.gov.uk">alex.thompson@cheshireeast.gov.uk</a></p> <p>01270 685876</p>
Appendices:	<p><b>Annex 1 including:</b></p> <p><b>Section 1</b> provides information on the overall financial stability and resilience of the Council. Further details are contained in the appendices.</p> <p><b>Appendix 1</b> Adults and Health Committee.</p> <p><b>Appendix 2</b> Children and Families Committee.</p> <p><b>Appendix 3</b> Corporate Policy Committee.</p> <p><b>Appendix 4</b> Economy and Growth Committee.</p> <p><b>Appendix 5</b> Environment and Communities Committee.</p> <p><b>Appendix 6</b> Highways and Transport Committee.</p> <p><b>Appendix 7</b> Finance Sub-Committee.</p> <p><b>Appendix 7a</b> Update to the Treasury Management Strategy.</p> <p><b>Appendix 7b</b> Update to the Investment Strategy.</p>
Background Papers:	<p>The following are links to key background documents:</p> <p><a href="#">Medium Term Financial Strategy 2023-2027</a></p> <p><a href="#">First Financial Review</a></p> <p><a href="#">Second Financial Review</a></p>

OPEN

## **Children and Families Committee**

**Wednesday, 31 January 2024**

### **Medium Term Financial Strategy Consultation 2024/25 - 2027/28 Provisional Settlement Update (Children & Families Committee)**

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**Report of: Alex Thompson, Director of Finance and Customer Services (s151 Officer)**

**Report Reference No: CF/10/23-24**

**Ward(s) Affected: (All Wards);**

#### **Purpose of Report**

- 1 The Children and Families Committee is being asked to provide feedback, as consultees, on the development of the Cheshire East Medium-Term Financial Strategy 2024/25 to 2027/28. Feedback is requested in relation to the responsibilities of the Committee.
- 2 The Medium-Term Financial Strategy (MTFS) sets out how the Council will resource the achievement of the Corporate Plan and the budget change proposals within that report are subject to consultation and approval on an annual basis.
- 3 Developing the MTFS requires a wide range of stakeholder engagement. Members are key stakeholders in their capacity as community leaders and also have specific responsibilities as decision makers in setting the Council's budget.
- 4 All feedback will be collated and provided as evidence to the Corporate Policy Committee on 13 February 2024.
- 5 Final approval of the 2024/25 budget will take place at full Council on 27 February 2024 following recommendation from the Corporate Policy Committee.

## Executive Summary

- 6 Financial strategies underpin how Cheshire East Council will allocate resources, achieve the Corporate Plan and provide in the region of 500 local services every day. The strategies must be affordable, based on robust estimates and balanced against adequate reserves.
- 7 Committees are responsible for overseeing the achievement of the Council's priorities contained within the Corporate Plan. Resources for the 2023/24 financial year, including Revenue, Capital and Reserves were allocated by the Finance Sub-Committee in March 2023, following the budget Council. All resources are allocated to a specific Service Committee or the Finance Sub-Committee.
- 8 The reports received by Committees in November 2023 set out the indicative budget envelopes for Committee budgets for 2024/25. The reports recommended that officers work with Members to develop further proposals to enable budgets to be set within each envelope for 2024/25.
- 9 The indicative budget envelopes for 2024/25 for all Committees were set as follows:

	2023/24 Original Approved budget	2024/25 Revised indicative budget envelope* *	2024/25 Roll forward proposals	2024/25 Target growth/ savings	2023/24 Pay inflation shortfall	2024/25 Overall Committee target
	£m	£m	£m	£m	£m	£m
Adults and Health	136.3	137.7	+6.1	-5.5	+0.8	+1.4
Children and Families	79.1	89.0	+2.9	+6.4	+0.6	+9.9
Corporate Policy	41.0	41.2	+1.0	-1.2	+0.4	+0.2
Economy and Growth	25.0	27.0	+2.4	-0.7	+0.2	+2.0
Environment and Communities	48.3	47.2	-0.3	-1.6	+0.7	(1.1)
Highways and Transport	11.0	12.3	+1.5	-0.4	+0.1	+1.3
Finance Sub (Central)	12.4	18.4	+6.1	-	-	+6.0
<b>TOTAL</b>	<b>353.1</b>	<b>372.7</b>	<b>+19.6</b>	<b>-2.8</b>	<b>+2.8</b>	<b>+19.6</b>

Note 1 - Full list of budget proposals for 2024/25 is included at Appendix A

Note 2 – there may be roundings present in the table totals and when compared to Appendix A due to the presentation to one and three decimal places respectively.

