

Children and Families Committee

Agenda

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| Date: | Monday, 13th January, 2025 |
| Time: | 2.00 pm |
| Venue: | The Capesthorpe Room - Town Hall, Macclesfield SK10 1EA |

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

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

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

1. **Apologies for Absence**

To note any apologies for absence from Members.

2. **Declarations of Interest**

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

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

To approve as a correct record the minutes of the previous meeting held on 11 November 2024.

For requests for further information

Contact: Karen Shuker

Tel: 01270 686459

E-Mail: karen.shuker@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.

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

5. **Third Financial Review 24/25** (Pages 15 - 104)

To receive a report on the third financial review for Children and Families services for the financial year 2024/25.

6. **Medium Term Financial Strategy Consultation 2025/26 - 2028/29 Provisional Settlement Update (Children & Families Committee)** (Pages 105 - 166)

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

7. **Improvement Plan Progress Update** (Pages 167 - 250)

To provide an update on progress against the children's services improvement plan to address the findings from the Ofsted inspection of local authority children's services (ILACS) conducted in February and March 2024.

8. **Update on the progress of the key areas of the Dedicated Schools Grant Management Plan 2024/25 to 2030/31 - Financial Reporting 3 2024/2025** (Pages 251 - 268)

To receive an up-to-date forecast deficit reserve position for 2024-25 on the Dedicated Schools Grant (DSG) management plan.

9. **Update on the Transformation of Travel Support** (Pages 269 - 282)

To receive an overview of progress and impact to date against the plans to transform travel support for children and young people in Cheshire East.

10. **Work Programme** (Pages 283 - 286)

To consider the Work Programme and determine any required amendments.

11. **Minutes of Sub-Committees** (Pages 287 - 294)

To note the minutes of the Cared for Children and Care Leavers Committee meeting held on 18 June 2024 and 30 September 2024.

Membership: Councillors R Bailey, M Beanland, S Bennett-Wake, J Bird, C Bulman (Chair), N Cook, L Crane, E Gilman (Vice-Chair), G Hayes, B Posnett, B Puddicombe, J Saunders and G Smith

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CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Children and Families Committee**
held on Monday, 11th November, 2024 in the Committee Suite 1,2 & 3,
Westfields, Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor C Bulman (Chair)
Councillor E Gilman (Vice-Chair)

Councillors M Beanland, J Bird, N Cook, L Crane, G Hayes, B Posnett,
B Puddicombe, J Saunders, G Smith, L Wardlaw and D Clark

OFFICERS IN ATTENDANCE

Theresa Leavy, Interim Executive Director Children's Services
Claire Williamson, Director of Education, Strong Start and Integration
Lisa Davies, Interim Improvement Director Children's Services
Richard Nash, Interim Director of Family Help and Children's Social Care
Annie Britton, Participation Lead
Lauren Conway, Business Manager
Alex Cooper, Project Manager – Education
Danielle Holdcroft, Head of Early Years, Family Help and Prevention
Heather Baron, Head of Prevention, Early Help and Domestic Abuse
Joanne Prophet, School Organisation and Capital Manager
Nikki Wood-Hill, Finance Manager
Janet Witkowski, Acting Governance, Compliance and Monitoring Officer
Josie Lloyd, Democratic Services Officer

44 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Bailey and Cllr Bennett-Wake. Cllr Wardlaw and Cllr Clark attended as substitutes.

45 DECLARATIONS OF INTEREST

In relation to item 10 (Children's Centre Remodelling into the Family Hub Outreach Model), Cllr Saunders and Cllr Beanland both declared that they were members of Poynton Town Council which was due to make a decision as to whether to fund Poynton Library and therefore would leave the meeting for the duration of this item.

46 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 16 September 2024 be agreed as a correct record.

47 PUBLIC SPEAKING/OPEN SESSION

Ms Paula Riordan attended the meeting to speak in relation to item 12 (Proposed Expansion of Springfield School). Ms Riordan was Principal of the Guild for Lifelong Learning which was an adult education provision based in Wilmslow and was the primary user of the Dean Row Community Centre prior to closure. Ms Riordan stated that she was not objecting to the expansion of the school but, as primary day time user of the centre, requested to know what would be available to replace the provision for day use by older adults. Officers undertook to provide a written response.

48 NOVEMBER CHILDREN'S RIGHTS MONTH CAMPAIGN 2024

Members of the Cheshire East Youth Council attended to deliver a presentation marking the November Children's Rights Month campaign. The presentation highlighted some current issues including raising awareness of hate crime and improving mental health services.

The committee discussed these issues with the Youth Council and thanked them for their work and engagement.

49 IMPROVEMENT PLAN PROGRESS UPDATE

The committee received the report which provided an update on progress against the Children's Services improvement plan to address the findings from the Ofsted inspection of local authority children's services (ILACS) conducted in February and March 2024.

The improvement plan rating overview highlighted the status of actions within the plan and members requested that future reports include expected completion dates for any actions which were delayed.

The committee discussed staff recruitment, retention and wellbeing and reference was made to the Staffing Committee which had been in existence prior to the introduction of the committee system in 2021 to provide oversight of human resources matters. It was queried where this oversight now came from and the Chair agreed for this to be looked into.

RESOLVED:

That the Children and Families Committee note the progress against the improvement plan.

50 DEDICATED SCHOOLS GRANT MANAGEMENT PLAN 2024/25 TO 2030/31 UPDATE

The committee received the report which provided an update of the Dedicated Schools Grant (DSG) management plan for the period 2024/25

to 2030/31 to reflect the financial outturn position and the reduced growth of Education, Health and Care plan numbers as of 31 March 2024.

The recommendations within the report stated that the DSG management plan was approved by Children and Families Committee on 29 April 2024. It was requested that the minutes clarify that this was by majority and was not supported by all members of the committee.

RESOLVED:

That the Children and Families:

1. Note the DSG Management plan for 2024/25 to 2030/31 (approved by Children and Families Committee on 29 April 2024) has been reprofiled/re-cast to reflect the lower number of Education, Health, and Care plans and the lower deficit position as recorded on 31 March 2024
2. Note the impact of the reprofiling:
 - a. an in year balanced position by year 7 is still achievable
 - b. a reduced forecast deficit reserve position of £1.07 billion unmitigated and £236.7 million mitigated by the end of March 2031
3. Note the mitigations within the original plan remain in place (approved by Children and Families Committee on 29 April 24)
4. Note the reprofiled DSG management plan has been sent to the Department of Education, to advise of the achievements to date and to demonstrate the impact of the reduced deficit position at 31 March 2024 and the reduced number of EHCPs at January 2024, compared with the original forecast

51 SECOND FINANCIAL REVIEW OF 2024/25 (CHILDREN & FAMILIES COMMITTEE)

The committee received the report which provided the current forecast outturn for the financial year 2024/25 based on income, expenditure and known commitments as at the end of August 2024. The report also identified actions that were being taken to address adverse variances to urgently address financial sustainability.

Officers undertook to provide written responses in relation to the following queries:

- A financial breakdown regarding the removal of the school catering subsidy (MTFS ref 16) on page 185 of the agenda

- A request for detail on the financial scheme of delegation, including whether there had been any recent changes

Queries were raised regarding costs associated with the school transport review and officers advised that an update report would be brought to committee in January to provide detail.

RESOLVED:

That the Children and Families Committee:

1. Review the factors leading to a forecast adverse Net Revenue financial pressure of £20.1m against a revised budget of £395.4m (5.1%). To scrutinise the contents of Annex 1, Section 2 and review progress on the delivery of the MTFS approved budget policy change items, the RAG ratings and latest forecasts, and to understand the actions to be taken to address any adverse variances from the approved budget
2. Review the in-year forecast capital spending of £157.7m against an approved MTFS budget of £215.8m, due to slippage that has been re-profiled into future years
3. Note the available reserves position as per Annex 1, Section 5

52 MEDIUM TERM FINANCIAL STRATEGY UPDATE 2025/26 - 2028/29 (CHILDREN & FAMILIES COMMITTEE)

The committee received the report which set out progress and further development activity required before the final MTFS 2025-29 would be presented for approval to the budget setting Council meeting in February 2025.

A concern was raised that member engagement on development had been late and it was agreed that this feedback would be reported back to the Finance teams.

RESOLVED:

That the Children and Families Committee:

1. Note the progress to date on the development of the MTFS for 2025-29
2. Note that officers will continue to challenge draft proposals and develop further proposals in consultation with Members prior to approval by Council

3. Note that Committees will be presented with the opportunity to review the full set of financial proposals, designed to achieve a balanced budget, as part of their January cycle of meetings prior to recommendations being made to Council for approval

53 CHILDREN'S CENTRE REMODELLING INTO THE FAMILY HUB OUTREACH MODEL

The committee received the report on the children's centre remodelling into the family hub model.

Cllr Saunders and Cllr Beanland declared an interest and left the meeting for the duration of this item.

Where children's centres were being transferred to the control of primary schools, it was queried whether the transfer agreements would provide sufficient protection to ensure that the buildings would be used for additional SEND places or expanding early years provision outside of the protected delivery of health services currently onsite. Officers undertook to provide detail in a written response.

RESOLVED (by majority):

That the Children and Families Committee:

1. Approve the commercial transfer of the childrens centres listed below back to the onsite primary schools for alternative education purposes:
 - Poynton Children's Centre
 - Knutsford Children's Centre
 - Nantwich Children's Centre
 - Hurdsfield Children's Centre
 - Broken Cross Children's Centre
 - Sandbach Children's Centre
2. Endorse the relocation of the Council run early years start for life services to a flexible outreach program to be provided from family hubs, libraries, and other community venues

54 HOUSEHOLD SUPPORT FUND 2024/25 (HSF5 REVIEW AND HSF6 PROPOSAL)

The committee received the report which provided an evaluation of the Household Support Fund (HSF) 5 and proposed delivery model of HSF 6.

A request was made for a breakdown to ward level of how the funding had been allocated to be shared with the committee.

The use of the fund to support care costs and council tax arrears was queried. Officers advised that this use of the funding was transparent and in line with criteria set by government and further detail could be shared in writing for assurance.

RESOLVED (by majority):

That the Children and Families Committee:

1. Recommend to full council to approve the supplementary estimate on the 11 December 2024
2. Endorse the findings from the HSF5 evaluation
3. Approve the HSF6 delivery model
4. Delegate authority of the Household Support Fund delivery to the Executive Director of Children's Services

55 PROPOSED EXPANSION OF SPRINGFIELD SCHOOL

The committee considered the report on the proposed expansion of Springfield School.

Cllr Lata Anderson spoke as a visiting member and expressed concern on behalf of residents about the use of the Dean Row Community Centre in Wilmslow. Cllr Anderson asked the committee to consider deferring the decision until the community use of Oakencloough and Springfield outside of school hours had been agreed and criteria for use provided.

During debate on the item, an amendment was proposed and seconded which sought the inclusion of an additional recommendation as follows:

'For the Communities and Assets teams to work in liaison with community groups affected by these proposals to find alternative facilities.'

This amendment became part of the substantive motion.

RESOLVED (unanimously):

That the Children and Families Committee:

1. Approve the proposed expansion of Springfield School, Crewe onto the satellite site formally known as Cledford House, Middlewich to provide 60 places for pupils aged 4- 11 from September 2026
2. Approve Springfield school satellite – Middlewich (former Cledford House) as a named scheme within the Children and Families capital programme

3. Approve the procurement of a contract of works and delegate authority to the Executive Director of Children's Services to award a construction contract to facilitate the provision of additional places at Springfield School satellite – Middlewich (former Cledford House) together with any other agreements associated with or ancillary to the contract
4. Approve the proposed expansion of Springfield School - Wilmslow campus to provide an additional 20 places for pupils aged 4-16 from September 2025
5. Approve Springfield School - Wilmslow campus expansion as a named scheme within the Children and Families capital programme
6. Approve the procurement of a contract of works and delegate authority to the Executive Director of Children's Services to award a construction contract to facilitate the provision of additional places at Springfield School – Wilmslow campus (former Dean Row Community Centre) together with any other agreements associated with or ancillary to the contract
7. Agree for the Communities and Assets teams to work in liaison with community groups affected by these proposals to find alternative facilities

56 PROPOSAL FOR THE REUSE OF FLAG LANE BATHS SITE FOR THE PURPOSE OF AN ALTERNATIVE PROVISION SCHOOL

The committee considered the report on the proposal for the reuse of the Flag Lane Baths site for the purpose of an Alternative Provision school.

RESOLVED (by majority):

That the Children and Families Committee:

1. Support the preferred option that the former Flag Lane baths site is utilised for the purpose of a new free Alternative Provision School
2. Approve the inclusion £500,000 in the Childrens and Families Capital Programme to indemnity up to that amount to any free school 'abnormal site development' costs

57 PROPOSED CHANGE IN AGE RANGE AT ST MARY'S CATHOLIC PRIMARY SCHOOL, MIDDLEWICH

The committee considered the report on the proposed change in age range at St Mary's Catholic Primary School in Middlewich.

RESOLVED (unanimously):

That the Children and Families Committee:

1. Consider the consultation responses received to the change in age range at St Mary's Catholic Primary School
2. Approve the proposed change of age range at St Mary's Catholic Primary School, Middlewich, from 4 -11 to 3-11 to accommodate a nursery provision for implementation in January 2025

58 ACADEMISATION OF LOWER PARK SCHOOL

The committee considered the report on the academisation of Lower Park School in Poynton.

RESOLVED (unanimously):

That the Children and Families Committee:

1. Authorise the Interim Executive Director of Children's Services in consultation with the Chief Finance Officer and the Monitoring Officer to take all steps necessary to agree and execute the Commercial Transfer Agreement (Appendix 1) to the Halliard Trust relating to the transfer of all staff under the Transfer of Undertakings (Protection of Employment) Regulations 2006, and assets
2. Authorise the Executive Director of Place and Chief Finance Officer to take the steps necessary to agree the required transactions in relation to land, facilities or shared use agreements as are necessary in order to facilitate the conversion, including (but not limited to) the grant and completion of a lease (see Appendix 2) to the Halliard Trust for 125 years substantially in the form of the model lease produced by DfE at a peppercorn rent. The school site is identifiable as shown on the accompanying redline lease plan (see Appendix 3)

59 ACADEMISATION OF ST JOHN'S CHURCH OF ENGLAND PRIMARY SCHOOL

The committee considered the report on the academisation of St John's CofE Primary School in Sandbach.

RESOLVED (unanimously):

That the Children and Families Committee:

1. Authorise the Executive Director of Children's Services in consultation with the Chief Finance Officer and the Monitoring Officer to take all steps necessary to agree and execute the

Commercial Transfer Agreement (Appendix 1) to the North West Academies Trust Limited relating to the transfer of all staff under the Transfer of Undertakings (Protection of Employment) Regulations 2006, and assets

2. Authorise the Executive Director of Place and Chief Finance Officer to take the steps necessary to agree the required transactions in relation to land, and completion of a lease (see Appendix 2) to the North West Academies Trust Limited for 125 years substantially in the form of the model lease produced by DfE at a peppercorn rent. The school playing field is identifiable as shown on the accompanying redline lease plan (see Appendix 3)

60 ACADEMISATION OF GAINSBOROUGH PRIMARY AND NURSERY SCHOOL, BELGRAVE ROAD, CREWE - IDENTIFICATION OF REMEDIAL WORKS

The committee considered the report which sought approval for an amendment to the proposed Commercial Transfer Agreement as part of the academy conversion process for Gainsborough Primary School, to allow for the funding of the required remedial works post conversion. This follows the identification of a failure to the floor screed at the school in areas that were extended in 2007.

It was queried whether the Council had any recourse for the significant delay as a result of the contractors. Officers undertook to provide a written response.

A request was made for the Interim Executive Director of Children's Services to ensure that this had been brought to the attention of colleagues with responsibility for health and safety compliance of the Council's estate. Officers suggested that a report on the health and safety assessments of Cheshire East schools could be brought to committee.

RESOLVED (unanimously):

That the Children and Families Committee:

1. Approve the capital expenditure required to carry out the remedial works at Gainsborough Primary School. The details of this are referred to in appendix 1
2. Give authority for an amendment to the proposed Commercial Transfer Agreement to allow for the funding of the required remedial works post conversion and to avoid further delay to the conversion date
3. Agree that the funding for these works be provided through a formal grant agreement process, in accordance with existing arrangements for funding of Academy projects.

61 WORK PROGRAMME

The committee considered the work programme.

It was agreed that two reports would be added to the January meeting to consider the schools deficit and an update on the school transport review.

A further report would be brought to committee in February or April to provide an update on health and safety of Cheshire East school sites.

A suggestion was made for consideration to be given to bringing forward a report on staff wellbeing and the implications on cost and retention.

RESOLVED:

That the work programme be noted.

62 EXCLUSION OF THE PRESS AND PUBLIC

The committee did not require discussion of the confidential appendix during the meeting; therefore the public and press were not excluded.

63 ACADEMISATION OF GAINSBOROUGH PRIMARY AND NURSERY SCHOOL, BELGRAVE ROAD, CREWE - IDENTIFICATION OF REMEDIAL WORKS

The committee did not require discussion of the confidential appendix during the meeting.

The meeting commenced at 14:00 and concluded at 18:21

Councillor C Bulman (Chair)

OPEN

Children and Families Committee

Monday, 13 January 2025

Third Financial Review 24/25

**Report of: Adele Taylor, Interim Executive Director of Resources
(Section 151 Officer)**

Report Reference No: CF/13/24-25

Ward(s) Affected: Not applicable

For Decision or Scrutiny: Both

Purpose of Report

- 1 This report provides the current forecast outturn for the financial year 2024/25 based on our income, expenditure and known commitments as at the end of October 2024. It also identifies actions that are being taken to address adverse variances to urgently address our financial sustainability.
- 2 The report provides the forecast outturn for all services, to provide Members with contextual information on the position for the whole Council. Members are asked to focus their scrutiny on the forecasts and supporting information relating to services within the remit of the Committee whilst understanding the overall context as a whole.
- 3 The report highlights any changes and external pressures that are impacting the Council since setting the budget in February 2024. Annex 1, Section 2 of the report highlights what the Council is forecasting to achieve as part of the 2024/25 approved budget changes per line (growth and savings).
- 4 As set out in previous Financial Reviews, the requirement to continue to identify further actions in order to bring the Council back to a position where we are living within our means remains, and it will be important that these actions are closely monitored, and appropriate action taken to manage our resources. This report includes information on the actions that are currently underway.

- 5 Reporting the financial forecast outturn at this stage, and in this format, supports the Council's vision to be an open Council as set out in the Cheshire East Council Plan 2024/25. In particular, the priorities for an open and enabling organisation, ensure that there is transparency in all aspects of council decision making.
- 6 The report also requests member approval for amendments to the Council's budget in line with authorisation levels within the Constitution.

Executive Summary

- 7 The Council operates a financial cycle of planning, review, management and reporting. This report ensures that we review where we are and provides a forecast **outturn** position for the 2024/25 financial year whilst also identifying the actions that need to be taken to manage our overall resources. The information in this report also supports planning for next year's budget by identifying issues that may have medium term impacts.
- 8 The Council set its 2024/25 annual budget in February 2024. The budget was balanced, as required by statute, with planned use of reserves of £22m, plus £30m of savings to achieve in year, and included important assumptions about spending in the year. The budget is part of the Medium-Term Financial Strategy (MTFS) 2024 to 2028.
- 9 The Third Financial Review (FR3) forecast revenue outturn is an **adverse variance of £18.3m** (prior to the application of any Exceptional Financial Support), an improvement **of £1.8m** from FR2, as detailed below in **Table 1**:

| Table 1 2024/25 FR3 | Revised Budget (NET) | Forecast Outturn | Forecast Variance | Forecast Variance FR2 | Movement from FR2 to FR3 |
|-----------------------------|----------------------------|---------------------|----------------------|-----------------------------|--------------------------------|
| | £m | £m | £m | £m | £m |
| Service Committee | | | | | |
| Adults and Health | 138.0 | 157.9 | 20.0 | 20.8 | (0.8) |
| Children and Families | 93.0 | 98.5 | 5.4 | 5.4 | 0.0 |
| Corporate Policy | 41.9 | 44.4 | 2.5 | 2.4 | 0.1 |
| Economy and Growth | 28.1 | 24.3 | (3.8) | (3.3) | (0.5) |
| Environment and Communities | 48.4 | 47.8 | (0.6) | (0.1) | (0.5) |
| Highways and Transport | 16.0 | 15.5 | (0.5) | (0.6) | 0.1 |
| | | | | | - |
| Sub-Committee | | | | | |
| Finance Sub: | | | | | |
| Central Budgets | 25.1 | 20.5 | (4.6) | (4.5) | (0.2) |
| Funding | (390.5) | (390.5) | - | 0.0 | (0.0) |
| | | | | | - |
| TOTAL | (0.0) | 18.3 | 18.3 | 20.1 | (1.8) |

- 10 Whilst an improvement on the Second Financial Review of £1.8m (see mitigations in para 28), the forecast overspend of £18.3m remains a significant financial challenge for the Council. The FR3 forecast reserves, after agreed movements budgeted for in the 2024-28 MTFS, are currently £14.0m, being £4.5m of General Fund Reserves and £9.5m of Earmarked Reserves. The Council's level of reserves is therefore insufficient to cover the current forecast revenue outturn for the year without further action.

Table 2: Proposed use of Exceptional Financial Support and Reserves as at FR3

| Exceptional Financial Support & Reserves FR3 | |
|---|-------------|
| | £m |
| FR3 Forecast Overspend | 18.3 |
| Exceptional Financial Support | (17.6) |
| Forecast Tfr from Reserves | (0.7) |
| 24/25 Outturn | - |
| Reserves | |
| General Fund | 4.5 |
| Earmarked Reserves | 9.5 |
| Original Forecast at 31st March 2025 | 14.0 |
| Forecast Transformation spend 2024/25 | (4.1) |
| Forecast Tfr from Reserves | (0.7) |
| Forecast Total Reserves at 31st March 2025 | 9.2 |

- 11 As noted in para. 9 above, the forecast adverse variance of £18.3m does not assume the use of the Exceptional Finance Support (EFS) that was requested in 2023/24 and 2024/25 and was agreed in principle, subject to a number of conditions being satisfied, including the submission of a transformation plan at the end of August 2024. It also does not assume the cost of accepting that EFS support which would impact on the cost of borrowing over the medium term.
- 12 A further condition of the EFS was that an independent review was undertaken by CIPFA on behalf of MHCLG to understand the Council's financial management and sustainability. The review was commissioned by and for MHCLG and the Council has not yet had sight of this review to understand any implications or improvements that could be made to existing processes. This was submitted to MHCLG in August 2024
- 13 In order to address the risk to services from the Council's budgetary pressures, there was an urgent report to Council on the 11th December 2024 on Exceptional Financial Support (EFS). The report sought the authority for the Chief Executive to request that the in-principle EFS of up to £17.6m by way of a capitalisation direction for 2023/24 and 2024/25 be able to be applied only in 2024/25, from the Secretary of State for Housing, Communities and Local Government in order to address the Council's budgetary pressures during the financial year 2024/25. The full report can

be found here: [CEC Report Template](#). In addition, the report also addresses the current risks that are identified and considered in the model for the Medium Term Financial Plan (MTFP), as per the report to Corporate Policy Committee on Thursday 28th November 2024 (Item49), hence further requests for 2025/26 of £31.4m and indications of £23.7m for 2026/27 should also be requested, alongside all of the supporting evidence and information requested by MHCLG. The costs of accepting the EFS support will impact over the medium term. The financing of planned use of EFS will be reflected in the MTFP report to Corporate Policy Committee in February. The financing will also reflect that the first call on any capital receipts, over and above the £2m accounted for in the approved revenue budget, will be utilised to finance the EFS.

- 14 As indicated in Table 2, the FR3 report, recognising the requests in the urgent report to Council on 11 December 2024, is proposing to utilise the full £17.6m conditional EFS to cover the forecast adverse variance in 2024/25 in order to protect and minimise the use of reserves. Table 2 identifies that the FR3 forecast remaining adverse balance of £0.7m is forecast to be funded from Reserves however urgent action continues to further reduce the overspend by the year end. Should the FR3 forecast position prevail at out-turn then the balance of reserves will be £9.2m after applying the whole £17.6m EFS and £0.7m from reserves.
- 15 There remains a risk that pressures leading to the latest FR3 forecast position may increase that shortfall figure if further rapid action does not take place to stabilise our financial position.
- 16 The FR3 forecast position for capital spending for 2024/25 indicates forecast capital expenditure of £144.7m against the MTFS budget of £215.8m (FR2 £157.7m).

- 17 **Table 3** sets out the capital programme profiling changes from FR2:

| Table 3 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2024/28 |
|--------------------------------|----------|----------|----------|----------|---------|
| | Estimate | Estimate | Estimate | Estimate | Total |
| | £000s | £000s | £000s | £000s | £000s |
| Capital Programme FR2 | 157,661 | 151,770 | 115,852 | 225,173 | 650,456 |
| Funded by: | | | | | |
| Borrowing | 45,101 | 57,996 | 14,802 | 25,044 | 142,943 |
| Grants and other contributions | 112,560 | 93,774 | 101,050 | 200,129 | 507,513 |
| | 157,661 | 151,770 | 115,852 | 225,173 | 650,456 |
| Capital Programme FR3 | 144,670 | 157,134 | 104,400 | 243,852 | 650,056 |
| Funded by: | | | | | |
| Borrowing | 40,967 | 51,807 | 19,093 | 29,245 | 141,112 |
| Grants and other contributions | 103,703 | 105,327 | 85,307 | 214,607 | 508,944 |
| | 144,670 | 157,134 | 104,400 | 243,852 | 650,056 |
| Movement from FR2 | (12,991) | 5,364 | (11,452) | 18,679 | (400) |

- 18 All of the current schemes requiring borrowing have been reviewed by the Executive Directors and Directors and they have indicated that most schemes need to continue for various reasons (e.g. provision of sufficient SEND school place schemes are part of the mitigation plans agreed with the

DfE prior to the award of additional High Needs Funding; the Strategic Leisure Review is an invest to save scheme as are Fleet EV Transition and Fleet Vehicle Electric Charging; Public Sector Decarbonisation Schemes require match funding to support the grant and will bring energy efficiencies).

- 19 There have been some schemes where reductions have been made, for example the Children's Home Sufficiency Scheme has been reduced by £0.69m and the review of Household Waste Recycling centres has been reduced by £1m, and a few schemes are proposed to be removed altogether as they are considered unaffordable. e.g. the Strategic Capital scheme £6.8m.
- 20 Changes to the capital programme at this stage of the year will have a limited impact on the current year financial position but reductions in borrowing achieved through the capital review will be reflected in the revenue position each year in the MTFS for 2025-29.
- 21 In order to maintain the current level of scrutiny of capital projects and their financing a new Capital Programme Board will be set up in January. Please see the MTFS Consultation report for further detail.
- 22 The current forecast for achievable capital receipts in year is £2.3m, with a further £0.8m also achievable in year. These receipts can be used to reduce revenue pressures from borrowing in year or could be used to assist with funding of transformation activity.
- 23 Following a Balance Sheet Review by our Treasury Advisors, Arlingclose Ltd, we are reviewing our current Minimum Revenue Provision (MRP) and Capital Financing Requirement (CFR) policy with a view to bringing it in closer alignment with CIPFA Guidance. The Council currently uses a 2% annuity rate on all its unfinanced capital expenditure. This rate was originally set in 2017 and does not bear any resemblance to the current cost of the borrowing, nor distinguish between assets which have different useful lives. Options to change the rate applied to a rate more reflective of actual borrowing costs and asset life are being considered with effect from 1 April 2024. Should any changes be proposed then these will be reported in the MTFS report to the Corporate Policy Committee in February 2025 setting out the change in Accounting Policy and the effects of the change on the 2024/25 out-turn position and future year impacts through the MTFS.
- 24 Any such changes to the policy would need to be made in the current year due to new regulations coming in from 1st April 2025 and would therefore have the benefit of reducing the current year charge to revenue with a betterment to the overall outturn position. This has not yet been included in the figures reported within this document. However, making such a change has long term implications and therefore should not be undertaken without discussion with our auditors.
- 25 The Strategic Finance Management Board leads on a number of key tasks to urgently reduce spend and identify additional savings, including:

- Line-by-line reviews of all budgets to further identify immediately any underspends and/or additional funding;
- Stop any non-essential spend;
- Actively manage vacancies, particularly agency usage and reduce any overspends on staffing as soon as possible;
- Review of Section 106 legacy budgets, the effects of which are partly reflected in the FR3 forecast outturn as a one-off contribution to reserves (to be further updated by out-turn);
- Reducing the borrowing elements of the capital programme to minimise the minimum revenue provision and interest payable.
- Review of capital receipts available and potential surplus assets that can be sold (for best consideration);
- Identification of any other areas of discretionary spend including grants awarded, where spend can be reduced or stopped;
- Review Debt management/overall level of bad debt provision – work undertaken to date, focussing on the Adult Social Care bad debt provision, has identified through adopting a new approach to reviewing and monitoring these debts, an improvement (reduction) of the Council's bad debt provision of £1.1m, further work is ongoing and will be updated at Out-turn.

Overall mitigations planned to manage pressures

- 26 The Strategic Finance Management Board is leading on a number of key tasks to urgently reduce spend and identify additional savings as noted above.
- 27 In addition, any directorate that is identified as being off target by more than 5% is now subject to a detailed finance and performance review on a weekly basis through a financial recovery review process. This includes a detailed action plan, identifying what can be done to sustainably reduce the pressure and gaining assurance over the management of those actions to deliver improved financial outturns. This process has been put in place for Adults Services and Children and Families and is being chaired by the S151 Officer.
- 28 As reported in paragraphs 34-55 below, work is underway across all Services to look at mitigating actions which can be taken to reduce the forecast position in-year, some of the actions below having contributed to the £8.2m improvement from FR1 position of £26.5m adverse, including:
- Adults - more certainty about the FR2 projections and the delivery of in-year mitigations, including a reduction in the forecast number of placements in-year.

- Children & Families – reviewing costs of placements, establishment reviews, Reunification of children, and Work on Edge of Care Service proposals to identify early intervention and cost reduction.
- Place Services – mitigations in year through further vacancy management, reducing expenditure and maximising funding opportunities.
- Corporate – Vacancy management and some additional income.
- Finance Sub – S106 and bad debt reviews generating one-off in year contributions to assist in reducing the in year overspend and review/reset process moving forward.

29 Paragraphs 56-57 below provides a summary overview of the forecast against the approved 2024/25 budget change items, including RAG rating. In addition, there is further detail per change item with accompanying commentary, as reviewed by the Council's Corporate Leadership Team, in respect of each item within **Annex 1, Section 2**.

30 **Annex 1: Detailed Third Financial Review 2024/25**

- **Section 1** 2024/25 Forecast Outturn
- **Section 2** 2024/25 Approved Budget Change Items
- **Section 3** Revenue Grants for approval
- **Section 4** Capital
- **Section 5** Reserves
- **Section 6** Treasury Management

Annex 2: 2024/25 Capital Monitoring

RECOMMENDATIONS

The Children and Families Committee to:

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

4. Note the Capital Virements above £500,000 up to and including £5,000,000 as per **Annex 1, Section 4, Table 4** will be approved in accordance with the Council's Constitution.

Background

- 31 This single view of the financial picture of the Council provides the overall financial context.
- 32 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. Budget holders are responsible for ensuring they manage their resources in line with the objectives of the Council and within the approved budget.
- 33 For the purposes of each committee, these directorate budgets are aligned to a specific committee and the appendices to this report provides information at a level that the committee should have the ability to be able to scrutinise what is causing any variations in budget and appropriate actions to bring the council back into line in terms of managing its resources.

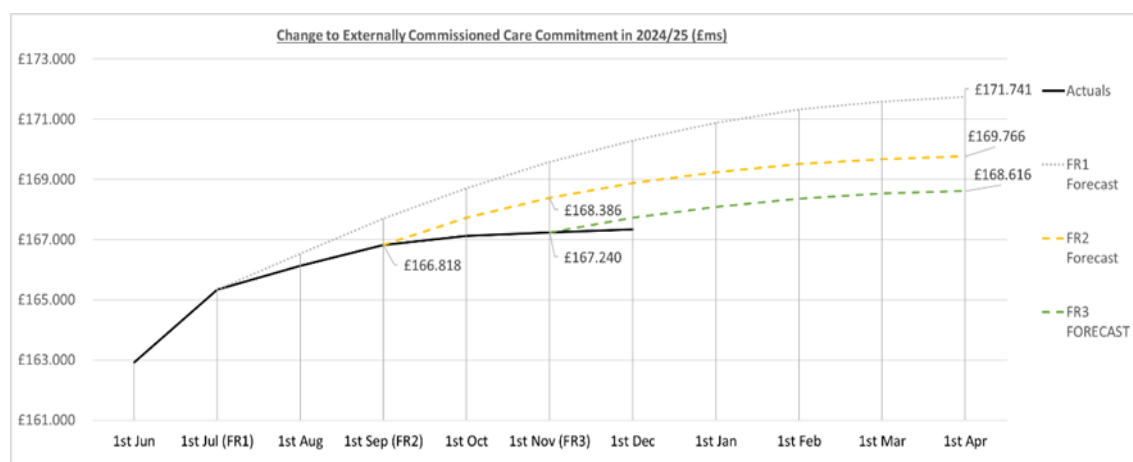
Key issues causing the pressures

- 34 There are a number of key issues causing the forecast revenue overspend, including: Update as required :
- Ongoing adverse effects of the extended period of high inflation and interest rates;
 - Continued increasing demand and complexity of care beyond the levels that had been previously identified;
 - Increase in staff costs, including use of agency staff and impact of National Living Wage which also impacts on our third party commissioned contracts;
 - Increased borrowing costs associated with the unfunded Dedicated Schools Grant (DSG) deficit;
 - Non delivery of some previously agreed savings and/or income targets;
 - The financial impact of investment in transformation and improvement activity over the medium term.

Specific commentary on the forecast outturn position by Committee

Adults and Health adverse variance of £20.0m

- 35 The Adults, Health and Integration budget is forecast to overspend by £19.956m. The £19.956m is primarily driven by an overspend of c£23m linked to care costs and pressures on staffing of c£2m. These pressures are reduced by a variance client income of c£4m, and other mitigations c£1m. The key drivers of forecast expenditure remain price increases, staff costs and increase in complexity.
- 36 The FR3 position has improved by c£700k from the FR2 forecast. This reflects the progress made to mitigate future demand. There is more certainty about the projections and the delivery of in-year mitigations, including a reduction in the forecast number of future placements in-year as shown in the graph below.



- 37 As noted previously the key driver of expenditure in adult social care is the number of people in receipt of care and the cost of each individual's care. The forecast has stabilised because we believe we will make fewer new placements in the second half of the year than we made in the first half of the year.
- 38 There is close alignment between the work being undertaken to manage budget pressures and the transformation plan. There will be some impact in-year including in respect of pricing, the focus on the review of supported living services, and services to support people at home. However, there are also risks including the reduction in the number of agency staff which has led to an increase in waiting times for services and disputes with providers in respect of price increases. In addition, the NHS is currently reporting unprecedented levels of demand in the pre-Christmas period.

Children and Families adverse variance of £5.4m

- 39 At the end of the last financial year the outturn for Children and Families was an overspend of £8.2m. The Medium-Term Financial Strategy included growth to address the pressures that were emerging throughout 2023/24. The costs of children's social care are a concern for many local authorities and not unique to Cheshire East. The Third Financial Review for 2024/25 reflects a £5.4m in-year pressure. Although the overall position remains the same as at the Second Financial Review, there was an increase in Social Care Cost relating to cost of agency staff and unaccompanied asylum-seeking children, offset by improvement in transport and catering forecast, reduced staffing cost due to vacancy management and use of grants in Education, Strong Start and Integration.

The key pressure areas for the directorate include:

- 40 Children's social care placements (£2.6m adverse variance) where the complexity of children in care has continued to increase and the number of children in care has increased from 528 at April 2024 to 556 at October 2024 (compared to a decrease from 586 at April 2023 to 551 at October 2023). Placement costs are increasing by significantly more than inflation and more than was projected for growth in-year.
- 41 The use and cost of agency staff in children's social care to cover vacancies, sick absence, and maternity leave.
- 42 The number of staff is greater than the planned establishment to ensure we are able to meet our statutory needs. Work is underway to ensure the staffing structure is suitably funded and factored into the MTFS for 2025/26.
- 43 Home to school transport costs (£0.1m adverse variance) – where a mix of increasing numbers of pupils with an education, health and care plan (EHCP), and increasing fuel costs have seen overall costs rise.
- 44 Schools Catering (£0.4m adverse variance) – where the costs of the service are above the current charged income level and base budget.
- 45 Work is underway in the services to look at mitigating actions which can be taken to reduce this forecast position in-year, and these pressures will be considered as part of the developing MTFS for 2025/26. These include:
- Reviewing costs of placements as more detailed reviews are underway focusing on the expected length that some placements may need to be in place for;
 - Staffing establishment reviews now scheduled on a 6 weekly basis including a review of agency staff and alternative working;
 - Reunification children to be identified with targeted work in place for individual cases;

- Tracking of similar spend across teams to be held in the same place as residential and supported accommodation spend to increase overall grip and understanding;
- Work on Edge of Care Service proposals to identify early intervention that may reduce admissions and costs.

Dedicated School Grant (DSG)

- 46 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.
- 47 This has placed pressure on the grant used to provide funding for children with SEND in various settings and led to a £31.7m deficit in 2023/24. This adds on to the brought forward deficit of £46.9m to take the DSG Reserve to a £78.6m deficit position at the end of 2023/24.
- 48 This is an improvement on the budget gap as determined by the Council's DSG Management Plan that was reported to Children and Families Committee in April 2024 and set out the planned expenditure and income on high needs over the medium term.
- 49 The current forecast is showing an in-year deficit of £37.1m which would increase the overall deficit to £115.7m.

Corporate Policy adverse variance of £2.5m

- 50 The Corporate Services Directorate has a net budget of £41.7m. At Third Finance Review (FR3), the budget is forecast to overspend by £2.5m compared to a £2.4m overspend at Second Finance Review (FR2). The costs of the Transformation Programme are included in the above figures adding a £3.7m pressure to the forecast (£2.8m at FR2). Without this, the forecast would be a £1.2m underspend (£0.5m at FR2). It also must be noted that, following a recent review of staffing establishments, there are pending staffing budgets realignments to be actioned which will change individual service forecasts but not the overall figure for Corporate Services.
- Vacancy management in Corporate Services has resulted in the majority of services forecasting an underspend on staffing budgets totalling £2.4m (£2.1m at FR2). There is a staff budget pressure of £0.1m across Corporate Services relating to the estimated impact of the latest pay award offer versus the amount included in the MTFS however, due to the level of vacancies across the service, this is not an in-year pressure;
 - Vacancy management has been combined with tighter control on non-pay spending across all services which is achieving a forecast underspend of £1.0m (£0.7m FR2);

- Additional income in the Registrations Service, and additional grant income in the Benefits Service.

However, these underspends have been offset by the following:

- Forecast spend of £3.7m (£2.8m FR2) on the Transformation Programme. The cost of the programme will be met from reserves or use of flexible capital receipts, the financial impact of these are shown elsewhere in the accounts;
- A forecast £1.4m (£1.3m FR2) under-recovery of Rent Allowances;
- A forecast overspend of £0.5m (£0.4m FR2) on the Transactional Service Centre (TSC), hosted by Cheshire West and Chester, mainly due to the additional costs of the stabilisation programme which has been put in place to improve the performance of the service and recognises the need to change the way in which Unit4 is used. This was an issue highlighted in the Corporate Peer Review;
- There is a forecast overspend in Accountancy mainly due to of £0.3m additional costs including Bank Charges and External Audit fees.

Place Directorate favourable variance of £4.9m

- 51 Overall, the Place Directorate is forecasting an underspend of £4.9m at the Third Financial Review stage against a £92.5m budget. This represents a £0.9m improvement from FR2. Pressures from reducing planning application income (£0.5m), increased waste collection and disposal costs (£0.5m) and yet to be secured savings against leisure (£0.4m) have been mitigated through further vacancy management, reducing expenditure and maximising funding opportunities.