\*\* virements between Committees during 2023/24 will revise the figures for the 2024/25 permanent budgets and will be set out within the MTFs budget report.

- 10 Work by members and officers has been undertaken since these meetings to put forward key change proposals for 2024/25 that help to align budgets to these targets, exceeding targets wherever possible.
- 11 The key budget change proposals are contained within the Budget Consultation survey which was launched on 9 January 2024. The consultation is due to run until 28 January 2024. Feedback received up to the close of 22 January will be shared with all members as soon as is available.
- 12 The budget items identified in the consultation were insufficient to ensure long term financial viability for the council. It is therefore necessary to raise additional income or reduce expenditure further and additional general themes/options were put forward in the consultation for consideration of how to achieve this. The consultation proposals are summarised in the table below:

Proposal details included at Appendix A	Overall Committee target £m	Budget change proposals (growth) £m	Budget change proposals (savings) £m	Shortfall (-) / exceeding (+) target £m
Adults and Health	+1.4	+10.8	(9.7)	+0.3
Children and Families	+9.9	+15.6	(5.7)	-
Corporate Policy	+0.2	+2.5	(5.2)	+2.9*
Economy and Growth	+2.0	+4.9	(1.6)	(1.3)
Environment and Communities	(1.1)	+8.2	(8.2)	(1.1)
Highways and Transport	+1.3	+5.8	(1.0)	(3.5)
Finance Sub (Central)	+6.0	+14.6	-	(8.6)
Finance Sub (Funding)	-	-	(18.2)	(1.4)
<b>TOTAL</b>	<b>+19.6</b>	<b>+62.4</b>	<b>(49.6)</b>	<b>(12.7)</b>

\*includes cross cutting savings proposal of £3.2m relating to agency and overtime costs which will be apportioned across service committees

- 13 Committees should aim to put forward additional change proposals to either meet or exceed their committee target to ensure that an overall balanced position for the Council can be recommended by Corporate Policy to full Council on 27 February 2024.
- 14 The Provisional Local Government finance settlement was received on 18 December 2024. There was no material impact on the target funding envelope for the Children and Families Committee.

RECOMMENDATIONS

The Children and Families Committee are being asked to:

- (a) Recommend to the Corporate Policy Committee, for their meeting on 13 February 2024, all proposals within the budget consultation, as related to the Committee's responsibilities, for inclusion in the Council's budget for 2024/25.
- (b) Identify further budget change proposals, as related to the Committee's responsibilities, that could assist Corporate Policy Committee in presenting an overall balanced budget to Council for 2024/25.

**Background**

- 15 The Council's financial resources are provided from a combination of local taxes, government grants, investment returns on assets and other direct contributions from individuals or organisations. Financial plans are based on estimated spending and income over the next four years and the report of the Chief Finance Officer brings Members' attention to the processes and risks associated with developing these estimates.
- 16 The Council aims to achieve value for money based on Economy (how much we pay for things), Efficiency (how well we use things) and Effectiveness (how we use things to achieve outcomes). Public feedback and internal and external scrutiny create the necessary framework to hold the Council to account for achieving these aims.
- 17 All councils are legally required to set a balanced budget each year and the immediate focus will be on balancing the 2024/25 financial year rather than on the whole medium term as has been the case previously. This reflects the extremely challenging circumstances all councils are facing currently.
- 18 The budget consultation is based on the Provisional Local Government Finance Settlement for 2024/25. This was released on 18 December 2023. The final settlement is expected in early February 2024 with a debate by Members of Parliament in the House of Commons expected in mid-February (after the publication date of this report to Committee) to agree the final position.