Economy & Growth favourable variance of £3.8m

- 52 Growth and Enterprise Directorate and Place Directorate are forecasting an underspend of £3.6m against a net budget of £28.1m. The key reasons for the underspend are:
- Facilities Management: there is a £1.7m underspend forecast. This includes pressures against maintenance budgets of £0.5m (additional pressures and delivery of savings), costs of workplace initiatives and equipment of £0.4m, the transfer of underspends to offset Place MTFS targets across the Directorate £0.6m and these have been offset by:

- Savings against gas and electricity compared to much higher budgeted costs £3.0m.
 - Business rates underspend of £0.2m due to revaluations and appeals.
 - Underspends from vacancy management £0.5m.
- Economic Development: £0.3m underspend from vacancy management, reduced supplies £0.1m and increased income £0.1m.
 - Housing: £0.6m underspend from vacancies and extra grant funding.
 - Green infrastructure and Cultural Economy £0.4m due to vacancies.

Environment & Communities favourable variance of £0.6m

53 Environment and Neighbourhood Services is forecasting an underspend of £0.6m against a net budget of £48.4m. This is a £0.5m improvement from FR2. The key reasons for the forecasting underspend are:

- Development Management: £0.2m overspend reflecting pressures from a shortfall in income from planning applications £0.5m and pressures on supplies and services of £0.1m. These are offset by vacancy management £0.4m.
- Environmental – Commissioning: Orbitas £0.2m underspend overall due to better income performance.
- Libraries: £0.1m overspend including pressures of £0.5m from the delivery of the MTFS savings which is offset by £0.3m vacancy management and £0.1m underspend from MTFS growth for exploring a charitable trust model.
- Leisure Commissioning: £0.4m overspend (delivery of MTFS savings)
- Other service issues: £1.1m underspend:
 - Building Control: £0.3m underspend (£0.1m pressure on income offset by £0.4m vacancies).
 - Local Land Charges and Planning Support: £0.2m underspend from vacancies.
 - Strategic Planning: £0.4m (£0.2m vacancy management plus £0.2m delayed Local Plan costs).
 - Regulatory Services: £0.2m (£0.3m vacancies offset by £0.1m CCTV costs).

Highways & Transport favourable variance of £0.5m

- 54 Highways & Infrastructure are forecasting an underspend of £0.5m against a net budget of £16m. This is a slight worsening of £0.1m since FR2 due to delayed car park income. The key reasons for the underspend are due to vacancies across Car Parking, Strategic Transport and Rail and Transport Integration.

Finance Sub favourable variance of £4.6m

- 55 Finance Sub Committee are reporting a positive variance of £4.6m against a revised net budget of £25.1m.
- Financing and Investment £0.5m net pressure reflecting £2.1m increased cost of interest payments on borrowing offset by £1.6m increased interest receipts from investments.
 - Reserves use of £3.6m (net change from MTFS) reflects £0.5m additional Flexible Capital Receipts offset by £1m reduction in available Capital Financing Reserve at outturn compared to forecast balance reflected in the February 2024 MTFS. There is also an additional £4.1m use of the General Fund reserve forecast to fund transformation activities.
 - There is a further £1.5m positive variance as a result of in year reviews of S106 balances/schemes and bad debt. The S106 Review identifying a one off contribution in year where work has been completed in prior years but has not been reflected in transferring money from S106 into the general fund, £0.5m initially reflected at FR2 with potential for further increased contributions at FR3; £0.1m reduction in the Adult Social Care bad debt provision, as referred to in para 77 below.

Progress on delivery of the 2024/25 approved budget change items

- 56 Table 5 presents a summary of the progress on the delivery of the 2024/25 approved budget change items. For items rated as Amber these are for items where there are risks and/or mitigating actions in place. For items rated as red these are for items where services are projecting an adverse variance and there is risk of in year non delivery/achievement. New mitigation items have also been included that have come forward since the approval of the MTFS to help the in-year position where identified.
- 57 As the green and blue columns show, £35.4m of the budget change items are either delivered or on track to be delivered or even exceed in some cases. However, there is also a pressure of £52.9m as shown in the red column that has a high risk of not being achieved within this financial year. There are new in year mitigations of £11m, unrelated to the change item

rows that have been identified to assist the outturn position. The table below summarises the progress by Committee:

Table 5: Summary of the progress on the delivery of the 2024/25 approved budget change items

| Committee | Approved Change Budget £'000 | Forecast Outturn £'000 | Completed £'000 | Could Exceed £'000 | Green £'000 | Amber £'000 | Red £'000 | Mitigations £'000 |
|---------------------------|--|-------------------------------|------------------------|---------------------------|--------------------|--------------------|------------------|--------------------------|
| Adults & Health | 1,136 | 21,092 | -2,723 | 0 | -9,216 | 0 | 33,625 | -594 |
| Children & Families | 9,909 | 15,315 | 965 | 0 | -764 | 214 | 14,017 | 883 |
| Corporate Policy | 494 | 2,954 | -173 | 0 | -117 | 0 | 1,581 | 1,663 |
| Economy & Growth | 3,316 | -449 | -61 | 0 | 3,866 | -585 | 940 | -4,609 |
| Environment & Communities | -52 | -688 | 875 | -1,480 | -268 | 47 | 2,397 | -2,259 |
| Finance Sub | -19,668 | -24,294 | 600 | 0 | -29,279 | 9,974 | 0 | -5,589 |
| Highways & Transport | 4,869 | 4,335 | 2,488 | 0 | 1,700 | 275 | 328 | -456 |
| TOTAL | -1 | 18,265 | 1,971 | -1,480 | -34,077 | 9,925 | 52,888 | -10,961 |

- 58 A complete list of all approved budget change items, with progress noted against each item, can be found in **Annex 1, Section 2**.

Revenue Grants for Approval

- 59 Approvals for Supplementary Revenue Estimates for allocation of additional grant funding are detailed in **Annex 1, Section 3**.

Reserves Position

- 60 On 1 April 2024, Earmarked Reserves totalled £32.278m and the General Fund Reserve Balance totalled £5.580m. Of the total earmarked reserves, more than £22m (70.5%) will be spent in 2024/25, on supporting the revenue budget for 2024/25.
- 61 Table 6 and 7 shows the forecast level of Earmarked and General reserves by the end of 2024/25.
- 62 As part of the 2023/24 Out-turn, some Earmarked reserves planned to be spent in 2023/24 were not fully spent in year and therefore an additional slipped amount of Earmarked reserves were brought forward into 2024/25. There is planned spend in place for these earmarked reserves across

Services however there is no current approval in place as they were not specifically reported for approval in the MTFS approved in February 2024. Table 6 below and the tables in Annex 1, Section 5 detail by Committee the reserves as an indicative scenario. Recognising that there is existing planned spend against these earmarked reserves in 2024/25 and also the desired outcome of ensuring e that the position on reserves is protected such that the out-turn forecast is not further worsened, it is proposed that the Corporate Leadership Team (CLT) carry out a strategic review of existing in-principle decisions on use of earmarked reserves for year end 31 March 2025 with the aim of supporting future financial sustainability. Examples of some of the earmarked reserves to be considered:

- Increasing the General Fund balance by transfer from earmarked reserves (e.g. MTFS reserve)
- Retaining and/or reinstating some earmarked reserves vital to our long-term financial planning (e.g. PFI reserve)

63 Following the CLT review, final recommendations will be made in the MTFS report to the Corporate Policy Committee on the 6 February 2025 as regards decisions on earmarked reserves used in 2024/25, and to be remaining as at 31 March 2025.

Table 6: Earmarked Reserves

| Earmarked Reserves by Committee | Opening Balance 01 April 2024 £000 | Drawdowns to General Fund £000 | Approved Movement Forecast £000 | Additional Drawdown Requests* £000 | Closing Balance Forecast 31 March 2025 £000 |
|---------------------------------|--|-----------------------------------|------------------------------------|---------------------------------------|---|
| Adults and Health | 5,226 | (2,795) | (110) | 0 | 2,321 |
| Children and Families | 1,724 | 0 | (1,593) | (131) | 0 |
| Corporate Policy | 20,773 | (6,551) | (2,830) | (4,545) | 6,847 |
| Economy and Growth | 2,777 | (662) | (1,004) | (765) | 346 |
| Environment and Communities | 870 | (390) | (402) | (78) | 0 |
| Highways and Transport | 908 | (205) | (415) | (288) | 0 |
| EARMARKED RESERVES TOTAL | 32,278 | (10,603) | (6,354) | (5,807) | 9,514 |

* All 'Additional Drawdown Requests' are subject to approval.

* Total excludes schools' balances

Table 7: General Fund Reserve

| General Fund Reserve | Opening Balance 01 April 2024 £000 | Drawdowns to General Fund £000 | Approved Movement Forecast | Additional Forecast Movement £000 | Closing Balance Forecast 31 March 2025 £000 |
|-----------------------------------|--|-----------------------------------|----------------------------|--------------------------------------|---|
| General Fund Reserve | 5,580 | (1,051) | 0 | (4,066) | 463 |
| GENERAL FUND RESERVE TOTAL | 5,580 | (1,051) | 0 | (4,066) | 463 |

- 64 At FR1 the forecast closing balance at 31 March 2025 in the Council's General Fund Reserve was £4.5m. At FR2, a further £4m transformational spend has been included within the service forecasts which will be funded from General reserves, reducing the forecast balance to £0.5m. If it is possible to identify additional capital receipts these could potentially be used to capitalise this expenditure and this will remain an area that is under review.
- 65 The Council is currently forecast to have £9.514m of earmarked reserves at the end of the financial year 2024/25. Of this £2.279m can be considered ringfenced, with specific conditions limiting their use.
- 66 A full list of all earmarked reserves can be found in **Annex 1, Section 5**.

Dedicated Schools Grant Reserve

- 67 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.
- 68 The on-going pressure is regularly reviewed; at the end of 2023/24 the deficit was £78.6m and this is forecast to increase by £37.1m by the end of 2024/25. This is an improvement on the Council's DSG Management Plan approved in April 2024, which sets out the planned expenditure and income on high needs over the medium term. The DSG Management Plan is currently being updated and will be reported to Committee on completion.

Table 8: Dedicated Schools Grant

| Dedicated Schools Grant Deficit | £m |
|---|--------------|
| Deficit Balance Brought forward | 78.6 |
| Additional In-year Pressures | 37.1 |
| Deficit Balance at 31 March 2025 | 115.7 |

Debt

- 69 Sundry debt includes all invoiced income due to the Council except for statutory taxes (Council Tax and Non-Domestic Rates). The balance of outstanding debt at 28th November 2024 was £16.9m. This has reduced by £1m since FR2 (end of September 2024).

- 70 Annually, the Council raises invoices with a total value of over £80m. Around a quarter of the Council's overall sundry debt portfolio relates to charges for Adult Social Care, the remainder being spread across a range of functions including Highways, Property Services, Licensing and Building Control.
- 71 The Revenue Recovery team (using their experience gained in collecting Council Tax and Non-Domestic Rates) engage with services to offer advice and assistance in all aspects of debt management, including facilitating access to debt collection services (currently provided by Bristow & Sutor).
- 72 The total amount of service debt over six months old is £10.8m; split as £9.3m of Adult Social Care debt and £1.5m of Sundry Debt. A provision of £6.8m was made at year ended 31st March 2024 to cover doubtful debt in the event that it needs to be written off. There is an ongoing in year review of the Bad Debt provision which has to date focused on Adult Social Care debt, this work has identified a forecast £1m reduction in the provision in 2024/25 linked to the ASC debt, reflected in the FR3 position.
- 73 The level of Adult Social Care debt can fluctuate depending on when in the month the snapshot is taken, for example if it is before or after the Direct Debit income is received and allocated. The debt also has different levels of risk depending on the type of debt. For example, around £3m is linked to deferred arrangements which is debt that is secured on property or assets, and therefore carries a low risk. There is also around £5m of debt which is deemed to be lower risk as its linked to areas such as probate, property sales or deputyship. As noted above, the current review of Debt provision for Adult Social Care has identified a £1.0m reduction in the ASC debt provision having reviewed the provision process across the 3 main categories of ASC all of which have distinct provision calculations. Further work is ongoing and will extend to wider Council debt throughout the review.
- 74 The Highways position for outstanding debt is consistent throughout the year. The debt is generally made up of three elements: the movement of funds from Cheshire West and Chester Council and Warrington Borough Council in relation to the Cheshire Road Safety Group (these are settled quickly); third party claims for damage to the highway; and permit fees. The third party claims are often paid in instalments.

The previous outturn positions are:

- 31 March 2024 Outstanding debt £1.6m, over 6 months old £0.7m.
 - 31 March 2023 Outstanding debt £1m, over 6 months old £0.5m
- 75 The Council has robust processes in place to ensure that all outstanding debt is chased up (where commercially viable) and, where necessary, payment plans are put in place with advice from Legal Services.

Table 9 – Debt Summary as at 28th November 2024

| | Outstanding Debt £000 | | | | Over 6 months old £000 | | |
|--|-----------------------|---------------|-----------------------|--|------------------------|---------------|-----------------------|
| | FR2 | FR3 | Increase / (Decrease) | | FR2 | FR3 | Increase / (Decrease) |
| Adults and Health Committee | | | | | | | |
| Adults, Public Health and Communities | 14,967 | 14,170 | (797) | | 9,060 | 9,325 | 265 |
| Children and Families Committee | | | | | | | |
| Children's Social Care (Incl. Directorate) | 189 | 189 | (0) | | - | 1 | 1 |
| Prevention and Early Help | 69 | 51 | (19) | | (7) | (8) | (2) |
| Schools | 17 | 17 | 1 | | 2 | 3 | 1 |
| Highways and Transport Committee | | | | | | | |
| Highways and Infrastructure | 1,115 | 1,305 | 190 | | 760 | 755 | (4) |
| Economy and Growth Committee | | | | | | | |
| Growth and Enterprise | 740 | 621 | (119) | | 394 | 420 | 27 |
| Environment and Communities Committee | | | | | | | |
| Environment and Neighbourhood Services | 398 | 377 | (21) | | 215 | 214 | (1) |
| Corporate Policy Committee | | | | | | | |
| Finance and Customer Services | 135 | 126 | (8) | | 69 | 67 | (2) |
| Governance and Compliance | (1) | 0 | 1 | | - | - | - |
| Human Resources | - | - | - | | - | - | - |
| ICT | 217 | 3 | (214) | | 2 | 2 | 0 |
| Total | 17,846 | 16,859 | (988) | | 10,496 | 10,780 | 284 |

Council Tax and Business Rates

Council Tax

- 76 **Table 10** details each precepting authorities share of the budgeted collectable rates income.

| Table 10 | Band D | Collectable |
|---|-----------------|--------------------|
| Share of Council Tax Collectable Rates | Charge | Rates |
| | | £m |
| Cheshire East Council | 1,792.59 | 287.1 |
| Town and Parish Councils | 71.57 | 11.5 |
| Cheshire Police and Crime Commissioner | 262.94 | 42.1 |
| Cheshire Fire Authority | 90.09 | 14.4 |
| Total | 2,217.19 | 355.1 |

- 77 The collectable rates valuation is based on the assumption that of the total amount billed, at least 99% will be collected. **Table 11** demonstrates that, excluding a slight reduction during the Covid-19 pandemic, the target to collect at least 99% of Council Tax within three years continues to be achieved.

| Table 11 Council Tax Collection Rates | 2020/21 % | 2021/22 % | 2022/23 % | 2023/24 % | 2024/25 % |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| After 1 year | 97.4 | 97.8 | 98.2 | 98.0 | *73.5 |
| After 2 years | 98.6 | 98.5 | 98.8 | ** | ** |
| After 3 years | 98.9 | 99.0 | ** | ** | ** |

* 2024/25 rate is up to 30th November 2024.

** Data is not yet available.

- 78 After accounting adjustments, the Council Tax Collection Fund is forecasting a £0.003m surplus for 2024/25, of which, £0.002m is attributable to Cheshire East Council. This surplus will be paid out in 2025/26 and will be held in the Collection Fund Earmarked Reserve until such time.

Non-Domestic Rates (NDR)

- 79 Collectable rates are distributed between Cheshire East Council (49%), Cheshire Fire Authority (1%), and Central Government (50%).
- 80 Non-domestic Rates valuations for 2024/25 were set out in the NNDR1 return to Central Government in January 2024. Any variance to this forecast is included in the following years' NNDR1 return and any gain or loss will be recovered in 2025/26. The total Net Rates Payable into the Collection Fund was forecast at £155.7m.
- 81 **Table 12** demonstrates that the target to collect at least 99% of Non-Domestic Rates within three years continues to be achieved.

| Table 12 Non-Domestic Collection Rates | 2020/21 % | 2021/22 % | 2022/23 % | 2023/24 % | 2024/25 % |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| After 1 year | 92.4 | 95.6 | 98.2 | 97.7 | *72.6 |
| After 2 years | 97.4 | 98.3 | 98.8 | ** | ** |
| After 3 years | 99.0 | 99.2 | ** | ** | ** |

* 2024/25 rate is up to 30th November 2024.

** Data is not yet available.

- 82 After accounting adjustments, the Non-Domestic Rates Collection Fund is forecasting a £2.1m deficit for 2024/25, of which, £1.0m is attributable to Cheshire East Council. This deficit will be repayable in 2025/26 and will be managed through the Collection Fund Earmarked Reserve.

Treasury Management Strategy update

- 83 Treasury Management income to 30 November 2024 is £2.3m which is higher than the budgeted £1.3m. However, borrowing costs are also higher than budgeted at £12.m compared to budget of £10.7m. This is caused by a combination of increasing interest rates with an increased borrowing requirement. From the projected cash flows for the remainder of 2024/25 the net additional financing costs (borrowing less investment interest) is expected to be £0.8m in excess of that budgeted.
- 84 Interest rates have seen substantial rises over the last two years which has significantly increased the cost of borrowing. The expectation is that borrowing costs will start to fall although market uncertainty and tightening liquidity in the markets suggests we will not benefit from lower rates until 2025/26.
- 85 At the moment, cash shortfalls are generally being met by temporary borrowing from other local authorities which for a number of years has been considerably cheaper than other sources of borrowing and allowed the Council to keep financing costs low. The cost of these loans is currently relatively high compared with longer term loans but interest forecasts suggest it is still the cheaper option in the long term. However, liquidity risk remains an issue as funds become more scarce towards year end and the request to the Government for exceptional financial support has raised credit worthiness concerns with some lenders. To reduce liquidity risk, consideration is being given to taking more longer term PWLB loans.
- 86 The cost of short term borrowing for the first eight months of 2024/25 is 5.38% which is an increase from 4.82% in 2023/24. These costs are now expected to reduce as the outlook is for reducing interest rates.

Investment Strategy

- 87 There have not been any material changes to the Investment Strategy since that reported at Final Outturn 2023/24, see link [Final Outturn 2023-24 Annex 1.pdf \(cheshireeast.gov.uk\)](#)

Consultation and Engagement

- 88 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

- 89 The overall process for managing the Council's resources focuses on value for money, good governance and stewardship. 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.
- 90 This report provides strong links between the Council's statutory reporting requirements and the in-year monitoring and management processes for financial and non-financial management of resources.

Other Options Considered

- 91 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 and are given an opportunity to scrutinise this activity and identify any further actions that could be taken to learn to live within our means 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

- 92 The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility. Sections 25 to 29 of the Local Government Act 2003 impose duties on the Council in relation to how it sets and monitors its budget and require the Council to make prudent allowance for the risk and uncertainties in its budget and regularly monitor its finances during the year. The legislation leaves discretion to the Council about the allowances to be made and action to be taken.
- 93 The provisions of section 25 of the Local Government Act 2003, require that, when the Council is making the calculation of its budget
-

requirement, it must have regard to the report of the chief finance (s.151) officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.

- 94 The Council should therefore have robust processes in place so that it can meet statutory requirements and fulfil its fiduciary duty. It must ensure that all available resources are directed towards the delivery of statutory functions, savings and efficiency plans. Local authorities are creatures of 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.
- 95 The financial position of the Council must therefore be closely monitored, and Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered and that new expenditure is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings or alternative mitigations.
- 96 This report provides an update on progress for 2024/25 for all services.
- 97 It also provides updates and comments regarding the Council's request for Exceptional Financial Support under The Levelling-up and Regeneration Act 2023 which inserted an amended Section 12A as a trigger event within the Local Government Act 2003, in relation to capital finance risk management. The legislation also provides for risk mitigation directions to be given to the Council which limit the ability to undertake certain financial action. The limitations are based on identified risk thresholds.

Section 151 Officer/Finance

- 98 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.
-

- 99 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.
- 100 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.
- 101 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.
- 102 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.
- 103 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:
1. Spending decisions could be made that exceed the available resources of the Council. This would unbalance the budget, which is unlawful.
 2. Spending decisions to restrict or hide pressures could be made that avoid an immediate deficit, but in fact are based on unlawful activity.
- 104 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.
- 105 Further consequences would be highly likely and could include the appointment of Commissioners from the MHCLG, and potential restrictions on the decision-making powers of local leaders.

- 106 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.
- 107 The forecast outturn position, ongoing considerations for future years, and the impact on general reserves will be fed into the assumptions underpinning the 2025 to 2029 Medium-Term Financial Strategy.
- 108 The approval of supplementary estimates and virements are governed by the Finance Procedure Rules section of the Constitution.

Equality, Diversity and Inclusion

- 109 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

- 110 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

- 111 Financial risks are assessed and reported on a regular basis, and remedial action taken if required. Risks associated with the achievement of the 2023/24 budget and the level of general reserves were factored into the 2024/25 financial scenario, budget, and reserves strategy.

Rural Communities

- 112 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)

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

Public Health

- 114 This report is a backward look at Council activities at the first 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.
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Climate Change

115 There are no direct implications for climate change.

| Access to Information | |
|------------------------------|---|
| Contact Officer: | <p>Adele Taylor, Interim Executive Director of Resources (S151 Officer) adele.taylor@cheshireeast.gov.uk</p> <p>Paul Goodwin, Acting Director of Finance (Deputy S151 Officer) paul.goodwin@cheshireeast.gov.uk</p> |
| Appendices: | <p>Annex 1 including:</p> <ul style="list-style-type: none"> • Section 1 2024/25 Forecast Outturn • Section 2 2024/25 Approved Budget Change Items • Section 3 Revenue Grants for approval • Section 4 Capital • Section 5 Reserves • Section 6 Treasury Management <p>Annex 2 – 2024/25 Capital Monitoring</p> |
| Background Papers: | <p>The following are links to key background documents:</p> <p>Medium-Term Financial Strategy 2024-2028</p> <p>First Financial Review 2024/25</p> |



Third Financial Review 2024/25

Results to end of October 2024

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Section 1: 2024/25 Forecast Outturn

- 1.1. Table 1 provides a service summary of financial performance based on information available as at the end of October 2024. The current forecast is that services will be £22.9m over budget in the current year.
- 1.2. It also shows that central budgets are forecast to be £4.6m under budget resulting in an overall outturn of £18.3m overspend against a net revenue budget of £390.5m, an improvement of £1.8m from FR2.
- 1.3. The forecast outturn position is based on a full financial management review across all service and reflects the following assumptions:
- Includes those savings that have been identified as non-achievable though the tracker on our High Level Business Cases (HLBC) with no/some alternative actions currently presented;
 - A review of the on-going impacts of adverse variances identified in 2023/24;
 - Any identified, emerging items of significance:
 - Within Adult Social Care, significant growth is forecast for care costs in line with position seen year to date, less mitigations linked to delivery of savings;
 - Includes the assumptions around additional revenue resources in Childrens Services to resource the draft improvement plan in relation to the recent OFSTED inspection;
 - Forecast impact of the confirmed increased 2024/25 pay award £1.6m (unfunded);
 - Detailed review of any vacancy underspends in all areas;
 - One-off items that have been identified so far through line by line reviews and/or identification of additional funding that has been announced since the MTFS was set.
 - Mitigation activities delivered or forecast to be delivered by 31 March as reflected in paragraph 28 of the main covering report.
 - Review of Section 106 legacy budgets, the effects of which are partly reflected in the FR3 forecast out-turn as a one off contributions to reserves work undertaken to date has identified an improvement (reduction) of the Council's bad debt provision of £1.0m,
- 1.4. Further items impacting on the level of the Council's balances are detailed in **Section 5**.

| 2024/25 FR3 | Revised Budget (NET) | Forecast Outturn | Forecast Variance FR3 | Forecast Variance FR2 | Movement from FR2 to FR23 |
|---|----------------------|------------------|-----------------------|-----------------------|---------------------------|
| | £m | £m | £m | £m | £m |
| SERVICE DIRECTORATES | | | | | |
| Adult Social Care - Operations | 145.9 | 167.4 | 21.5 | 21.9 | (0.4) |
| Commissioning | (8.0) | (9.5) | (1.5) | (1.1) | (0.4) |
| Public Health | - | - | - | - | - |
| Adults and Health Committee | 138.0 | 157.9 | 20.0 | 20.8 | (0.8) |
| | | | | | - |
| Directorate | 2.6 | 3.6 | 1.1 | 1.1 | (0.0) |
| Children's Social Care | 55.3 | 59.7 | 4.4 | 3.6 | 0.8 |
| Education, Strong Start & Integration | 35.2 | 35.1 | (0.1) | 0.7 | (0.8) |
| Children and Families Committee | 93.0 | 98.5 | 5.4 | 5.4 | 0.0 |
| | | | | | - |
| Directorate | (0.3) | (0.5) | (0.2) | (0.0) | (0.1) |
| Growth & Enterprise | 28.4 | 24.8 | (3.6) | (3.2) | (0.4) |
| Economy and Growth Committee | 28.1 | 24.3 | (3.8) | (3.3) | (0.5) |
| | | | | | - |
| Environment & Neighbourhood Services | 48.4 | 47.8 | (0.6) | (0.1) | (0.5) |
| Environment and Communities Committee | 48.4 | 47.8 | (0.6) | (0.1) | (0.5) |
| | | | | | - |
| Highways & Infrastructure | 16.0 | 15.5 | (0.5) | (0.6) | 0.1 |
| Highways and Transport Committee | 16.0 | 15.5 | (0.5) | (0.6) | 0.1 |
| | | | | | - |
| Directorate | 1.5 | 1.1 | (0.3) | (0.2) | (0.2) |
| Finance & Customer Services | 12.1 | 13.9 | 1.7 | 1.8 | (0.0) |
| Transformation | - | 3.7 | 3.7 | 2.8 | 0.9 |
| Governance & Compliance Services | 10.9 | 9.2 | (1.6) | (1.3) | (0.4) |
| Communications | 0.7 | 0.7 | (0.0) | (0.0) | (0.0) |
| HR | 2.4 | 2.0 | (0.4) | (0.3) | (0.0) |
| ICT | 12.4 | 11.8 | (0.6) | (0.3) | (0.3) |
| Policy & Change | 2.0 | 1.9 | (0.0) | (0.1) | 0.1 |
| Corporate Policy Committee | 41.9 | 44.4 | 2.5 | 2.4 | 0.1 |
| | | | | | - |
| Corporate Unallocated | | | | | - |
| Corporate Unallocated | - | - | - | - | - |
| | | | | | - |
| TOTAL SERVICES NET EXPENDITURE | 365.4 | 388.3 | 22.9 | 24.5 | (1.6) |
| | | | | | - |
| CENTRAL BUDGETS | | | | | - |
| Capital Financing | 31.7 | 32.1 | 0.5 | 0.3 | 0.1 |
| Transfer to/(from) Earmarked Reserves | (18.0) | (21.5) | (3.6) | (3.5) | (0.1) |
| Parish Precepts & Other Operating Expenditure | 11.4 | 9.9 | (1.5) | (1.3) | (0.2) |
| Finance Sub-Committee - Central Budgets | 25.1 | 20.5 | (4.6) | (4.5) | (0.2) |
| | | | | | - |
| TOTAL NET EXPENDITURE | 390.5 | 408.8 | 18.3 | 20.1 | (1.8) |
| | | | | | 0 |
| Business Rates Retention Scheme | (64.6) | (64.6) | - | - | - |
| Specific Grants | (32.4) | (32.4) | - | - | - |
| Council Tax | (293.5) | (293.5) | - | - | - |
| Sourced from Collection Fund | - | - | - | - | - |
| Finance Sub-Committee - Net Funding | (390.5) | (390.5) | - | - | - |
| | | | | | - |
| NET (SURPLUS) / DEFICIT | (0.0) | 18.3 | 18.3 | 20.1 | (1.8) |

Section 2: 2024/25 Approved Budget Change Items

The following table provides up detailed commentary on the progress against the approved budget change items that were agreed as part of the budget agreed in February 2024. These are split by relevant committee.

| MTFS Ref No | Detailed List of Approved Budget Changes – Service Budgets | 2024/25 MTFS £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|--|-----------------|-----------------------------|--------------------------------------|---|
| | Adults and Health Committee | +1.136 | +21.092 | +19.956 | |
| 1 | Fees and Charges | -1.800 | -1.800 | 0 | Green – see below |
| 2 | Client Contributions | -0.800 | -4.383 | -3.583 | Green - £3.85m surplus vs client contribution budget forecasted for 2024/25. This is in addition to achieving the budgeted increase for Fees and Charges & Client Contribution increase in-year (£2.6m) |
| 3 | Working Age Adults - Prevent, Reduce, Delay | -1.467 | -1.467 | 0 | Green - Multiple activities contributing to these savings. Validation of delivery and measures being developed by SROs and Finance. |
| 4 | Older People – Prevent, Reduce, Delay | -1.566 | -1.566 | 0 | Green - Multiple activities contributing to these savings. Validation of delivery and measures being developed by SROs and Finance. |
| 5 | Market Sustainability and Workforce grant | -1.100 | -1.100 | 0 | Completed |
| 6 | Revenue grants for Adult Social Care | -2.480 | -2.480 | 0 | Completed |
| 7 | Pension Costs Adjustment | -0.493 | -0.493 | 0 | Completed |
| 8 | Investment in Adult Social Care | +7.600 | +31.521 | +23.921 | Red – MTFS growth for Care Costs not sufficient to cover the pressure seen in 2023/24 plus the expected growth in 2024/25. Mitigations to reduce pressure reported separately. |
| 9 | Pay Inflation | +1.892 | +2.104 | +0.212 | Red - NJC Pay Claim now approved - over spend against budget as a result of £1,290/2.5% increase. Increase compared to flat percentage budget increase of 3% within original MTFS. |
| 10 | Resettlement Revenue Grants – reversal of 2023/24 use | +0.850* | +0.850* | 0 | Completed |
| 11 | Adult Social Care Transformation Earmarked Reserve Release – reversal of 2023/24 use | +0.500* | +0.500* | 0 | Completed |

| MTFS Ref No | Detailed List of Approved Budget Changes – Service Budgets | 2024/25 MTFS £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|---|-----------------|-----------------------------|--------------------------------------|--|
| 12 | Market Sustainability and Fair Cost of Care – Removal of Grant Income | - | - | - | Completed - Now a 2025/26 Item |
| 13 | Asset Management | TBC | TBC | - | Green - The business case for future usage of the site will be revisited and taken through the appropriate CEC governance procedures. The model of care in relation to high-cost adult social care and health provisions will be part of this work. |
| 14 | Investigate potential agency creation | TBC | TBC | - | Green - This proposal has been consistently delivered in relation to the usage of a Care Workers agency in all but name. Care4CE, the Council's in house care provider, has been utilising workers, both casual and agency, as a bank of workers for several years to successfully deliver operational requirements. |
| In year | Other variances to reconcile to 2024/25 FR3 forecast | 0 | +2.162 | +2.162 | |
| In year | Mitigations reducing the FR3 reported forecast position | 0 | -2.756 | -2.756 | |

** Item represented a one-off spend in 2023/24. As it is not a permanent part of the budget, the value of the proposal is reversed in 2024/25.*

| MTFS Ref No | Detailed List of Approved Budget Changes – Service Budgets (some of the budget change items have been separated out since the publication of the MTFS) | 2024/25 MTFS £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|--|-----------------|-----------------------------|--------------------------------------|---|
| | Children and Families Committee | +9.909 | +15.314 | +5.405 | |
| 15 | Discretionary offer to children with disabilities | -0.900 | -0.970 | -0.070 | Green - On Track, project team progressing multiple improvements to redesign the service offer, ensuring consistency and efficiency. |
| 16 | Remove school catering subsidy | -0.516 | -0.139 | +0.377 | Red - In progress, rate uplift applied from September 2024 in order to cover the costs of the service through to the end of March 2025 when it ends. However, as some schools are making their own arrangements before the end of the financial year, this will impact on the savings target. |
| 17 | Review of structure to further integrate children and families services | -1.000 | -0.200 | +0.800 | Red - Delivery Planning in progress to address saving. Including: further Establishment review, service redesign, cross directorate risk management. |
| 18 | Reduce discretionary Post-16 Travel Support | -0.400 | -0.321 | +0.079 | Red - Agreed by Committee so progressing, too early to confirm take-up. |
| 19 | Achieve the Family Hub model | -0.250 | -0.250 | 0 | Green - Committee approved new model of delivery in Nov Committee. Savings are not going to be delivered in 2024/25 therefore alternative saving being found to cover this. |
| 20a | Other Service Reviews – Review of commissioned services across the C&F directorate. Review of the current Domestic Abuse Service | -0.100 | -0.100 | 0 | Completed. |
| 20b | Other Service Reviews – Maximise grant allocation to cover all costs | -0.100 | 0 | +0.100 | Red - Plan to explore current / future grants to ensure where T&Cs allow, contribution to fund base costs (e.g. staffing and on costs) is maximised. |
| 20c | Other Service Reviews – Traded services | -0.050 | +0.020 | +0.070 | Red - Part delivered but may need to look for alternative options to cover the remaining saving. |
| 21a | Reduce Growth in expenditure – review of high cost, low outcome external residential placements | -1.000 | -1.000 | 0 | Red - Whilst work has been taking place to open CE Children's Homes and our first open is now open, with our second due in autumn/winter, our collaboration with Foster4 working well to increase our foster carers, we still are seeing more children coming into care. There is also increasing instability with the residential market, driving up prices. Complex young people need high packages of support, which are extremely |

| MTFS Ref No | Detailed List of Approved Budget Changes – Service Budgets (some of the budget change items have been separated out since the publication of the MTFS) | 2024/25 MTFS £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|--|-----------------|-----------------------------|--------------------------------------|---|
| | | | | | expensive. We are due to review all high cost placements and other placements to identify children for whom reunification to family would be appropriate. Processes are also in place by the Head of Provider Services to review costs being paid to providers. |
| 21b | Reduce Growth in expenditure – increase commissioning approach to establish greater opportunities to provide accommodation for +16 young people | -0.400 | -0.169 | +0.231 | Red - 16+ and 18+ Commissioning Plans / Market Shaping in Progress. Responding to increasing demand and complexity. |
| 21c | Reduce Growth in expenditure – Foster Care | -0.250 | -0.250 | 0 | Amber - Developing a Delivery Plan to increase Foster Care provision. |
| 21d | Reduce Growth in expenditure – reduced spend on expert assessment in court proceedings and services post public law proceedings | -0.250 | -0.504 | -0.254 | Green - Task & Finish Group put in place to explore and develop processes and capacity to reduce costly legal proceedings. |
| 22 | Pension Costs Adjustment | -0.515 | -0.361 | +0.154 | Red - Teacher's pension legacy costs are not reducing as anticipated. Completed - CEC pension reduction. |
| 23 | Growth to deliver statutory Youth Justice service, and growth to ensure budget is sufficient to meet Safeguarding Partnership duties | +0.170 | +0.197 | +0.027 | Amber - It is incumbent upon the three statutory safeguarding partners, the police, health and the Local Authority, to ensure that adequate funding is allocated to the Children's Safeguarding Partnership so it can fulfil its statutory functions in delivering the multi-agency safeguarding arrangements. An internal audit identified the Local Authority had not reviewed its contributions to the partnership and was insufficiently contributing to the delivery of the partnership arrangements. As a result, growth was approved by committee. This has been supported by an increase in contributions from all partner agencies. A vacancy has also been held in the business unit. |
| 24 | Growth to provide capacity to deliver transformation for SEND | +0.500 | +0.456 | -0.043 | Green. |
| 25 | Wraparound Childcare Programme (funded) | +0.587 | +0.587 | 0 | Amber - Currently reviewing sufficiency and funding details to manage delivery within budget. |

| MTFS Ref No | Detailed List of Approved Budget Changes – Service Budgets (some of the budget change items have been separated out since the publication of the MTFS) | 2024/25 MTFS £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|--|-----------------|-----------------------------|--------------------------------------|---|
| 25 | Wraparound Childcare Programme (funded) | -0.587 | -0.587 | 0 | Amber - Currently reviewing sufficiency and funding details to manage delivery within budget. |
| 26 | Legal Proceeding - Child Protection | +0.770 | +0.770 | 0 | Green. |
| 27 | Growth in School Transport budget | +0.936 | +0.988 | +0.052 | Red. |
| 28 | Pay Inflation | +1.374 | +1.915 | +0.541 | Red - NJC Pay Claim now approved - over spend against budget as a result of £1,290/2.5% increase. Increase compared to flat percentage budget increase of 3% within original MTFS. |
| 29 | Use of Children & Families Transformation Reserve – reversal of 2023/24 use | +1.065* | +1.065* | 0 | Completed. |
| 30 | Growth in Childrens Placement costs | +10.825 | +13.284 | +2.459 | Red - Will need to be closely monitored throughout the year to ensure that funding is sufficient to meet demand and complexity. |
| 31 | Revenue costs for the Crewe Youth Zone (as above) aligned to Supporting Families Funding | - | - | - | Green. |
| 31 | Early Help budget to support funding towards the Crewe Youth Zone | - | - | - | Green. |
| 32 | SEND Capital Modification | TBC | TBC | - | Amber - Contingent upon wider asset management and associated timelines. Extensive work underway to plan and progress development opportunities. Captured as part of the Capital Program reported to Committee. |
| 33 | Childrens Social Work Bank | TBC | TBC | - | Red - Various options currently being explored as part of wider C&F Establishment review and potential peripatetic resource options. |
| 34 | Safe Walking Routes to School | TBC | TBC | - | Green - Features as part of School Transport Programme. |
| 35 | Withdrawal of the CEC School Meals Service | TBC | TBC | - | Green - Features as part of School Catering subsidy project - CF2428-16. |
| In year | In-year emerging variance Education, Strong Start and Integration | 0 | -1.485 | -1.485 | Green. Underspend relates to vacancy management, reduced spend and income generation across services. |
| In year | In-year emerging variance Children and Families Directorate | 0 | +0.211 | +0.211 | Red. Overspend relates to external Quality Assurance Agency costs and cost of establishment. |

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|-------------|--|-----------------|-----------------------------|--------------------------------------|--|
| In year | In-Year emerging variance Children's Social Care | 0 | +2.156 | +2.156 | Red. Overspend mainly relates to staffing costs. |

** Item represented a one-off spend in 2023/24. As it is not a permanent part of the budget, the value of the proposal is reversed in 2024/25.*

| MTFS Ref No | Detailed List of Approved Budget Changes – Service Budgets (some of the budget change items have been separated out since the publication of the MTFS) | 2024/25 MTFS £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|--|-----------------|-----------------------------|--------------------------------------|--|
| | Corporate Policy Committee | +0.489 | +2.954 | +2.465 | |
| 36 | Reduce leadership and management costs | -0.540 | - | +0.540 | Red - The feedback from the DMA review is that senior management vacancies will require recruitment to in order to complete the complement of Corporate Managers. In year vacancy savings will continue but will be time limited. There is potential to increase costs by additional management support during transformation. This will result in increased budget pressure. This pressure is being mitigated through the four in-year items at the end of this table. Most of those will be permanent and used to deliver this saving. |
| 37 | Close the Emergency Assistance Scheme | -0.220 | -0.220 | 0 | Completed |
| 38 | Reduce election costs and increase charges where possible | -0.150 | -0.150 | 0 | Green - The proposal is to make a payment during 2024/25 of £70k-£80k from the existing election account, as part of this one-off saving. The remainder will be delivered by reducing the sum which would normally be paid into the election reserve. This might be mitigated in the year of the next local elections by monies which will be raised by charging town and parish councils for their elections in 2027. However, this will not be sufficient and will be likely to lead to the need for a supplementary estimate. |
| 39a | Accelerate Digital Transformation (ICT Operational efficiencies) | -0.100 | -0.100 | 0 | Green – third party costs have been reduced and there are plans to reduce further during the year. |
| 39b | Accelerate Digital (Digital efficiencies) | -0.150 | -0.150 | 0 | Green – Removal of temporary budget for Solutions Architect Resource, now covered by an Earmarked Reserve. |
| 40 | Enforce prompt debt recovery and increase charges for costs | -0.150 | -0.150 | 0 | Completed - The award of costs is a matter for the Magistrates at each court hearing. However, only by exception will they vary from the level already agreed by us with the Court Manager. The approach to the Court Manager has been made and the revised level agreed. The action is therefore complete, but the financial benefits will accrue as we continue |