- 19 The provisional settlement set out the Core Spending Power for the authority, based on the assumption that council tax will be increased in line with the maximum allowable before a referendum would have to be held (4.99%). Some of the grants included in the Core Spending Power calculation are ringfenced for use within the relevant service. There was no material impact on the target funding envelope for the Children and Families Committee.
- 20 Any changes made as a result of the engagement process and further debate will be reported to Members at the Council meeting on 27 February 2024.

### **Consultation and Engagement**

- 21 This report forms part of the consultation process for Members on the budget setting for 2024/25. Each committee will receive a report covering their own area of responsibilities.
- 22 All feedback from each Committee will be presented to the Corporate Policy Committee. That Committee will then make recommendations on spending and income estimates for 2024/25 to the full Council meeting on 27 February 2024.
- 23 This report and other committee meeting debates will form part of a series of engagement events with wider stakeholders to gather opinion and collate feedback on the final budget for 2024/25.

### **Reasons for Recommendations**

- 24 In accordance with the Constitution, Committees play an important role in planning, monitoring and reporting on the Council's finances. Each Committee has specific financial responsibilities.
- 25 The Council's annual budget must be balanced. The proposals within it must be robust and the strategy should be supported by adequate reserves. The assessment of these criteria is supported by each Committee having the opportunity to help develop the financial proposals before they are approved by full Council.

### **Other Options Considered**

- 26 The Council has a legal duty to set a balanced annual budget taking regard of the report from the Chief Finance Officer. As such options cannot be considered that would breach this duty. Any feedback from the Committee must still recognise the requirement for Council to fulfil this duty.

- 27 There is no option to “do nothing”. The Council has statutory obligations to provide certain services, which would be unaffordable if the Council failed to levy an appropriate Council Tax.

## **Implications and Comments**

### *Monitoring Officer/Legal*

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

### *Section 151 Officer/Finance*

- 29 The Council’s financial resources are agreed by Council on an annual basis and aligned to the achievement of stated outcomes for local residents and communities. Monitoring and managing performance helps to ensure that resources are used effectively, and that business planning and financial decision making are made in the right context.
- 30 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.
- 31 The requirement to use reserves to fund annual spending is not sustainable. The unplanned use of financial reserves will therefore require the Council to deliver a greater level of future savings to replenish reserve balances and reduce the level of risks associated with the development of the Reserves Strategy in future.
- 32 The risk associated with the scale of the current financial challenges, in line with many councils in England, is that the Council could act illegally, triggering the requirement for a Section 114 report from the Chief Financial Officer. Illegal behaviour in this context could materialise from two distinct sources:
- (a) Spending decisions could be made that exceed the available resources of the Council. This would unbalance the budget, which is unlawful.
  - (b) Spending decisions to restrict or hide pressures could be made that avoid an immediate deficit, but in fact are based on unlawful activity.

- 33 The consequences of the Council undermining a budget with illegal activity, or planned illegal activity, is the requirement to issue a s.114 report. Under these circumstances statutory services will continue and existing contracts and commitments must be honoured. But any spending that is not essential or which can be postponed must not take place.
- 34 Further consequences would be highly likely and could include the appointment of Commissioners from the DLUHC, and potential restrictions on the decision-making powers of local leaders.

*Policy*

- 35 The existing Corporate Plan and the refreshed plan due to be approved later in 2024 will drive and inform Council policy and priorities for service delivery. The priorities and actions may have direct policy implications and will be considered on a case-by-case basis.

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

- 36 Under the Equality Act 2010, decision makers must show “due regard” to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation;
  - (b) Advance equality of opportunity between those who share a protected characteristic and those who do not share it; and
  - (c) Foster good relations between those groups.
- 37 The protected characteristics are age, disability, sex, race, religion and belief, sexual orientation, gender re-assignment, pregnancy and maternity, and marriage and civil partnership.
- 38 Having “due regard” is a legal term which requires the Council to consider what is proportionate and relevant in terms of the decisions they take.
- 39 The Council needs to ensure that in taking decisions on the Medium-Term Financial Strategy and the Budget that the impacts on those with protected characteristics are considered. The Council undertakes equality impact assessments where necessary and continues to do so as proposals and projects develop across the lifetime of the Corporate

Plan. The process assists us to consider what actions could mitigate any adverse impacts identified. Completed equality impact assessments form part of any detailed Business Cases.