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|-------------|--|-----------------|-----------------------------|--------------------------------------|---|
| | | | | | the regular recovery process during the year. |
| 41a | Other efficiencies and reductions across Corporate Services – School Subsidy (ICT) | -0.032 | -0.033 | -0.001 | Green |
| 41b | Other efficiencies and reductions across Corporate Services – Organisational Development | -0.100 | -0.100 | 0 | Completed |
| 41c | Other efficiencies and reductions across Corporate Services – Registration Services | -0.050 | -0.050 | 0 | Green |
| 41d | Other efficiencies and reductions across Corporate Services – School Subsidy | -0.018 | 0 | +0.018 | Amber - Part of the £50k School Subsidy saving - Finance team to assist in identifying options. These are listed at the end of the table. |
| 41e | Other efficiencies and reductions across Corporate Services | -0.010 | 0 | +0.010 | Amber - Finance team to assist in identifying options. These are listed at the end of the table. |
| 41f | Other efficiencies and reductions across Corporate Services – Printing | -0.050 | 0 | +0.050 | Amber - Finance team to assist in identifying options. These are listed at the end of the table. |
| 41g | Other efficiencies and reductions across Corporate Services – Hybrid working / mileage | -0.050 | 0 | +0.050 | Amber – Options being considered regarding reduced travel spend including ensuring efficient planning around meeting attendance and minimising unnecessary movements across the area. This maximises efficient use of time as well for teams. |
| 42 | Pension Costs Adjustment | -0.378 | -0.378 | 0 | Completed |
| 43 | Mitigation of reduction in the Dedicated Schools Grant | +0.136 | +0.136 | 0 | Completed |
| 44 | Pay Inflation | +1.446 | +1.581 | +0.135 | Red - NJC Pay Claim now approved - over spend against budget as a result of £1,290/2.5% increase. Increase compared to flat percentage budget increase of 3% within original MTFS. |
| 45 | Legal Services Capacity | +0.455 | +0.455 | 0 | Completed |
| 46 | ICT Review 1 | +0.450 | +0.450 | 0 | Green - The move to Software as a Service has necessitated the transfer from Capital to Revenue budget requirements. The Shared Service continues to reduce third party costs and agency spend as per the Business case. |

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|-------------|--|-----------------|-----------------------------|--------------------------------------|--|
| 47 | Workforce Strategy Review | TBC | - | - | Amber - There are no savings attributed to this area in 2024/2025. Opportunities to explore workforce options are being considered alongside transformation work. Any savings are likely to be realised in 2025/26 at the earliest. It is recommended that this item is removed from the list. |
| In year | Recognising the increased level of Registration service income of £350k. | 0 | -0.350 | -0.350 | This will be a permanent change to deliver the Red ranked items above. |
| In year | Recognising the receipt of £45k of Police and Crime Commissioner grant income. | 0 | -0.045 | -0.045 | This will be a permanent change to deliver the Red / Amber ranked items above. |
| In year | Taking the underspend on phones in corporate services (mobiles and rental) compared to budget. | 0 | -0.060 | -0.060 | This will be a permanent change to deliver the Red / Amber ranked items above. |
| In year | Adjustment required to balance to FR3 position of +£2,465k for corporate incl ICT. | 0 | +2.218 | +2.218 | These will be a mix of permanent and temporary items to assist the in-year position. This includes Transformation costs. |
| In-year | Reduce Members Allowances budget for excess budget relating to a pay award that was not taken | 0 | -0.100 | -0.100 | |

| MTFS Ref No | Detailed List of Approved Budget Changes – Service Budgets | 2024/25 MTFS £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|---|-----------------|-----------------------------|--------------------------------------|---|
| | Economy and Growth Committee | +3.316 | -0.449 | -3.765 | |
| 49 | Service Restructures within Place based Services | -0.787 | -0.368 | +0.419 | Amber – achievement through permanent savings remains challenging without a full restructure – which is pending the LGA review. Mitigation is through offset of underspend 'in year' and proposals are to be considered to offset permanently. |
| 50 | Reduce opening hours for main offices | -0.050 | -0.050 | 0 | Completed |
| 51 | Office estate rationalisation | -0.550 | -0.250 | +0.300 | Amber - due to the timeline for the transfer of buildings being extended. This item is being mitigated by in year savings and by the items at the end of the table which are a mix of permanent and temporary measures. |
| 52 | Tatton Park | -0.046 | -0.046 | 0 | Amber - Savings can be achieved through investment in the Tatton Vision Programme. To date this programme has achieved cumulative MTFS savings of £624k. Amber rating reflects the fact that the Tatton Vision capital programme is currently under review. Lack of investment to maintain infrastructure or develop visitor attractions is likely to reduce savings. |
| 53 | Transfer of Congleton Visitor Information Centre | -0.020 | -0.020 | 0 | Green - Transfer of Congleton VIC to the Town Council has already occurred. |
| 54 | Pension costs adjustment | -0.157 | -0.157 | 0 | Completed |
| 55 | Tatton Park ticketing and electronic point of sale (EPOS) upgrade | +0.005 | +0.005 | 0 | Green - A procurement process is currently underway to source a supplier who can ensure onsite and web-based delivery of a new system which aligns with present and future needs. Improved functionality should enable future savings delivery. |
| 56c | West Park collection | +0.012 | +0.012 | 0 | Green - Cost for vital conservation and storage of West Park Museum collections and ongoing temporary storage requirements. |
| 56d | CEC archives | +0.008 | 0 | -0.008 | Amber - Timescales for implementation of the Archives capital project have slipped due to grant funding decisions, with revised opening date of Spring 2026. |
| 57 | Property Information and Management System - | +0.030 | +0.031 | +0.001 | Completed |

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|-------------|--|-----------------|-----------------------------|--------------------------------------|---|
| | Estates – Revenue Adjustment | | | | |
| 58 | Housing | +0.035 | +0.035 | 0 | Green - Consultation on the Housing Restructure commences 22 May and includes the post that the funding is attributed to. The new structure will be implemented by 1 August 2024. |
| 59 | Environmental Hub Waste Transfer Station | +0.040 | +0.040 | 0 | Green - Project on track delivery Q1/2. The replacement of bay 1 in the Councils Environmental Hub Residual Waste Transfer Station building with a new design more likely to provide long-term resilience to wear and tear, to enable the continuation of waste processing at the transfer station. |
| 60 | Rural and Visitor Economy | +0.045 | +0.045 | 0 | Green - Additional revenue support is required to cover the increase in electricity charges for the Rural and Culture Economy Service to maintain existing service provision at Tatton Park and Countryside sites. |
| 61 | Minimum energy efficiency standards (MEES) - Estates - Revenue Adjustment | +0.079 | +0.079 | 0 | Amber – Prioritised negotiations with 3rd parties/tenants occupying premises being expedited to avoid delays on obtaining access for surveys, completing necessary improvement works and legally completing lease renewals. |
| 62 | Public Rights of Way Income Realignment | +0.115 | +0.115 | 0 | Completed. Adjustments made to budget forecasts 2024/25 |
| 63 | Pay inflation | +0.788 | +0.940 | +0.152 | Red - NJC Pay Claim now approved - over spend against budget as a result of £1,290/2.5% increase. Increase compared to flat percentage budget increase of 3% within original MTFS. This item is being mitigated by the items at the end of the table which are a mix of permanent and temporary measures. |
| 64 | Crewe town centre maintenance and operation | +0.650 | +0.630 | -0.020 | Green |
| 65 | Assets - Buildings and Operational | +3.119 | +3.119 | 0 | Green |
| 66 | Landfill Site Assessments revenue adjustment - Estates – CE Owned Landfill sites (53 sites) Review and Risk Assessment completions | - | - | - | Amber - £10k cost growth in for 25/26. Second stage of the review to commence shortly. Internal capacity within Environmental Services to be identified. |
| 67 | Tatton Park Estate Dwellings Refurbishment | - | - | - | Completed - Provision for response maintenance issues for 8 onsite dwellings to ensure properties meet standards required as part of tenancy |

| MTFS Ref No | Detailed List of Approved Budget Changes – Service Budgets | 2024/25 MTFS £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|--|-----------------|-----------------------------|--------------------------------------|--|
| | | | | | agreements and the National Trust lease. |
| 68 | Improving Crewe Rented Housing Standards | - | - | - | Green |
| In year | Growth & Enterprise 2024/25 mitigations to balance back to finance review position | 0 | -4.034 | -4.034 | |
| In year | Place Directorate 2024/25 mitigations to balance back to finance review position | 0 | -0.575 | -0.575 | |

| MTFS Ref No | Detailed List of Approved Budget Changes – Service Budgets | 2024/25 MTFS £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|--|-----------------|-----------------------------|--------------------------------------|--|
| | Environment and Communities Committee | -0.052 | -0.688 | -0.636 | |
| 69 | Refresh wholly owned company overheads and contributions | -1.000 | -1.500 | -0.500 | Green - ASDV Review recommendations have now been approved in full by Finance Sub-Committee in their role as shareholder of the wholly owned companies. The process of insourcing these services is now underway which will release an element of their reserves in year to meet this one-off contribution. The release of Company reserves has now been actioned |
| 70 | Strategic Leisure Review (Stage 2) | -1.305 | -1.185 | +0.120 | Amber - Initial savings secured via committee decision on 11th March 2024. Proposals are being developed with EHL and town and parish councils to secure the residual £250k amount - dialogue is ongoing. Delays to disposing of Middlewich and Holmes Chapel Leisure Centres in year are having a negative impact on savings position. |
| 71 | Mitigate the impact of contract inflation and tonnage growth | -0.490 | -0.490 | 0 | Completed - Mitigate the impact of contract inflation and tonnage growth. |
| 72 | Emergency reduction of Household Waste Recycling Centres (HWRC) to four core sites | -0.263 | -0.200 | +0.063 | Amber - Full saving on basis of original HLBC will not be achieved due to introduction of mobile provision offer as a result of Full Council decision and costs associated with trial of booking system. Following implementation of temporary closures final negotiations with supply chain are concluded in relation to savings in year, which include adjustment for waste diversion. The actual level of waste diversion will be monitored over the remaining trial period (through to end of August 2025) to inform the permanent position. |
| 73 | Libraries Strategy | -0.365 | -0.291 | +0.074 | Green - Committee approval to implement final Strategy secured on 27th November, implementation now ongoing with revised opening hours at Tier 3 sites going live from January 2025 and Tier 2 sites as of 1st April 2025. Staff consultations due to be launched imminently relating to restructure of service. Engagement with Town and Parish Councils undertaken to shape the Strategy proposals and seek funding contributions, which has resulted in a total of 8 sites being supported to a total |

| MTFS Ref No | Detailed List of Approved Budget Changes – Service Budgets | 2024/25 MTFS £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|--|-----------------|-----------------------------|--------------------------------------|---|
| | | | | | of c.£166k enabling over 2,150 hours of library opening time per annum. This item is being partly mitigated by the item at the end of the table which is a mix of permanent and temporary measures, principally vacancy management |
| 74 | Reduce costs of street cleansing operations | -0.200 | -0.200 | 0 | Green - Value of saving now reduced from ANSA Management Fee for 2024/25, proposals to achieve which include immediate reductions in service resilience, due to removal of any vacancies and under utilised fleet. |
| 75 | Reduce revenue impact of carbon reduction capital schemes | -0.336 | 0 | +0.336 | Amber – Carbon Neutral Council target deferred from 2025 to 27, as agreed at Full Council on 27.02.24, large scale prudential borrowing funded schemes spend now reprofiled to suit, however budget not sat within E&C Committee. Discussion with Corporate Financing team to re-allocate. This item is being partly mitigated by the item at the end of the table which is a mix of permanent and temporary measures. |
| 76 | Increase Garden Waste charges to recover costs | -0.045 | -0.045 | 0 | Green – Increase Garden Waste charges for the calendar year 2025 to recover costs |
| 77 | MTFS 80 (Feb 23) – Waste Disposal – Contract Inflation and Tonnage Growth (updated forecast) | +3.577 | +3.977 | +0.400 | Green – rating due to fluctuations in waste markets relating to recyclates and continued levels of inflation, outside CEC control and not aligned to projections. Mitigation is to continue with monthly financial monitoring and detailed update of forecasting to year end, based on market intelligence from suppliers and historical seasonal trends data. |
| 78 | Pay Inflation – CEC & ASDV | +1.861 | +2.397 | +0.536 | Red - NJC Pay Claim now approved - over spend against budget as a result of £1,290/2.5% increase. Increase compared to flat percentage budget increase of 3% within original MTFS. This item is being partly mitigated by the item at the end of the table which is a mix of permanent and temporary measures. |
| 79 | Pension Costs Adjustment | -0.151 | -0.151 | 0 | Completed |
| 80 | MTFS 90 (Feb 23) Strategic Leisure Review | +1.250 | +1.250 | 0 | Completed - Growth item budget adjustment only - replacing 2023/24 £1.3m savings target. |

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|-------------|--|-----------------|-----------------------------|--------------------------------------|---|
| 81 | MTFS 91 (Feb 23) – Green Spaces Maintenance Review | -0.200 | -0.200 | 0 | Green - Year 2 saving - Policy now implemented and full saving secured from ANSA contract. |
| 82 | MTFS 92 (Feb 23) - Review Waste Collection Service - Green Waste | -3.150 | -3.150 | 0 | Green - Subscription levels in line with original business model. |
| 83 | Review MTFS 92 (Feb 23) Garden waste subscription financial model in line with latest subscription levels and with actual observed position on any waste migration | -0.429 | -0.429 | 0 | Green - Continued monitoring of subscription levels and any adverse impacts is already in place, update to original business plan assumptions. |
| 84 | MTFS 93 (Feb 23) Libraries - Service Review | -0.200 | -0.200 | 0 | Amber - Year 2 of Service Review - reduction in staffing levels have been implemented and now include vacancy management in year to ensure achievement of saving. Currently covered temporarily by vacancy savings |
| 85 | Explore a Trust delivery model for Libraries and other services | +0.150 | +0.020 | -0.130 | Green - Growth item to cover one off costs relating to implementation of alternative delivery model(s) for libraries service. Aligned to development of Libraries Strategy. |
| 86 | CCTV – Service Efficiencies | -0.030 | -0.030 | 0 | Green – Ongoing actions to increase customer base for existing services, identification of new chargeable services/customers and service efficiency savings as well as increased fees and charges to meet the target. |
| 87 | Congleton Town Council Collaboration Agreement – Grounds Maintenance | -0.062 | -0.062 | 0 | Completed - Congleton Town Council Collaboration Agreement on Grounds Maintenance Cheshire East Contribution reduced in line with reductions in Cheshire East Maintained green space. |
| 88 | Closed Cemeteries | +0.005 | +0.005 | 0 | Completed - Inflationary adjustment to previous budget allocation only. |
| 89 | Environmental Hub maintenance | +0.023 | +0.023 | 0 | Completed - Inflationary adjustment to previous budget allocation only. |
| 90 | Review Closed Landfill Sites | +0.300* | +0.300* | 0 | Completed - The Council has responsibility for a number of closed landfill sites across the borough for which it holds a provision. |
| 91 | Land Charge Income Adjustment | +0.050 | +0.064 | +0.014 | Amber - Uncertainty around implementation timescales of HMLR changes to centralise some aspects of land charges functions hence understanding of actual impact, to be regularly monitored. |
| 92 | Building Control Income Alignment | +0.203 | +0.403 | +0.200 | Amber - Due to current national trend of downturn in planning and related building control income. To be |

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|-------------|---|-----------------|-----------------------------|--------------------------------------|--|
| | | | | | monitored through more regular financial forecasting in service. Reforms to national planning policy recently consulted upon may have a positive impact on this position moving forward due to uplift in both volume and pace of developments coming forward. To be considered in due course following Govt announcement. |
| 93 | Local Plan Review | +0.255 | +0.255 | 0 | Amber - Reprofiled budget adjustment to provide additional funding towards development of new Local Plan which has now commenced |
| 94 | Planning income | +0.400 | +0.910 | +0.510 | Amber – Forecast reduced income in year due to current national trend of downturn in planning applications and hence income. Proactively monitored through regular financial forecasting in service. Partially mitigated by continued high level of vacancies and the item at the end of the table. Recent national planning policy forms announced by Govt which were recently subject to a consultation process may help to alleviate the income position, but will require vacancies to be filled to cater for the likely increase in applications. To be considered as and when further announcement made. |
| 95 | Planning Service Restructure | - | - | - | Green - No action for 2024/25. Growth for 2025/26 to be kept under review. |
| 96 | Review of Household Waste Recycling Centres | +0.100 | +0.100 | 0 | Green - all activities are on track for completion on time following decision at Environment and Communities Committee on 26 September 2024 to proceed with preferred option and finalisation of new operating contract procurement process. |
| In year | Environment & Neighbourhood Services mitigations 2024/25 to balance back to finance review position | 0 | -2.259 | -2.259 | |

* Item represented a one-off saving in 2023/24. As it is not a permanent part of the budget, the value of the proposal is reversed in 2024/25.

| MTFS Ref No | Detailed List of Approved Budget Changes – Service Budgets | 2024/25 MTFS £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|--|-----------------|-----------------------------|--------------------------------------|---|
| | Highways and Transport Committee | +4.869 | +4.335 | -0.534 | |
| 97 | Highway maintenance savings | -0.750 | -0.750 | 0 | Green - Savings are being achieved through: - reducing the number of cuts on grass verges from 10 to 8; - directly employing staff to carry out surveys, rather than sub-contracting; - reductions in staffing and vacancy management; and - reliance on the Council's adverse weather reserve for snow clearance. Service budgets have been reduced to reflect the savings being made. |
| 98 | Introduce annual increases to car parking charges | -0.150 | -0.150 | 0 | Green - Annual inflation adjustment to existing P&D tariffs can be implemented by 1st July 2024, in advance of bringing charges into effect in the "free towns". This is 3 months earlier than planned. |
| 99 | Pension Costs Adjustment | -0.052 | -0.052 | 0 | Completed |
| 100 | Highways | -0.031 | -0.031 | 0 | Completed - This saving was delivered by changes to response times to defects in 2023/24. |
| 101 | Safe Haven outside schools (Parking) | -0.023 | -0.023 | 0 | Red - Introduction of CCTV camera enforcement of waiting/loading restrictions at school gates on a trial basis using bespoke equipment that is type approved and proven for these purposes in order to improve road safety and increase enforcement capacity at these high risk locations. |
| 102 | Transport and Infrastructure Strategy Team - Restructure | +0.120 | +0.030 | -0.090 | Amber - Vacancies in existing structure provide some flexibilities of resourcing and recruitment planning, with the opportunity to reduce costs of outsourcing / agency staffing. The proposed changes will develop a more resilient in-house team to meet the needs of the Council, as it moves towards a new statutory Local Transport Plan and the development of transport functions in a new Cheshire and Warrington Combined Authority. |
| 103 | Pay Inflation | +0.339 | +0.351 | +0.012 | Red - NJC Pay Claim now approved - over spend against budget as a result of £1,290/2.5% increase. Increase compared to flat percentage budget increase of 3% within original MTFS. This item is being mitigated by the item at the end of the table which is a mix of permanent and temporary measures. |
| 104 | Parking - PDA / Back Office System contract | +0.100 | +0.100 | 0 | Green - Market testing completed - exploring a direct award opportunity with |

| MTFS Ref No | Detailed List of Approved Budget Changes – Service Budgets | 2024/25 MTFS £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|--|-----------------|-----------------------------|--------------------------------------|---|
| | | | | | implementation testing and data migration. |
| 105 | Flood and Water Management Act 2010 SuDS & SABs Schedule 3 Implementation | +0.100 | +0.100 | 0 | Green - The requirement is to be ready to implement changes when regulations are implemented nationally. A training plan for existing staff has been identified. Recruitment is to be progressed. |
| 106 | Energy saving measures from streetlights | +0.242 | +0.242 | 0 | Completed - This entry was in the MTFS to cancel an unachievable saving from 2022/23. There is no further action. |
| 107 | Parking | +0.245 | +0.245 | 0 | Amber - Following decisions in January 2024, tariffs were uplifted on 1 July 2024 and extend pay and display to car parks in "free towns" from the start of December. Statutory consultations on Sunday and Evening charges have been completed to inform implementation by the end of the year. A trial of demand-responsive tariffs began with the opening of the new multistorey car park in Crewe. |
| 108 | Highways Revenue Services | +2.479 | +2.479 | 0 | Completed - This is a growth item. The growth has been factored into 2024/25 service levels and business plans. No further action. |
| 109 | Local Bus | +2.250 | +2.250 | 0 | Green |
| 110 | FlexiLink Service Improvement Plan | - | - | - | Green - A bus service review is underway, including proposals relating to flexible transport. Committee received a report updating on the outcomes of the consultation and the approach to procurement on 19 September 2024. The review of flexible transport will consider its role in filling gaps in local bus service provision, especially in rural areas, as well as options to extend hours of operation, open up the service to more users and introduce fares to make a contribution to operating costs. |
| 111 | Highways Depot Improvements | - | - | - | Red - This later year saving is subject to the approval of the business case for capital investment in depots. This will be reviewed during 2024/25. |
| 112 | Bus Stop Advertising Revenue Generation | - | - | - | Amber - Opportunity to shadow CWAC council's extension of the existing contract in the interim period. |
| In year | Highways & Infrastructure 2024/25 mitigations to balance to finance review | 0 | -0.456 | -0.456 | |

| MTFS Ref No | Detailed List of Approved Budget Changes – Central Budgets | 2024/25 £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|---|----------------|-----------------------------|--------------------------------------|--|
| | Finance Sub-Committee | -19.667 | -24.151 | -4.626 | |
| 113 | Capital Financing - Minimum Revenue Provision | +9.508 | +9.974 | +0.466 | Amber – assumes use of reserve of £2.135m (subject to approval). Ongoing capital review seeking to significantly reduce spend funded by borrowing. |
| 114 | Central Bad Debt Provision adjustment | +0.600 | +0.600 | 0 | Completed - budget adjustment. |
| 115 | Use of Earmarked Reserves – MTFS Reserve | +0.255 | +0.255 | 0 | Completed - budget adjustment / planned use of reserve. |
| 115 | MTFS Reserve – reversal of 2023/24 use | +1.536 | +1.536 | 0 | Completed - budget adjustment / planned use of reserve. |
| 116 | Collection Fund Reserve - Use of Earmarked Reserves | -0.834 | -0.834 | 0 | Completed - budget adjustment / planned use of reserve. |
| 116 | Collection Fund Reserve – reversal of 2023/24 use of reserves | +2.234 | +2.234 | 0 | Completed - budget adjustment / planned use of reserve. |
| 117 | Brighter Futures Transformation – reversal of 2023/24 use of reserves | +1.271 | +1.271 | 0 | Completed - budget adjustment / planned use of reserve. |
| 118 | Use of General Reserves – Fund in-year budget shortfall [NEW] | -11.654 | -11.654 | 0 | Completed - Drawn down in line with the MTFS forecast. |
| Amber 119 | Council Tax - % increase | -13.527 | -13.527 | 0 | Green - Council tax and business rates income collection managed through the Collection Fund therefore no impact on current year funding target. |
| 120 | Council Tax – Base increase | -2.461 | -2.461 | 0 | Green - Council tax and business rates income collection managed through the Collection Fund therefore no impact on current year funding target. |
| 121 | Business Rates Retention Scheme – use of S31 compensation grants | -1.350 | -1.350 | 0 | Green - Grants to be received in line with final settlement from MHCLG. |
| 122 | Unring-fenced Grants + Revenue Support Grant | -5.245 | -5.245 | 0 | Green - Grants to be received in line with final settlement from MHCLG. |
| 123 | Council Tax and Business Rates Collection [NEW] | TBC | - | - | Initial case was to implement a working group to review council tax collection. No savings value was assigned to the case. The intention now is to bring forward via an informal briefing to |

| MTFS Ref No | Detailed List of Approved Budget Changes – Central Budgets | 2024/25 £m | 2024/25 Forecast Outturn £m | 2024/25 Forecast Outturn Variance £m | Progress 2024/25 (RAG rating and commentary) |
|-------------|---|------------|-----------------------------|--------------------------------------|---|
| | | | | | include options around the council tax support scheme review (FS2428) |
| 124 | Council Tax Support [NEW] | TBC | - | - | No change to Council Tax support scheme for 2024/25 or 2025/26. To be reviewed for 2026/27. |
| In year | Bad Debt Provision reduction (one off) | - | -1.071 | -1.071 | |
| In year | S106 (Estimate provisional – one off – may increase, still under review) | - | -0.452 | -0.452 | |
| In year | Increased use of reserves re Transformation spend included in Service forecasts | - | -4.066 | -4.066 | |
| In year | Adjustment to use of Earmarked reserves budgeted figure within Service Budgets | - | +0.497 | +0.497 | |

Section 3: Revenue Grants for approval

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

Table 1 – Council Decision**3.4. Supplementary Revenue Estimate Requests for Allocation of Additional Grant Funding (Specific Purpose) over £1,000,000**

| Committee | Type of Grant | £000 | Details |
|---------------------------------|---|-------|--|
| Children and Families – Schools | Dedicated Schools Grant (Specific Purpose) | 1,089 | This grant is an increase to the DSG funding, in line with updated allocations information. |
| Economy & Growth | Enterprise Cheshire Warrington Skills Bootcamp | 1,717 | This grant is from the DfE, it is for the delivery of and management of Skills Bootcamps in geographical and neighbouring areas in agreement with relevant local authorities. This element of skills bootcamp is being delivered through Enterprise Cheshire and Warrington. |

Section 4: Capital

Table 1: Financial Parameters for 2023/24 to 2026/27

| Parameter | Value (£m) | | | |
|--|--------------|--------------|-------------|-------------|
| | 2023/24 | 2024/25 | 2025/26 | 2026/27 |
| Repayment of Borrowing | | | | |
| Minimum Revenue Provision* | 17.5 | 18.8 | 23.2 | 24.9 |
| External Loan Interest | 14.3 | 18.5 | 16.5 | 15.0 |
| Investment Income | (3.8) | (3.9) | (2.2) | (1.8) |
| Contributions from Services Revenue Budgets | (1.2) | (1.3) | (1.8) | (2.4) |
| | | | | |
| Total Capital Financing Costs | 26.8 | 32.1 | 35.7 | 35.7 |
| Use of Financing EMR | (7.9) | (2.1) | 0 | 0 |
| Actual CFB in MTFS | 19.0 | 28.5 | 35.2 | 35.5 |
| Budget Deficit | (0) | 1.5 | 0.5 | 0.2 |
| Capital Receipts targets* | 1.0 | 1.0 | 1.0 | 1.0 |
| Flexible use of Capital Receipts | 1.0 | 1.0 | 1.0 | 1.0 |

*Anticipated MRP based on achieving capital receipts targets

- 4.1. The revised programme is funded from both direct income (grants, external contributions) and the Council's own resources (prudential borrowing, revenue contributions, capital reserve). A funding summary is shown in **Table 2**. For detailed tables by Committee please see **Annexe 2**.
- 4.2. **Table 3** lists details of Delegated decisions up to £500,000 for noting.
- 4.3. **Table 4** lists Capital Supplementary Estimates over £500,000 and up to £1,000,000 for committee approval and Capital Virements over £500,000 and up to and including £5,000,000 that require Relevant Member(s) of CLT and Chief Finance Officer in consultation with Chair of the relevant Committee and the Chair of Finance Sub-Committee to approve.

Table 2: Capital Programme Update

| CHESHIRE EAST COUNCIL CAPITAL PROGRAMME SUMMARY | | | | | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|--------------------------------------|
| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | |
| | Forecast 2024/25 £000 | Forecast 2025/26 £000 | Forecast 2026/27 £000 | Forecast 2027/28 £000 | Total Forecast 2024-28 £000 |
| Committed Schemes - In Progress | | | | | |
| Adults and Health | 800 | | | | 800 |
| Children and Families | 29,476 | 26,919 | 16,355 | 17,749 | 90,499 |
| Highways & Transport | 46,744 | 38,134 | 27,448 | 124,578 | 236,904 |
| Economy & Growth | 40,772 | 33,237 | 28,610 | 78,539 | 181,158 |
| Environment & Communities | 9,727 | 14,250 | 7,252 | 3,101 | 34,330 |
| Corporate Policy | 9,700 | 8,889 | 3,173 | 1,834 | 23,596 |
| Total Committed Schemes - In Progress | 137,219 | 121,429 | 82,838 | 225,801 | 567,287 |
| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | |
| | Forecast 2024/25 £000 | Forecast 2025/26 £000 | Forecast 2026/27 £000 | Forecast 2027/28 £000 | Total Forecast 2024-28 £000 |
| New Schemes | | | | | |
| Children and Families | 1,132 | 8,199 | 5,248 | 3,000 | 17,579 |
| Highways & Transport | 895 | 21,842 | 15,051 | 15,051 | 52,839 |
| Economy & Growth | 3,309 | 1,530 | 113 | 0 | 4,952 |
| Environment & Communities | 2,115 | 4,134 | 1,150 | 0 | 7,399 |
| Total New Schemes | 7,451 | 35,705 | 21,562 | 18,051 | 82,769 |
| Total | 144,670 | 157,134 | 104,400 | 243,852 | 650,056 |
| Funding Requirement | | | | | |
| Indicative Funding Analysis: (See note 1) | | | | | |
| Government Grants | 88,816 | 90,029 | 71,278 | 114,808 | 364,931 |
| External Contributions | 14,288 | 14,566 | 12,705 | 66,418 | 107,977 |
| Revenue Contributions | 444 | 0 | 0 | 0 | 444 |
| Capital Receipts | 155 | 732 | 1,324 | 33,381 | 35,592 |
| Prudential Borrowing (See note 2) | 40,967 | 51,807 | 19,093 | 29,245 | 141,112 |
| Total | 144,670 | 157,134 | 104,400 | 243,852 | 650,056 |

Note 1:

The funding requirement identified in the above table does not currently represent a balanced and affordable position, in the medium term. The Council will need to transform the capital programme to reduce the number of schemes requiring Cheshire East Resources and the need to borrow. The level of capital receipts are based on a prudent approach based on the work of the Asset Management team and their most recently updated Disposals Programme.

Note 2:

The schemes marked **and highlighted in the MTFS cannot proceed until the Capital Programme Review has been completed. Any urgent requests to continue prior to the reviews completion will require approval from the Chair of Finance Sub Committee and the S.151 Officer

Note 3:

Appropriate charges to the revenue budget will only commence in the year following the completion of the associated capital asset. This allows the Council to constantly review the most cost effective way of funding capital expenditure.

Table 3: Delegated Decisions – Supplementary Capital estimates and Budget virements up to £500,000

| Committee / Capital Scheme | Amount Requested £ | Reason and Funding Source |
|---|-----------------------|---|
| Supplementary Capital Estimates that have been made up to £500,000 | | |
| Environment & Communities | | |
| Neighbourhood | | |
| Bollington Leisure Swimming Pool | 50,737 | Funds from Sport England for Bollington Leisure for works to swimming pool |
| Total Supplementary Capital Estimates Requested | 50,737 | |
| £ | | |
| Capital Budget Virements that have been made up to £500,000 | | |
| Children & Families | | |
| Education and 14-19 Skills | | |
| Cledford House | 89,125 | Transfer of budget from CAP-10464 Cledford House to New SEN Places - Springfield Wilmslow |
| Total Capital Budget Virements Approved | 89,125 | |
| Total Supplementary Capital Estimates and Virements | 139,862 | |

Table 4: Requests for Capital Virements

| Committee / Capital Scheme | Amount Requested £ | Reason and Funding Source |
|--|-----------------------|---|
| Service committee are asked to note Capital Budget Virements above £500,000 up to and including £5,000,000 for approval by Relevant Member(s) of CLT and Chief Finance Officer in consultation with Chair of the relevant Committee and the Chair of Finance Sub-Committee | | |
| Children & Families | | |
| Crewe Youth Zone | 1,353,000 | Realignment approved by Ministry of Housing, Communities and Local Government of the Crewe Towns Fund allocations from Flag Lane Baths. Resulting in a funding swap removing £1.353m of Prudential Borrowing which has been moved to Flag Lane Baths. |
| Environment & Communities | | |
| Environment Services | | |
| Crewe Towns Fund - Cumberland Arena | 701,000 | Realignment approved by Ministry of Housing, Communities and Local Government of the Crewe Towns Fund allocations from Flag Lane Baths . |
| Crewe Towns Fund - Pocket Parks | 200,000 | |
| Economy and Growth | | |
| Crewe Towns Fund - Mill Street Corridor | 407,583 | Realignment approved by Ministry of Housing, Communities and Local Government of the Crewe Towns Fund allocations from Flag Lane Baths . |
| History Centre Public Realm & ICV (Crewe Towns Fund) CTC1 | 200,000 | |
| Crewe Towns Fund – Mirion Street | 458,000 | |
| Total Capital Virements requested | 3,319,583 | |
| Total Virements | 3,319,583 | |

Prudential Indicators revisions to: 2023/24 and 2024/25 – 2026/27 and future years

Background

- 4.4. There is a requirement under the Local Government Act 2003 for local authorities to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the "CIPFA Prudential Code") when setting and reviewing their Prudential Indicators.

Estimates of Capital Expenditure

- 4.5. In 2024/25, the Council estimates to spend £144.7m on capital expenditure as summarised below.

| Capital Expenditure | 2023/24 Actual £m | 2024/25 Estimate £m | 2025/26 Estimate £m | 2026/27 Estimate £m | Future years £m |
|---------------------|-------------------------|---------------------------|---------------------------|---------------------------|-----------------------|
| Total | 136.9 | 144.7 | 157.1 | 104.4 | 243.8 |

Source: Cheshire East Finance

Capital Financing

- 4.6. All capital expenditure must be financed either from external sources (government grants and other contributions), the Council's own resources (revenue reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of capital expenditure is as follows.

| Capital Financing | 2023/24 Actual £m | 2024/25 Estimate £m | 2025/26 Estimate £m | 2026/27 Estimate £m | Future years £m |
|------------------------------------|-------------------------|---------------------------|---------------------------|---------------------------|-----------------------|
| Capital receipts | 0.1 | 0.1 | 0.7 | 1.3 | 33.4 |
| Government Grants | 61.2 | 88.8 | 90.0 | 71.3 | 114.8 |
| External Contributions | 8.8 | 14.3 | 14.6 | 12.7 | 66.4 |
| Revenue Contributions | 0.4 | 0.5 | 0.0 | 0.0 | 0.0 |
| Total Financing | 70.5 | 103.7 | 105.3 | 85.3 | 214.6 |
| Prudential Borrowing | 65.5 | 41.0 | 51.8 | 19.1 | 29.2 |
| Total Funding | 65.5 | 41.0 | 51.8 | 19.1 | 29.2 |
| Total Financing and Funding | 136.0 | 144.7 | 157.1 | 104.4 | 243.8 |

Source: Cheshire East Finance

Replacement of debt finance

- 4.7. Debt is only a temporary source of finance, since loans and leases must be repaid, and this is therefore replaced over time by other financing, usually from revenue which is known as minimum revenue provision (MRP). Alternatively, proceeds from selling capital assets may be used to replace debt finance. Planned MRP repayments are as follows:

| Replacement of debt finance | 2023/24 Actual £m | 2024/25 Estimate £m | 2025/26 Estimate £m | 2026/27 Estimate £m | 2027/28 Estimate £m |
|--------------------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Total | 17.5 | 18.8 | 22.9 | 24.9 | 25.0 |

Source: Cheshire East Finance

Estimates of Capital Financing Requirement

- 4.8. The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP repayments and capital receipts used to replace debt. The CFR will decrease by £2m during 2024/25. This assumes that were there has been significant forward funding of certain schemes that grants and other contributions are received in year to repay that forward funding. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows.

| Capital Financing Requirement | 2023/24 Actual £m | 2024/25 Estimate £m | 2025/26 Estimate £m | 2026/27 Estimate £m | 2027/28 Estimate £m |
|-------------------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Total | 488 | 481 | 508 | 502 | 501 |

Source: Cheshire East Finance

Asset disposals

- 4.9. When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. Repayments of capital grants, loans and investments also generate capital receipts. The Council received £3.5m of capital receipts from asset sales in 2023/24 and plans to receive a further £25.9m in future years.

| Capital Receipts | 2023/24 Actual £m | 2024/25 Estimate £m | 2025/26 Estimate £m | 2026/27 Estimate £m | 2027/28 Estimate £m |
|------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Asset Sales | 3.4 | 2.3 | 6.8 | 8.2 | 7.8 |
| Loans Repaid | 0.1 | 0.2 | 0.2 | 0.2 | 0.2 |
| Total | 3.5 | 2.5 | 7.0 | 8.4 | 8.0 |

Source: Cheshire East Finance

Gross Debt and the Capital Financing Requirement

- 4.10. The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in the future. These objectives are often conflicting and the Council therefore seeks to strike a balance between cheap short term loans (currently available at around 4.95%) and long term fixed rate loans where the future cost is known but fixed over a period when rates are expected to fall (currently 4.99%– 5.3%).
- 4.11. Projected levels of the Council's total outstanding debt (which comprises borrowing, PFI liabilities, leases are shown below, compared with the capital financing requirement.
- 4.12. Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. As can be seen from the above table, the Council expects to comply with this in the medium term.

Liability Benchmark

- 4.13. To compare the Council's actual borrowing against an alternative strategy, a liability benchmark has been calculated showing the lowest risk level of borrowing. This assumes that cash and investment balances are kept to a minimum level of £20m at each year end. This benchmark is currently £331m and is forecast to rise to £366m over the next four years.

| Borrowing and the Liability Benchmark | 2023/24 Actual £m | 2024/25 Estimate £m | 2025/26 Estimate £m | 2026/27 Estimate £m | 2027/28 Estimate £m |
|---------------------------------------|-------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Outstanding Debt | 337 | 374 | 438 | 462 | 486 |
| Liability Benchmark | 331 | 332 | 365 | 369 | 366 |

Source: Cheshire East Finance

- 4.14. The table shows that the Council expects to borrow above its liability benchmark.

Affordable borrowing limit

- 4.15. The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower “operational boundary” is also set as a warning level should debt approach the limit.

| | 2023/24 limit £m | 2024/25 limit £m | 2025/26 limit £m | 2026/27 Estimate £m | 2027/28 Estimate £m |
|--|------------------------|------------------------|------------------------|---------------------------|---------------------------|
| Authorised Limit for Borrowing | 540 | 570 | 590 | 590 | 590 |
| Authorised Limit for Other Long-Term Liabilities | 18 | 17 | 17 | 15 | 14 |
| Authorised Limit for External Debt | 558 | 587 | 607 | 605 | 604 |
| Operational Boundary for Borrowing | 530 | 560 | 580 | 580 | 580 |
| Operational Boundary for Other Long-Term Liabilities | 18 | 17 | 17 | 15 | 14 |
| Operational Boundary for External Debt | 548 | 577 | 597 | 595 | 594 |

Source: Cheshire East Finance

Investment Strategy

- 4.16. Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.
- 4.17. The Council's policy on treasury investments is to prioritise security and liquidity over yield, that is to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with money market funds, other local authorities or selected high quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in shares and property, to balance the risk of loss against the risk of returns below inflation.

| Treasury Management Investments | 31/03/24 Actual £m | 31/03/25 Estimate £m | 31/03/26 Estimate £m | 31/03/27 Estimate £m | 31/03/28 Estimate £m |
|---------------------------------|--------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Short term | 22 | 20 | 20 | 20 | 20 |
| Long term | 20 | 20 | 20 | 20 | 20 |
| Total Investments | 42 | 40 | 40 | 40 | 40 |

Source: Cheshire East Finance

- 4.18. Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP are charged to revenue, offset by an investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e., the amount funded from Council Tax, business rates and general government grants.

| Ratio of Financing Costs to Net Revenue Stream | 31/03/24 Actual | 31/03/25 Estimate | 31/03/26 Estimate | 31/03/27 Estimate | 31/03/28 Estimate |
|--|--------------------|----------------------|----------------------|----------------------|----------------------|
| Financing Costs (£m) | 19.0 | 32.1 | 35.9 | 37.3 | 37.8 |
| Proportion of net revenue stream % | 5.38 | 8.11 | 8.92 | 9.04 | 8.90 |

Source: Cheshire East Finance

Section 5: Reserves

Management of Council Reserves

- 5.1. The Council's Reserves Strategy states that the Council will maintain reserves to protect against risk and support investment.
- 5.2. The opening balance at 1 April 2024 in the Council's General Fund Reserves was £5.6m, as published in the Council's Statement of Accounts for 2023/24.
- 5.3. At FR1, the closing balance at 31 March 2025 in the Council's General Fund Reserve was forecast to be £4.5m. However, a further £4.0m transformational spend has been included within the service forecasts, reducing the General Reserve balance to £0.5m.
- 5.4. The current balance on reserves is insufficient in order to provide adequate protection against established and newly emerging risks, such as inflation and particularly the DSG deficit, which is projected to rise to £115.7m by year end and has been highlighted in the MTFS as having no alternative funding.
- 5.5. The Council also maintains Earmarked Revenue Reserves for specific purposes. The opening balance at 1 April 2024 was £32.3m.
- 5.6. During 2024/25, a net total of £10.6m will be drawn down to the support the in-year deficit position. A further £12.2m is being forecast to fund expenditure specifically provided for by services. These balances fall within the forecasts approved during the MTFS budget setting process.
- 5.7. Additional drawdown requests, above those forecast during MTFS, have been made by various services to support specific expenditure totalling £5.8m. These drawdowns, as detailed in the tables below, will be subject to a strategic review by the Corporate Leadership Team of existing in-principle decisions on use of earmarked reserves for year end 31 March 2025 – recommendations will be made in the MTFS report to the Corporate Policy Committee in February.
- 5.8. The indicative closing balance on Earmarked Reserves at 31 March 2025, is forecast at £9.5m.
- 5.9. Total reserves available for Council use at 31 March 2025 are forecast at £9.98m.
- 5.10. Unspent schools' budgets that have been delegated, as laid down in the Schools Standards Framework Act 1998, remain at the disposal of the school and are not available for Council use. These balances are therefore excluded from all reserve forecasts.