- 40 The proposals within the MTFs include positive and negative impacts. A separate Equality Impact Assessment for the budget as a whole is routinely included in the full MTFs report each year.
- 41 The Corporate Plan's vision reinforces the Council's commitment to meeting its equalities duties, promoting fairness and working openly for everyone. Cheshire East is a diverse place and we want to make sure that people are able to live, work and enjoy Cheshire East regardless of their background, needs or characteristics.

#### *Human Resources*

- 42 Consultation on the budget change proposals will include staff. Any changes involving staff will be managed in consultation with staff and Trade Unions.

#### *Risk Management*

- 43 Cheshire East recognises that in pursuit of its objectives and outcomes, it may choose to accept an increased degree of risk. Where the Council chooses to accept an increased level of risk it will do so, subject always to ensuring that the potential benefits and threats are fully understood before developments are authorised, that it has sufficient risk capacity and that sensible measures to mitigate risk are established.
- 44 The Council also establishes a level of reserves that are adequate to protect the Council against financial risks, such as emergencies, which are not specifically budgeted for in individual years.
- 45 The Council will continue to be flexible about investing revenue funding in maintaining sustainable services and reflecting changes to the risks facing the Council. The full Budget Report will include a revised Reserves Strategy for 2024/25 to provide further detail on estimated balances and the application of reserves in the medium term.

#### *Rural Communities*

- 46 There are no direct implications for rural communities.

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

- 47 Budget change proposals and further mitigations that need to be identified which will affect the Children's area of the budget have been set out in the report to the Children and Families Committee.

*Public Health*

48 There are no direct implications for Public Health due to the nature of this budget being ringfenced.

*Climate Change*

49 The current Corporate Plan has a very strong environmental thread throughout with a specific aim for the Council to be ‘Greener’.

50 Budget change proposals which would affect the Council’s commitment of being carbon neutral by 2025 will be included in the relevant Committee report to which they relate.

<b>Access to Information</b>	
Contact Officer:	Alex Thompson, Paul Goodwin, Honor Field  alex.thompson@cheshireeast.gov.uk, paul.goodwin@cheshireeast.gov.uk, honor.field@cheshireeast.gov.uk
Appendices:	Appendix A – Extract from Budget Consultation and Detailed list of proposals
Background Papers:	<a href="#">Outturn Report 2022/23</a>  <a href="#">Medium Term Financial Strategy 2023-27</a>  <a href="#">First Financial Review 2023/24</a>  <a href="#">Second Financial Review 2023/24</a>  <a href="#">Third Financial Review 2023/24</a>

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**Extract from Budget Consultation:**

## Children and Families Committee proposals

Details about the purpose and responsibilities of the **Children and Families Committee** can be found [here](#).

The Children and Families Committee budget for 2023/24 is £79.1 million. Expenditure is forecast to increase by £15.6 million next year. Nearly 70% of this growth reflects the ongoing budget pressures associated with support to prevent children coming into care and where they need care, finding suitable placements and reflects the significant increase in costs associated with this activity. The remainder of the growth reflects the increase in special education needs and disabilities (SEND) demand and increasing costs of fuel and contracts, a reduction in available reserves as well as other inflation factors such as pay.

When reviewing the council’s funding from 1 April 2024 councillors agreed that the affordable budget for Children and Families could increase by £9.9 million. This means savings of £5.7 million would have to be identified. Pensions costs have reduced by £0.5 million, which still means savings of £5.2 million are required to mitigate the increasing expenditure. Managing large scale change presents financial risks, but the council has very low reserves to protect against risk. The council should therefore aim to over-achieve savings targets where possible.

A total of 7 savings proposals have been put forward from services overseen by the Children and Families Committee, totalling £5.2 million of savings for 2024/25, and brief detail of each of these proposals are given below.

More details of how these savings will be delivered will be presented in High level business cases that will be considered by committees in January and February 2024.

### **Proposal CF1: Discretionary offer to children with disabilities**

Review of discretionary and statutory offer to children with disabilities to reduce expenditure without compromising outcomes and align with short breaks and personal budgets and ensure there is a streamlined pathway to support families.