Table 1 – Reserves Balances**Adults and Health Committee**

| Reserve Account | Opening Balance 01 April 2024 | Drawdowns to General Fund | Approved Movement Forecast | Additional Drawdown Requests* | Closing Balance Forecast 31 March 2025 | Notes |
|--|-------------------------------------|---------------------------------|----------------------------------|-------------------------------------|--|---|
| | £000 | £000 | £000 | £000 | £000 | |
| <u>Adults Social Care Commissioning</u> | | | | | | |
| PFI Equalisation - Extra Care Housing | 2,857 | (2,795) | 0 | 0 | 62 | Surplus grant set aside to meet future payments on existing PFI contract and the anticipated gap at the end of the agreement. |
| <u>Public Health</u> | | | | | | |
| Public Health Reserve | 2,369 | 0 | (110) | 0 | 2,259 | Ring-fenced underspend to be invested in areas to improve performance against key targets; including the creation of an Innovation Fund to support partners to deliver initiatives that tackle key health issues. |
| ADULTS AND HEALTH RESERVE TOTAL | 5,226 | (2,795) | (110) | 0 | 2,321 | |

* All 'Additional Drawdown Requests' are subject to approval.

Children and Families Committee

| Reserve Account | Opening Balance 01 April 2024 | Drawdowns to General Fund | Approved Movement Forecast | Additional Drawdown Requests* | Closing Balance Forecast 31 March 2025 | Notes |
|---|-------------------------------------|---------------------------------|----------------------------------|-------------------------------------|--|---|
| | £000 | £000 | £000 | £000 | £000 | |
| <u>Childrens Social Care</u> | | | | | | |
| Domestic Abuse Partnership | 131 | 0 | 0 | (131) | 0 | To sustain preventative services to vulnerable people as a result of partnership funding in previous years. |
| <u>Strong Start, Family Help and Integration</u> | | | | | | |
| Troubled Families Initiative | 1,593 | 0 | (1,593) | 0 | 0 | Crewe Youth Zone and ACT have been assigned funding from shared outcomes of the Supporting Families Programme. |
| CHILDREN AND FAMILIES RESERVE TOTAL | 1,724 | 0 | (1,593) | (131) | 0 | |

* All 'Additional Drawdown Requests' are subject to approval.

Corporate Policy Committee and Central Reserves

| Reserve Account | Opening Balance 01 April 2024 | Drawdowns to General Fund | Approved Movement Forecast | Additional Drawdown Requests* | Closing Balance Forecast 31 March 2025 | Notes |
|--|-------------------------------------|---------------------------------|----------------------------------|-------------------------------------|--|--|
| | £000 | £000 | £000 | £000 | £000 | |
| <u>Corporate Directorate</u> | | | | | | |
| Corporate Directorate Reserve | 1,164 | (935) | 0 | 0 | 229 | To support a number of widespread projects within the Corporate Directorate. |
| <u>Finance and Customer Service</u> | | | | | | |
| Collection Fund Management | 8,154 | (1,235) | (2,915) | 0 | 4,004 | To manage cash flow implications as part of the Business Rates Retention Scheme. |
| Capital Financing Reserve | 4,531 | 0 | 0 | (4,531) | 0 | To provide for financing of capital schemes, other projects and initiatives |
| MTFS Reserve | 2,914 | (741) | 255 | 0 | 2,428 | To support the financial strategy and risk management. £1.2m of the remaining reserve balance had previously been earmarked for future voluntary redundancy costs. |
| Brighter Futures Transformation Programme | 490 | (470) | (20) | 0 | 0 | To fund the Council's four year transformation programme and its five outcomes of Culture; Estates and ICT systems; Customer Experience, Commercial Approach and Governance. |
| Section 31 Revenue Grants | 14 | 0 | 0 | (14) | 0 | Unspent specific use grant carried forward into 2024/25. |
| <u>Governance and Compliance</u> | | | | | | |
| Insurance Reserve | 3,098 | (3,098) | 0 | 0 | 0 | To settle insurance claims and manage excess costs. The full reserve has been released to the general fund to support the in-year deficit pressure. |
| Elections General | 132 | 0 | 0 | 0 | 132 | To provide funds for Election costs every 4 years. |

| | | | | | | |
|----------------|----|------|---|---|---|---|
| Brexit Funding | 13 | (13) | 0 | 0 | 0 | Residual reserve balance has been released to the general fund to support the in-year deficit pressure. |
|----------------|----|------|---|---|---|---|

Corporate Policy Committee and Central Reserves Continued

| Reserve Account | Opening Balance 01 April 2024 | Drawdowns to General Fund | Approved Movement Forecast | Additional Drawdown Requests* | Closing Balance Forecast 31 March 2025 | Notes |
|---|-------------------------------------|---------------------------------|----------------------------------|-------------------------------------|--|---|
| | £000 | £000 | £000 | £000 | £000 | |
| <u>Human Resources</u> | | | | | | |
| HR (CARE4CE Review, Culture Change, Pay realignment, Learning Mgt System) | 59 | (59) | 0 | 0 | 0 | Residual reserve balance has been released to the general fund to support the in-year deficit pressure. |
| Pay Structure (M Grade Review) | 54 | 0 | 0 | 0 | 54 | Created to help fund ongoing changes to pay structure. |
| <u>ICT</u> | | | | | | |
| Digital Solutions Architect | 150 | 0 | (150) | 0 | 0 | New reserve created in 23/24 to fund a role for the Digital Customer Enablement programme and will be key to realising the cost savings and efficiencies across the Council from the deployment of a number of digital initiatives. |
| CORPORATE POLICY AND CENTRAL RESERVE TOTAL | 20,773 | (6,551) | (2,830) | (4,545) | 6,847 | |

* All 'Additional Drawdown Requests' are subject to approval.

Economy and Growth Committee

| Reserve Account | Opening Balance 01 April 2024 £000 | Drawdowns to General Fund £000 | Approved Movement Forecast £000 | Additional Drawdown Requests* £000 | Closing Balance Forecast 31 March 2025 £000 | Notes |
|---|---|---|--|---|--|--|
| <u>Directorate</u> | | | | | | |
| Place Directorate Reserve | 1,164 | 0 | (473) | (385) | 306 | To support a number of widespread projects within the Place Directorate. |
| Investment (Sustainability) | 610 | 0 | (427) | (143) | 40 | To support investment that can increase longer term financial independence and stability of the Council. |
| <u>Growth and Enterprise</u> | | | | | | |
| Legal Proceedings | 212 | 0 | (104) | (108) | 0 | To enable legal proceedings on land and property matters. |
| Investment Portfolio | 534 | (534) | 0 | 0 | 0 | The full reserve has been released to the general fund to support the in-year deficit pressure. |
| Homelessness & Housing Options - Revenue Grants | 129 | 0 | 0 | (129) | 0 | Grant committed for the purchase and refurbishment of properties to be used as temporary accommodation to house vulnerable families. |
| Tatton Park Trading Reserve | 128 | (128) | 0 | 0 | 0 | The full reserve has been released to the general fund to support the in-year deficit pressure. |
| ECONOMY AND GROWTH RESERVE TOTAL | 2,777 | (662) | (1,004) | (765) | 346 | |

* All 'Additional Drawdown Requests' are subject to approval.

Environment and Communities Committee

| Reserve Account | Opening Balance 01 April 2024 £000 | Drawdowns to General Fund £000 | Approved Movement Forecast £000 | Additional Drawdown Requests* £000 | Closing Balance Forecast 31 March 2025 £000 | Notes |
|--|---|---|--|---|--|---|
| <u>Environment and Neighbourhood Services</u> | | | | | | |
| Strategic Planning | 568 | (281) | (287) | 0 | 0 | To meet costs associated with the Local Plan - site allocations, minerals and waste DPD. |
| Trees / Structures Risk Management | 139 | (55) | (55) | (29) | 0 | To help respond to increases in risks relating to the environment, in particular the management of trees, structures and dealing with adverse weather events. |
| Air Quality | 36 | 0 | (17) | (19) | 0 | Air Quality Management - DEFRA Action Plan. Relocating electric vehicle charge point in Congleton. |
| Licensing Enforcement | 8 | 0 | 0 | (8) | 0 | Three year reserve to fund a third party review and update of the Cheshire East Council Taxi Licensing Enforcement Policies. |
| Flood Water Management (Emergency Planning) | 2 | 0 | (2) | 0 | 0 | Relating to Public Information Works. |
| Neighbourhood Planning | 82 | (41) | (41) | 0 | 0 | To match income and expenditure. |
| Spatial Planning - revenue grant | 13 | (13) | 0 | 0 | 0 | Residual reserve balance has been released to the general fund to support the in-year deficit pressure. |
| Street Cleansing | 22 | 0 | 0 | (22) | 0 | Committed expenditure on voluntary litter picking equipment and electric blowers. |
| ENVIRONMENT AND NEIGHBOURHOOD RESERVE TOTAL | 870 | (390) | (402) | (78) | 0 | |

* All 'Additional Drawdown Requests' are subject to approval.

Highways and Transport Committee

| Reserve Account | Opening Balance 01 April 2024 £000 | Drawdowns to General Fund £000 | Approved Movement Forecast £000 | Additional Drawdown Requests* £000 | Closing Balance Forecast 31 March 2025 £000 | Notes |
|---|---|---|--|---|--|--|
| <u>Highways and Infrastructure</u> | | | | | | |
| Rail and Transport Integration | 385 | (185) | (200) | 0 | 0 | To support the Council's committed costs to the rail and transport networks across the borough. |
| Flood Recovery Works | 400 | 0 | (200) | (200) | 0 | To help the service manage risks such as the impact of adverse weather, specifically flooding or extensive periods where winter maintenance is required. |
| Highways Procurement Project | 104 | (20) | (15) | (69) | 0 | To finance the development of the next Highway Service Contract. Depot mobilisation costs, split over 7 years from start of contract in 2018. |
| LEP-Local Transport Body | 19 | 0 | 0 | (19) | 0 | Contribution to LEP transport studies/consultancy. Ongoing working around Transport Legacy issues. |
| ECONOMY AND GROWTH RESERVE TOTAL | 908 | (205) | (415) | (288) | 0 | |

* All 'Additional Drawdown Requests' are subject to approval.

Section 6: Treasury Management

Management of Council Reserves

- 6.1 Treasury management is the management of the Authority's cash flows, borrowing and investments, and the associated risks. The Authority has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Authority's prudent financial management.
- 6.2. Treasury risk management at the Authority is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice* (the CIPFA Code) which requires the Authority to approve a treasury management strategy before the start of each financial year. This report fulfils the Authority's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.
- 6.3. Investments held for service purposes or for commercial profit are considered in the Investment Report (see **Section 9**).

1. External Context

- 6.4. **Economic background:** UK headline consumer price inflation (CPI) remained around the Bank of England (BoE) target later in the period, falling from an annual rate of 3.2% in March to 2.0% in May and then rebounding marginally as was expected, due to base effects from energy prices. Energy prices continue to be the main upward component of inflation.
- 6.5. The UK economy continued to expand over the period, albeit slowing from the 0.7% gain in the first calendar quarter to 0.5% (downwardly revised from 0.6%) in the second. Of the monthly figures, the economy was estimated to have registered no growth in July.
- 6.6. Labour market data was slightly better from a policymaker perspective, showing an easing in the tightness of the job market, with inactivity rates and vacancies declining. However, a degree of uncertainty remains given ongoing issues around the data collected for the labour force survey by the Office for National Statistics. Figures for the three months to September showed the unemployment rate increased slightly to 4.3% from 4.2% in the previous three-month period while the employment rate rose to 74.8% from 74.5%.
- 6.7. With headline inflation on target, the BoE cut Bank Rate from 5.00% to 4.75% at the November Monetary Policy Committee (MPC) meeting. The decision

was a 8-1 majority with one member preferring to hold at 5.00% citing some upward pressures on inflation. Indications are that further rate reductions are likely but may not be as quick as markets had originally been forecasting.

- 6.8. The November quarterly Monetary Policy Report (MPR) is forecasting Gross Domestic Product (GDP) growth to pick up to around 1.75% (four-quarter GDP) in the early period of the BoE's forecast horizon before falling back. The impact from the Budget pushes GDP higher in 2025 than was expected in the previous MPR, before becoming weaker. Current GDP growth was shown to be 0.5% between April and June 2024, a downward revision from the 0.6% rate previously reported by the Office for National Statistics (ONS).
- 6.9. Arlingclose, the authority's treasury adviser, maintained its central view that Bank Rate would steadily fall from the 5.25% peak, with February 2025 the likely next cut, taking Bank Rate down to around 3.75% by the end of 2025.
- 6.10. **Financial Markets:** Expectation is for long-term gilt yields to remain broadly at current levels on average (amid continued volatility), but to end the forecast period modestly lower compared to now. Yields will continue remain relatively higher than in the past, due to quantitative tightening and significant bond supply. As ever, there will be short-term volatility due to economic and (geo)political uncertainty and events.
- 6.11. **Credit Review:** Due to improving credit conditions our treasury advisors, increased their recommended maximum unsecured duration limit on most banks on its counterparty list to 6 months from the previous limit of 100 days.
- 6.12. Credit default swap prices were generally lower at the end of the period compared to the beginning for the vast majority of the names on UK and non-UK lists. Price volatility over the period was also generally more muted compared to previous periods.
- 6.13. Financial market volatility is expected to remain a feature, at least in the near term and credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remain under constant review
- 6.14. An outlook for the remainder of 2024/25 and interest rate forecast provided by Arlingclose is attached at **Annex A**.

2. Local Context

- 6.15. As at 30 November 2024 the Authority has borrowings of £370m and investments of £50m. This is set out in further detail at **Annex B**. Forecast changes in these sums are shown in the balance sheet analysis in **Table 1** below.

Table 1: Balance Sheet Summary and Forecast

| | 31/03/24 Actual £m | 31/03/25 Estimate £m | 31/03/26 Estimate £m | 31/03/27 Estimate £m |
|---------------------------------------|--------------------------|----------------------------|----------------------------|----------------------------|
| General Fund CFR | 506 | 498 | 525 | 521 |
| Less: Other long term liabilities * | (18) | (17) | (17) | (15) |
| Loans CFR | 488 | 481 | 508 | 506 |
| Less: External borrowing ** | (337) | (296) | (128) | (123) |
| Internal (over) borrowing | 151 | 185 | 380 | 383 |
| Less: Usable reserves | (131) | (122) | (113) | (103) |
| Less: Working capital | (46) | (47) | (50) | (50) |
| Investments (or New borrowing) | 26 | (16) | (217) | (230) |

* finance leases and PFI liabilities that form part of the Authority's debt

** shows only loans to which the Authority is committed and excludes optional refinancing

- 6.16. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while usable reserves and working capital are the underlying resources available for investment. The Authority's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing.
- 6.17. CIPFA's Prudential Code for Capital Finance recommends that the Authority's total debt should be lower than its highest forecast CFR over the next three years. **Table 1** shows that the Authority expects to comply with this recommendation during 2024/25.

3. Borrowing Strategy

- 6.18. The Authority currently holds loans of £352m, an increase of £15m since 31 March 2024. However, this will increase to a higher level, currently forecast as £370m at 31 March 2025.
- 6.19. Borrowing is at a lower level than our Capital Financing Requirement (CFR) which means that internal resources (reserves, etc) are being used rather than external debt. However, increasing service demand and the unfunded

special educational needs situation is utilising those internal resources resulting in increased borrowing.

- 6.20. Interest rates have seen substantial rises over the last 2 years which has significantly increased the cost of borrowing. The expectation is that borrowing costs will start to fall although market uncertainty and tightening liquidity in the markets suggests we will not benefit from lower rates until 2025/26.
- 6.21. At the moment, cash shortfalls are generally being met by temporary borrowing from other Local Authorities which for a number of years has been considerably cheaper than other sources of borrowing and allowed the Council to keep financing costs low. The cost of these loans is currently relatively high compared with longer term loans but interest forecasts suggest it is still the cheaper option in the long term. However, liquidity risk remains an issue as funds become more scarce towards year end and the request to the Government for exceptional financial support has raised credit worthiness concerns with some lenders. To reduce liquidity risk, consideration is being given to taking more longer term PWLB loans.
- 6.22. The cost of short term borrowing for the first 8 months of 2024/25 is 5.38% which is an increase from 4.82% in 2023/24. These costs are now expected to reduce as the outlook is for reducing interest rates.
- 6.23. **LOBO's:** The Authority holds £17m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Authority has the option to either accept the new rate or to repay the loan at no additional cost. All of these LOBOS have options during 2024/25. It is unlikely that the lender will exercise their options but if this happens, the Authority is likely to take the option to repay LOBO loans at no cost.

4. Investment Strategy

- 6.24. The Authority holds invested funds, representing income received in advance of expenditure plus balances and reserves held. Due to the overriding need for short term borrowing, other than £20m invested strategically in managed funds, the investments are generally short term for liquidity purposes. The level at 30 November 2024 is £50m.
- 6.25. The CIPFA Code requires the Authority to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Authority's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 6.26. The maximum amount that can be invested with any one organisation is set in the Treasury Management Strategy Report. The maximum amount and duration of investments with any institution depends on the organisations credit rating, the type of investment and for banks and building societies, the

security of the investment. Generally credit rated banks and building societies have been set at a maximum value of £6m for unsecured investments and £12m for secured investments. Any limits also apply to the banking group that each bank belongs to. Limits for each Money Market fund have been set at a maximum value of £12m per fund. All potential counterparties are kept under continual review by our treasury advisors and advisory lower limits than those contained in the strategy are applied.

6.27. Treasury Management income to 30 November 2024 is £2,260,000 which is higher than the budgeted £1,250,000. However, borrowing costs are also higher than budgeted at £12.4m compared to budget of £10.7m. This is caused by a combination of increasing interest rates with an increased borrowing requirement. From the projected cash flows for the remainder of 2024/25 the net additional financing costs (borrowing less investment interest) is expected to be £0.8m in excess of that budgeted.

- The average daily investment balance including managed funds up to 30 November 2024 is £65.3m
- The average annualized interest rate received on in-house investments up to 30 November 2024 is 5.06%
- The average annualized interest rate received on the externally managed funds up to 30 November 2024 is 5.60%

6.28. The Authority's total average interest rate on all investments in 2024/25 is 5.17%. The return is below our own performance target of 5.60% (average Base Rate + 0.50%) due to the short term nature of most of our investments. However, we do compare favourably to the Sterling Over Night Interest Average (SONIA) rate.

Table 3 – Interest Rate Comparison

| Comparator | Average Rate to 30/11/2024 |
|---------------|----------------------------|
| Cheshire East | 5.17% |
| SONIA | 5.05% |
| Base Rate | 5.10% |
| Target Rate | 5.60% |

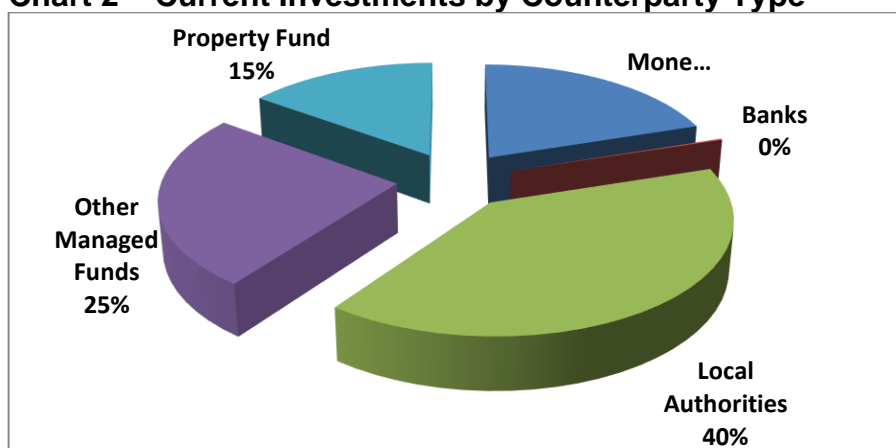
6.29. As the Authority holds reserves and working capital, £20m of this has been placed in strategic investments in order to benefit from higher income returns whilst spreading risk across different asset classes.

6.30. The investments are in five different funds which are all designed to give an annual income return higher than cash investments but which have different underlying levels of volatility. By spreading investments across different types of fund, the intention is to dampen any large fluctuations in the underlying value of the investments.

Table 4 –Strategic Investments

| Fund Manager | Asset Class | Invested £m | Current Value £m |
|--------------|-----------------|----------------|------------------------|
| CCLA | Property | 7.5 | 7.2 |
| Aegon | Multi Asset | 5.0 | 4.7 |
| Fidelity | Equity - Global | 4.0 | 4.4 |
| Schroders | Equity - UK | 2.5 | 2.4 |
| M & G | Bonds | 1.0 | 0.9 |
| TOTAL | | 20.0 | 19.6 |

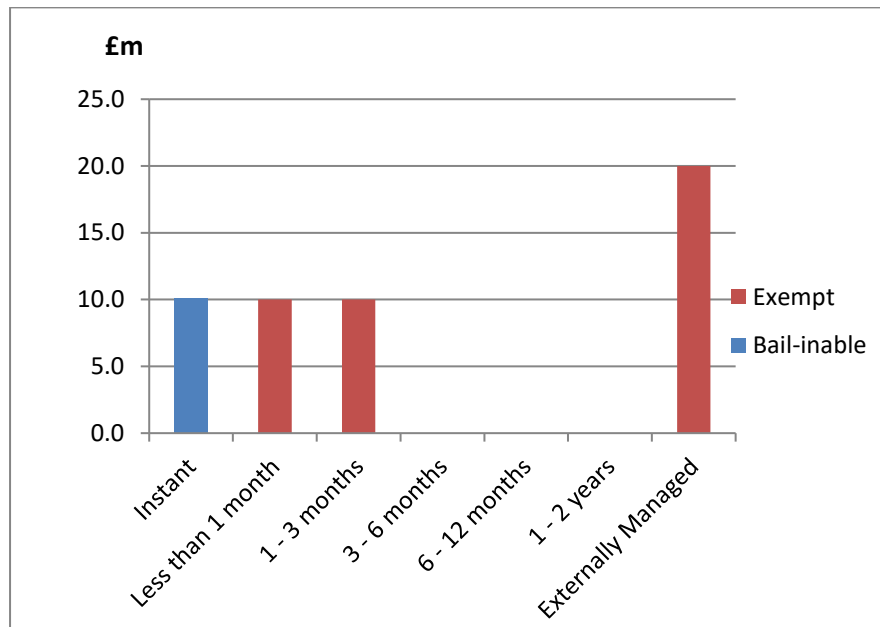
- 6.31. The value of these investments does vary. Fund values had been affected by high inflation, the effects of the war in Ukraine and low levels of GDP. However, the 8 month period to September 2024 has shown a gradual improvement, particularly to the equity funds. All funds continue to deliver good levels of income return.

Chart 2 – Current Investments by Counterparty Type**Table 5 – Types of Investments and Current Interest Rates**

| Instant Access Accounts | Average Rate | £m |
|---------------------------------|--------------|-----------|
| Money Market Funds | 4.79% | 10.0 |
| Banks | 4.62% | 0.1 |
| Fixed Term Deposits | | £m |
| Local Authorities | 4.95% | 20.0 |
| Externally Managed Funds | | £m |
| Total – see table 4 | 5.60% | 20.0 |

| Summary of Current Investments | | £m |
|--------------------------------|-------|-------------|
| TOTAL | 5.17% | 50.1 |

Chart 3 – Maturity Profile of Investments



6.32. Note: Bail-inable means that in the event of default the counterparty may be required to use part of the investments as their own capital in which case the Council would not get back as much as they invested. This would apply with most bank and Building Society investments.

Treasury Management Indicators

6.33. The Authority measures and manages its exposures to treasury management risks using the following indicators.

6.34. **Interest Rate Exposures:** This indicator is set to control the Authority's exposure to interest rate risk. The upper limit on the one-year revenue impact of a 1% rise in interest rates is:

| Interest Rate Risk Indicator | Limit |
|--|------------|
| Upper limit on one-year revenue impact of a 1% <u>rise</u> in interest rates | £2,270,000 |
| Likely revenue impact in 2024/25 of a 1% <u>rise</u> in interest rates | £1,296,000 |

- 6.35. The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates. The Council is expected to remain a net borrower in 2024/25 so a fall in rates would lead to savings rather than incurring additional cost so a limit of £0 was set. Rates are now more likely to reduce than increase so full revenue impact of changing rates is likely to be beneficial.
- 6.36. **Maturity Structure of Borrowing:** This indicator is set to control the Authority's exposure to refinancing risk. Lower limits have been set at 0%. The upper limits on the maturity structure of borrowing and the actual maturity profiles as at 30 September 2024 are:

| Refinancing rate risk indicator | Upper Limit | Actual |
|---------------------------------|-------------|--------|
| Under 12 months | 75% | 68% |
| 12 months and within 24 months | 75% | 1% |
| 24 months and within 5 years | 75% | 6% |
| 5 years and within 10 years | 75% | 12% |
| 10 years and within 20 years | 100% | 5% |
| 20 years and above | 100% | 8% |

- 6.37. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment. The upper limit for loans maturing in under 12 months is relatively high as short term has been considerably cheaper than alternatives and allows for LOBO loans which have the potential to be repaid early. This will be kept under review as it does increase the risk of higher financing costs in the future.
- 6.38. **Principal Sums Invested for Periods Longer than 364 days:** The purpose of this indicator is to control the Authority's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end will be:

| Price Risk Indicator | 2024/25 | 2025/26 | 2026/27 |
|---|---------|---------|---------|
| Limit on principal invested beyond year end | £25m | £15m | £10m |
| Actual amounts committed beyond year end | £0m | £0m | £0m |

Annex B: Existing Investment & Debt Portfolio Position

| | 30/11/24 Actual Portfolio £m | 30/11/24 Average Rate % |
|-------------------------------------|---------------------------------------|-------------------------------|
| External Borrowing: | | |
| PWLB – Fixed Rate | 157 | 4.79% |
| Local Authorities | 174 | 5.38% |
| LOBO Loans | 17 | 4.63% |
| Other | 4 | 4.92% |
| Total External Borrowing | 352 | 5.03% |
| Other Long Term Liabilities: | | |
| PFI | 18 | - |
| Total Gross External Debt | 370 | - |
| Investments: | | |
| <i>Managed in-house</i> | | |
| Short-term investments: | | |
| Instant Access | 10 | 4.78% |
| Fixed Term Deposits | 20 | 4.95% |
| <i>Managed externally</i> | | |
| Property Fund | 7.5 | 5.06% |
| Multi Asset Fund | 5 | 5.82% |
| Equity - Global | 4 | 5.95% |
| Equity - UK | 2.5 | 6.80% |
| Bonds | 1 | 4.11% |
| Total Investments | 50 | 5.17% |
| Net Debt | 320 | - |

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ANNEX 2



Third Financial Review 2024/25

Capital Programme by Committee

OFFICIAL

Adults and Health Committee

| Adults & Health | | | | | | | | CAPITAL | | | | | |
|--|-------------------------------------|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|------------------|-----------------------------------|----------------------------------|-----------------------------|---------------------------------|--------------------------|
| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | | | | | | | | | |
| Scheme Description | Forecast Expenditure | | | | | | | Forecast Funding | | | | | |
| | Total Approved Budget £000 | Prior Years £000 | Forecast Budget 2024/25 £000 | Forecast Budget 2025/26 £000 | Forecast Budget 2026/27 £000 | Forecast Budget 2027/28 £000 | Total Forecast Budget 2024/28 £000 | Grants £000 | External Contributions £000 | Revenue Contributions £000 | Capital Receipts £000 | Prudential Borrowing £000 | Total Funding £000 |
| Committed Schemes in progress | | | | | | | | | | | | | |
| Adults Services | | | | | | | | | | | | | |
| Community - Rural Shared Prosperity Fund | 413 | 81 | 332 | 0 | 0 | 0 | 332 | 332 | 0 | 0 | 0 | 0 | 332 |
| Electronic Call Monitoring System | 389 | 0 | 389 | 0 | 0 | 0 | 389 | 0 | 0 | 389 | 0 | 0 | 389 |
| People Planner System | 94 | 43 | 51 | 0 | 0 | 0 | 51 | 51 | 0 | 0 | 0 | 0 | 51 |
| Replacement Care4CE Devices | 93 | 65 | 28 | 0 | 0 | 0 | 28 | 28 | 0 | 0 | 0 | 0 | 28 |
| Total Committed Schemes | 989 | 189 | 800 | 0 | 0 | 0 | 800 | 411 | 0 | 389 | 0 | 0 | 800 |
| | | | | | | | | | | | | | |
| Total Adults and Health Schemes | 989 | 189 | 800 | 0 | 0 | 0 | 800 | 411 | 0 | 389 | 0 | 0 | 800 |

Children and Families Committee

| Children and Families | | | | | | | | CAPITAL | | | | | |
|--|-------------------------------------|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|------------------|-----------------------------------|----------------------------------|-----------------------------|---------------------------------|--------------------------|
| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | | | | | | | | | |
| Scheme Description | Forecast Expenditure | | | | | | | Forecast Funding | | | | | |
| | Total Approved Budget £000 | Prior Years £000 | Forecast Budget 2024/25 £000 | Forecast Budget 2025/26 £000 | Forecast Budget 2026/27 £000 | Forecast Budget 2027/28 £000 | Total Forecast Budget 2024/28 £000 | Grants £000 | External Contributions £000 | Revenue Contributions £000 | Capital Receipts £000 | Prudential Borrowing £000 | Total Funding £000 |
| Committed Schemes in progress | | | | | | | | | | | | | |
| Childrens Social Care | | | | | | | | | | | | | |
| Foster Carers Capacity Scheme | 534 | 434 | 51 | 50 | 0 | 0 | 101 | 0 | 0 | 0 | 0 | 101 | 101 |
| **Crewe Youth Zone | 4,826 | 395 | 2,025 | 2,406 | 0 | 0 | 4,431 | 3,584 | 0 | 0 | 0 | 847 | 4,431 |
| Family Hubs Transformation | 131 | 124 | 7 | 0 | 0 | 0 | 7 | 7 | 0 | 0 | 0 | 0 | 7 |
| **Children's Home Sufficiency Scheme | 1,404 | 204 | 700 | 500 | 0 | 0 | 1,200 | 0 | 0 | 0 | 0 | 1,200 | 1,200 |
| Strong Start, Family Help & Integration | | | | | | | | | | | | | |
| Early Years Sufficiency Capital Fund | 1,036 | 943 | 14 | 79 | 0 | 0 | 93 | 93 | 0 | 0 | 0 | 0 | 93 |
| Childcare Capital Expansion | 749 | 0 | 449 | 300 | 0 | 0 | 749 | 749 | 0 | 0 | 0 | 0 | 749 |
| Education and 14-19 Skills | | | | | | | | | | | | | |
| Adelaide Academy | 904 | 55 | 100 | 748 | 0 | 0 | 848 | 678 | 0 | 0 | 0 | 170 | 848 |
| Basic Need Grant Allocation | 7,569 | 10 | 5,117 | 2,442 | 0 | 0 | 7,559 | 7,559 | 0 | 0 | 0 | 0 | 7,559 |
| Brine Leas High School | 701 | 5 | 696 | 0 | 0 | 0 | 696 | 696 | 0 | 0 | 0 | 0 | 696 |
| Cledford House | 11 | 11 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Congleton Planning Area - Primary (1) | 2,209 | 179 | 0 | 2,030 | 0 | 0 | 2,030 | 764 | 1,266 | 0 | 0 | 0 | 2,030 |
| Congleton Planning Area - Primary (2) | 628 | 574 | 55 | 0 | 0 | 0 | 55 | 55 | 0 | 0 | 0 | 0 | 55 |
| Congleton Planning Area - Primary (3) | 7,504 | 4 | 49 | 0 | 2,200 | 5,250 | 7,499 | 4,299 | 3,200 | 0 | 0 | 0 | 7,499 |
| Devolved Formula Grant - Schools | 1,533 | 0 | 893 | 330 | 310 | 0 | 1,533 | 1,533 | 0 | 0 | 0 | 0 | 1,533 |
| Energy Efficiency Grant - Schools | 672 | 391 | 280 | 0 | 0 | 0 | 280 | 280 | 0 | 0 | 0 | 0 | 280 |
| Future Schemes - Feasibility Studies | 250 | 25 | 225 | 0 | 0 | 0 | 225 | 225 | 0 | 0 | 0 | 0 | 225 |
| Handforth Planning Area - New School | 13,003 | 3 | 100 | 400 | 4,000 | 8,499 | 12,999 | 135 | 12,864 | 0 | 0 | 0 | 12,999 |
| Little Angels Satellite Sites | 29 | 21 | 8 | 0 | 0 | 0 | 8 | 8 | 0 | 0 | 0 | 0 | 8 |
| Macclesfield Academy Resource Provision | 103 | 3 | 100 | 0 | 0 | 0 | 100 | 100 | 0 | 0 | 0 | 0 | 100 |
| Macclesfield Planning Area - Secondary | 1,163 | 1,148 | 15 | 0 | 0 | 0 | 15 | 0 | 15 | 0 | 0 | 0 | 15 |
| Macclesfield Planning Area - Secondary New | 1,031 | 5 | 0 | 1,025 | 0 | 0 | 1,025 | 1,025 | 0 | 0 | 0 | 0 | 1,025 |
| 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 | 1,897 | 25 | 0 | 0 | 0 | 25 | 25 | 0 | 0 | 0 | 0 | 25 |
| Mobberley Primary School | 1,208 | 35 | 2 | 609 | 561 | 0 | 1,172 | 872 | 0 | 0 | 300 | 0 | 1,172 |

Children and Families

CAPITAL

CAPITAL PROGRAMME 2024/25 - 2027/28

| Scheme Description | Forecast Expenditure | | | | | | | Forecast Funding | | | | | Total Funding £000 |
|--|-----------------------|---------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------------|------------------|------------------------|-----------------------|------------------|----------------------|-----------------------|
| | Total Approved Budget | Prior Years | Forecast Budget 2024/25 | Forecast Budget 2025/26 | Forecast Budget 2026/27 | Forecast Budget 2027/28 | Total Forecast Budget 2024/28 | Grants | External Contributions | Revenue Contributions | Capital Receipts | Prudential Borrowing | |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | |
| Committed Schemes in progress | | | | | | | | | | | | | |
| Nantwich Planning Area (Primary Schools - 210 | 9,061 | 733 | 500 | 7,328 | 500 | 0 | 8,328 | 5,308 | 3,020 | 0 | 0 | 0 | 8,328 |
| Oakfield Lodge & Stables | 50 | 12 | 38 | 0 | 0 | 0 | 38 | 38 | 0 | 0 | 0 | 0 | 38 |
| Poynton Planning Area | 1,500 | 13 | 100 | 1,387 | 0 | 0 | 1,487 | 684 | 803 | 0 | 0 | 0 | 1,487 |
| Provision of Sufficient School Places - SEND | 7,182 | 3,861 | 3,000 | 322 | 0 | 0 | 3,322 | 0 | 0 | 0 | 0 | 3,322 | 3,322 |
| Puss Bank SEN Expansion | 532 | 520 | 12 | 0 | 0 | 0 | 12 | 0 | 0 | 0 | 0 | 12 | 12 |
| Provision of SEN Unit - Wistaston Primary School | 1,506 | 169 | 1,337 | 0 | 0 | 0 | 1,337 | 1,037 | 0 | 0 | 0 | 300 | 1,337 |
| Sandbach Primary Academy | 1,583 | 106 | 1,477 | 0 | 0 | 0 | 1,477 | 1,477 | 0 | 0 | 0 | 0 | 1,477 |
| Schools Condition Capital Grant | 7,833 | 1,227 | 2,606 | 2,000 | 2,000 | 0 | 6,606 | 6,606 | 0 | 0 | 0 | 0 | 6,606 |
| SEN/High Needs Capital Allocation | 5,327 | 168 | 5,159 | 0 | 0 | 0 | 5,159 | 5,159 | 0 | 0 | 0 | 0 | 5,159 |
| Shavington Planning Area - New Primary School | 8,040 | 156 | 100 | 1,000 | 6,784 | 0 | 7,884 | 5,549 | 2,335 | 0 | 0 | 0 | 7,884 |
| Shavington Planning Area - Secondary | 3,506 | 2,883 | 623 | 0 | 0 | 0 | 623 | 623 | 0 | 0 | 0 | 0 | 623 |
| Springfield Satellite Site (Dean Row) | 6,112 | 5,934 | 178 | 0 | 0 | 0 | 178 | 0 | 0 | 0 | 0 | 178 | 178 |
| The Dingle PS Expansion | 1,395 | 1,135 | 260 | 0 | 0 | 0 | 260 | 260 | 0 | 0 | 0 | 0 | 260 |
| Tytherington High School | 2,500 | 172 | 100 | 2,228 | 0 | 0 | 2,328 | 2,328 | 0 | 0 | 0 | 0 | 2,328 |
| Various SEN Sites - Small Works/Adaptations | 150 | 0 | 150 | 0 | 0 | 0 | 150 | 150 | 0 | 0 | 0 | 0 | 150 |
| Wheelock Primary School | 2,411 | 201 | 1,000 | 1,210 | 0 | 0 | 2,210 | 1,750 | 460 | 0 | 0 | 0 | 2,210 |
| Wilmslow High School BN | 14,179 | 12,355 | 1,300 | 525 | 0 | 0 | 1,825 | 487 | 1,290 | 0 | 0 | 48 | 1,825 |
| Wilmslow Primary Planning Area | 626 | 1 | 625 | 0 | 0 | 0 | 625 | 125 | 500 | 0 | 0 | 0 | 625 |
| Total Committed Schemes | 126,615 | 36,114 | 29,476 | 26,919 | 16,355 | 17,749 | 90,499 | 54,268 | 29,753 | 0 | 300 | 6,178 | 90,499 |
| New Schemes | | | | | | | | | | | | | |
| Education and 14-19 Skills | | | | | | | | | | | | | |
| New Satellite Special School - 1 | 6,000 | 0 | 500 | 5,500 | 0 | 0 | 6,000 | 6,000 | 0 | 0 | 0 | 0 | 6,000 |
| New Satellite school - 2 | 9,000 | 0 | 50 | 950 | 5,000 | 3,000 | 9,000 | 9,000 | 0 | 0 | 0 | 0 | 9,000 |
| New SEN places - 1 | 1,089 | 0 | 339 | 750 | 0 | 0 | 1,089 | 1,089 | 0 | 0 | 0 | 0 | 1,089 |
| New SEN places - 2 | 25 | 0 | 25 | 0 | 0 | 0 | 25 | 25 | 0 | 0 | 0 | 0 | 25 |
| New SEN places - 3 | 163 | 0 | 163 | 0 | 0 | 0 | 163 | 163 | 0 | 0 | 0 | 0 | 163 |
| SEN New Free School | 998 | 0 | 5 | 745 | 248 | 0 | 998 | 998 | 0 | 0 | 0 | 0 | 998 |
| Workplace | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gainsborough Primary - Flooring | 304 | 0 | 50 | 254 | 0 | 0 | 304 | 304 | 0 | 0 | 0 | 0 | 304 |
| Total New Schemes | 17,579 | 0 | 1,132 | 8,199 | 5,248 | 3,000 | 17,579 | 17,579 | 0 | 0 | 0 | 0 | 17,579 |
| Total Children and Families Schemes | 144,194 | 36,114 | 30,608 | 35,118 | 21,603 | 20,749 | 108,078 | 71,847 | 29,753 | 0 | 300 | 6,178 | 108,078 |

Corporate Policy Committee

| Corporate | | | | | | | | CAPITAL | | | | | |
|---|-------------------------------------|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|------------------|-----------------------------------|----------------------------------|-----------------------------|---------------------------------|-----------------------|
| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | | | | | | | | | |
| Scheme Description | Forecast Expenditure | | | | | | | Forecast Funding | | | | | Total Funding £000 |
| | Total Approved Budget £000 | Prior Years £000 | Forecast Budget 2024/25 £000 | Forecast Budget 2025/26 £000 | Forecast Budget 2026/27 £000 | Forecast Budget 2027/28 £000 | Total Forecast Budget 2024-28 £000 | Grants £000 | External Contributions £000 | Revenue Contributions £000 | Capital Receipts £000 | Prudential Borrowing £000 | |
| Committed Schemes in progress | | | | | | | | | | | | | |
| ICT Services | | | | | | | | | | | | | |
| Accelerate Digital | 1,460 | 0 | 760 | 700 | 0 | 0 | 1,460 | 0 | 0 | 0 | 0 | 1,460 | 1,460 |
| **Care Act Phase 2 | 6,314 | 4,599 | 635 | 1,080 | 0 | 0 | 1,715 | 0 | 0 | 0 | 0 | 1,715 | 1,715 |
| Digital Customer Enablement | 3,102 | 2,424 | 678 | 0 | 0 | 0 | 678 | 0 | 0 | 0 | 0 | 678 | 678 |
| **ICT Device Replacement | 1,912 | 683 | 729 | 500 | 0 | 0 | 1,229 | 0 | 0 | 0 | 0 | 1,229 | 1,229 |
| ICT Hybrid Model | 3,449 | 445 | 3,004 | 0 | 0 | 0 | 3,004 | 0 | 0 | 0 | 0 | 3,004 | 3,004 |
| **IADM (Information Assurance and Data | 19,465 | 16,421 | 1,644 | 1,400 | 0 | 0 | 3,044 | 0 | 0 | 0 | 0 | 3,044 | 3,044 |
| Infrastructure Investment Programme (IIP) | 34,429 | 31,065 | 730 | 1,804 | 830 | 0 | 3,364 | 0 | 0 | 0 | 0 | 3,364 | 3,364 |
| Vendor Management | 1,006 | 765 | 23 | 218 | 0 | 0 | 241 | 0 | 0 | 0 | 0 | 241 | 241 |
| Finance & Customer Services | | | | | | | | | | | | | |
| **Core Financials | 11,317 | 9,365 | 997 | 662 | 293 | 0 | 1,952 | 0 | 0 | 0 | 0 | 1,952 | 1,952 |
| **Strategic Capital Projects | 15,588 | 8,754 | 500 | 2,500 | 2,000 | 1,834 | 6,834 | 0 | 0 | 0 | 0 | 6,834 | 6,834 |
| **Vendor Management - Phase 2 | 99 | 24 | 0 | 25 | 50 | 0 | 75 | 0 | 0 | 0 | 0 | 75 | 75 |
| | | | | | | | | | | | | | |
| Total Committed Schemes | 98,141 | 74,545 | 9,700 | 8,889 | 3,173 | 1,834 | 23,596 | 0 | 0 | 0 | 0 | 23,596 | 23,596 |
| | | | | | | | | | | | | | |
| Total CorporatePolicy Schemes | 98,141 | 74,545 | 9,700 | 8,889 | 3,173 | 1,834 | 23,596 | 0 | 0 | 0 | 0 | 23,596 | 23,596 |

Economy and Growth Committee

| Economy & Growth | | | | | | | | CAPITAL | | | | | |
|---|-------------------------------------|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|------------------|-----------------------------------|----------------------------------|-----------------------------|---------------------------------|-----------------------|
| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | | | | | | | | | |
| Scheme Description | Forecast Expenditure | | | | | | | Forecast Funding | | | | | Total Funding £000 |
| | Total Approved Budget £000 | Prior Years £000 | Forecast Budget 2024/25 £000 | Forecast Budget 2025/26 £000 | Forecast Budget 2026/27 £000 | Forecast Budget 2027/28 £000 | Total Forecast Budget 2024-28 £000 | Grants £000 | External Contributions £000 | Revenue Contributions £000 | Capital Receipts £000 | Prudential Borrowing £000 | |
| Committed Schemes in progress | | | | | | | | | | | | | |
| Facilities Management | | | | | | | | | | | | | |
| Public Sector Decarbonisation Fund - FM 3 | 5,214 | 5,023 | 191 | 0 | 0 | 0 | 191 | 0 | 0 | 0 | 0 | 191 | 191 |
| PSDS - 3B - Lot 1 | 1,028 | 77 | 827 | 124 | 0 | 0 | 951 | 827 | 0 | 0 | 0 | 123 | 951 |
| PSDS - 3B - Lot 3 (schools) | 4,390 | 3,267 | 1,123 | 0 | 0 | 0 | 1,123 | 1,056 | 0 | 0 | 0 | 67 | 1,123 |
| **Septic Tanks | 636 | 285 | 50 | 50 | 251 | 0 | 351 | 0 | 0 | 0 | 0 | 351 | 351 |
| Schools Capital Maintenance | 8,315 | 5,575 | 1,696 | 1,044 | 0 | 0 | 2,740 | 2,459 | 0 | 0 | 0 | 281 | 2,740 |
| **Corporate Landlord - Operational | 999 | 996 | 4 | 0 | 0 | 0 | 4 | 0 | 0 | 0 | 0 | 4 | 4 |
| **Premises Capital (FM) | 39,914 | 32,530 | 3,557 | 2,678 | 1,149 | 0 | 7,384 | 0 | 0 | 0 | 0 | 7,384 | 7,384 |
| Poynton Pool Spillway | 1,380 | 468 | 276 | 636 | 0 | 0 | 912 | 0 | 0 | 0 | 0 | 912 | 912 |
| Housing | | | | | | | | | | | | | |
| Crewe Towns Fund - Warm and Healthy Homes | 2,126 | 31 | 827 | 1,268 | 0 | 0 | 2,095 | 2,095 | 0 | 0 | 0 | 0 | 2,095 |
| Disabled Facilities | 22,025 | 10,181 | 3,580 | 2,664 | 2,800 | 2,800 | 11,844 | 10,807 | 109 | 0 | 0 | 928 | 11,844 |
| Green Homes Grant | 3,105 | 2,378 | 50 | 339 | 339 | 0 | 728 | 728 | 0 | 0 | 0 | 0 | 728 |
| Gypsy and Traveller Sites | 4,136 | 2,938 | 1,198 | 0 | 0 | 0 | 1,198 | 175 | 0 | 0 | 0 | 1,023 | 1,198 |
| **Home Repairs Vulnerable People | 1,338 | 870 | 66 | 402 | 0 | 0 | 468 | 0 | 32 | 0 | 0 | 436 | 468 |
| Home Upgrade Grant Phase 2 | 4,409 | 740 | 2,000 | 1,669 | 0 | 0 | 3,669 | 3,666 | 3 | 0 | 0 | 0 | 3,669 |
| Local Authority Housing Fund | 742 | 293 | 140 | 309 | 0 | 0 | 449 | 449 | 0 | 0 | 0 | 0 | 449 |
| Social Housing Decarbonisation Fund | 1,565 | 1,557 | 8 | 0 | 0 | 0 | 8 | 8 | 0 | 0 | 0 | 0 | 8 |
| Temporary Accommodation | 1,479 | 1,069 | 410 | 0 | 0 | 0 | 410 | 0 | 164 | 0 | 0 | 246 | 410 |
| Warm Homes Fund | 239 | 213 | 26 | 0 | 0 | 0 | 26 | 26 | 0 | 0 | 0 | 0 | 26 |
| Estates | | | | | | | | | | | | | |
| Corporate Landlord - Non-Operational | 1,336 | 0 | 0 | 1,336 | 0 | 0 | 1,336 | 0 | 0 | 0 | 0 | 1,336 | 1,336 |
| Malkins Bank Landfill Site | 1,360 | 661 | 116 | 583 | 0 | 0 | 699 | 0 | 0 | 0 | 0 | 699 | 699 |
| **Farms Strategy | 2,910 | 1,689 | 55 | 331 | 209 | 626 | 1,221 | 0 | 0 | 0 | 1,221 | 0 | 1,221 |

| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | | | | | | | | | |
|--|-------------------------------|---------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------------|------------------|--------------------------------|-------------------------------|--------------------------|------------------------------|----------------|
| Scheme Description | Forecast Expenditure | | | | | | | Forecast Funding | | | | | Total Funding |
| | Total Approved Budget £000 | Prior Years £000 | Forecast Budget 2024/25 £000 | Forecast Budget 2025/26 £000 | Forecast Budget 2026/27 £000 | Forecast Budget 2027/28 £000 | Total Forecast Budget 2024-28 £000 | Grants £000 | External Contributions £000 | Revenue Contributions £000 | Capital Receipts £000 | Prudential Borrowing £000 | |
| Committed Schemes in progress | | | | | | | | | | | | | |
| Economic Development | | | | | | | | | | | | | |
| Crewe Towns Fund - Repurposing Our High Streets | 1,132 | 162 | 463 | 507 | 0 | 0 | 970 | 970 | 0 | 0 | 0 | 0 | 970 |
| Crewe Towns Fund - Flag Lane Baths | 1,968 | 583 | 1,385 | 0 | 0 | 0 | 1,385 | 32 | 0 | 0 | 0 | 1,353 | 1,385 |
| Crewe Towns Fund - Mill Street Corridor | 4,027 | 684 | 2,546 | 798 | 0 | 0 | 3,343 | 3,343 | 0 | 0 | 0 | 0 | 3,343 |
| Crewe Towns Fund - Mirion St | 1,190 | 164 | 1,026 | 0 | 0 | 0 | 1,026 | 1,026 | 0 | 0 | 0 | 0 | 1,026 |
| Crewe Towns Fund - Crewe Youth Zone non-grant | 351 | 125 | 63 | 163 | 0 | 0 | 226 | 226 | 0 | 0 | 0 | 0 | 226 |
| History Centre Public Realm & ICV (Crewe Towns Fund) CTC1 | 580 | 10 | 200 | 370 | 0 | 0 | 570 | 570 | 0 | 0 | 0 | 0 | 570 |
| Handforth Heat Network | 13,219 | 17 | 663 | 50 | 450 | 12,039 | 13,202 | 2,587 | 7,428 | 0 | 0 | 3,187 | 13,202 |
| **Demolition of Crewe Library & Concourse CTC10 | 3,396 | 859 | 2,538 | 0 | 0 | 0 | 2,538 | 1,015 | 0 | 0 | 0 | 1,523 | 2,538 |
| Future High Street Funding - CEC Innovation Centre | 3,973 | 530 | 3,443 | 0 | 0 | 0 | 3,443 | 3,443 | 0 | 0 | 0 | 0 | 3,443 |
| Crewe Town Centre Regeneration | 32,293 | 30,993 | 300 | 1,000 | 0 | 0 | 1,300 | 198 | 64 | 0 | 0 | 1,037 | 1,300 |
| **South Macclesfield Development Area | 34,630 | 3,259 | 100 | 100 | 0 | 31,171 | 31,371 | 10,000 | 10,000 | 0 | 11,371 | 0 | 31,371 |
| North Cheshire Garden Village | 57,866 | 7,026 | 5,261 | 6,588 | 17,285 | 21,706 | 50,840 | 20,165 | 0 | 0 | 21,700 | 8,975 | 50,840 |
| Handforth Garden Village s106 Obligations | 6,841 | 0 | 0 | 0 | 2,740 | 4,101 | 6,841 | 0 | 0 | 0 | 0 | 6,841 | 6,841 |
| **Leighton Green | 2,096 | 1,468 | 150 | 478 | 0 | 0 | 628 | 0 | 0 | 0 | 0 | 628 | 628 |
| Connecting Cheshire Phase 3 | 8,000 | 128 | 800 | 2,000 | 2,200 | 2,872 | 7,872 | 0 | 7,872 | 0 | 0 | 0 | 7,872 |
| Connecting Cheshire 2020 | 9,250 | 5,680 | 585 | 0 | 0 | 2,985 | 3,570 | 3,570 | 0 | 0 | 0 | 0 | 3,570 |
| UK Shared Prosperity Fund - Core | 950 | 202 | 748 | 0 | 0 | 0 | 748 | 748 | 0 | 0 | 0 | 0 | 748 |
| Culture & Tourism | | | | | | | | | | | | | |
| Cattle Handling Facility - Oakwood Farm | 367 | 367 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Countryside Vehicles | 1,579 | 700 | 226 | 219 | 217 | 217 | 879 | 0 | 0 | 0 | 0 | 879 | 879 |
| Culture & Tourism S106 Schemes | 601 | 91 | 98 | 385 | 5 | 22 | 510 | 22 | 488 | 0 | 0 | 0 | 510 |
| **New Archives Premises CTC1 | 10,256 | 442 | 3,141 | 6,433 | 240 | 0 | 9,814 | 0 | 0 | 0 | 0 | 9,814 | 9,814 |
| PROW Capital Works | 1,138 | 1,042 | 96 | 0 | 0 | 0 | 96 | 96 | 0 | 0 | 0 | 0 | 96 |
| PROW CMM A6 MARR | 100 | 69 | 2 | 29 | 0 | 0 | 31 | 31 | 0 | 0 | 0 | 0 | 31 |
| PROW Flood Damage Investment | 72 | 71 | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 1 | 1 |
| Visitor Economy - Rural Shared Prosperity Fund | 415 | 113 | 302 | 0 | 0 | 0 | 302 | 302 | 0 | 0 | 0 | 0 | 302 |
| **Tatton Park Investment Phase 2 | 3,280 | 1,434 | 436 | 684 | 725 | 0 | 1,845 | 0 | 0 | 0 | 0 | 1,845 | 1,845 |
| Total Committed Schemes | 308,219 | 127,061 | 40,772 | 33,237 | 28,610 | 78,539 | 181,158 | 70,643 | 26,159 | 0 | 34,291 | 50,064 | 181,158 |

Economy & Growth

CAPITAL

| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | | | | | | | | | |
|---|-------------------------------------|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|------------------|-----------------------------------|----------------------------------|-----------------------------|---------------------------------|-----------------------|
| Scheme Description | Forecast Expenditure | | | | | | | Forecast Funding | | | | | Total Funding £000 |
| | Total Approved Budget £000 | Prior Years £000 | Forecast Budget 2024/25 £000 | Forecast Budget 2025/26 £000 | Forecast Budget 2026/27 £000 | Forecast Budget 2027/28 £000 | Total Forecast Budget 2024-28 £000 | Grants £000 | External Contributions £000 | Revenue Contributions £000 | Capital Receipts £000 | Prudential Borrowing £000 | |
| New Schemes | | | | | | | | | | | | | |
| Facilities Management | | | | | | | | | | | | | |
| PSDS - 3C | 1,449 | 0 | 290 | 1,159 | 0 | 0 | 1,449 | 1,449 | 0 | 0 | 0 | 0 | 1,449 |
| Estates | | | | | | | | | | | | | |
| WorkplaCE | 1,000 | 0 | 1,000 | 0 | 0 | 0 | 1,000 | 1,000 | 0 | 0 | 0 | 0 | 1,000 |
| Economic Development | | | | | | | | | | | | | |
| Macclesfield Indoor Market Refurbishment (MIMR) | 1,712 | 40 | 1,673 | 0 | 0 | 0 | 1,673 | 1,673 | 0 | 0 | 0 | 0 | 1,673 |
| Macc on Foot (MOF) | 351 | 5 | 347 | 0 | 0 | 0 | 347 | 347 | 0 | 0 | 0 | 0 | 347 |
| Nantwich Town Centre Public Realm Improvements | 100 | 0 | 0 | 100 | 0 | 0 | 100 | 0 | 100 | 0 | 0 | 0 | 100 |
| Culture & Tourism | | | | | | | | | | | | | |
| **Green Structures Investment | 384 | 0 | 0 | 271 | 113 | 0 | 384 | 0 | 0 | 0 | 0 | 384 | 384 |
| Total New Schemes | 4,997 | 45 | 3,309 | 1,530 | 113 | 0 | 4,952 | 4,468 | 100 | 0 | 0 | 384 | 4,952 |
| Total Growth & Enterprise | 313,216 | 127,107 | 44,081 | 34,767 | 28,723 | 78,539 | 186,109 | 75,112 | 26,259 | 0 | 34,291 | 50,448 | 186,110 |

Environment and Communities Committee

| Environment & Communities | | | | | | | CAPITAL | | | | | |
|---|----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------------|------------------|------------------------|-----------------------|------------------|----------------------|---------------|
| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | | | | | | | | |
| Scheme Description | Forecast Expenditure | | | | | | Forecast Funding | | | | | |
| | Prior Years | Forecast Budget 2024/25 | Forecast Budget 2025/26 | Forecast Budget 2026/27 | Forecast Budget 2027/28 | Total Forecast Budget 2024-28 | Grants | External Contributions | Revenue Contributions | Capital Receipts | Prudential Borrowing | Total Funding |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 |
| Committed Schemes in progress | | | | | | | | | | | | |
| Environment Services | | | | | | | | | | | | |
| Bereavement Service Data System | 7 | 28 | 0 | 0 | 0 | 28 | 0 | 0 | 28 | 0 | 0 | 28 |
| Booth Bed Lane, Goostrey | 0 | 40 | 100 | 0 | 0 | 140 | 0 | 140 | 0 | 0 | 0 | 140 |
| Bosley Village Play Area | 0 | 10 | 10 | 0 | 0 | 20 | 0 | 20 | 0 | 0 | 0 | 20 |
| Browns Lane Play Area 2024/25 | 0 | 12 | 0 | 0 | 0 | 12 | 0 | 12 | 0 | 0 | 0 | 12 |
| **Carbon Offset Investment | 137 | 131 | 300 | 0 | 0 | 431 | 0 | 0 | 0 | 0 | 431 | 431 |
| Carnival Fields | 0 | 0 | 42 | 0 | 0 | 42 | 0 | 42 | 0 | 0 | 0 | 42 |
| Chelford Village Hall Open Space and Sport Improvements | 119 | 2 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 2 | 2 |
| Chelford Village Hall Phase 2 | 0 | 61 | 0 | 0 | 0 | 61 | 0 | 61 | 0 | 0 | 0 | 61 |
| Cremator Flue Gas Modifications | 0 | 30 | 0 | 0 | 0 | 30 | 0 | 0 | 0 | 0 | 30 | 30 |
| Crewe Crematorium and Macclesfield Crematorium Major | 14 | 16 | 0 | 0 | 0 | 16 | 0 | 0 | 0 | 0 | 16 | 16 |
| Elworth Park | 0 | 52 | 0 | 0 | 0 | 52 | 0 | 52 | 0 | 0 | 0 | 52 |
| Energy Improvements at Cledford Lane | 908 | 77 | 0 | 0 | 0 | 77 | 0 | 0 | 0 | 0 | 77 | 77 |
| Fleet EV Transition | 39 | 1,557 | 3,301 | 2,000 | 0 | 6,858 | 0 | 0 | 0 | 0 | 6,858 | 6,858 |
| Fleet Vehicle Electric Charging | 155 | 150 | 140 | 140 | 0 | 430 | 0 | 0 | 0 | 0 | 430 | 430 |
| Future High Street Funding - Sustainable Energy Network | 1,148 | 633 | 0 | 0 | 0 | 633 | 633 | 0 | 0 | 0 | 0 | 633 |
| Green Investment Scheme (Solar Farm) | 2,279 | 1,665 | 6 | 0 | 0 | 1,671 | 0 | 0 | 0 | 0 | 1,671 | 1,671 |
| Grounds Maintenance Management ICT System | 101 | 20 | 0 | 0 | 0 | 20 | 0 | 0 | 0 | 0 | 20 | 20 |
| Household Bins Schemes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Household Waste Recycling Centres | 48 | 222 | 590 | 0 | 0 | 812 | 0 | 0 | 0 | 0 | 812 | 812 |
| Jim Evison Playing Fields | 0 | 0 | 161 | 0 | 0 | 161 | 0 | 161 | 0 | 0 | 0 | 161 |
| Litter and Recycling Bins | 119 | 17 | 25 | 25 | 22 | 89 | 0 | 0 | 0 | 0 | 89 | 89 |
| Longridge Open Space Improvement Project | 0 | 66 | 0 | 0 | 0 | 66 | 0 | 66 | 0 | 0 | 0 | 66 |
| Macclesfield Chapel Refurbishment | 22 | 7 | 400 | 0 | 0 | 407 | 0 | 0 | 0 | 0 | 407 | 407 |
| Main Road, Langley | 0 | 259 | 0 | 0 | 0 | 259 | 0 | 259 | 0 | 0 | 0 | 259 |
| Newtown Sports Facilities Improvements | 81 | 18 | 0 | 0 | 0 | 18 | 0 | 18 | 0 | 0 | 0 | 18 |

Environment & Communities

CAPITAL

| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | | | | | | | | |
|--|----------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------------|------------------|------------------------|-----------------------|------------------|----------------------|-----------------------|
| Scheme Description | Forecast Expenditure | | | | | | Forecast Funding | | | | | Total Funding £000 |
| | Prior Years | Forecast Budget 2024/25 | Forecast Budget 2025/26 | Forecast Budget 2026/27 | Forecast Budget 2027/28 | Total Forecast Budget 2024-28 | Grants | External Contributions | Revenue Contributions | Capital Receipts | Prudential Borrowing | |
| | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | £000 | |
| **Park Development Fund | 670 | 53 | 36 | 87 | 0 | 176 | 0 | 0 | 0 | 0 | 176 | 176 |
| Park Lane, Poynton | 0 | 39 | 0 | 0 | 0 | 39 | 0 | 39 | 0 | 0 | 0 | 39 |
| Park Play, Meriton Road & Stanley Hall | 0 | 10 | 0 | 0 | 0 | 10 | 0 | 10 | 0 | 0 | 0 | 10 |
| Pastures Wood De-carbonisation | 35 | 16 | 0 | 0 | 0 | 16 | 0 | 0 | 16 | 0 | 0 | 16 |
| Pear Tree Play Area, Stapeley Improvements | 1 | 6 | 0 | 0 | 0 | 6 | 0 | 6 | 0 | 0 | 0 | 6 |
| Queens Park Bowling Green | 0 | 17 | 0 | 0 | 0 | 17 | 0 | 17 | 0 | 0 | 0 | 17 |
| Rotherhead Drive Open Space and Play Area | 117 | 24 | 0 | 0 | 0 | 24 | 0 | 24 | 0 | 0 | 0 | 24 |
| Shaw Heath Recreation Ground | 3 | 19 | 0 | 0 | 0 | 19 | 0 | 19 | 0 | 0 | 0 | 19 |
| **Solar Energy Generation | 91 | 10 | 6,000 | 5,000 | 3,079 | 14,089 | 0 | 0 | 0 | 0 | 14,089 | 14,089 |
| Stanley Hall Improvements | 0 | 55 | 0 | 0 | 0 | 55 | 20 | 35 | 0 | 0 | 0 | 55 |
| The Carrs Improvement Project | 0 | 15 | 46 | 0 | 0 | 61 | 0 | 61 | 0 | 0 | 0 | 61 |
| The Moor, Knutsford | 0 | 36 | 0 | 0 | 0 | 36 | 0 | 17 | 0 | 0 | 19 | 36 |
| Tytherington Public Art | 0 | 10 | 0 | 0 | 0 | 10 | 0 | 10 | 0 | 0 | 0 | 10 |
| Unsafe Cemetery Memorials | 9 | 26 | 0 | 0 | 0 | 26 | 0 | 0 | 0 | 0 | 26 | 26 |
| Victoria Park Amenity Improvements | 9 | 11 | 0 | 0 | 0 | 11 | 0 | 11 | 0 | 0 | 0 | 11 |
| Victoria Park Pitch Improvements | 28 | 1 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 1 |
| West Park Open Space & Sports Improvements | 23 | 98 | 0 | 0 | 0 | 98 | 0 | 98 | 0 | 0 | 0 | 98 |
| Wilmslow Town Council - Villas | 0 | 81 | 0 | 0 | 0 | 81 | 34 | 13 | 0 | 0 | 34 | 81 |
| Woodland South of Coppice Way, Handforth | 68 | 5 | 16 | 0 | 0 | 21 | 0 | 21 | 0 | 0 | 0 | 21 |
| Wynbunbury Parish Open Space | 1 | 4 | 0 | 0 | 0 | 4 | 0 | 4 | 0 | 0 | 0 | 4 |
| Wybunbury St Chad's Closed Cemetery | 0 | 0 | 219 | 0 | 0 | 219 | 0 | 0 | 0 | 0 | 219 | 219 |
| Neighbourhood Services | | | | | | | | | | | | |
| Congleton Leisure Centre | 12,963 | 38 | 0 | 0 | 0 | 38 | 0 | 20 | 0 | 0 | 18 | 38 |
| Crewe Towns Fund - Valley Brook Green Corridor | 327 | 1,372 | 1,640 | 0 | 0 | 3,012 | 3,012 | 0 | 0 | 0 | 0 | 3,012 |
| Crewe Towns Fund - Cumberland Arena | 128 | 2,140 | 825 | 0 | 0 | 2,965 | 2,965 | 0 | 0 | 0 | 0 | 2,965 |
| Crewe Towns Fund - Pocket Parks | 652 | 436 | 393 | 0 | 0 | 829 | 829 | 0 | 0 | 0 | 0 | 829 |
| Middlewich Leisure Centre | 51 | 9 | 0 | 0 | 0 | 9 | 0 | 0 | 0 | 0 | 9 | 9 |
| Libraries - Next Generation - Self Service | 336 | 38 | 0 | 0 | 0 | 38 | 0 | 0 | 0 | 0 | 38 | 38 |
| Bollington Leisure | 0 | 51 | 0 | 0 | 0 | 51 | 51 | 0 | 0 | 0 | 0 | 51 |
| Planning & Regulatory Services | | | | | | | | | | | | |
| Regulatory Systems & Environmental Health ICT System | 279 | 34 | 0 | 0 | 0 | 34 | 0 | 0 | 0 | 0 | 34 | 34 |
| Total Committed Schemes | 20,968 | 9,727 | 14,250 | 7,252 | 3,101 | 34,330 | 7,544 | 1,237 | 44 | 0 | 25,505 | 34,330 |

Environment & Communities

CAPITAL

| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | | | | | | | | |
|--|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|------------------|-----------------------------------|----------------------------------|-----------------------------|---------------------------------|-----------------------|
| Scheme Description | Forecast Expenditure | | | | | | Forecast Funding | | | | | Total Funding £000 |
| | Prior Years £000 | Forecast Budget 2024/25 £000 | Forecast Budget 2025/26 £000 | Forecast Budget 2026/27 £000 | Forecast Budget 2027/28 £000 | Total Forecast Budget 2024-28 £000 | Grants £000 | External Contributions £000 | Revenue Contributions £000 | Capital Receipts £000 | Prudential Borrowing £000 | |
| New Schemes | | | | | | | | | | | | |
| Environment Services | | | | | | | | | | | | |
| Closed Cemeteries | 0 | 50 | 102 | 0 | 0 | 152 | 0 | 0 | 0 | 0 | 152 | 152 |
| LTA - Tennis Facility Improvements | 1 | 124 | 0 | 0 | 0 | 124 | 99 | 0 | 0 | 0 | 25 | 124 |
| Review of Household Waste Recycling Centres | 2 | 100 | 900 | 0 | 0 | 1,000 | 0 | 0 | 0 | 0 | 1,000 | 1,000 |
| Strategic Leisure Review | 0 | 1,750 | 1,000 | 650 | 0 | 3,400 | 0 | 0 | 0 | 0 | 3,400 | 3,400 |
| Weekly Food Waste Collections | 0 | 80 | 2,132 | 500 | 0 | 2,712 | 2,712 | 0 | 0 | 0 | 0 | 2,712 |
| Macclesfield Crematorium - hearth replacement | 0 | 11 | 0 | 0 | 0 | 11 | 0 | 0 | 11 | 0 | 0 | 11 |
| Total New Schemes | 3 | 2,115 | 4,134 | 1,150 | 0 | 7,399 | 2,811 | 0 | 11 | 0 | 4,577 | 7,399 |
| Total Environment and Communities Schemes | 20,971 | 11,842 | 18,384 | 8,402 | 3,101 | 41,729 | 10,355 | 1,237 | 55 | 0 | 30,083 | 41,729 |

Highways and Transport Committee

| Highways & Transport | | | | | | | | | | | | | | CAPITAL |
|--|-------------------------------------|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|------------------|-----------------------------------|----------------------------------|-----------------------------|---------------------------------|--------------------------|---------|
| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | | | | | | | | | | |
| Scheme Description | Forecast Expenditure | | | | | | | Forecast Funding | | | | | | |
| | Total Approved Budget £000 | Prior Years £000 | Forecast Budget 2024/25 £000 | Forecast Budget 2025/26 £000 | Forecast Budget 2026/27 £000 | Forecast Budget 2027/28 £000 | Total Forecast Budget 2024-28 £000 | Grants £000 | External Contributions £000 | Revenue Contributions £000 | Capital Receipts £000 | Prudential Borrowing £000 | Total Funding £000 | |
| Committed Schemes in progress | | | | | | | | | | | | | | |
| Highways | | | | | | | | | | | | | | |
| **A532 Safer Road Fund Scheme | 1,223 | 677 | 546 | 0 | 0 | 0 | 546 | 447 | 0 | 0 | 0 | 99 | 546 | |
| A536 Safer Road Fund Scheme | 2,404 | 1,925 | 479 | 0 | 0 | 0 | 479 | 385 | 0 | 0 | 0 | 94 | 479 | |
| **A537 Safer Road Fund Scheme | 2,733 | 2,155 | 578 | 0 | 0 | 0 | 578 | 335 | 0 | 0 | 0 | 243 | 578 | |
| Air Quality Action Plan | 523 | 421 | 102 | 0 | 0 | 0 | 102 | 87 | 0 | 0 | 0 | 15 | 102 | |
| Alderley Edge Bypass Scheme Implementation | 60,611 | 60,359 | 25 | 227 | 0 | 0 | 252 | 0 | 0 | 0 | 0 | 252 | 252 | |
| Bridge Maintenance Minor Wks | 12,463 | 10,037 | 2,427 | 0 | 0 | 0 | 2,427 | 1,406 | 602 | 0 | 0 | 418 | 2,427 | |
| Client Contract and Asset Mgmt | 756 | 485 | 271 | 0 | 0 | 0 | 271 | 111 | 0 | 0 | 0 | 160 | 271 | |
| Footpath Maintenance - Slurry Sealing & Reconstruction Works | 1,319 | 514 | 805 | 0 | 0 | 0 | 805 | 805 | 0 | 0 | 0 | 0 | 805 | |
| Highway Maintenance Minor Wks | 67,964 | 53,616 | 14,348 | 0 | 0 | 0 | 14,348 | 9,994 | 0 | 0 | 0 | 4,353 | 14,348 | |
| Highway Pothole/Challenge Fund | 11,669 | 8,098 | 3,571 | 0 | 0 | 0 | 3,571 | 3,316 | 0 | 0 | 0 | 255 | 3,571 | |
| Jack Mills Way Part 1 Claims | 300 | 299 | 1 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 1 | |
| Local Highway Measures | 7,255 | 6,873 | 382 | 0 | 0 | 0 | 382 | 382 | 0 | 0 | 0 | 0 | 382 | |
| Ward Members Local Highway Measures | 872 | 0 | 357 | 515 | 0 | 0 | 872 | 496 | 0 | 0 | 0 | 376 | 872 | |
| Programme Management | 1,547 | 1,229 | 286 | 33 | 0 | 0 | 318 | 318 | 0 | 0 | 0 | 0 | 318 | |
| Road Safety Schemes Minor Wks | 6,423 | 5,944 | 378 | 100 | 0 | 0 | 478 | 350 | 0 | 0 | 0 | 128 | 478 | |
| Traffic Signal Maintenance | 1,095 | 516 | 318 | 260 | 0 | 0 | 578 | 577 | 0 | 0 | 0 | 1 | 578 | |
| Traffic Signs and Bollards - LED Replacement | 1,250 | 1,011 | 239 | 0 | 0 | 0 | 239 | 0 | 0 | 0 | 0 | 239 | 239 | |
| **Winter Service Facility | 958 | 674 | 97 | 97 | 89 | 0 | 284 | 0 | 0 | 0 | 0 | 284 | 284 | |
| Infrastructure | | | | | | | | | | | | | | |
| **A500 Dualling scheme | 89,456 | 11,031 | 50 | 1,950 | 0 | 76,425 | 78,425 | 74,125 | 4,300 | 0 | 0 | 0 | 78,425 | |
| A500 Corridor OBC Update | 2,435 | 0 | 300 | 2,135 | 0 | 0 | 2,435 | 2,435 | 0 | 0 | 0 | 0 | 2,435 | |
| A50 / A54 Holmes Chapel | 603 | 100 | 0 | 0 | 0 | 503 | 503 | 0 | 503 | 0 | 0 | 0 | 503 | |
| A54 / A533 Leadsmythy Street, Middlewich | 563 | 176 | 0 | 0 | 0 | 387 | 387 | 0 | 387 | 0 | 0 | 0 | 387 | |
| **A6 MARR CMM Handforth | 1,088 | 1,032 | 56 | 0 | 0 | 0 | 56 | 0 | 56 | 0 | 0 | 0 | 56 | |
| A6 MARR Technical Design | 473 | 280 | 0 | 194 | 0 | 0 | 194 | 70 | 124 | 0 | 0 | 0 | 194 | |
| A556 Knutsford to Bowdon | 504 | 367 | 50 | 87 | 0 | 0 | 137 | 0 | 137 | 0 | 0 | 0 | 137 | |
| Peacock Roundabout Junction | 750 | 2 | 50 | 500 | 0 | 198 | 748 | 0 | 748 | 0 | 0 | 0 | 748 | |
| Congleton Link Road | 83,991 | 72,263 | 574 | 1,254 | 1,279 | 8,621 | 11,728 | 316 | 11,412 | 0 | 0 | 0 | 11,728 | |
| Crewe Green Roundabout | 7,500 | 7,057 | 0 | 443 | 0 | 0 | 443 | 0 | 443 | 0 | 0 | 0 | 443 | |
| **Flowerpot Phs 1 & Pinchpoint | 10,037 | 1,509 | 100 | 588 | 336 | 7,504 | 8,528 | 3,284 | 726 | 0 | 0 | 4,518 | 8,528 | |

Highways & Transport

CAPITAL

| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | | | | | | | | | |
|---|-------------------------------------|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|------------------|-----------------------------------|----------------------------------|-----------------------------|---------------------------------|---------|
| | Forecast Expenditure | | | | | | | Forecast Funding | | | | | |
| | Total Approved Budget £000 | Prior Years £000 | Forecast Budget 2024/25 £000 | Forecast Budget 2025/26 £000 | Forecast Budget 2026/27 £000 | Forecast Budget 2027/28 £000 | Total Forecast Budget 2024-28 £000 | Grants £000 | External Contributions £000 | Revenue Contributions £000 | Capital Receipts £000 | Prudential Borrowing £000 | |
| Scheme Description | | | | | | | | | | | | | |
| Committed Schemes in progress | | | | | | | | | | | | | |
| Future High Street Funding - Adaptive Signals | 509 | 455 | 54 | 0 | 0 | 0 | 54 | 0 | 54 | 0 | 0 | 0 | 54 |
| Future High Street Funding - Flag Lane Link | 1,558 | 1,249 | 0 | 309 | 0 | 0 | 309 | 309 | 0 | 0 | 0 | 0 | 309 |
| Future High Street Funding - Southern Gateway | 5,118 | 1,318 | 3,800 | 0 | 0 | 0 | 3,800 | 3,800 | 0 | 0 | 0 | 0 | 3,800 |
| Highways & Infrastructure S106 Funded Schemes | 4,731 | 816 | 1,004 | 1,179 | 494 | 1,238 | 3,915 | 497 | 3,417 | 0 | 0 | 0 | 3,915 |
| Transport & Infrastructure Development Studies | 350 | 10 | 50 | 290 | 0 | 0 | 340 | 340 | 0 | 0 | 0 | 0 | 340 |
| Middlewich Eastern Bypass | 96,600 | 26,237 | 1,031 | 22,140 | 22,876 | 24,316 | 70,363 | 46,779 | 14,611 | 0 | 0 | 8,973 | 70,363 |
| Mill Street Corridor - Station Link Project | 1,534 | 92 | 900 | 542 | 0 | 0 | 1,442 | 858 | 284 | 0 | 0 | 300 | 1,442 |
| North-West Crewe Package | 51,366 | 43,108 | 7,058 | 300 | 300 | 600 | 8,258 | 0 | 8,258 | 0 | 0 | 0 | 8,258 |
| Old Mill Road / The Hill Junction | 1,325 | 187 | 0 | 1,137 | 0 | 0 | 1,137 | 0 | 1,137 | 0 | 0 | 0 | 1,137 |
| Poynton Relief Road | 54,849 | 46,283 | 2,623 | 1,096 | 1,146 | 3,700 | 8,566 | 2,236 | 3,138 | 0 | 1,000 | 2,191 | 8,566 |
| Sydney Road Bridge | 10,501 | 10,111 | 25 | 200 | 165 | 0 | 390 | 0 | 390 | 0 | 0 | 0 | 390 |
| Strategic Transport and Parking | | | | | | | | | | | | | |
| A538 Waters Roundabout Pedestrian and Cyclist Crossing | 140 | 87 | 53 | 0 | 0 | 0 | 53 | 53 | 0 | 0 | 0 | 0 | 53 |
| Active Travel Fund | 2,861 | 729 | 951 | 1,181 | 0 | 0 | 2,132 | 2,132 | 0 | 0 | 0 | 0 | 2,132 |
| Active Travel (Cycling / Walking Route) Investment | 3,329 | 2,765 | 564 | 0 | 0 | 0 | 564 | 499 | 0 | 0 | 0 | 65 | 564 |
| Available Walking Routes | 151 | 0 | 151 | 0 | 0 | 0 | 151 | 151 | 0 | 0 | 0 | 0 | 151 |
| Bollin Valley / Greater Bollin Trail | 100 | 89 | 11 | 0 | 0 | 0 | 11 | 11 | 0 | 0 | 0 | 0 | 11 |
| LEVI Capital Fund 23/24 | 2,172 | 0 | 0 | 543 | 543 | 1,086 | 2,172 | 2,172 | 0 | 0 | 0 | 0 | 2,172 |
| On-street Residential Charging | 551 | 258 | 293 | 0 | 0 | 0 | 293 | 251 | 0 | 0 | 0 | 42 | 293 |
| Park Lane – Ayresshire Way, Congleton Walking and Cycling | 250 | 14 | 236 | 0 | 0 | 0 | 236 | 236 | 0 | 0 | 0 | 0 | 236 |
| Route 55 Middlewood Way on Black Lane | 700 | 694 | 6 | 0 | 0 | 0 | 6 | 6 | 0 | 0 | 0 | 0 | 6 |
| Sustainable Travel Access Prog | 2,438 | 2,038 | 200 | 200 | 0 | 0 | 400 | 400 | 0 | 0 | 0 | 0 | 400 |
| Sustainable Modes of Travel to Schools Strategy (SMOTSS) | 1,117 | 756 | 361 | 0 | 0 | 0 | 361 | 361 | 0 | 0 | 0 | 0 | 361 |
| Public Transport Infrastructure | 1,815 | 1,134 | 681 | 0 | 0 | 0 | 681 | 681 | 0 | 0 | 0 | 0 | 681 |
| Local Access - Crewe Transport Access Studies | 400 | 88 | 100 | 212 | 0 | 0 | 311 | 311 | 0 | 0 | 0 | 0 | 311 |
| Local Access - Macclesfield Transport Access Studies | 300 | 61 | 100 | 139 | 0 | 0 | 239 | 239 | 0 | 0 | 0 | 0 | 239 |
| Middlewich Rail Study | 20 | 0 | 20 | 0 | 0 | 0 | 20 | 20 | 0 | 0 | 0 | 0 | 20 |
| LTP Development & Monitoring Studies | 900 | 430 | 50 | 200 | 221 | 0 | 471 | 471 | 0 | 0 | 0 | 0 | 471 |
| Digital Car Parking Solutions | 140 | 93 | 19 | 27 | 0 | 0 | 47 | 0 | 0 | 0 | 0 | 47 | 47 |
| Pay and Display Parking Meters | 620 | 607 | 13 | 0 | 0 | 0 | 13 | 0 | 0 | 0 | 0 | 13 | 13 |
| Car Parking Improvements (including residents parking) | 322 | 266 | 0 | 56 | 0 | 0 | 56 | 0 | 0 | 0 | 0 | 56 | 56 |
| Total Committed Schemes | 625,533 | 388,628 | 46,744 | 38,134 | 27,448 | 124,578 | 236,904 | 162,053 | 50,728 | 0 | 1,000 | 23,123 | 236,904 |

| Highways & Transport | | | | | | | | | | | | | | CAPITAL |
|-------------------------------------|-------------------------------------|------------------------|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|--|------------------|-----------------------------------|----------------------------------|-----------------------------|---------------------------------|--------------------------|---------|
| CAPITAL PROGRAMME 2024/25 - 2027/28 | | | | | | | | | | | | | | |
| | Forecast Expenditure | | | | | | | Forecast Funding | | | | | | |
| | Total Approved Budget £000 | Prior Years £000 | Forecast Budget 2024/25 £000 | Forecast Budget 2025/26 £000 | Forecast Budget 2026/27 £000 | Forecast Budget 2027/28 £000 | Total Forecast Budget 2024-28 £000 | Grants £000 | External Contributions £000 | Revenue Contributions £000 | Capital Receipts £000 | Prudential Borrowing £000 | Total Funding £000 | |
| Scheme Description | | | | | | | | | | | | | | |
| New Schemes | | | | | | | | | | | | | | |
| Highways | | | | | | | | | | | | | | |
| **Managing and Maintaining Highways | 4,712 | 0 | 0 | 4,712 | 0 | 0 | 4,712 | 0 | 0 | 0 | 0 | 4,712 | 4,712 | |
| Pothole Funding | 17,397 | 0 | 0 | 5,799 | 5,799 | 5,799 | 17,397 | 17,397 | 0 | 0 | 0 | 0 | 17,397 | |
| Integrated Block - LTP | 6,009 | 0 | 0 | 2,003 | 2,003 | 2,003 | 6,009 | 6,009 | 0 | 0 | 0 | 0 | 6,009 | |
| **Maintenance Block - LTP | 19,476 | 0 | 0 | 7,878 | 5,799 | 5,799 | 19,476 | 17,397 | 0 | 0 | 0 | 2,079 | 19,476 | |
| Incentive Fund - LTP | 4,350 | 0 | 0 | 1,450 | 1,450 | 1,450 | 4,350 | 4,350 | 0 | 0 | 0 | 0 | 4,350 | |
| Strategic Transport and Parking | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Car Parking Review | 895 | 0 | 895 | 0 | 0 | 0 | 895 | 0 | 0 | 0 | 0 | 895 | 895 | |
| Total New Schemes | 52,839 | 0 | 895 | 21,842 | 15,051 | 15,051 | 52,839 | 45,153 | 0 | 0 | 0 | 7,686 | 52,839 | |
| | | | | | | | | | | | | | | |
| Total Highways & Transport | 678,372 | 388,628 | 47,639 | 59,976 | 42,499 | 139,629 | 289,743 | 207,206 | 50,728 | 0 | 1,000 | 30,809 | 289,743 | |

OPEN

Children and Families Committee

Monday, 13 January 2025

**Medium Term Financial Strategy
Consultation 2025/26 - 2028/29
Provisional Settlement Update (Children
& Families Committee)**

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

Report Reference No: CF/15/24-25

Ward(s) Affected: All Wards

For Decision or Scrutiny: Both

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 2025/26 to 2028/29. 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 Council 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 6 February 2025.