Potential savings for 2024/25 = £0.9 million

Generally speaking, do you support or oppose this proposal? *Tick one box only*

Your support or opposition for a proposal does not constitute a 'vote' for or against - this consultation informs a decision making process - as such it is important that you provide additional information about why you support, oppose or are not sure.

- Support
- Oppose
- Not sure

Do you have any comments about this proposal? *Write in below*

**Proposal CF2: Remove school catering subsidy**

Over recent years, the school catering service has not generated sufficient income to cover its costs and so the council has been subsidising the service. It is proposing to consider future delivery models for this service, including implementing the findings from an independent review. It is also proposing to introduce an annual increase to schools in relation to the cost of delivering their school meals to generate more income and remove the council's subsidy to the school catering budget. This will not affect free school meals.

Potential savings for 2024/25 = £0.5 million

Generally speaking, do you support or oppose this proposal? *Tick one box only*  
Your support or opposition for a proposal does not constitute a 'vote' for or against - this consultation informs a decision making process - as such it is important that you provide additional information about why you support, oppose or are not sure.

- Support
- Oppose
- Not sure

Do you have any comments about this proposal? *Write in below*

**Proposal CF3: Review of structure to further integrate children and families services**

This savings proposal is to reduce the establishment and realign service areas to maximise the offer to children and families by reducing duplication and delivering efficiencies in a leaner, integrated structure across the Children and Families Directorate. This will include a review of leadership structures and realising all opportunities including the Mutually Agreed Resignation Scheme (MARS) and existing vacancies.

Potential savings for 2024/25 = £1.0 million

Generally speaking, do you support or oppose this proposal? *Tick one box only*  
Your support or opposition for a proposal does not constitute a 'vote' for or against - this consultation informs a decision making process - as such it is important that you provide additional information about why you support, oppose or are not sure.

- Support
- Oppose
- Not sure

Do you have any comments about this proposal? *Write in below*

**Proposal CF4: Reduce discretionary Post-16 Travel Support**

Appendix A – Children and Families Budget Consultation proposals

Cheshire East provides free or subsidised post-16 travel support to young people with special educational needs and disabilities (SEND). With the increased pressure on the school transport budget, this discretionary transport is being reviewed to consider alternative arrangements. Full consultation on this proposal closed on 20 December 2023, with consultation results to be taken to Children and Families Committee for consideration in the New Year 2024.

Potential savings for 2024/25 = £0.4 million

Generally speaking, do you support or oppose this proposal? *Tick one box only*  
Your support or opposition for a proposal does not constitute a 'vote' for or against - this consultation informs a decision making process - as such it is important that you provide additional information about why you support, oppose or are not sure.

- Support
- Oppose
- Not sure

Do you have any comments about this proposal? *Write in below*

**Proposal CF5: Achieve the Family Hub model**

This savings proposal is to identify budget reductions within the wider Children’s Centre estate and is aligned to delivering the national Family Hub model to target our resources and maximise service impact where need is greatest. This will include a review of buildings and estates and partnership opportunities for income generation.

Potential savings for 2024/25 = £0.25 million

Generally speaking, do you support or oppose this proposal? *Tick one box only*  
Your support or opposition for a proposal does not constitute a 'vote' for or against - this consultation informs a decision making process - as such it is important that you provide additional information about why you support, oppose or are not sure.

- Support
- Oppose
- Not sure

Do you have any comments about this proposal? *Write in below*

**Proposal CF6: Other Service Reviews**

Ensure the service is receiving value for money from targeting our resources to maximise service impact by reviewing all internal, commissioned and voluntary sector services.

Appendix A – Children and Families Budget Consultation proposals

Cheshire East have been successful in securing temporary external funding for a number of innovative projects. These projects involve the onboarding of frontline colleagues, training, development, support and supervision and access to health and safety equipment which will be drawn down from grant funding.

Trade more services with schools (cross council) and promote a cross council co-ordinated traded model.