- 5 Final approval of the 2025/26 budget will take place at full Council on 26 February 2025 following recommendation from the Corporate Policy Committee.
- 6 This report is being considered in full by all Service Committees. However, please note that Appendix C Provisional Local Government Finance Settlement and Appendix D Council Tax Benchmarking and scenarios are to be scrutinised by the Finance Sub Committee but are being included as overall context for all other committees.

Executive Summary

- 7 Financial and corporate strategies underpin how Cheshire East Council will allocate resources, achieve the Cheshire East 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.
- 8 Committees are responsible for overseeing the achievement of the Council's priorities contained within the Plan. Resources for the 2024/25 financial year, including Revenue, Capital and Reserves were allocated by the Finance Sub-Committee in March 2024, following the budget Council that approved the overall budget in February 2024. All resources are allocated to a specific Service Committee or the Finance Sub-Committee.
- 9 The November 2024 Corporate Policy Committee received a report on the overall medium term financial position and list of proposed budget changes at that time, but they did not go far enough to balance the budget for 2025/26. At that time the reported budget gap for 2025/26 was £31.4m.
- 10 The Corporate Policy Committee also noted the approach to budget consultation and engagement. The majority of proposals do not require formal consultation as they are achievable within existing policies or do not require any statutory consultation. However, it is good practice to give all stakeholders the opportunity to provide feedback on the proposals and draft budget, to help generate additional ideas and provide Members with insights into the potential wider impacts of their decisions.
- 11 Stakeholders, businesses and residents are invited to give feedback on the overall approach to budget setting including the principles, from 19 December 2024 to 19 January 2025. Feedback will be provided to this committee verbally as the consultation will still be running and live, and to the other service committees during January. There will also be an opportunity during the January cycle of committee meetings to give formal feedback, from each committee, to the Corporate Policy Committee, ahead of the full Budget Council meeting in February 2025.

- 12 Since November there have been various funding announcements that have improved the reported position including the better than anticipated funding for the Extended Producer Responsibility of £7m for 2025/26. There has also been a favourable early forecast for the new pension scheme triannual valuation period which will be announced in March 2025 and comes into effect in April 2026. This will have the effect of reducing pension contributions from 2026/27 when compared to the previous MTFS in February 2024. There are however other announcements and impacts that are not favourable and these have also been built into the model.
- 13 The Provisional Local Government Settlement was received on 18 December 2024. This resulted in an improvement to the funding envelope when compared to the November position by £4.5m. This includes the Employers National Insurance grant (£3.0m estimate) that sits outside of the specific confirmed funding announcements at this time. The actual grant allocation will be announced as part of the Final Local Government Settlement in February 2025 and at that time it will then be included in the Core Spending Power total. It should be noted that the grant is only anticipated to cover around 80% of the estimated additional direct costs (c.£3.7m).
- 14 Appendix C sets out the Core Spending Power funding announcements and comparison to the net funding envelope as reported to the Corporate Policy Committee in November 2024.
- 15 The latest funding position and other movements identified above, has the result of improving the forecast gap for 2025/26 by £6.1m and is now £25.3m as per the table below.

| Table 1: Summary position for 2025/26 to 2028/29 | Revised Budget 2024/25 £m | Estimated Net Budget 2025/26 £m | Estimated Net Budget 2026/27 £m | Estimated Net Budget 2027/28 £m | Estimated Net Budget 2028/29 £m |
|---|--------------------------------------|--|--|--|--|
| Childrens | 89.0 | 98.5 | 103.6 | 109.3 | 115.7 |
| Adults | 137.5 | 158.9 | 157.8 | 159.3 | 160.8 |
| Place | 92.5 | 91.4 | 95.5 | 97.0 | 104.1 |
| Corporate | 41.5 | 42.6 | 47.0 | 48.8 | 50.3 |
| Council Wide Transformation savings | | -13.5 | -34.2 | -45.2 | -45.2 |
| Total Service Budgets | 360.5 | 377.9 | 369.7 | 369.2 | 385.7 |
| <i>CENTRAL BUDGETS:</i> | | | | | |
| Capital Financing | 28.5 | 38.2 | 41.9 | 45.3 | 46.8 |
| Income from Capital Receipts | -1.0 | -1.0 | -1.0 | -1.0 | -1.0 |
| Contingency Budget | 0.0 | 9.3 | 20.6 | 26.7 | 33.1 |
| Risk Budget | 0.0 | 0.0 | 3.5 | 1.9 | 0.7 |
| Pension adjustment | 0.0 | -0.7 | -0.7 | -0.7 | -0.7 |
| Use of (-) / Top up (+) Reserves | -12.2 | 5.0 | 5.0 | 5.0 | 5.0 |
| Total Central Budgets | 15.2 | 50.7 | 69.2 | 77.1 | 83.8 |
| TOTAL: SERVICE + CENTRAL BUDGETS | 375.7 | 428.6 | 438.9 | 446.4 | 469.6 |
| <i>FUNDED BY:</i> | | | | | |
| Council Tax | -287.1 | -307.3 | -325.6 | -345.0 | -365.5 |
| Business Rate Retention Scheme | -56.6 | -57.1 | -57.1 | -57.1 | -57.1 |
| Revenue Support Grant | -0.4 | -0.8 | -0.8 | -0.8 | -0.8 |
| Specific Unring-fenced Grants | -31.6 | -38.0 | -34.1 | -34.1 | -34.1 |
| TOTAL: FUNDED BY | -375.7 | -403.2 | -417.7 | -437.1 | -457.6 |
| Funding Position (+shortfall) | 0.0 | 25.3 | 21.3 | 9.3 | 12.0 |

- 16 An urgent report was received by full Council on 11 December 2024, which was necessitated following a request from the Ministry of Housing, Communities and Local Government (MHCLG) received on 4 December 2024 to submit a formal request and supporting evidence for any Exceptional Finance Support (EFS) for future years by Friday 13 December 2024. At the same time, any revisions to previous in-principle decisions also needed to be submitted for the current year.
- 17 The revised gap for 2025/26 of £25.3m contained in the table above now revises down the Exceptional Financial Support required for 2025/26 by £6.1m. The paper also gave delegated permission to the S151 officer to liaise with MHCLG on any changes following the finance settlement which she will continue to do to advise them of the changes.
- 18 As well as being in the form of a capitalisation directive, Exceptional Financial Support could also take the form of increased Council Tax above the current referendum limit of 4.99%. There is no current policy in place in this regard.
- 19 However, as part of the recent Policy Statement from central government, it was announced that, where a council is in need of exceptional financial support and views additional council tax increases as critical to maintaining their financial sustainability, the government will continue to consider requests for bespoke referendum principles. Local proposals will be considered on a case-by-case basis. In considering any requests, the government will take account of councils' specific

circumstances, for example their existing levels of council tax relative to the average, the potential impact on local taxpayers, and the strength of plans to protect vulnerable people.

- 20 Appendix D sets out some benchmarking data on the level of Council Tax and Core Spending Power at Cheshire East compared to the average of our statistical nearest neighbouring authorities. The appendix also highlights the amount of Council tax foregone as a result of accepting the Council Tax freeze grant during the period 2011/12 to 2015/16. This committee should consider the information and scenarios provided and the impacts a request could have on the overall financial sustainability of the council.
- 21 The full list of draft budget changes and a short explanation of each item is included at Appendix A.
- 22 Appendix B details the proposed list of new Capital Growth Items - summarised in the table below:

| Capital Growth Requests | 2025-26 £000 | 2026-27 £000 | 2027-28 £000 | 2028-29 £000 | Total £000 |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|---------------|
| Adults | - | - | - | - | - |
| Children & Families | - | - | - | - | - |
| Corporate | 5,356 | 3,505 | 3,554 | 200 | 12,615 |
| Economy & Growth | 1,758 | 3,451 | 3,916 | 6,899 | 16,024 |
| Environment & Neighbourhood | 7,402 | 250 | 250 | - | 7,902 |
| Highways & Transport | 8,130 | 12,422 | 12,883 | 11,501 | 44,936 |
| | 22,646 | 19,628 | 20,603 | 18,600 | 81,477 |
| Funded by | | | | | |
| Government Grants | 8,918 | 800 | 800 | 800 | 11,318 |
| External Contributions | 1,042 | | | | 1,042 |
| Revenue Contributions | 6,110 | | | | 6,110 |
| Capital Receipts | | | 60 | | 60 |
| Prudential Borrowing | 6,576 | 18,828 | 19,743 | 17,800 | 62,947 |
| | 22,646 | 19,628 | 20,603 | 18,600 | 81,477 |

- 23 The revenue implications of the capital growth and funding EFS from borrowing can be seen in the table below:

| Capital Financing Budget (CFB) Position | 2024/25 £'000 | 2025/26 £'000 | 2026/27 £'000 | 2027/28 £'000 | 2028/29 £'000 |
|--|------------------|------------------|------------------|------------------|------------------|
| CFB requirement for Current programme | 32,148 | 35,958 | 37,065 | 37,855 | 37,612 |
| Additional requirement for Capital growth requests | - | 545 | 1,578 | 3,457 | 5,527 |

| | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|
| Additional requirement for EFS to fund current gap | - | 1,700 | 3,277 | 3,990 | 3,704 |
| | 32,148 | 38,203 | 41,921 | 45,302 | 46,844 |

Note: Additional requirement for EFS to fund current gap: This is based on a capital repayment profile of 20 years and is subject to any further guidance and also consideration of the strategic approach to balancing the 2025/26 budget and MTFS 2025/26-2028/29.

RECOMMENDATIONS

The Children and Families Committee is being asked to:

- (a) Recommend to the Corporate Policy Committee, for their meeting on 6 February 2025, all proposals within Appendix A, as related to the Committee's responsibilities, for inclusion on the Council's budget for 2025/26.
- (b) Identify any 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 2025/26.
- (c) Note the capital growth items listed in Appendix B and the revenue implications noted in paragraph 23. These will be reviewed by the Capital Review Programme Board in January before a final list is brought to Corporate Policy committee in February.
- (d) Note the contents of Appendix C – Provisional Local Government Settlement 2025/26 (Finance Sub Committee).
- (e) Note the contents of Appendix D – Council Tax benchmarking and scenarios (Finance Sub Committee) and consider what the impact of any requests for a change of Council Tax policy would be

Background

- 24 The Council's financial resources are provided from a combination of local taxes, government grants, investment returns on asset 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.
- 25 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.

- 26 All councils are legally required to set a balanced budget each year and therefore the immediate focus will be on balancing the 2025/26 financial year rather than on the whole medium term. This reflects the extremely challenging circumstances all councils are currently facing.
- 27 The Council's general budget pressures are associated with a number of factors, including, but not limited to:
- (a) Demand-led pressures, including those for statutory adult and child social care services for those most in need of our support, continuing to rise beyond the rate of funding increases;
 - (b) The ongoing impact of inflation and interest rates on all aspects of our budget, including revenue spend, borrowing costs and cost of capital schemes, as well as the revenue costs of our deficit on the Dedicated Schools Grant from the impact of increased SEND costs;
 - (c) Revisions to funding mechanisms;
 - (d) The need to invest in improvements within Children's Services.
- 28 Strategic Finance Management Board introduced weekly meetings, chaired by the S151 Officer and has led on a number of key tasks to urgently reduce spend and identify additional savings, including:
- (a) Line-by-line reviews of all budgets to further identify immediately any underspends and/or additional funding;
 - (b) Stop any non-essential spend;
 - (c) Actively manage vacancies, particularly agency usage and reduce any overspends on staffing as soon as possible;
 - (d) Review of Section 106 legacy budgets, the effects of which are partly reflected in the FR3 forecast outturn as a one-off contribution to reserves;
 - (e) Review of capital receipts available and potential surplus assets that can be sold (for best consideration);
 - (f) Identification of any other areas of discretionary spend including grants awarded, where spend can be reduced or stopped;
 - (g) Review Debt management/overall level of bad debt provision – work undertaken to date, focussing on the Adult Social Care bad debt provision, has identified through adopting a new approach to reviewing and monitoring these debts, an improvement (reduction) of the Council's bad debt provision of £1.07m, further work is ongoing and will be updated at Outturn.

- (h) Any directorate that is identified as being off target by more than 5% is subject to a detailed finance and performance review on a weekly basis through a financial recovery review process. This process has been put in place for Adults Services and Children and Families and is being chaired by the S151 Officer.
- 29 Capital Programme Review was implemented to also try to reduce revenue costs:
- (a) Reduce, delay or remove schemes funded by borrowing;
 - (b) Focus on existing contractual commitments, fulfilling statutory services and public safety requirements;
 - (c) Prioritise the capital projects that will have most beneficial impact on the revenue budget in the medium term;
 - (d) Remove forward funding;
 - (e) Reprioritise use of grants and apply appropriate S106 contributions to schemes.
- 30 Whilst the review has reduced and removed some borrowing from the total programme the new growth asks far outweigh any savings.
- 31 In order for the Council to maintain a more sustainable capital financing budget there must be a reduction in the overall level of borrowing to fund capital programmes. The future aim must be to add less to the total borrowing load in a year than we are paying off in that year so that the total revenue burden from the cost of borrowing starts to fall. If we do not, it will continue to rise.
- 32 At present the cost of borrowing £5 million pounds for 15 years to fund a capital project in 2025/26 will lead to an approximate revenue cost of £475,000 in 2026/27 onwards. This revenue cost is made up of both the interest cost of the borrowing as well as the Minimum Revenue Provision that needs to be made annually to pay back a proportion of the principle amount borrowed.
- 33 A Capital Programme Review Board made up of senior officers is being established in January 2025 and will review the business cases for the capital growth requests that are listed in Appendix B. It is intended that this Board will function in the following ways:
- (a) To be a gatekeeper of new proposals – consider how the request supports overall council objectives, seek assurance on business cases, assess the impact of long-term financial burden for borrowing,

before recommendations are made to CLT then on to Members for approval to be added to the Programme;

- (b) To set clear guidance on strategic priorities for the capital programme and how programmes are to be funded with a view to restricting borrowing except for schemes that meet certain criteria;
- (c) To monitor progress on delivery at a high level, including issues of delays and funding variances; to support delivery by managers but also routine in-year and also 'by exception' issue reporting to Members;
- (d) To consider rolling programmes and future financing options, including reviewing revenue vs capital options to reduce impacts of future borrowing decisions.

34 Capital Receipts Forecast

| Forecast – Prudent View | 2025/26 £m | 2026/27 £m | 2027/28+ £m |
|--|-----------------------|-----------------------|------------------------|
| Forecast (Prudent view) | 9.07 | 10.94 | 12.75 |
| Already included in MTFS / Capital Programme | (2.25) | (2.75) | (5.0) |
| Additional Receipts Forecast | 6.82 | 8.19 | 7.75 |

- 35 The table above sets out the latest prudent forecast for future year capital receipts based on the disposal programme. It allows for some slippage /timing differences around actual receipts and adjustments for receipts already included in the currently approved MTFS 2024/25 either within the capital programme or as part of the Capital Financing Budget. As part of the strategic approach to balancing the 2025/26 budget and MTFS for 2025/26-2028/29, consideration will be given to the available capital receipts and their utilisation to support:

- Investment of transformational activities (e.g. revenue growth)
- Funding Exceptional Financial Support costs – instead of additional borrowing
- Invest to save capital projects (E.g. Transformation)

- 36 An urgent report was received by full Council on 11 December 2024, which was necessitated following a request from the Ministry of Housing, Communities and Local Government (MHCLG) received on 4 December 2024 to submit a formal request and supporting evidence for any Exceptional Finance Support (EFS) for future years by Friday 13

December 2024. At the same time, any revisions to previous in-principle decisions also need to be submitted, for the current year.

- 37 It was agreed at that meeting that the Chief Executive could finalise and submit a request for exceptional financial support in the form of an in-principle capitalisation direction for 2024/25 for up to £17.6m.
- 38 It was also agreed that the Chief Executive could finalise and submit a request for exceptional financial support in the form of an in-principle capitalisation direction of up to £31.4m for 2025/26 and indications of a potential request of up to £23.7m for 2026/27.
- 39 Approval was also given to delegate to the Interim Executive Director of Resources (S151 Officer) the ability to update those requests once further financial information from the local government finance settlement was received. This will be in consultation with the Chief Executive and will be reported at the earliest opportunity to the relevant committee(s).
- 40 The Provisional Local Government Settlement was received on 18 December 2024. This resulted in a betterment of the funding envelope when compared to the November position by £4.5m. Appendix C sets out the Core Spending Power funding announcements and comparison to the net funding envelope as reported to the Corporate Policy Committee in November 2024.
- 41 The budget is currently based on the Provisional Local Government Finance Settlement for 2025/26. The final settlement is expected in early February 2025 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.
- 42 The provisional settlement set out the Core Spending Power for the authority, based on the assumption that council tax is forecast to 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.
- 43 The latest funding position has the result of improving the forecast gap for 2025/26 by £6.1m and is now £25.3m as per Table 1 in the Executive Summary. The Exceptional Financial Support now required for 2025/26 could be up to £25.3m to balance the budget for 2025/26.
- 44 As well as being in the form of a capitalisation directive, Exceptional Financial Support could also take the form of increased Council Tax above current referendum limit of 4.99%. There is no current policy in place in this regard, however, the recent Policy Statement from central

government noted that it would once again be considering any requests for increases above the standard referendum limit.

- 45 Appendix D sets out some benchmarking data on the level of Council Tax and Core Spending Power at Cheshire East compared to the average of our statistical nearest neighbouring authorities.
 - Cheshire East council tax compared to (average of) nearest neighbours – Average band D of all nearest neighbours (NNs): £1,827.30 (CEC is 1.94% lower than the average).
 - Cheshire East core spending power compared to (average of) nearest neighbours – Average CSP per dwelling of all NNs: £2,202.36 (CEC is 5.77% lower than the average).
 - Council Tax income in 2024/25 if using Cheshire West and Chester Band D rate and CEC taxbase: Would equate to an extra £14.7m in 2024/25.
- 46 The appendix also highlights the amount of Council tax foregone as a result of accepting the Council Tax freeze grant during the period 2011/12 to 2015/16.
- 47 Appendix D also shows the amounts of extra Council Tax that could be raised by increases above 4.99% under a number of scenarios.
- 48 Further balancing options:
 - Use of available Capital Receipts – consideration will be given to the available capital receipts and their utilisation to support either Transformational activities (revenue or capital) and/or to fund the costs of Exceptional Financial Support.
 - Following a Balance Sheet Review by our Treasury Advisors, Arlingclose Ltd, we are reviewing our current Minimum Revenue Provision (MRP) and Capital Financing Requirement (CFR) policy with a view to bringing it in closer alignment with CIPFA Guidance. Such changes are likely to have a positive impact on our Revenue position during the period of the MTFS and if changes are proposed then these will be reported to the Corporate Policy Committee in February 2025 and the effects of the change on future years will be included within the MTFS.
 - Further identification of savings or generation of income to further reduce the forecast requirement for use of EFS in 2025/26 and 2026/27.

- 49 The full list of draft budget changes and a short explanation of each item is included at Appendix A.
- 50 The list of draft additional Capital Programme changes including a short explanation of each item is included at Appendix B.

Consultation and Engagement

- 51 This report forms part of the consultation and engagement process for Members on the budget setting for 2025/26. Each committee will receive the same report and will focus on items within their own area of responsibilities.
- 52 The Corporate Policy Committee in November 2024 noted the approach to budget consultation and engagement. Stakeholders, businesses and residents were invited to give feedback on the overall approach to budget setting including the principles, from 19 December 2024 to 19 January 2025. Feedback will be provided to this committee verbally and to the service committees during January. There will also be an opportunity during the January cycle of committee meetings to give formal feedback, from each committee, to the Corporate Policy Committee, ahead of the full Budget Council meeting in February 2025.
- 53 All feedback from each committee will be presented to the Corporate Policy Committee on 6 February. That committee will then make recommendations on spending and income estimates for 2025/26 to the full Council meeting on 26 February 2025.
- 54 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 2025/26.
- 55 Any changes made as a result of the engagement process and further debate will be reported to Members at the Council meeting on 26 February 2025.

Reasons for Recommendations

- 56 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.
- 57 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 budget and financial proposals before they are approved by Full Council.

Other Options Considered

- 58 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.
- 59 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 and also consider the allocation of our resources.

Implications and Comments

Monitoring Officer/Legal

- 60 The Council must set the budget in accordance with the provisions of the Local Government Finance Act 1992 and approval of a balanced budget each year is a statutory responsibility. Sections 25 to 29 of the Local Government Act 2003 impose duties on the Council in relation to how it sets and monitors its budget and require the Council to make prudent allowance for the risk and uncertainties in its budget and regularly monitor its finances during the year. The legislation leaves discretion to the Council about the allowances to be made and action to be taken.
- 61 The provisions of section 25 of the Local Government Act 2003, require that, when the Council is making the calculation of its budget requirement, it must have regard to the report of the chief finance (s.151) officer as to the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves.
- 62 The Council should therefore have robust processes in place so that it can meet statutory requirements and fulfil its fiduciary duty. It must ensure that all available resources are directed towards the delivery of statutory functions, savings and efficiency plans. Local authorities are creatures of 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.
- 63 The financial position of the Council must therefore be closely monitored, and Members must satisfy themselves that sufficient mechanisms are in place to ensure both that savings are delivered, and that new expenditure

is contained within the available resources. Accordingly, any proposals put forward must identify the realistic measures and mechanisms to produce those savings or alternative mitigations.

- 64 This report provides an update towards the setting of the budget for 2025/26 and clarifies the proposals going forward. It would be appropriate to consult on the proposals beyond the statutory consultation requirements, if possible, as this may help to facilitate early implementation of proposals once the budget is set.

Section 151 Officer/Finance

- 65 The current financial position and draft budget changes contained within this report provide up-to-date information on the Council's MTFS progress for the period 2025/26 to 2028/29, specifically aimed to setting the budget for 2025/26 which legally has to be completed by March 2025. Further details are contained within the body of this report.

Policy

- 66 The Cheshire East Plan 2021-25, refreshed for 2024/25 approved in July 2024, has driven and informed Council policy and priorities for service delivery. A new Cheshire East Plan 2025-29 is now being developed in parallel to the budget as the MTFS is essentially the resource plan for its delivery. The draft Cheshire East Plan will follow the same timeline as the MTFS and be taken to Corporate Policy Committee and full Council in February 2025. The Plan will set out the vision and priorities for Cheshire East, building on the existing transformation and improvement plans in the short-term and setting out the longer-term ambitions for residents, businesses and visitors.

Equality, Diversity and Inclusion

- 67 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.
- 68 The protected characteristics are age, disability, sex, race, religion and belief, sexual orientation, gender re-assignment, pregnancy and maternity, and marriage and civil partnership.

- 69 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.
- 70 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 Council Plan and the MTFS. 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.
- 71 The proposals within the MTFS may include positive and negative impacts for individuals, groups and communities. A separate Equality Impact Assessment for the budget as a whole is routinely included in the full MTFS report each year.
- 72 The Cheshire East Plan’s vision reinforces the Council’s commitment to meeting its equalities duties, promoting fairness and working openly for everyone. Cheshire East is a diverse place and we want to make sure that people are able to live, work and enjoy Cheshire East regardless of their background, needs or characteristics.

Human Resources

- 73 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

- 74 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.
- 75 The Council needs to reestablish 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.
- 76 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 2025/26 to provide further detail on estimated balances and the application and top up of reserves in the medium term.

Rural Communities

- 77 The budget report, as approved at Council on 27 February 2024, provides details of current service provision across the borough. Appendix A sets out any future impacts for 2025/26 and beyond.

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

- 78 The budget report, as approved at Council on 27 February 2024, provides details of current service provision across the borough. Appendix A sets out any future impacts for 2025/26 and beyond.

Public Health

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

Climate Change

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

| Access to Information | |
|------------------------------|--|
| Contact Officer: | <p>Adele Taylor</p> <p>Interim Executive Director of Resources (Section 151 Officer)</p> <p>adele.taylor@cheshireeast.gov.uk</p> |
| Appendices: | <p>Appendix A – Draft Revenue Budget Change Proposals</p> <p>Appendix B – Draft Capital Programme Proposals</p> <p>Appendix C – Provisional Local Government Finance Settlement</p> <p>Appendix D – Council Tax Benchmarking and scenarios</p> |

| | |
|--------------------|--|
| Background Papers: | <p>The following are links to key background documents:</p> <p><u>Cheshire East Plan 2024/25</u></p> <p><u>Medium-Term Financial Strategy 2024-28</u></p> <p><u>Corporate Policy Committee 21 August 2024 - Approved Transformation Plan</u></p> |
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Appendix A – Draft Revenue Budget Change Proposals

Children and Families**Responsibilities of the Committee:** Membership: 13 Councillors

- 1.1. The Children and Families Committee will be responsible for those services which help keep children and young people safe and enable them to achieve their full potential. The responsibility incorporates matters in relation to schools and attainment, early help and family support and social care for children and families. The Committee will oversee the work of the Cared for Children and Care Leavers Committee (formerly the Corporate Parenting Committee), which focuses on those children who are cared for by the local authority and for whom the Council has corporate parenting responsibility.
- 1.2. The Committee's responsibilities include:
 - Determining policies and making decisions in relation to the delivery of services to children and young people in relation to their care, well-being, education and health;
 - Discharging the Council's functions in relation to children in need and child protection including safeguarding and youth justice;
 - Discharging the Council's functions and powers in relation to the provision of education and Schools Forum;
 - Support to and maintenance of relationships with schools in relation to raising standards of attainment;
 - The Council's role as Corporate Parent;
 - Discharging the Council's functions in relation to Special Educational Needs and/or Disability (SEND);
 - Discharging the Council's functions in relation to early help and family support;
 - Provision and commissioning of domestic violence support services and quality assurance.
- 1.3. Oversight, scrutiny, reviewing outcomes, performance, budget monitoring and risk management of the Directorates of Prevention and Support, Education and 14-19 Skills and Children's Social Care including: Children's mental health, Prevention and early help, Children's transport, , Children Service Development and Children's Partnerships, Commissioning of support for children, Cared for Children and Care Leavers, Child in Need and Child Protection, Children with Disabilities and Fostering, Children's Safeguarding, Education Infrastructure and Outcomes, Education Participation and Pupil Support, Inclusion and SEND.

(Extract from Cheshire East Council Constitution - Dec 2024)

Overview

- 1.4. The Children and Families Directorate is responsible for delivering the council's statutory duties and responsibilities in respect of children in need of help, support and protection and ensuring that all children have access to high-quality early years' provision, education and learning experience. The directorate is responsible for services and support to children with Special Educational Needs. These duties are spread across two directors for: Family Help and Children's Social Care, and Education, Strong Start and Integration. The directorate brings together the council's duties in relation to children identified and assessed to need help, support, protection, cared for by the council and young people with care experience (leaving care service). It includes a range of targeted services to support families and help to avoid the need for children to become 'looked after', together with Youth Justice Services and Adoption services.
- 1.5. These services are now supported by a third Directorate designed to ensure the Quality Assurance functions that ensure plans and assessments are suitably safe and effective across the wider partnership for which the Local Authority is the lead partner.
- 1.6. Approximately 45% of the overall children's revenue budget is committed to meeting the costs of care for our cared for children linked to the cost of providing homes for these children.

Appendix A – Draft Revenue Budget Change Proposals

- 1.7. The Education budget represents the council's responsibilities for education and learning funded by the Dedicated Schools Grant (DSG) and council's revenue budget. The council budget funds services including school admissions, place planning, home to school transport and school improvement.
- 1.8. Transport services make up 17% of the overall children's revenue budget. The remaining budget is for services such as additional responsibilities include new responsibilities in relation to school attendance and a wider remit for the Virtual School to include all children with a social worker and education psychology. The service also supports inclusion and other groups of vulnerable children.
- 1.9. Despite growth allocated within the MTFS process, significant in year pressures are evident. These are primarily a result of systemic deficits in the staffing structure unforeseen inflationary impacts and increases in demand in children's placements, and school transport budgets.
- 1.10. Whilst in-year mitigations and activity to avoid spend and reduce costs are in place, the forecast for the end of year is a deficit position. All indications are that demand, complexity and cost will continue to increase and therefore it has been vital to revisit the MTFS and ensure that the children services budget is right sized.
- 1.11. The Children's Directorate is committed to increasing the pace of implementing reforms and service improvements to make financial savings by reducing demand for expensive, reactive services by providing high quality support to children young people and their families at the earliest point.
- 1.12. Implementing the new children policy Keeping Children Safe Helping Families Thrive [Keeping children safe, helping families thrive - GOV.UK](#) will be embedded with our Improvement and Transformation Plans in the following ways.
- 1.13. A review of commissioned services - A review of delivery models across SEND, Family Hubs and wider commissioning of services.
- 1.14. A redesign of our services in line with new legislation and policy will see a wider range of practitioners integrated with multi agency colleagues working closely with our communities at a very local level.
- 1.15. A refreshed sufficiency strategy for children's homes – led by Right Child Right Home an ambitious programme to support children within their families where it is safe to do and to ensure a wider range of family based care locally.
- 1.16. A refreshed service offer for young people who are care experienced – offering a wider range of expertise and support within the Care Leaver service.
- 1.17. We will look to create an enhanced service that supports children and young people (from birth to 25 years of age) with complex needs or who are disabled as they grow into adults. This is so that our young people can progress smoothly at key stages of development in their life, rather than those changes being dictated by age.
- 1.18. In addition to the £93.0m council revenue budget for the Children's Directorate the service also oversees the £389.7m DSG budget of which £203.3m is given to academies and £79.9m is earmarked for council-maintained schools. £106.5m is used by the council and settings for education services such as admissions, early years education and special educational needs placements. The council spend on High Needs does not match the funding received due to the growth in the number of pupils with an Education Health and Care Plan and the costs in particular of Independent Special School places. This has resulted in a significant deficit DSG reserve which is permitted by a temporary accounting override announced by the Department for Levelling Up, Housing and Communities. This override has been extended to 31 March 2026. The DSG deficit is forecast to be £115.7m at the end of 2024/25.
- 1.19. Full list of change proposals for this committee are noted in the table below.

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|--|---|---------------|---------------|---------------|---------------|
| | Children and Families | | +9.425 | +5.166 | +5.688 | +6.373 |
| TBC | Pension costs adjustment This item relates to pension contributions funded by the Council. 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. | Interim Executive Director of Resources | -0.537 | -0.923 | -0.155 | -0.167 |
| TBC | Growth to deliver statutory Youth Justice service, and meet Safeguarding Partnership duties Partnerships are reviewed regularly to ensure that partners, including the council, are contributing at the right levels to ensure service performance and delivery in line with increased need. These increases in budget are to ensure that we are meeting our statutory duties through the partnerships. | Interim Director of Family Help and Childrens Social Care | +0.203 | +0.167 | +0.031 | +0.034 |
| TBC | Growth in School, SEND and Social Care Transport budget The cost and number of children and young people eligible for free school transport is continuing to increase. The main growth and higher costs relate to transport for those with special educational needs and disabilities (SEND), particularly in rural areas. | Director of Education, Strong Start and Integration | +1.501 | +1.548 | +0.476 | |
| TBC | Pay Inflation The pay deal agreed for 2024/25 included a pay increase for individuals of the greater of £1,290 or 2.5%. This growth in budget reflects the shortfall compared to the flat percentage budget increase of 3% within original MTFS for 2024/25 now included in 2025/26 budget increase. Plus 2.5% inflation rate for 2025/26 onwards. National Insurance increase for 2025/26 onwards also included (to be offset in part by a grant from central government). | Interim Executive Director of Resources | +2.624 | +1.096 | +1.124 | +1.152 |
| TBC | Demand in Children's Placements The Council must have sufficient placements for children in care. This budget increase is driven by higher unit costs, which is a national challenge and higher numbers of children in care. The scarcity of placements nationally allows private companies to keep costs high. | Interim Director of Family Help and Childrens Social Care | +4.645 | +5.230 | +5.889 | +6.631 |
| TBC | Court Progression Improvement Improvement is required in this area of work to ensure there are not delays for children and young people when planning for their futures, in the context of court work. This budget growth will allow an increased focus on this important area of work. | Interim Director of Family Help and Childrens Social Care | +0.023 | | | |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|---|---|----------------|---------------|---------------|---------------|
| TBC | Growth for annual contribution to the Regional Adoption Agency Regional Adoption Agencies bring together adoption professionals from councils across a region, providing expertise and support at every stage of the adoption journey. This increase in budget is to enable us to continue to deliver quality adoption services for vulnerable children. | Interim Director of Family Help and Childrens Social Care | +0.213 | +0.048 | +0.048 | +0.048 |
| TBC | Growth for Unaccompanied Asylum Seeking Children due to emerging pressures There is an expectation made by central Government that local authorities will care for Unaccompanied Asylum Seeking Children. This growth reflects this duty and the increases in unit costs of placements. | Interim Director of Family Help and Childrens Social Care | +0.500 | | | |
| TBC | Reversal of a one year policy change for traded services In 2024/25, Council agreed a 3% levy for traded services in education to ensure that service delivery is not compromised. This growth in net budget is the result of removing that levy. A full review of traded services in education is taking place to ensure the services delivered have a full cost recovery in future years. | Director of Education, Strong Start and Integration | +0.120 | | | |
| TBC | Schools Improvement This growth is to secure the full base funding of staff delivering school improvement functions, within the education department. The roles support schools and identify areas for improvement, support the development of a strategic plan and provide consultation on the school's journey to improving the quality of education in schools. | Director of Education, Strong Start and Integration | +0.175 | | | |
| TBC | Funding the staffing establishment The staffing structure had (over recurrent recent years) been underfunded due to savings being allocated against it and no subsequent restructure plan coming forward. A review of requirements has been undertaken, and this investment sees these deficits eradicated. A full base build of service design will begin in 2025. | Interim Executive Director of Childrens Services | +2.739 | | -1.000 | -0.600 |
| TBC | Safe Walking Routes to School Building on 2023/24 MTFS savings proposals, we are identifying a robust portfolio of potential Safe Walking Routes to school and bringing new routes forward for delivery within 2025/26 and future years, (We will adopt a cross-directorate, coordinated approach and access potential grant funding opportunities, if possible, to off-set costs). | Director of Education, Strong Start and Integration | -0.250 | | | |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|--|---|---|----------------|---------------|---------------|---------------|
| TBC | New accommodation with support offer for 16-25 young people This reduction in expenditure relates to commissioning work that has identified lower cost accommodation for this group of young people. Savings will be achieved through accessing lower unit cost places. | Interim Director of Family Help and Childrens Social Care | -1.100 | -0.700 | | |
| TBC | Birth to Thrive These savings will result from redesign of the end-to-end pathway for young people transitioning between Children's and Adult's services, co-designed with users and partners and, developing a new transitions function across both Children's and Adult services that will bring changes through Council governance and drive activities and ongoing service improvement. | Director of Education, Strong Start and Integration | -0.500 | | | |
| TBC | Right Child, Right Home This saving refers to work that actively reviews placements for cared for children and young people and agrees actions that meet the identified needs of children and young people but at a lower unit cost, and also identifies alternatives to being 'in care'. | Interim Director of Family Help and Childrens Social Care | -1.320 | -1.300 | -0.725 | -0.725 |
| TBC | Extended Rights to Free Transport The 'extended rights' grant, which is a contribution towards the cost of arranging home to school travel for children eligible on the grounds of low-income will be included in the Local Government Finance Settlement in future years. This budget alignment is to receive permanent budget for this area of expenditure. | Director of Education, Strong Start and Integration | +0.389 | | | |
| *Values represent a +/- variation to the Cheshire East Council approved budget for 2024/25 . Subsequent years are the incremental change from the previous year. Negative numbers represent a budget saving or additional income. Positive numbers represent budget growth or reduced income. | | | | | | |

Appendix A – Draft Revenue Budget Change Proposals

Adults and Health Committee

Responsibilities of the Committee: Membership: 13 Councillors

- 1.20. The Adults and Health Committee will be responsible for community welfare, public health and adult social care services with a view to enabling all people to live fulfilling lives and to retain their independence. When discharging its functions the Committee shall recognise the necessity of promoting choice and independence.
- 1.21. The Committee's responsibilities include:
- Promotion of the health and well-being of residents and others;
 - determination of policies and making decisions in relation to people aged 18 and over (some young people up to the age of 25 may still be within Children's services as care leavers or with a Special Educational Needs and Disability) with eligible social care needs and their carers including;
 - Adult safeguarding, adult mental health, physical health, older people and learning disabilities and lifelong learning;
 - Determination of policies and making decisions in relation to Public Health in coordination with the Health and Wellbeing Board and the Scrutiny Committee;
 - Oversight of the Communities Strategy;
 - Provision and commissioning of domestic violence support services and quality assurance; and
 - Prevent reporting and Channel Panel counter terrorism oversight.
- 1.22. Oversight, scrutiny, reviewing outcomes, performance, budget monitoring and risk management of the Directorates of Adult Social Care Operations; Commissioning and Public Health including: Public Health, lifelong learning, health improvement and intelligence, Adult social care and safeguarding, Adult Mental Health and Learning Disability, Adult social care operations, Care4CE and commissioning of support for adults.

(Extract from Cheshire East Council Constitution - Dec 2024)

Overview

- 1.23. The 2024-28 MTFS report of 27th February 2024, highlighted several extraordinary challenges facing adult social care. These challenges have persisted throughout 2024/25 and will continue into 2025/26. Complexity of need continues to increase both amongst younger adults in need of care or support with autism or a learning disability transitioning from children's services, and amongst older people where there is an increasing demand for dementia services. Price inflation is also a significant driver of cost pressures in adult social care primarily due to the increase in the national living wage over the past three years. Finally, the need to support the NHS with hospital discharge continues to drive higher levels of activity in adult social care.
- 1.24. Throughout 2024/25 the whole council has been focused on the urgent action necessary to reduce a significant projected budget overspend. As of November 2024, adult social care is forecast to overspend by £20m, this is the major variance within the Council's overall position. The budget variance in 2024/25 is partially due to a higher level of commitment than originally planned when setting the MTFS in February 2024, this is the consequence of the full year impact of activity levels identified at the 2023/24 year-end outturn and the ceasing of one-off mitigations which alleviated the budget gap in the previous year.
- 1.25. In the face of these challenges, Cheshire East remains committed to delivering high-quality adult social care services that meet the increasing needs of our residents and recognises the vital role played by both internally and externally commissioned providers. The response to the challenges has been two-fold:

Appendix A – Draft Revenue Budget Change Proposals

- Enhanced management processes have been introduced to ensure robust oversight and budgetary control. This improvement is enabling expenditure pressures to be managed more effectively, further promoting value for money with the necessity of safeguarding the long-term viability of our services.
- The programme of transformation, which in adult social care is focused on:
 - Prevent, Reduce, Enable - work to ensure we continue to promote wellbeing, prevention, independence, and self-care for people across Cheshire East
 - Learning Disability service transformation - revision of the housing support model for adults with a learning disability to maximise value for money.
 - Preparing for Adulthood - developing new service models for young adults transitioning from children's social care services to adult social care services.
 - Brokerage and Commissioning – reforming the approach to purchasing care placements
 - Partnership working – developing alternative approaches to commissioned long-term care and support for people with a learning disability, in partnership with other local authorities and the NHS as appropriate.

- 1.26. Consolidating the savings made to-date alongside the rollout of the transformation programme form the MTFS proposals for adult social care. They build on the work of the past two years which have included the development and implementation of a new direct payments policy, reduction in the usage of short-term beds to aid hospital discharge and expansion of the reablement services and the occupational therapy service to support greater independence amongst older people. The service has also successfully implemented a new charging policy, and the full-year financial benefit of the policy are also built into the MTFS for 2025/26.
- 1.27. In preparing the 2025/26 budget growth of £33.3m has been provided, being funded through a mix of additional grant income, the increase in the adult social care precept and core council tax. This will address the full year impact of projected overspends for 2024/25 on externally commissioned care and staffing. It also includes a provision of £5m for growth arising from demographic changes including an ageing population and increased levels of need for care and support for adults of a working age, during 2025/26. Further work is being undertaken to produce a model of forecast demand through to 2030.
- 1.28. To support long-term strategic direction of the service and the next stage of transformation the service will be working to produce business cases for the development of and extra care housing and the expansion of supported living, which will require capital investment to stabilise the social care revenue position.
- 1.29. The risks for adult social care and therefore the overall council budget are not immaterial. Further inflationary pressures, driven by the National Living Wage and National Insurance changes, are significant whilst there is no indication that demand pressures associated with hospital discharge will abate in 2025. Issues of complexity as described above will also continue.
- 1.30. Finally, it should be noted that government grants for adult social care are allocated using the Adult Social Care Relative Needs Formula. However, when adjusted for full Council Tax Equalisation, Cheshire East will experience the largest grant reduction in the north of England. Council tax equalisation is a mechanism that recognises that council tax yields different amounts of income in different local authorities and adjusts grant allocations to take account of that difference. We do not yet know the financial consequence of government decisions in respect of grant allocations.
- 1.31. Full list of change proposals for this committee are noted in the table below.

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|--|--|----------------|---------------|---------------|---------------|
| | Adults and Health | | +21.464 | -1.104 | +1.516 | +1.480 |
| TBC | Client Contributions Increase in income from client contributions arising from the inflation increase for pensions and benefits paid to individuals, the full-year effect of charging policy changes and the additional income arising from an increase in placement costs. This is offset against expenditure growth proposals. | Interim Director of Commissioning | -5.182 | -0.879 | -1.654 | -1.706 |
| TBC | Revenue Grants for Adult Social Care Increase to income budget for the 'Market Sustainability and Investment Funding' grant. To match the value of confirmed allocation. | Executive Director of Adults, Health and Integration | -0.220 | | | |
| TBC | Market Sustainability Grant To remove the grant from 2026/27 as allocations not yet confirmed for future years | Executive Director of Adults, Health and Integration | | +1.100 | | |
| TBC | Pensions Cost Adjustment This item relates to pension contributions funded by the Council. 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. | Interim Executive Director of Resources | -0.517 | -1.019 | -0.171 | -0.184 |
| TBC | Demand in Adult Social Care Forecast growth, arising from demographic changes including an ageing population and increasing complexity of need for care and support for adults of a working age. | Interim Director of Commissioning | +5.000 | +5.000 | +5.000 | +5.000 |
| TBC | Pay Inflation The pay deal agreed for 2024/25 included a pay increase for individuals of the greater of £1,290 or 2.5%. This growth in budget reflects the shortfall compared to the flat percentage budget increase of 3% within original MTFS for 2024/25 now included in 2025/26 budget increase. Plus 2.5% inflation rate for 2025/26 onwards. National Insurance increase for 2025/26 onwards also included (to be offset in part by a grant from central government). | Interim Executive Director of Resources | +2.251 | +1.142 | +1.171 | +1.200 |
| TBC | Funding the staffing establishment Increases in the number of social care staff to maintain safe services and to meet increasing demands. | Director of Adult Social Care Operations | +3.800 | | | |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|--|--|--|-------------|------------|------------|------------|
| TBC | Fully Funding current care demand levels 2024/25 Growth, recognising the full year effect of current pressures on the externally commissioned care budget | Interim Director of Commissioning | +24.500 | | | |
| TBC | Remodel extra care housing catering service Remodelling the catering offer in extra care facilities to remove the funding subsidy. | Interim Director of Commissioning | -0.300 | | | |
| TBC | Prevent, Reduce, Enable - Older People Continue the work to promote wellbeing, prevention, independence, and self-care for people across Cheshire East improving outcomes and reducing costs. | Interim Director of Commissioning | -1.500 | -2.830 | -2.830 | -2.830 |
| TBC | Learning Disability service transformation Revision of the housing support model for adults with a learning disability to maximise value for money. | Interim Director of Commissioning | -2.500 | -2.500 | | |
| TBC | Commissioning and brokerage transformation Reforming the approach to purchasing care placements | Interim Director of Commissioning | -0.500 | -0.250 | | |
| TBC | Preparing for Adulthood Developing new service models for young adults transitioning from children's social care services to adult social care services. | Director of Adult Social Care Operations | -0.868 | -0.868 | | |
| TBC | Health and Social Care Partnership Case Review Developing alternative approaches to commissioned long-term care and support for people with a learning disability, in partnership with other local authorities and the NHS as appropriate. | Director of Adult Social Care Operations | -2.500 | | | |
| <p>*Values represent a +/- variation to the Cheshire East Council approved budget for 2024/25.</p> <p>Subsequent years are the incremental change from the previous year. Negative numbers represent a budget saving or additional income. Positive numbers represent budget growth or reduced income.</p> | | | | | | |

Appendix A – Draft Revenue Budget Change Proposals

Corporate Policy Committee

Responsibilities of the Committee: Membership: 13 Councillors

- 1.32. The Corporate Policy Committee will provide strategic direction to the operation of the Council by developing and recommending the Corporate Plan to full Council and making decisions on policies and practice where such decisions are not reserved to full Council.
- 1.33. The Committee's responsibilities include:
 - Formulation, co-ordination and implementation of the Corporate Plan and;
 - corporate policies and strategies, alongside the medium term financial plan (budget) which is the responsibility of the Finance Sub-Committee. In the discharge of those responsibilities the Committee shall determine such matters to the extent that they are not reserved to full Council;
 - Human Resources, Organisational Development and Health and Safety matters affecting the Council; including adopting HR policies and practices and assurance in relation to staffing related matters;
 - making recommendations to full Council in relation to the annual Pay Policy Statement and any amendments to such statement;
 - making recommendations to full Council in relation to decisions affecting the remuneration of any new post where the remuneration is or is proposed to be or would become £100,000 p.a. or more;
 - making decisions in relation to proposed severance packages with a value of £95,000 or more as appropriate (excluding contractual and holiday pay), subject to the need to obtain a approval from full Council and central Government if required;
 - exercising the functions relating to local government pensions, so far as they relate to Regulations made under sections 7, 12, or 24 of the Superannuation Act 1972 or subsequent equivalent legal provisions;
 - determining key cross-cutting policies and key plans that impact on more than one service committee;
 - determining policy matters not otherwise allocated to any other Committee;
 - determining any matter of dispute or difference between any Committees;
 - a coordinating role across all other committees and exercising a corporate view of outcomes, performance, budget monitoring and risk management;
 - determining any matter that has a major impact on a number of Council services or the Council as a whole;
 - oversight and monitoring of the Councillors' Allowances budget and keeping under review the scheme for the payment of allowances to Councillors through the appointment of an Independent Remuneration Panel (IRP) to advise full Council on the adoption and any proposed amendments to such scheme.
 - considering amendments to the Council's Constitution and the recommendation of any changes to full Council for approval except where specifically delegated to the Monitoring Officer;
 - considering recommendations and an Annual Report of the Council's involvement in ASDVs;
 - appointing representatives to serve on outside bodies and organisations (including education bodies and establishments) and reviewing the process for considering appointments to outside organisations;
 - appointing Lay Members (who shall not be Councillors) to serve on the Independent Admissions and Exclusion Appeals Panel as required under the relevant legislation; and
 - approving the payment of a reasonable and proper allowances and expenses for the work undertaken by the Council's Independent Persons.
- 1.34. Oversight, scrutiny, reviewing outcomes, performance, budget monitoring and risk management of the Directorates of Finance and Customer Services; Governance and Compliance Services

Appendix A – Draft Revenue Budget Change Proposals

and Transformation including the following functions: Legal, Governance and Compliance; Audit and Risk; Transactional Services; Transformation; Business Change; B4B/ERP; Human Resources, ICT; together with Strategic Partnerships and shared services.

- 1.35. The Corporate Policy Committee shall be entitled to exercise: any function of the full Council not otherwise allocated; as well as the functions of all other Committees and Sub-Committees, particularly where plans, strategies or activities straddle a number of Committees.

(Extract from Cheshire East Council Constitution - Dec 2024)

Overview

- 1.36. The proposals seek to address the underlying financial pressures in Corporate Services. These relate to the impact of pay inflation and increases in demand for enabling support services. The proposed approach seeks to absorb demand pressures where possible and to offset employee costs through vacancy management.
- 1.37. The Corporate Services area includes the new Resources Directorate as well as the Assistant Chief Executive and the Governance, Compliance and Monitoring Officer areas of responsibility. These are all important to the smooth running of the Council and ensuring that the Council governance is strong and supports sound decision-making.
- 1.38. This area also encompasses important resident focused areas of the Council including customer services and engagement, our welfare and collections services including Revenues and Benefits and is the place where Council Tax and Business rates are collected as efficiently as possible to provide the necessary finances to support the rest of the Council. This area also contains the strategic leadership around our staff, and so is fundamental to the smooth running of all our services.
- 1.39. As was highlighted in the 2024/25 budget setting, the only way this Council will become financially sustainable over the medium term is through transforming the way we work and deliver services, so a transformation plan has been developed and overall leadership of transformation sits within this area too.
- 1.40. Key proposals include investment in ICT to enable the delivery of cross Council digital savings and recognising unavoidable cost increases where budget changes are required. The project to achieve a new model for ICT shared services remains on track. This project is jointly run with Cheshire West and Chester Council and regularly reviewed by the Shared Services Committee.
- 1.41. There will be further across the board efficiencies and reductions in non-essential spending. In some cases, pressures will need to be managed in the short term given the Council's financial position.
- 1.42. Full list of change proposals for this committee are noted in the table below.

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|---|--|----------------|---------------|---------------|---------------|
| | Corporate Policy | | +1.078 | +4.396 | +1.890 | +1.485 |
| TBC | Enforce prompt debt recovery and increase charges for costs Increase charges to debtors to ensure this reflects actual costs of the debt collection process, thereby further reducing net costs to the Council. | Head of Revenues and Benefits and *Acting Head of Customer Experience | -0.077 | | | |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|--|---|----------------|---------------|---------------|---------------|
| TBC | Pension costs adjustment This item relates to pension contributions funded by the Council. 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. | Interim Executive Director of Resources | -0.396 | -0.685 | -0.115 | -0.124 |
| TBC | Pay Inflation The pay deal agreed for 2024/25 included a pay increase for individuals of the greater of £1,290 or 2.5%. This growth in budget reflects the shortfall compared to the flat percentage budget increase of 3% within original MTFS for 2024/25 now included in 2025/26 budget increase. Plus 2.5% inflation rate for 2025/26 onwards. National Insurance increase for 2025/26 onwards also included (to be offset in part by a grant from central government). | Interim Executive Director of Resources | +1.494 | +1.531 | +1.570 | +1.609 |
| TBC | Shared Services Review - Move to Hybrid Model for ICT Reversal of temporary resource in 24/25 within the shared ICT service. | Director of Digital | -0.733 | | | |
| TBC | The achievement of additional Registration Service income, over and above that which is currently identified as required Recognising the additional performance of the Registration service income in the budget. | Head of Democratic Services | -0.350 | | | |
| TBC | Recognising the annual receipt of £45k of Police and Crime Panel grant income An adjustment to service income budget for this grant. | Registration and Civic Services Manager | -0.045 | | | |
| TBC | Remove unspent element of phones budgets in corporate services Taking the underspend on phones in corporate services (mobiles and rental) compared to budget | Interim Executive Director of Resources | -0.060 | | | |
| TBC | Digital Acceleration Revenue Growth Investment in the acceleration of the Council's digital programme to maximise the use of digital technology to provide end-to-end service improvement and efficiencies through the accelerated use of emerging technologies. This includes the use of Artificial Intelligence and robotics capabilities to enhance on-line offering for customers, automated business processing improved reporting and case management. | Director of Digital | | +1.150 | | |
| TBC | Digital Blueprint Revenue Growth Investment in the new business cases identified that will accelerate the Council's digital portfolio through fast-track validation and delivery of 30 plus targeted options. This will provide financial and business improvement opportunities across a diverse | Director of Digital | | +2.400 | +0.435 | |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|--|---|--|-------------|------------|------------|------------|
| | range of Cheshire East services. Solutions will be council-wide and maximise the use of digital technology solutions | | | | | |
| TBC | Transactional Shared Services stabilisation plan Staffing budget increase to enhance capacity and improve service quality standards, pending review of system and operational service support models. | Acting Director of Finance, Deputy Section 151 | +0.270 | | | |
| TBC | Additional cost of External Audit Fees Adjusting budget to reflect the latest estimate of external audit fees in 2025/26. | Acting Director of Finance, Deputy Section 151 | +0.265 | | | |
| TBC | Reduce Members Allowances budget Reduce Members Allowances budget for excess budget relating to a previous year's pay award that was not taken. | Head of Democratic Services | -0.100 | | | |
| TBC | Additional Cost of Bank Charges from 2025/26 Adjusting budget to reflect the latest estimate of bank charges in 2025/26. | Acting Director of Finance, Deputy Section 151 | +0.120 | | | |
| TBC | Reverse reduction in leadership and management costs as posts are being retained Reversal of 2024/25 budget saving, as superseded by senior management structure and future Target Operating Model savings. | Interim Executive Director of Resources | +0.540 | | | |
| TBC | Reinstatement of a one-off saving of £150,000 from election budgets, for the 2024/25 year Planned reversal of a one-off reduction in 2024/25. | Head of Democratic Services | +0.150 | | | |
| <p>*Values represent a +/- variation to the Cheshire East Council approved budget for 2024/25.</p> <p>Subsequent years are the incremental change from the previous year. Negative numbers represent a budget saving or additional income. Positive numbers represent budget growth or reduced income.</p> | | | | | | |

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|---|---|-------------|------------|------------|------------|
| | Corporate Policy – Council-wide Transformation | | -13.452 | -20.730 | -11.030 | - |
| TBC | Digital Customer Enablement Invest to Save The Digital Enablement Framework is a key enabler for the delivery of the Customer Experience Strategy, putting customer considerations at the centre of service delivery. It also provides transformational capabilities for continuous improvement | Director of Digital (pending reallocation to Service budgets) | -0.750 | -0.750 | -0.700 | |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|--|---|----------------|---------------|---------------|---------------|
| | <p>providing efficiencies and improvement opportunities within the end-to-end service delivery processes.</p> <p>These savings will be validated and allocated to individual service areas based on business cases agreed with each service manager or Transformation Board.</p> | | | | | |
| TBC | <p>Digital Acceleration Invest to Save</p> <p>Acceleration will maximise the use of emerging Digital technologies to transform ways of working across the entire range of council services. The benefits realised will be council-wide and enabled through the adoption of AI solutions by service operations across the Council including Adults, Health and Integration, Children's Services, Place, Resources (inc Customer Services) directorates, and Chief Executive's Office.</p> <p>These savings will be validated and allocated to individual service areas based on business cases agreed with each service manager or Transformation Board.</p> | Director of Digital (pending reallocation to Service budgets) | -0.600 | -6.250 | -5.250 | |
| TBC | <p>Digital Blueprint - Invest to Save</p> <p>The Digital Blueprint initiative will provide financial and quality improvements across Cheshire East services. Benefits realised will be council-wide and enabled through developing priority propositions across several dimensions including;</p> <ul style="list-style-type: none"> Improved quality of service outcomes, Cheshire East operations and customer experience, and Improved efficiency in service delivery, reducing friction and transactional costs <p>These savings will be validated and allocated to individual service areas based on business cases agreed with each service manager or Transformation Board.</p> | Director of Digital (pending reallocation to Service budgets) | -4.000 | -6.000 | -4.500 | |
| TBC | <p>Target Operating Model (TOM)</p> <p>Design and implementation of a new target operating model for the council, setting a framework and principles for how the council functions linked to the LGA's Peer Challenge and Decision Making Accountability (DMA) assessment.</p> | Interim Assistant Chief Executive | -3.000 | -7.000 | | |
| TBC | <p>Agency Staffing</p> <p>Decrease reliance on agency workers through recruitment, potential changes to delivery models, in-house resourcing services / external partnership. Decrease overall expenditure on agency workers through on-going review of agency recruitment, hours worked and rates paid (more closely aligned to job evaluated rate for the job role).</p> | Director of People | -0.352 | | | |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|--|--|--|----------------|---------------|---------------|---------------|
| TBC | Workforce Productivity Reduction in sickness absence rates and lost opportunity costs. Reduction in staff turn over Implement improved recruitment and selection processes / practices, enhanced and consistent performance management from start of employment lifecycle. Review of terms and conditions of employment. Review of staffing structures aligning with the target operating model. | Director of People | -1.000 | | | |
| TBC | Fees and Charges As part of the Transformation Programme, a review of service fees and charges will compare our existing prices with those of other councils across the country, to identify opportunities to maximise income and fully recover costs of delivery. As specific areas of additional income are identified, the related service income budget will be increased. | Acting Director of Finance, Deputy Section 151 (pending reallocation to Service budgets) | -0.750 | -0.040 | -0.040 | |
| TBC | Third Party Spend As part of the Transformation Programme, a review of spend with suppliers will realise savings and drive increased value for money. As specific areas of saving are identified, the related service income budget will be increased. | Head of Procurement (pending reallocation to Service budgets) | -3.000 | -0.690 | -0.540 | |
| <p>*Values represent a +/- variation to the Cheshire East Council approved budget for 2024/25.</p> <p>Subsequent years are the incremental change from the previous year. Negative numbers represent a budget saving or additional income. Positive numbers represent budget growth or reduced income.</p> | | | | | | |

Economy and Growth Committee

Responsibilities of the Committee: Membership: 13 Councillors

- 1.43. The Economy and Growth Committee will be responsible for developing policies and making decisions on matters relating to delivering inclusive and sustainable economic growth.
- 1.44. The Committee's responsibilities include:
 - Determination of policies and making of decisions in relation to housing management and delivery;
 - Determination of policies and making of decisions in relation to economic development, regeneration, skills and growth;
 - Development and delivery of the Council's estates, land and physical assets policies;
 - Determination of policies and making decisions in relation to the rural and cultural economy; and
 - Compulsory purchase of land to support the delivery of schemes and projects promoted by the Committee.
- 1.45. Oversight, scrutiny, reviewing outcomes, performance, budget monitoring and risk management of the Directorate of Growth and Enterprise including: Facilities Management; Assets; Farms; Economic Development; Housing; Rural and Cultural Management; Tatton Park; Public Rights of Way; Cultural Economy; Countryside; and the Visitor Economy.

(Extract from Cheshire East Council Constitution - Dec 2024)

Overview

- 1.46. The proposals seek to address the continuing and challenging financial pressures in the Place Directorate.
- 1.47. These focus on seeking to address and contain increasing prices and cost inflation as much as possible, and by rationalising the property estate, reducing the energy burden and to reduce and control Facilities Management costs including non-essential maintenance throughout the Council's building portfolio.
- 1.48. In response to the impact of pay inflation and continuing the savings made to offset it, the focus will continue to address existing employee costs through proactive vacancy management, prioritising statutory services and income generating roles.
- 1.49. Going forward there is a clear opportunity to address through a restructure plan to better align the related services and management across all of Place, as well as further continuing to explore and identify core efficiencies and restricting aspects of non-essential spend and seek to continue to review contracts.
- 1.50. Following the decision made by Committee around the future of the Westfields office, Sandbach, the Directorate will continue to progress consolidation and reprofiling of the Council's core property portfolio, and to engage opportunities for additional income regeneration.
- 1.51. Managing capacity with the prioritisation of resources across all of the Growth and Enterprise department will enable existing capacity to be sustained and seek to provide focus to maximise access to external funding options and programmes such as UK Shared Prosperity Funding
- 1.52. Full list of change proposals for this committee are noted in the table below.

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|--|---|---------------|---------------|---------------|---------------|
| | Economy and Growth | | +0.534 | +0.695 | +0.432 | +0.328 |
| TBC | Office estate rationalisation This item relates to rationalisation of the Council's office space buildings to reflect increased hybrid working, and to secure reduction of business rates and holding costs. Surplus assets will be considered for alternative use to generate income through rental or a capital receipt. Westfields, Sandbach and Municipal Offices, Crewe have been closed in 24/25. Savings will be generated from reduction of expenditure, and income generated from alternative use. | Director of Growth and Enterprise | -0.150 | | | |
| TBC | Pension Costs Adjustment This item relates to pension contributions funded by the Council. 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. | Interim Executive Director of Resources | -0.164 | -0.313 | -0.053 | -0.057 |
| TBC | Tatton Park ticketing and EPOS upgrade This relates to maintenance and support of the new electronic point of sale (EPOS) system at Tatton Park which was introduced in September 2024. The new system will future proof both revenue collection, management and financial analysis, and provide better customer insight and targeting capabilities. Streamlining customer transactions will better enable us to maximise revenue at all customer interaction points. | Director of Growth and Enterprise | +0.001 | +0.001 | +0.001 | +0.001 |
| TBC | CEC Archives This growth represents the ongoing revenue costs of the new Archives facility being developed in Crewe which is expected to open in late 2026. | Director of Growth and Enterprise | +0.014 | +0.093 | +0.004 | |
| TBC | Rural and Visitor Economy Electricity costs This provides additional funding to manage increased costs. This reflects inflation in the price of materials and the staffing required to maintain a statutory standard of upkeep to existing public rights of way, and to maintain heritage buildings within Tatton Park. | Director of Growth and Enterprise | -0.021 | | | |
| TBC | Minimum energy efficiency standards (MEES) - Estates - Revenue Adjustment All the Council's leased out properties will be required to meet new / phased Energy Efficiency Legislation from 1 April 2023 up to 1 April 2030. This means that to continue to lease out properties the Estates Service will need to improve the energy performance certificate (EPC) rating in line with the Government recommendations. After assessment, and in order to obtain a certificate, identified improvements will need carrying out prior to properties being leased out. Cost estimates are based on average current improvement costs, the list of identified | Director of Growth and Enterprise | +0.023 | | -0.055 | -0.047 |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|--|---|-------------|------------|------------|------------|
| | properties requiring new EPC certificates, and phasing as determined by the legislation. | | | | | |
| TBC | <p>Pay Inflation</p> <p>The pay deal agreed for 2024/25 included a pay increase for individuals of the greater of £1,290 or 2.5%. This growth in budget reflects the shortfall compared to the flat percentage budget increase of 3% within original MTFS for 2024/25 now included in 2025/26 budget increase. Plus 2.5% inflation rate for 2025/26 onwards.</p> <p>National Insurance increase for 2025/26 onwards also included (to be offset in part by a grant from central government).</p> | Interim Executive Director of Resources | +1.064 | +0.429 | +0.440 | +0.450 |
| TBC | <p>Maintenance and operation of new assets in Crewe town centre</p> <p>New revenue budgets are required to ensure that new facilities / assets / spaces being created in Crewe town centre can be operated and maintained to a reasonable standard to meet user expectations, ensure compliance with statutory requirements and ensure that they are operable for their expected lifespan without the need for closure / removal / replacement.</p> | Director of Growth and Enterprise | +0.205 | +0.279 | +0.118 | +0.006 |
| TBC | <p>Land Fill Site Assessments Revenue Adjustment - Estates – Review and Risk Assessment of Council owned Landfill sites (53 sites) Review and Risk Assessment completions</p> <p>The Council must demonstrate safe monitoring and compliance across its property portfolio. The CE Contaminated Land Officer has recommended options following risk assessments on c.53 landfill sites owned by the Council. Essential improvements/ monitoring/management works are essential to understanding and managing risk and demonstrating compliant management.</p> | Director of Growth and Enterprise | +0.010 | | | |
| TBC | <p>Tatton Park Estate Dwellings Refurbishment</p> <p>The current 5-year quinquennial plan for the conservation of Tatton Park covers the upkeep of the residents' dwellings on site but there is no provision for response maintenance issues. Each of the dwellings (8 in total) are in continuing need of attention to rectify problems and additional funding is critical to ensuring these properties meet standards required as part of tenancy agreements and the National Trust lease.</p> | Director of Growth and Enterprise | +0.015 | | | |
| TBC | <p>Improving Crewe Rented Housing Standards</p> <p>To achieve a well-functioning private rented sector that supports the health and wellbeing of Cheshire East residents through improved living standards, it is necessary to carry out targeted activity to inspect homes and carry out enforcement action. This 12-month project will enable us to evidence whether this is sufficient action to avoid the need for a selective licensing scheme.</p> | Director of Growth and Enterprise | +0.188 | -0.188 | | |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|---|-----------------------------------|----------------|---------------|---------------|---------------|
| TBC | Maximise potential of Countryside Access Management System Transform the current desk-based system to a digital mobile application and Asset Management database. This will enable cost savings through more efficient planning of works, budget control and Public Rights of Way officer resource. Additional environmental benefits will be realised through reduction in officer car usage and printing. | Director of Growth and Enterprise | +0.020 | -0.018 | | |
| TBC | Assets - building and operational – Energy A reduction in energy budgets is proposed. A budget increase was requested when energy prices were at peak rates, alongside significantly high inflation rates. The unit price rates for gas and electricity have now stabilised and the Council has been able to mitigate the overall impact, particularly on gas, using green, low carbon technologies energy solutions, as well as an overall reduction in the portfolio as properties are being vacated / sold. | Director of Growth and Enterprise | -0.860 | | | |
| TBC | Assets - building and operational – Maintenance The cost of managing and maintaining the Council's property portfolio continues to rise, with the residual impact of high inflation rates, shortages of skilled labour, availability of key components and material prices, increase the costs of undertaking works. Balancing the condition of premises and overall backlog of maintenance, against available budgets remains a challenge. Cost increases cannot be avoided entirely, and mitigation measures are in place currently to ensure the Council will only spend on maintenance where there is a specific Health and Safety risk that must be mitigated. | Director of Growth and Enterprise | +0.465 | +0.533 | | |
| TBC | Tatton Park - Increase Fees and Charges These planned savings result from income generated through ongoing review and investment in the facilities at Tatton Park, which will improve the visitor experience and reduce the overall subsidy the Council makes to Tatton Park. | Director of Growth and Enterprise | -0.126 | -0.021 | -0.023 | -0.025 |
| TBC | Corporate Landlord Model Refresh A review / refresh of the existing corporate landlord operational model is proposed as one of the Council's transformation projects to deliver additional benefits through efficiency savings on a phased programme approach. | Director of Growth and Enterprise | -0.050 | | | |
| TBC | Asset Strategy Refresh A review / refresh of the existing approach to strategic asset management of the Council's land and property assets is proposed as one of the Council's transformation projects. An | Director of Growth and Enterprise | -0.100 | -0.100 | | |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|--|--|------------------|----------------|---------------|---------------|---------------|
| | estimated target of revenue savings is proposed based on a list identified as part of the Capital disposals programme and the repurposing of sites for SEN / Housing framework provisions. | | | | | |
| <p>*Values represent a +/- variation to the Cheshire East Council approved budget for 2024/25.</p> <p>Subsequent years are the incremental change from the previous year. Negative numbers represent a budget saving or additional income. Positive numbers represent budget growth or reduced income.</p> | | | | | | |

Environment and Communities Committee

Responsibilities of the Committee: Membership: 13 Councillors

- 1.53. The Environment and Communities Committee is responsible for developing policies and making decisions on matters relating to the delivery of inclusive and sustainable growth, improving the quality of the environment and delivering improvement in key front-line services.
- 1.54. The Committee's responsibilities include:
- Development and delivery of the Council's strategic objectives for Environmental Management, sustainability, renewables and climate change;
 - The development and delivery of the Council's Environment Strategy and Carbon Neutral Action Plan;
 - Development and delivery of the Local Development Framework including the Local Plan, Supplementary Planning Documents, Neighbourhood Plans, the Brownfield Land Register, Conservation Areas, Locally Listed Buildings, the Community Infrastructure Levy, and Statement of Community Involvement;
 - Regulatory functions including external health and safety good practice and enforcement including instituting proceedings and prosecutions;
 - Determination of policies and making decisions, in relation to waste collection and disposal, recycling, fly tipping, parks and green spaces, community strategy and community hub, leisure, libraries and sports development, bereavement services, trading standards, environmental health, emergency planning, CCTV, nuisance and anti-social behaviour, public space protection orders, community enforcement, animal health and welfare, food safety, licensing, pest control, contaminated land and air quality;
 - Compulsory purchase of land to support the delivery of schemes and projects promoted by the Committee.
- 1.55. Oversight, scrutiny, reviewing outcomes, performance, budget monitoring and risk management of the Directorate of Environment and Neighbourhood, including: the Planning Service; Environmental Services; Regulatory Services; Neighbourhood Services and Emergency Planning.

(Extract from Cheshire East Council Constitution - Dec 2024)

Overview

- 1.56. The past year has been one of considerable decision and change in Environment and Communities, where significant pressures are further being experienced in a number of areas across the departmental budget.
- 1.57. Financial pressure continues to be a challenge:
- Waste collection and disposal costs – this is due to inflation across both internal and externally procured prices, uncertainty caused by the lack of clarity around the National Waste Strategy and also the continued high cost of fuel duty which has had a significant impact on fleet running costs.
 - Pay inflation – the nationally negotiated pay awards as well as being applicable to Council staff also apply across the wholly owned companies which collectively have large staffing establishments in their own right.
 - Planning income – Increased costs of financing development in multiple sectors, has seen an impact on the number of planning applications generating key income. Of applications that are received each year, currently a high percentage of these are not major applications and therefore this impacts through the shortfall of income against target.

Appendix A – Draft Revenue Budget Change Proposals

- 1.58. The budget strategy for this area continues to focus on containing prices and cost inflation as much as possible, through amongst other things enhanced financial monitoring, robust procurement activities and alternative ways of working.
- 1.59. There will be continued alignment to other areas of the Place directorate in providing the response to the impact of pay inflation, the focus will be to seek to offset existing employee costs through proactive vacancy management, prioritising statutory services and ensuring that income generation opportunities are maximised.
- 1.60. Opportunities through restructuring will continue and seek to address further improvement and alignment of related services and management across all of Place, as well as continuing to explore and identify operational efficiencies in how key frontline services interface.
- 1.61. The key areas of focus for Environment and Communities will be:
- Continuing to deliver on current MTFS budget commitments such as delivery of stage 2 of the Strategic Leisure Review;
 - Development and implementation of a Libraries Strategy;
 - Returning existing wholly owned companies;
 - Rationalising the increasing costs of waste collection, disposal and treatment and;
 - Work to continue to expand commercialisation opportunities to generate additional income for the Council.
- 1.62. Where appropriate, advance opportunities to work with communities, and specifically Town and Parish Councils to explore options to support, supplement, and contribute to, the delivery of services at a local level.
- 1.63. Full list of change proposals for this committee are noted in the table below.

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|--|--|----------------|---------------|---------------|---------------|
| | Environment and Communities | | -2.742 | +3.269 | +0.982 | +6.792 |
| TBC | Strategic Leisure Review (Stage 2) The second stage of the Strategic Leisure Review will focus on the medium-term financial sustainability of the commissioned leisure services. This includes, but is not limited to: reviewing pricing for leisure services across the borough; reduction in corporate landlord costs via asset transfer; exploring potential invest to save capital schemes; removing all current programme allocations that cannot be delivered on an invest to save basis; removal of historical subsidies relating to free car parking; use of public health and other one off grants; and partnership working with Town Councils to secure contributions towards safeguarding provisions in their local area. | Interim Director of Planning and Environment | +0.403 | -0.203 | -0.166 | |
| TBC | Libraries Strategy - Stage 1 The ongoing impact of the stage 1 review. As part of the Strategy approved by E&C Committee on 27th November 2024, implementation now ongoing with revised opening hours at Tier 3 sites going live from January 2025 and Tier 2 sites as of 1st April 2025. | Interim Director of Planning and Environment | -0.100 | | | |
| TBC | Reduce revenue impact of carbon reduction capital schemes Capital financing costs of capital schemes to reduce carbon emissions. | Head of Environmental Services | +0.171 | | | |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|---|--|----------------|---------------|---------------|---------------|
| TBC | <p>Pay Inflation</p> <p>The pay deal agreed for 2024/25 included a pay increase for individuals of the greater of £1,290 or 2.5%. This growth in budget reflects the shortfall compared to the flat percentage budget increase of 3% within original MTFS for 2024/25 now included in 2025/26 budget increase. Plus 2.5% inflation rate for 2025/26 onwards.</p> <p>National Insurance increase for 2025/26 onwards also included (to be offset in part by a grant from central government).</p> | Interim Executive Director of Resources | +2.270 | +1.380 | +1.409 | +1.436 |
| TBC | <p>Pension Costs Adjustment</p> <p>This item relates to pension contributions funded by the Council. This results from a successful financial strategy to secure stability in the funding of future pension liabilities. The effect is a reduction in overheads in pay cost budgets following a change in the employer's contribution rate confirmed by the Cheshire Pension Fund.</p> | Interim Executive Director of Resources | -0.159 | -0.315 | -0.053 | -0.057 |
| TBC | <p>Explore a Trust delivery model for Libraries and other services</p> <p>Reverse of growth item to cover one off costs relating to implementation of alternative delivery model(s) for libraries service. Aligned to development of Libraries Strategy.</p> | Interim Director of Planning and Environment | -0.150 | | | |
| TBC | <p>Land Charge Income Adjustment</p> <p>Due to national legislative changes where some land charges services will be delivered by HM Land Registry, there will a reduction in income to the Council.</p> | Interim Director of Planning and Environment | +0.147 | | | |
| TBC | <p>Local Plan Review</p> <p>It is a statutory requirement to review the Local Plan within prescribed timescales. This will determine amongst other things the amount and location of future housing and other economic development in the Borough. It is highly complex requiring significant technical evidence, significant public consultation and three stages of formal examination by Government inspectors.</p> | Interim Director of Planning and Environment | +0.315 | -0.090 | +0.005 | -0.005 |
| TBC | <p>Review of CCTV service - service efficiencies and income generation from existing services</p> <p>Opportunities for additional income generation – the £40,000 saving in 2025/26 is a current estimate subject to additional service improvements / investment.</p> | Interim Director of Planning and Environment | -0.040 | | | |
| TBC | <p>Environmental Services Growth 2025/26 onwards</p> <p>This line recognises the pressures expected within the service from waste volumes, varying recycling income rates, increased costs of service change relating to weekly food waste collections, increased costs of operating the Environmental Hub, fleet etc.</p> | Head of Environmental Services | +3.041 | +1.882 | +0.690 | +0.710 |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|--|--|--------------------------------|----------------|---------------|---------------|---------------|
| TBC | Environmental Services Savings 2025/26 onwards This growth recognises the savings expected within the service from annual increases in income e.g. green waste, expected transition grants for weekly food waste, efficiencies due to the change of delivery model for currently commissioned services | Head of Environmental Services | -2.367 | -2.580 | -1.181 | -0.549 |
| TBC | Environmental Services Growth - Pensions This item is to bring the service budgets for all staffing up to the same point regarding pension contributions. This has a net nil impact for the Council as a whole. | Head of Environmental Services | +0.727 | -0.395 | -0.066 | -0.071 |
| TBC | Environmental Services – expected income from Extended Producer Responsibility for packaging Estimated grant income from the new scheme which tapers out over the life of the MTFS as the scheme is expected to evolve and waste tonnages change. The detail is based on the announcements made at the end of November 2024 and a detailed forecast model of potential future years impacts, to be regularly reviewed. | Head of Environmental Services | -7.000 | +3.590 | +0.344 | +5.328 |
| <p>*Values represent a +/- variation to the Cheshire East Council approved budget for 2024/25.</p> <p>Subsequent years are the incremental change from the previous year. Negative numbers represent a budget saving or additional income. Positive numbers represent budget growth or reduced income.</p> | | | | | | |

Appendix A – Draft Revenue Budget Change Proposals

Highways and Transport Committee**Responsibilities of the Committee:** Membership: 13 Councillors

- 1.64. The Highways and Transport Committee shall be responsible for developing policies and making decisions on matters relating to highways and transport as they affect the area of the Council taking into account regional and national influences.
- 1.65. The Committee's responsibilities include:
- Formulation, co-ordination and implementation of corporate policies and strategies in connection with all car parking, transport and accessibility matters;
 - Determination of any matter affecting the Council's interests in relation to national infrastructure matters, for example HS2, Northern Powerhouse Rail and the National Road Network;
 - Discharge of the Council's responsibilities as Highway Authority; local transport authority; parking authority; and lead local flood authority;
 - Determination of policies and making decisions in relation to flooding and accessibility, in co-ordination with the Scrutiny Committee;
 - Compulsory purchase of land to support the delivery of schemes and projects promoted by the Committee; and
 - In respect of public rights of way:
 - discharge all the functions of the Council in relation to public rights of way (except the determination of non-contentious Public Path Order applications which has been delegated to the Executive Director – Place);
 - discharge of Commons and Town and Village Greens functions;
 - being apprised of, approve, and comment on a range of policies, programmes and practices relating to Rights of Way, Commons, Town and Village Greens and countryside matters including:
 - progress reports on implementation of the Rights of Way Improvement Plan (part of the Annual Progress Review for the Local Transport Plan);
 - Statement of Priorities;
 - Enforcement Protocols;
 - Charging Policy for Public Path Order applications.
- 1.66. Oversight, scrutiny, reviewing outcomes, performance, budget monitoring and risk management of the Directorate of Highways and Infrastructure including: Transport Policy; Transport Commissioning; Carparking; Highways; Infrastructure and HS2.