Potential savings for 2024/25 = £0.25 million

Generally speaking, do you support or oppose this proposal? *Tick one box only*

Your support or opposition for a proposal does not constitute a 'vote' for or against - this consultation informs a decision making process - as such it is important that you provide additional information about why you support, oppose or are not sure.

- Support
- Oppose
- Not sure

Do you have any comments about this proposal? *Write in below*

**Proposal CF7: Reduce Growth in expenditure**

Growth proposals reflect the ongoing budget pressures associated with support to prevent children coming into care and where they need care, finding suitable placements and reflects the significant increase in costs associated with this activity.

The service has plans to open residential children’s homes in 2024 and are forecasting a gradual reduction in reliance on external placements where they are identified to be high cost with low outcomes for children. The service is also working to improve the commissioning of placements and increasing the number of our own foster carers. The costs associated with court proceedings including the required use of expert assessments and barristers has also increased significantly. The service has a clear plan to reduce the need for spend of council, expert assessment and this is also central to the targets of the local family justice board.

Potential savings for 2024/25 = £1.9 million

Generally speaking, do you support or oppose this proposal? *Tick one box only*

Your support or opposition for a proposal does not constitute a 'vote' for or against - this consultation informs a decision making process - as such it is important that you provide additional information about why you support, oppose or are not sure.

- Support
- Oppose
- Not sure

Do you have any comments about this proposal? *Write in below*

Appendix A – Children and Families Budget Consultation proposals

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## Appendix A – Children and Families Budget Consultation proposals

**Detailed list of proposals:**

Reference	Item	Description	2024/25 budget change £m
CF1	Discretionary offer to children with disabilities	As per consultation extract	(0.900)
CF2	Remove school catering subsidy	As per consultation extract	(0.516)
CF3	Review of structure to further integrate children and families' services	As per consultation extract	(1.000)
CF4	Reduce discretionary post-16 Travel Support	As per consultation extract	(0.400)
CF5	Achieve the Family Hub model	As per consultation extract	(0.250)
CF6	Other Service Reviews	As per consultation extract	(0.250)
CF7	Reduce Growth in expenditure	As per consultation extract	(1.900)
Saving included in narrative section (see consultation extract)	Pension Costs Adjustment	This item relates to pension contributions funded by the council. Contributions can be reduced from 2023/24. This results from a successful financial strategy to secure stability in the funding of future pension liabilities. The effect is a reduction in overheads in pay cost budgets following a change in the employer's contribution rate confirmed by the Cheshire Pension Fund	(0.515)
Growth included in narrative section (see consultation extract)	Growth to deliver statutory Youth Justice service, and growth to ensure budget is sufficient to meet Safeguarding Partnership duties	Statutory safeguarding services are delivered through a partnership approach and include police and health partners. The JTAI identified that the local authority was not sufficiently resourcing the arrangements and an independent review and internal audit recommended that contributions were increased. Similarly, the youth justice, pan-Cheshire arrangements are statutory and similarly there was a funding shortfall in partnership contributions on the part of Cheshire East	+0.170
Growth included in narrative section (see consultation extract)	Growth to provide capacity to deliver transformation for SEND	The local authority is currently working with the Department of Education to address the significant deficit in the special educational needs and disabilities (SEND) budget. This requires fundamental and systemic transformation and 'invest to save' capacity to deliver on the programme of work.	+0.500
Growth included in narrative section (see consultation extract)	Wraparound Childcare Programme (funded)	The wraparound programme aims to remove barriers to setting up new provision or expanding current provision, including removing the financial risk of setting up new provision when demand is not yet guaranteed.	+0.587 (0.587)

## Appendix A – Children and Families Budget Consultation proposals

		Parents should expect to see an expansion in the availability of wraparound care from September 2024.	
Growth included in narrative section (see consultation extract)	Legal Proceeding - Child Protection	The local authority safeguarding duty for children at risk of harm may require the court to intervene and make legal arrangements for this to happen. The costs associated with court proceedings including the required use of expert assessments and barristers has increased significantly. The service has a clear plan to reduce the need for spend of counsel, expert assessment and this is also central to the targets of the local family justice board	+0.770
Growth included in narrative section (see consultation extract)	Growth in School Transport budget	This growth proposal reflects the increase in special education needs and disabilities (SEND) demand and increasing costs of fuel and contracts. This line includes removal of the temporary £1.2m investment in 2022/23 and factors in savings identified in the external review, the SEND review work and ensures travel support is provided in line with policy and statute.	+0.936
Growth included in narrative section (see consultation extract)	Pay inflation (including additional pay inflation required for 2023/24 shortfall)	This proposal includes incremental increases for eligible staff and nationally negotiated pay awards. Average increases are forecast at c.3% for 2024/25. This may not apply evenly across pay bands due to implications of the Living Wage. The proposal also recognises the additional impact of the higher than budgeted 2023/24 final pay award.	+1.374
Growth included in narrative section (see consultation extract)	Use of Children and Families Transformation Reserve - estimated balance	The Children and Families Directorate removed funding allocated for service transformation to achieve a balanced budget for 2023/24. This was a budget reduction for one year only with the budget reduction being reversed in 2024/25.	+1.065
Growth included in narrative section (see consultation extract)	Growth in Children's Placement costs	This growth proposal reflects the ongoing budget pressures associated with support to prevent children coming into care and where they need care, finding suitable placements and reflects the significant increase in costs associated with this activity. The service has plans to open residential children's homes in 2024 and are forecasting a gradual reduction in reliance on external placements where they are identified to be high cost with low outcomes for children. The service is also working to improve the commissioning of placements and increasing the number of our own foster carers.	+10.825
<b>Overall Committee Target</b>			<b>+9.880</b>
<b>Total growth proposals</b>			<b>+15.640</b>
<b>Total savings proposals</b>			<b>(5.731)</b>
<b>On Target</b>			<b>(0.029)</b>

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## Children and Families Committee Work Programme 2023-24

Report Reference	Children & Families Committee	Title	Purpose of Report	Lead Officer	Consultation	Equality Impact Assessment	Corporate Plan Priority	Part of Budget and Policy Framework	Exempt Item
CF/20/23-24	12/02/2024	Speech and Language Therapy	The Paediatric Speech and Language service (SALT) – The Council has a duty to provide speech, language and communication (SLCN) services to children under the Children’s and Families Act 2014 Part 3. This is for children with a EHCP Part F (Education), but also with a need for early identification, prevention and support. The service pathways are linked to the health provision including access to health clinics and a need for service continuity within education and community settings. The Council needs to review and recommission this service, preferably in-conjunction with our health partners to provide a service that will be fit for the future and that rises to the increasing demands for better identification of children’s needs within the community.	Director of Commissioning	Yes	Yes	Fair	No	No
CF/31/22-23	12/02/2024	School Catering Review Outcomes	To consider the options appraisal for school catering	Director of Education, Strong Start and Integration	No	Yes	Open;#Fair	Yes	Yes
CF/57/22-23	12/02/2024	Children centre remodelling	To remodel the purpose of some children centre sites.	Director of Education, Strong Start and Integration	TBC	TBC	Fair	Yes	No

## Children and Families Committee Work Programme 2023-24

Report Reference	Children & Families Committee	Title	Purpose of Report	Lead Officer	Consultation	Equality Impact Assessment	Corporate Plan Priority	Part of Budget and Policy Framework	Exempt Item
CF/29/23-24	12/02/2024	Cheshire East Sufficiency Strategy for Cared for Children 2024-27	<p>The Statutory Guidance for Sufficiency (s22 of the Children Act, 1989) sets out a requirement for Local Authorities to work with key partners to be in a position to secure, where reasonably practicable, sufficient accommodation for children in care in their local authority area which meets the needs of children and whose circumstances are such that it would be consistent with their welfare for them to be provided with accommodation that is in the local authority's area ('the sufficiency duty').</p> <p>The sufficiency duty requires local authorities to do more than simply ensure that accommodation be 'sufficient' in terms of the number of beds provided. They must also have a regard to the benefits of securing a number of providers and a range of services. Fundamentally, the accommodation available must meet the needs of children cared for by Cheshire East Council.</p> <p>This updated Strategy details current needs across the Borough, documents progress made to deliver the plans within the current (2021-2023) Strategy and our plans to meet emergent needs in 2024-25 and beyond.</p>	Director of Commissioning	Yes	No	Fair	No	No
CF/36/23-24	12/02/2024	Dedicated Schools Grant 2024/25 including schools and early years funding formula	To approve the planned use of the different elements of the Dedicated Schools Grant for 2024/25 in terms of schools, high needs, early years and central blocks. To include specific approval of the schools funding formula and early years funding formula	Director of Education, Strong Start and Integration	Yes	No	Open	Yes	No
	12/02/2024	Local Authority Costs and Timescales in support of a School converting to an Academy	Briefing to the Corporate Leadership Team (CLT) of a communication that will be shared with Cheshire East schools in regards the timescales and costs in relation to Cheshire East Councils	Director of Education, Strong Start and Integration	No	No	Open	Yes	No

## Children and Families Committee Work Programme 2023-24

Report Reference	Children & Families Committee	Title	Purpose of Report	Lead Officer	Consultation	Equality Impact Assessment	Corporate Plan Priority	Part of Budget and Policy Framework	Exempt Item
			involvement in the academy conversion of a school.						
CF/47/23-24	12/02/2024	Consultation on changes to the travel support policy for children and young people	The report provides an overview of progress to date against the plans to transform travel support for children and young people and seeks approval from committee on proposed changes to the travel assistance policy	Director of Education, Strong Start and Integration	Yes	Yes	Open;#Fair	Yes	No
AH/09/2023-24	08/04/2024	Direct Payments Policy	To seek approval for the Direct Payments Policy following consultation	Director of Commissioning	Yes	Yes	Fair	Yes	No
CF/41/23-24	08/04/2024	Together Strategy 4 year plan	To inform committee of the 4 year integrated strategy to deliver the together vision and achieve excellence for our children and families as described in the 2023/24 MTFS.	Executive Director of Children's Services	No	Yes	Open	Yes	No
CF/48/23-24	08/04/2024	Travel support transformation - available walking routes update	To seek approval from the children and families committee on the next phase of available walking routes to school.	Director of Education, Strong Start and Integration	Yes	Yes	Open;#Fair	Yes	No
CF/46/23-24	08/04/2024	Kingsbourne Academy, Nantwich – 12-month delay for the opening of the new school - Update	This report is to provide an update to the November 2023 committee report titled Kingsbourne Academy, Nantwich – 12-month delay for the opening of the new school	Director of Education, Strong Start and Integration	No	No	Open	No	No
CF/49/23-24	08/04/2024	Household Support Funding 2024/25	The report brings two recommendations, one which sets out 24/25 delivery plans and a second which provides an exit plan and risk matrix to mitigate in the event of no funding extension.	Director of Education, Strong Start and Integration	No	Yes	Open	Yes	No
	08/04/2024	Youth Justice Shared Service	decision for Cheshire East to enter into hosted arrangement to continue to deliver youth justice services	Director of Children's Social Care	No	Yes	Open	No	No
CF/01/24-25	June 2024	Service Budgets 2024/25 (Children & Families Committee)	The purpose of this report is to set out the allocation of approved budgets for 2024/25 for services under the Committee's remit, as determined by Finance Sub Committee	Director of Finance & Customer Services	No	No	Open	Yes	No

## Children and Families Committee Work Programme 2023-24

Report Reference	Children & Families Committee	Title	Purpose of Report	Lead Officer	Consultation	Equality Impact Assessment	Corporate Plan Priority	Part of Budget and Policy Framework	Exempt Item
CF/44/23-24	June 2024	Councillor Frontline Visits Annual Report	The report provides an update to committee on the themes, strengths and issues raised through councillor frontline visits to the Cheshire East Consultation Service (ChECS), Child in Need and Child Protection (CIN/CP) Teams, and the Children with Disabilities Social Work Team and Short Breaks Team over the last 12 months.	Director of Children's Social Care	No	No	Fair	No	No
AH/22/2023-24 & CF/18/23-24	June 2024	Substance Misuse Service	To provide information about the proposed substance misuse service model and for a decision to re-commission the substance misuse service	Director of Commissioning	Yes	Yes	Fair	No	No