(Extract from Cheshire East Council Constitution - Dec 2024)

Overview

- 1.67. The proposals identified in this area provide an ongoing response to seek to address the continuing financial pressures in the Place Directorate.
- 1.68. The Highways and Transport department has responsibility for a number of key service areas with the overall aim of providing a safe, available, integrated and sustainable transport network across Cheshire East and the wider region. Delivering this meets the Council's statutory duties to manage and maintain transport infrastructure, supports the economic growth of the borough and contributes to the Council's net zero climate commitment.
- 1.69. Highway maintenance services are almost entirely either statutory or essential to delivering statutory obligations. The service is significantly affected by the revenue impact of a shortfall in capital investment; reductions to either revenue or capital will have downstream consequences in revenue costs and may risk statutory compliance. The proposed business cases therefore go towards ensuring that those revenue implications are met.

Appendix A – Draft Revenue Budget Change Proposals

- 1.70. In response to the impact of pay inflation and continuing the savings made last year to offset it, the focus will continue to address existing employee costs through proactive vacancy management, prioritising statutory services and income generating roles.
- 1.71. Going forward there is a clear opportunity to address through a restructure plan to better align the related services and management across all of Place, as well as further continuing to explore and identify core efficiencies and restricting aspects of non-essential spend, and seek to continue to review contracts.
- 1.72. To support the Council's underlying financial pressures a number of cost saving proposals are being consulted upon, which aim to provide the financial base to enable the continued support and retention of core local services
- 1.73. Full list of change proposals for this committee are noted in the table below.

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|--|--|----------------|---------------|---------------|---------------|
| | Highways and Transport | | +1.061 | +0.152 | +0.068 | +0.030 |
| TBC | Increase parking charges This item relates to the extension of parking charges to formerly free car parks and the adoption of a policy to increase parking tariffs annually in line with inflation. | Director of Transport and Infrastructure | -0.450 | -0.186 | -0.191 | -0.197 |
| TBC | Safe Haven outside schools (Parking) This items relates to the annual cost of licences for the enforcement of Keep Clear zones at school gates using ANPR cameras. | Director of Transport and Infrastructure | +0.010 | | | |
| TBC | Parking PDA / Back Office System contract - fall out of one off set up cost This saving relates to the cost efficiencies arising from procurement of a new system to manage the electronic payments for parking and the processing of Penalty Charge Notices. | Director of Transport and Infrastructure | -0.030 | | | |
| TBC | Parking - Part-year effect of strategy changes This item relates to the impact (part year) of recent changes to the arrangements for Pay and Display car parking in formerly "free towns" across the borough. | Director of Transport and Infrastructure | -0.720 | | | |
| TBC | Parking - Staff and member parking The Council expects to achieve savings in the costs of staff and member parking permits through changes to the policies on issuing permits to provide better alignment with the Corporate Travel Plan. | Director of Transport and Infrastructure | -0.250 | | | |
| TBC | Transport and Infrastructure Strategy Team – Restructure This item relates to the saving arising from changes to the Strategy Teams, which fill existing staff vacancies and reduce reliance on agency consultancy staff. The approach is intended to improve organisational capacity for transport planning, improving responsiveness and resilience. | Director of Transport and Infrastructure | | -0.150 | | |
| TBC | Local Bus This growth relates to the expected changes in the Councils costs of procuring contracts for local supported bus routes, which are expected to be impacted by cost inflation | Director of Transport and Infrastructure | +1.545 | | | |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|---|--|-------------|------------|------------|------------|
| | arising from higher operating costs, staff and fuel. The expected pressure is £1.5m above existing budgets of £2.8m. | | | | | |
| TBC | FlexiLink Service Improvement Plan - invest to save This item relates to the Council's plans to extend and modernise its demand-responsive transport service – FlexiLink. Investment is needed to adopt a new digital booking system, a dynamic route planning system and modern customer information and publicity. Introduction of fares will lead to the new services generating income in future years. | Director of Transport and Infrastructure | +0.592 | +0.294 | -0.003 | -0.135 |
| TBC | Advertising Income. Initial project scoping work being undertaken to understand scale/complexity and resourcing needs Maximise opportunities to sell targeted advertising through use of council assets, focusing on high value opportunities. This includes Bus Stop advertising. | Director of Transport and Infrastructure | -0.025 | -0.075 | -0.050 | |
| TBC | Pension Costs Adjustment This item relates to pension contributions funded by the Council. 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. | Interim Executive Director of Resources | -0.055 | -0.108 | -0.018 | -0.020 |
| TBC | Pay Inflation The pay deal agreed for 2024/25 included a pay increase for individuals of the greater of £1,290 or 2.5%. This growth in budget reflects the shortfall compared to the flat percentage budget increase of 3% within original MTFS for 2024/25 now included in 2025/26 budget increase. Plus 2.5% inflation rate for 2025/26 onwards. National Insurance increase for 2025/26 onwards also included (to be offset in part by a grant from central government). | Interim Executive Director of Resources | +0.228 | +0.111 | +0.114 | +0.117 |
| TBC | Flood and Water Management Act 2010 SuDS and SABs Schedule 3 Implementation The introduction of Schedule 3 mandates local authorities in England to establish SuDS (Sustainable Drainage Systems) Approval Bodies (SABs) for approving and adopting sustainable drainage systems. To prepare, the council, as Lead Local Flood Authority (LLFA) needs to grow and train the team and other services staff in preparation for the additional duties, responsibilities and processes this will bring. | Director of Transport and Infrastructure | | +0.050 | +0.050 | +0.100 |
| | Highways: Revenue Service This provides investment in highway infrastructure that will arrest the deterioration of the asset. This will reduce costs of reactive maintenance, improve safety and reduce risks of significant incidents. It will also control revenue budget pressures and work towards | Director of Transport and Infrastructure | +0.216 | +0.216 | +0.216 | +0.216 |

Appendix A – Draft Revenue Budget Change Proposals

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|--|--|--|----------------|---------------|---------------|---------------|
| | addressing customer dissatisfaction. Subject to capital investment being available. | | | | | |
| | Highways: Depots The highways depots need investment to reduce the risk that facilities could be unusable for reactive and winter maintenance. Investment will enable some operational efficiencies, providing winter service resilience and a reduction in highways depots from 3 to 2, delivering a capital receipt. | Director of Transport and Infrastructure | | | -0.050 | -0.051 |
| <p>*Values represent a +/- variation to the Cheshire East Council approved budget for 2024/25.</p> <p>Subsequent years are the incremental change from the previous year. Negative numbers represent a budget saving or additional income. Positive numbers represent budget growth or reduced income.</p> | | | | | | |

Appendix A – Draft Revenue Budget Change Proposals

Finance Sub Committee (central budgets)

1.74. Central Budgets and general Council funding are not specifically related to services that residents use but are important in resourcing the overall budget. The following proposals in the next two tables relate to Council borrowing, investments and forecast income from general grants and local taxation.

1.75. Full list of change proposals for this committee are noted in the tables below.

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|--|---|----------------|----------------|---------------|---------------|
| | Finance Sub (central budgets) | | +35.481 | +18.510 | +7.919 | +6.695 |
| TBC | Capital Financing - Minimum Revenue Provision The revenue impact of capital spending also results in annual spending. Inflation, high interest rates on borrowing, including the interest that the Council is paying for holding the Dedicated Schools Grant deficit on the balance sheet (£5.6m) and an ambitious capital programme results in increased need for annual revenue. | Interim Executive Director of Resources | +9.695 | +3.718 | +3.381 | +1.542 |
| TBC | Use of Earmarked Reserves (reversal of 2024/25 one off use of central EMRs) Reversal of the planned one-year use of central earmarked reserves budgeted to be used in 2024/25. | Interim Executive Director of Resources | +0.579 | | | |
| TBC | Use of General Reserves (reversal of one off use in 2024/25) Reversal of the planned one-year use of General Reserves budgeted to be used in 2024/25. | Interim Executive Director of Resources | +11.654 | | | |
| TBC | Top up General Reserves This is a planned annual contribution to General Reserves to replenish up to a minimum target of £20m by the end of the medium term. | Interim Executive Director of Resources | +5.000 | | | |
| TBC | Creation of Contingency Budget To cover inflation risks across the council including changes resulting from recent national budget changes impacting on our contractors | Interim Executive Director of Resources | +9.280 | +11.342 | +6.098 | +6.363 |
| TBC | Risk of unachievable budget savings or growth demands exceeding estimates This is based on 10% of the budget changes related to budget savings in each year. | Interim Executive Director of Resources | | +3.450 | -1.560 | -1.210 |
| TBC | Pension adjustment – linked to E&C growth item This item is to bring the service budgets for all staffing up to the same point regarding pension contributions. This has a net nil impact for the Council as a whole. | Interim Executive Director of Resources | -0.727 | | | |

*Values represent a +/- variation to the [Cheshire East Council approved budget for 2024/25](#).

Subsequent years are the incremental change from the previous year. Negative numbers represent a budget saving or additional income. Positive numbers represent budget growth or reduced income.

Appendix A – Draft Revenue Budget Change Proposals

Finance Sub Committee (funding budgets)

| MTFS Ref No | Detailed List of Proposed Budget Changes (incremental) | SRO/ Director | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m |
|-------------|--|---|-------------|------------|------------|------------|
| | Finance Sub (funding budgets) | | -27.499 | -14.451 | -19.391 | -20.515 |
| TBC | Council Tax increase % growth. Council Tax currently provides 76% of the net funding for Council services and is paid by occupiers and owners of domestic property within the borough. The MTFS includes increases of 4.99% in every year from 2025/26 to 2028/29. | Interim Executive Director of Resources | -14.326 | -15.290 | -16.204 | -17.214 |
| TBC | Council Tax increase base growth. The Council Taxbase is increasing each year due to ongoing housing development. The calculation of additional Council Tax from the growth in the taxbase also reflects any changes in discounts, exemptions, premiums and Council Tax Support. The increase in housing numbers in the MTFS is currently forecast to be 2,000 in 2025/26 and 1,800 each year thereafter to fall back in line with the Local Plan estimates. | Interim Executive Director of Resources | -5.852 | -3.037 | -3.187 | -3.301 |
| TBC | Business Rates Retention – This value relates to the inflationary increase forecast to be received as part of the Settlement Funding Assessment (part of the Provisional Local Government Finance Settlement due late December). | Interim Executive Director of Resources | -0.495 | | | |
| TBC | Unringfenced general grants change. See Appendix C Provisional Local Government Finance Settlement – Impact for further breakdown | Interim Executive Director of Resources | -3.847 | +3.876 | | |
| TBC | National Insurance increase contribution. Grant income estimated to help towards the direct costs associated with the increase in employers National Insurance from April 2025. Final allocations will be announced as part of the Final Local Government Settlement in February 2025. Direct costs have been estimated to be c.3.7m | Interim Executive Director of Resources | -2.979 | | | |

*Values represent a +/- variation to the [Cheshire East Council approved budget for 2024/25](#).

Subsequent years are the incremental change from the previous year. Negative numbers represent a budget saving or additional income. Positive numbers represent budget growth or reduced income.

Appendix B – Draft Capital Programme Proposals

Corporate Policy Committee

1.1. Full list of capital proposals for this committee are noted in the table below.

| MTFS Ref No | Detailed List of Proposed Capital Programme Additions | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m | Total £m | Grant | External contribution | Internal contribution | Borrowing |
|-------------|--|----------------|---------------|---------------|---------------|----------------|-------|-----------------------|-----------------------|----------------|
| | Corporate Policy | +5.356 | +3.505 | +3.554 | +0.200 | +12.615 | | | | +12.615 |
| TBC | Accelerate Digital – (Digital efficiencies) Capital Acceleration of the Council's ongoing digital programme to maximise the use of digital options to provide end-to-end service improvement and efficiencies through the accelerated use of emerging technologies. Including the use of Artificial Intelligence and robotics capabilities to enhance on-line offering for customers, automated business processing, improved reporting and case management. Associated revenue savings will be allocated to individual service areas based on business cases agreed with each service manager. | +1.532 | +1.350 | +1.377 | | +4.259 | | | | +4.259 |
| TBC | Digital Blueprint - Capital Development of a strategic fast track opportunities to deliver financial benefits across all directorates. The Digital Blueprint initiative will accelerate the Council's digital portfolio through fast-track validation and delivery of 30 plus targeted options. These options will provide financial and improvement opportunities across a diverse range of Cheshire East Business services. Associated revenue savings will be allocated to individual service areas based on business cases agreed with each service manager | +3.490 | +1.663 | +1.377 | | +6.530 | | | | +6.530 |
| TBC | Core Business Systems Previously referred to as Core Financials, this relates to the Council's core business systems; mainly Unit4 ERP in respect of HR & payroll, purchasing and sales invoicing as well as accounting. The proposals here include improvements following the HR and payroll health check and anticipated migration to ERPx (the next significant upgrade of the system). | +0.334 | +0.492 | +0.800 | +0.200 | +1.826 | | | | +1.826 |

Economy and Growth Committee

1.2. Full list of capital proposals for this committee are noted in the table below.

| MTFS Ref No | Detailed List of Proposed Capital Programme Additions | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m | Total £m | Grant | External contribution | Internal contribution | Borrowing |
|-------------|---|----------------|---------------|---------------|---------------|----------------|---------------|-----------------------|-----------------------|----------------|
| | Economy and Growth | +1.758 | +3.451 | +3.916 | +6.899 | +16.024 | +3.336 | | | +12.688 |
| TBC | Green Structures investment (Public Rights of Way) Capital investment is required on a growing number of structures - currently 30 - which carry Green Infrastructure (Public Rights of Way and Countryside Ranger Service) assets over or adjacent to waterways, for example. Investment is required for replacement or maintenance to comply with statutory duties and for public safety. | | +0.300 | +0.116 | +0.250 | +0.666 | | | | +0.666 |
| TBC | Disabled Facilities Grant Statutory Disabled Facilities Grants support people with disabilities to live independently in the home of their choice by making their home more suitable, preventing admission to hospital, residential and nursing care. Grants are means tested and provided to disabled people following an assessment of their physical and health needs. | +0.936 | +0.800 | +0.800 | +3.600 | +6.136 | +3.336 | | | +2.800 |
| TBC | Septic Tanks Initial capital funding identified to mitigate identified statutory compliance issues with several domestic sewage treatment and septic tanks located around the borough, where the Council has retained management and maintenance responsibilities, post the disposal of former Council housing estates. | | | | +0.049 | +0.049 | | | | +0.049 |
| TBC | Premises Capital Essential funding to ensure the Council's estate is kept in a safe and compliant condition and ensure that premises can remain operational. | +0.822 | +2.351 | +3.000 | +3.000 | +9.173 | | | | +9.173 |

Environment and Communities Committee

1.3. Full list of capital proposals for this committee are noted in the table below.

| MTFS Ref No | Detailed List of Proposed Capital Programme Additions | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m | Total £m | Grants | External Contribution/capital receipt | Internal Contribution | Borrowing |
|-------------|--|----------------|---------------|---------------|---------------|---------------|--------|---------------------------------------|-----------------------|---------------|
| | Environment and Communities | +7.402 | +0.250 | +0.250 | | +7.902 | | +1.042 | +6.110 | +0.750 |
| TBC | Weekly Food Waste Collections - Additional Capital Requirement New Statutory obligation on the Council announced under original Simpler Recycling legislation to introduce weekly food waste collections to all properties by April 2026. The funding is required to secure infrastructure investment, fleet and waste bins in order to implement this mandatory service. The costs of borrowing are included within the business plan and hence MTFS growth line item for Environmental Services. | +5.510 | | | | +5.510 | | | +5.510 | |
| TBC | Macclesfield Cemetery Second Chapel Investment into creation of a second chapel at Macclesfield Cemetery in order to create additional capacity for bereavement services offered to residents as a known demand, hence securing additional income for the organisation. The revenue costs of borrowing will be covered by increased income generation created as a result of enabling this additional capacity. | +0.600 | | | | +0.600 | | | +0.600 | |
| TBC | Parks Various infrastructure investment works at park and green space sites across the borough, fully funded from s106 contributions | +1.042 | | | | +1.042 | | +1.042 | | |
| TBC | Strategic Transport Model This project will provide the evidence base for Council's new Local Plan (Spatial Strategy) and Infrastructure Delivery Plan responding to governments new planning regulations. The approach will ensure that robust | +0.250 | +0.250 | +0.025 | | +0.750 | | | | +0.750 |

Appendix B – Draft Capital Programme Proposals

| MTFS Ref No | Detailed List of Proposed Capital Programme Additions | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m | Total £m | Grants | External Contribu tion/capi tal receipt | Internal Contribu tion | Borrowi ng |
|-------------------|--|----------------|---------------|---------------|---------------|-------------|--------|---|------------------------------|---------------|
| | decisions on site selections, environmental impacts and infrastructure requirements can be made. | | | | | | | | | |

Appendix B – Draft Capital Programme Proposals

Highways and Transport Committee

1.4. Full list of capital proposals for this committee are noted in the table below.

| MTFS Ref No | Detailed List of Proposed Capital Programme Additions | 2025/26 £m* | 2026/27 £m | 2027/28 £m | 2028/29 £m | Total £m | Grant | External contribution/capital receipt | Internal Contribution | Borrowing |
|-------------|--|---------------|----------------|----------------|----------------|----------------|---------------|---------------------------------------|-----------------------|----------------|
| | Highways and Transport | +8.130 | +12.422 | +12.883 | +11.501 | +44.936 | +7.982 | +0.060 | | +36.894 |
| TBC | Highways Maintenance Capital This provides investment in highway infrastructure that will arrest the deterioration of the asset. This will reduce costs of reactive maintenance, improve safety and reduce risks of significant incidents. It will also control revenue budget pressures and work towards addressing customer dissatisfaction. | +7.340 | +11.501 | +11.501 | +11.501 | +41.843 | +7.982 | | | +33.861 |
| TBC | Booth's Bridge Plumley Relaces the bridge that has been demolished for safety reasons. | +0.790 | | | | +0.790 | | | | +0.790 |
| TBC | Highways: Depots The highways depots need investment to reduce the risk that facilities could be unusable for reactive and winter maintenance. Investment will enable some operational efficiencies, provides winter service resilience and a reduction in highways depots from 3 to 2, delivering a capital receipt. | | +0.921 | +1.382 | | +2.303 | | +0.060 | | +2.243 |

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Appendix C – Provisional Local Government Settlement 2025/26

| Grant / income stream | Treatment | Core Spending Power (CSP) Allocation (Dec 2024) £m | Revised Net Revenue Funding Envelope (Dec 2024) £m | Comment on difference between CSP and Net Funding Envelope | Forecast Net Revenue Funding Envelope (CPC Nov 2024) £m | Value / Reason for change in funding compared to November estimate £m / text |
|--|--------------|--|--|--|---|--|
| Council Tax requirement excluding parish precepts | Unringfenced | 305.1 | 307.3 | Difference due to MHCLG assumed taxbase increase included in CSP rather than actual increase | 307.3 | No change |
| Settlement Funding Assessment – Baseline Funding Level (excluding RSG) | Unringfenced | 46.5 | 57.1 | Shown in MTFS as Business Rates Retention Scheme funding | 57.1 | No change |
| Compensation for under indexing the business rates multiplier | Unringfenced | 9.4 | - | Grant income included in (£57.1m) total above along with proportion of other S31 business rates grants | - | No change |
| Revenue Support Grant | Unringfenced | 0.8 | 0.8 | | 0.4 | +0.4 Extended rights to free transport rolled into RSG (previously outside the CSP calculation) |
| Social Care Grant | Unringfenced | 29.5 | 29.5 | | 27.3 | +2.2 Additional funding compared to October Budget statement plus only partial council tax precept equalisation resulting in more grant than estimated |
| New Homes Bonus | Unringfenced | 3.0 | 3.0 | | 3.0 | No change |

Appendix C – Provisional Local Government Settlement 2025/26

| | | | | | | |
|---|--------------|------|-----|--|-----|---|
| Services Grant | Unringfenced | - | - | | 0.3 | -0.3m Grant no longer exists from 2025/26 |
| Children's Social Care Prevention Grant | Unringfenced | 0.8 | 0.8 | | | +0.8m New grant from 2025/26 |
| Targeted deprivation funding stream | Unringfenced | - | - | | 1.6 | -1.6m Estimated funding based on October Budget statement headlines. This has been superseded by other named grants |
| Recovery Grant | Unringfenced | - | - | Do not qualify to receive this grant | - | - |
| Funding Floor | Unringfenced | - | - | Do not qualify to receive this grant | - | - |
| Rural Services Delivery Grant | Unringfenced | - | - | Do not qualify to receive this grant | - | - |
| Housing Benefit Administration | Unringfenced | - | 0.7 | Not included in CSP | 0.7 | - |
| NNDR Admin Grant | Unringfenced | - | 0.6 | Not included in CSP | 0.6 | - |
| Local Reform and Community Voices | Unringfenced | - | 0.2 | Not included in CSP | 0.2 | - |
| Social Care in Prisons | Unringfenced | - | 0.1 | Not included in CSP | 0.1 | - |
| War Pension Scheme Disregard | Unringfenced | - | 0.1 | Not included in CSP | 0.1 | - |
| Domestic Abuse Safe Accommodation Grant | Ringfenced | 0.8 | - | Ringfenced income included in ASC service budget – previously outside of the CSP calculation | - | No change |
| Improved Better Care Fund + Discharge Funding (now rolled together) | Ringfenced | 10.7 | - | Ringfenced income included in ASC service budget | - | No change |
| ASC Sustainability and Improvement Fund | Ringfenced | 6.3 | - | Ringfenced income included in ASC service budget | - | No change |

Appendix C – Provisional Local Government Settlement 2025/26

| | | | | | | |
|---|--------------|---------------|------------------------|--|--------------|---|
| Contribution towards National Insurance employer increase | Unringfenced | - | 3.0 (estimated) | Not included in CSP settlement. Will be included as part of the final settlement | - | Costs associated with the increase have been estimated to be c.£3.7m |
| Core Spending Power Total | | 413.1 | | | | |
| Net Revenue Budget Funding Envelope | | | 403.2 | | 398.7 | +4.5m Net improvement to the funding envelope compared to the position reported to Corporate Policy Committee November 2024 |
| <i>Core Spending per dwelling</i> | | <i>£2,173</i> | | <i>Based on 190,079 homes</i> | | |
| <i>Net Revenue Funding Envelope per dwelling</i> | | | <i>£2,105</i> | <i>Based on 190,079 homes</i> | | |

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Appendix D – Council Tax benchmarking and scenarios

This Appendix provides contextual information in regards to national Council Tax Policy as well as the impact on the finances of Cheshire East Council.

Local government finance policy statement 2025 to 2026

Published 28 November 2024 (Ministry of Housing Communities and Local Government)

Council Tax referendum limits

Council tax referendum principles must strike a balance between the burden on the taxpayer and funding local authority need, whilst acting as an additional local democratic check and balance. Whilst we recognise that council tax is a critical part of local government's funding, worth more than 50% of the Settlement, the government is also committed to protecting local taxpayers from excessive council tax increases.

The council tax referendum principles we are proposing are consistent with the assumptions made by the previous government and the Office for Budget Responsibility (OBR). They are not a cap, nor do they force councils to set taxes at the threshold level. The decisions on the level to set, or whether to hold a referendum to go beyond the referendum principle, sit squarely with local authorities, which must consider the pressures many households are facing, as well as their requirement to set a balanced budget. The proposed referendum principles are:

- A core council tax referendum limit for local authorities of up to 3%;
- An adult social care precept of 2% for all local authorities responsible for adult social care services;

Exceptional financial support

The government is under no illusions about the scale of the issues facing local government, and this Settlement will begin to address the pressures that councils are under. But this is a long-term project to deliver financial security for councils, and we recognise that we may see some continued instability as we adjust to the new system.

Any council concerned about its financial position or its ability to set or maintain a balanced budget should make contact with MHCLG. The government has a framework in place to support councils in the most difficult positions. As part of this, we will not seek to replicate conditions that made borrowing more expensive.

Where a council in need of exceptional financial support views additional council tax increases as critical to maintaining their financial sustainability, the government will continue to consider requests for bespoke referendum principles. Local proposals will be considered on a case-by-case basis. In considering any requests, the government will take account of councils' specific circumstances, for example their existing levels of council tax relative to the average, the potential impact on local taxpayers, and the strength of plans to protect vulnerable people.

Council Tax benchmarking - Cheshire East compared to others

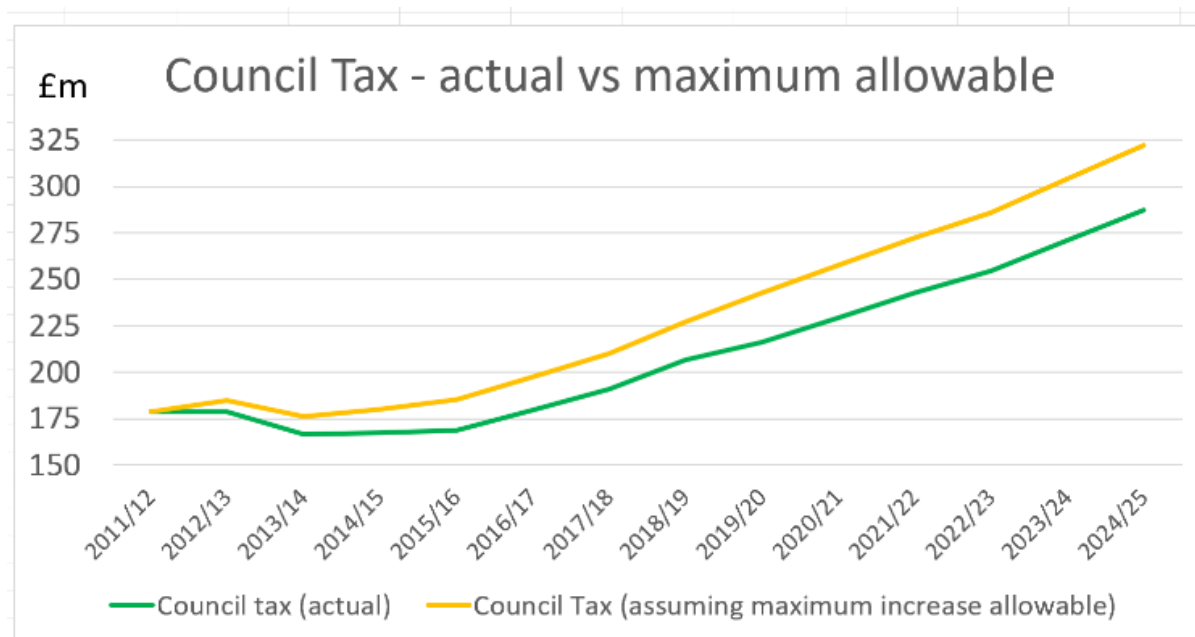
Cheshire East council tax compared to (average of) nearest neighbours – Average Band D of all NNs: £1,827.30 (CEC is 1.94% lower than the average).

Cheshire East core spending power compared to (average of) nearest neighbours – Average CSP per dwelling of all NNs: £2,202.36 (CEC is 5.77% lower than the average).

Council Tax income in 2024/25 if using Cheshire West and Chester Band D rate and CEC taxbase: Would equate to an extra £14.7m in 2024/25.

The chart below shows the amount of council tax foregone due to not raising council tax to the maximum referendum level. Results for this are a cumulative shortfall in income since 2011/12 of at least £120m, after taking account of the funding received via the Council Tax freeze grants (the assumption is that each annual grant then rolled into Formula grant/Settlement funding assessment (SFA) in some way with no future funding cuts).

The graph shows that for 2024/25, if we had increased council tax income to the maximum referendum limit every year then by the time we get to the 2024/25 year we would have had £35m more in council tax income for this year (albeit SFA may have been lower. RSG already almost nil).



Appendix D – Council Tax benchmarking and scenarios

Council Tax some indicative scenarios

When raising Council Tax in one year, the impact has a cumulative benefit in future years. Below are a number of indicative scenarios and the impact on the overall funding available to the council if the Council wished to request additional council tax flexibilities as part of its Exceptional Financial Support.

In the tables below, “Taxbase” is the number of “Band D” equivalent properties that the Council has. This will grow over time with housing growth but does also take into account the number of people receiving discounts such as Single Person Discount, Council Tax Support etc.

The increase of 4.99% is made up of both the general Council Tax increase and the allowed Social Care precept. Our current assumptions are that this will remain at this level across the life of the MTFS period.

For Cheshire East, 1% Council Tax rise is equivalent to c.£3m additional funding.

Current MTFS assumption -

| Council Tax Income | 2024/25 Actual | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---------------------------|-----------------------|----------------|----------------|----------------|----------------|
| Taxbase | 160,151.52 | 163,261.10 | 164,776.94 | 166,292.79 | 167,808.63 |
| | £ | £ | £ | £ | £ |
| Band D | 1,792.59 | 1,882.04 | 1,975.95 | 2,074.55 | 2,178.07 |
| Increase | 4.99% | 4.99% | 4.99% | 4.99% | 4.99% |
| Council Tax revenue | £287.1m | £307.3m | £325.6m | £345.0m | £365.5m |

Extra 5% in 2025/26 only

This scenario is based on the same taxbase growth but with a one-off request for an additional 5% Council Tax in 2025/26. In this scenario whilst the current MTFS gap is not fully closed for either 2025/26 and 2026/27, it would close gaps for the years after that. It would reduce the amount of Exceptional Finance Support (and subsequent borrowing required) in the first two years of the MTFS.

| Council Tax Income | 2024/25 Actual | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|-----------------------|----------------|----------------|----------------|----------------|
| Taxbase | 160,151.52 | 163,261.10 | 164,776.94 | 166,292.79 | 167,808.63 |
| | £ | £ | £ | £ | £ |
| Band D | 1,792.59 | 1,971.67 | 2,070.06 | 2,173.35 | 2,281.80 |
| Increase | 4.99% | 9.99% | 4.99% | 4.99% | 4.99% |
| Council Tax revenue | £287.1m | £321.9m | £341.1m | £361.4m | £382.9m |
| Additional Council Tax (compared to current MTFS assumptions) | | +£14.6m | +£15.5m | + £16.4m | +£17.4m |
| Cumulative 4 year impact | | | | | +£63.9m |

Appendix D – Council Tax benchmarking and scenarios

Extra 2% in 2025/26, 2% in 2026/27 and 1% in 2027/28

This scenario is based on the same taxbase growth but with a one-off request for an additional 5% Council Tax but spread over the first three years. In this scenario whilst the current MTFS gap is not fully closed for either 25/26 and 26/27, it would close gaps for the years after that. It would reduce the amount of Exceptional Finance Support (and subsequent borrowing required) in the first 2 years of the MTFS. It would provide less overall funding.

| Council Tax Income | 2024/25 Actual | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
|---|-----------------------|----------------|----------------|----------------|----------------|
| Taxbase | 160,151.52 | 163,261.10 | 164,776.94 | 166,292.79 | 167,808.63 |
| | £ | £ | £ | £ | £ |
| Band D | 1,792.59 | 1,917.89 | 2,051.95 | 2,174.86 | 2,283.39 |
| Increase | 4.99% | 6.99% | 6.99% | 5.99% | 4.99% |
| Council Tax revenue | £287.1m | £313.1m | £338.1m | £361.7m | £383.2m |
| Additional Council Tax (compared to current MTFS assumptions) | | +£5.9m | +£12.5m | + £16.7m | +£17.7m |
| Cumulative 4 year impact | | | | | +£52.8m |

OPEN

Children and Families Committee

Monday, 13 January 2025

Improvement Plan Progress Update

Report of: Theresa Leavy, Executive Director of Children's Services

Report Reference No: CF/35/24-25

Ward(s) Affected: All wards

Purpose of Report

- 1 This report is part of our regular updates to committee on the progress of the children's services improvement plan.
- 2 The improvement plan addresses the findings from the inspection which was agreed at the Children and Families Committee on 16 July and Full Council on 17 July. As agreed at the Children and Families Committee on 3 June, committee will receive updates on progress against this plan at each meeting so it can scrutinise the impact on outcomes for children.

RECOMMENDATIONS

The Children and Families Committee is recommended to:

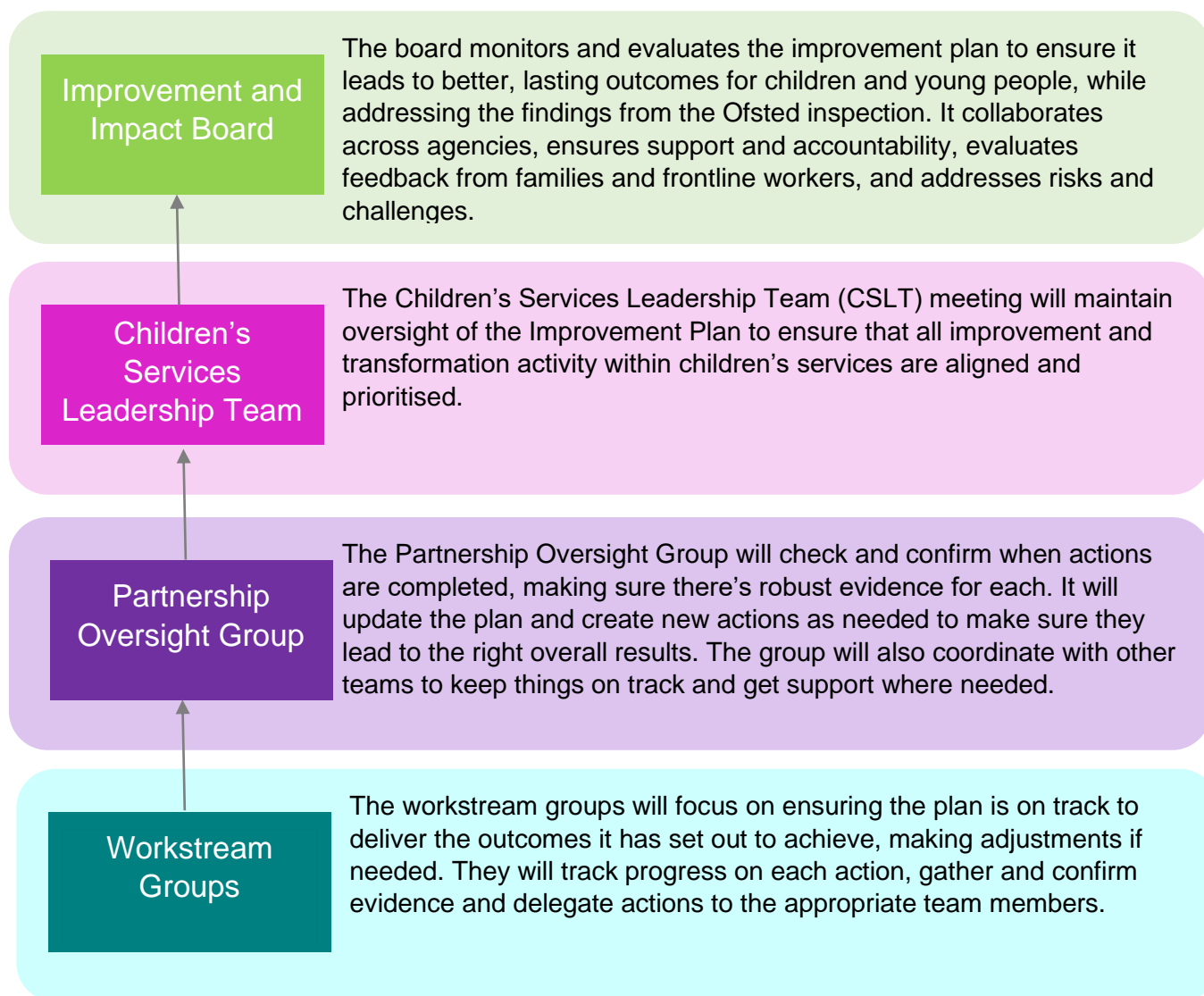
1. Note the progress against the improvement plan.

Background

- 3 Our first monitoring visit from Ofsted was due to take place in December. This will now take place in February 2025. We will keep committee informed on these arrangements and the findings through these reports.

Strengthened Improvement Arrangements

- 4 As highlighted in the previous committee we were in the process of implementing new governance arrangements which have now been implemented to support robust oversight of progress against the improvement plan. These have been communicated to managers in sessions in November.



- 5 In particular you will see above that an oversight group has been introduced to provide the scrutiny and challenge around the progress of the improvement plan. As discussed at the last board we identified the need to review interdependencies and timescales for actions including any revised timescales and therefore this group will be the forum to make those decisions. The set up for these new arrangements took place on 12 December.
- 6 The workstream groups will cover the areas of the improvement plan and progress the work, generally utilising some existing meeting spaces to avoid additional meetings. Our front-line staff have also been invited to inform our

service developments and contribute to the workstreams to ensure accountability from front line practice through to the senior leadership team.

- 7 Each workstream group's first meeting will focus on:
 - Reviewing the completed actions and establishing if there is sufficient evidence for each action to be confident the work is done.
 - Reviewing the action plan against the inspection findings and determining if we are on track to deliver the right outcomes for upcoming deadlines or amend where required.
 - Identify any gaps or blockers to the delivery of actions and or any changes required.
 - Agree new dates for completion on any that are delayed/overdue
- 8 Chairs of each workstream group will attend the Partnership Oversight Group, chaired by Improvement Director Lisa Davies, to present back findings on their workstream plan.
- 9 The Partnership Oversight Group will identify interdependencies and risks, manage resources, and pull in support where appropriate, and further develop the Improvement Plan.
- 10 We have recruited to a new QA officer position and part of this role will be to undertake quality assurance activity against areas of the improvement plan to test impact.
- 11 Having paused some of the external support to enable a fuller co-ordinated review of what work is required, discussions are taking place with the DfE to establish how we might now commission additional sector led improvement programme (SLIP) support with other local authorities to enable us to get the right support in other specific areas of practice.
- 12 In the last committee meeting, it was requested that where actions are delayed that we provide the new target dates. These will now be considered at the Oversight Group in January. As this committee will be taking place prior to that meeting it is noted in the overview plan for delayed action this will now show as under review until agreed at Overview for the new dates.
- 13 Quality assurance activity has been undertaken to ensure we are responding to the learning from audits and that we understand ourselves well. This has also helped us to prepare for the Ofsted monitoring visit. This included:
 - quality assurance of data lists

- a review of all the referred cases that were highlighted during the ILACS inspection to ensure actions have been completed and to consider the current quality of practice
- a review of the actions set following audits in the previous 6 months to ensure these have been completed.

14 The quality assurance service has now moderated all 22 of the audits that have taken place since May 2024 to ensure an accurate judgement of the quality of practice. Audit training has also now taken place to ensure accurate judgements moving forward, this was supported by our external DfE advisor.

15 We continue to work to strengthen the closing of the learning loop and ensure all learning is progressed and shared. This includes:

- Introducing a new two-week timeframe to complete all actions following any audit.
- For those judged to be inadequate additional measures have been put in place to immediately support the staff involved to address and improve practice.
- Implementation of an escalation process should audit actions not be completed in the appropriate timescale.
- Learning disseminated to all staff in a QA newsletter

Independent Review of the Front Door

16 We asked Dorset Council to provide an external and independent evaluation of our front door to inform our improvement activity and to support us to prepare for the Ofsted monitoring visit. This review provided assurance that the right decisions are being made for children and young people but improved partnership sharing of information would further strengthen this.

17 The review found the following strengths:

- No child found with unassessed risk in CHEC's
- The needs of the whole family and other connected children were considered
- There is positive and strong culture within the front door
- Staff were clear about the processes they needed to follow
- There was evidence of clear management oversight
- Pitstop meetings which discuss vulnerable person assessments (VPAs) from the police provide a holistic view of families' needs
- The emergency duty team are an experienced team with strong relationships to the front door team managers and a clear process on sharing information and recording referrals.

18 The areas for development identified were:

- Ensure all referrals are completed within the front door and in line with Statutory timescales
- Consider holding strategy discussions within the front door and review the use of strategy discussions
- Partnership representation within the front door and timeliness of information sharing (we don't currently have a Multi Agency Safeguarding Hub)
- Timescales and oversight for responses to children in need
- Consent is well understood but not always clearly recorded
- Children with SEND are not always having their needs identified and responded to early enough.

19 The actions in response to the areas for development will be endorsed by the Impact and Improvement Board in January and then included in Chapter 3 of the improvement plan as additional actions.

Progress against the plan

20 The improvement plan at appendix 2 includes updated RAG ratings and progress updates for each area as of 13 November 2024. Appendix 1 shows an overview of the ratings for each action and the impact for each plan area.

21 Key improvement activity which has taken place since the [last update to committee on 11 November](#) includes:

- Dorset Council's independent review of the front door provided assurance that the right decisions are being made for children and young people. This has strengthened our preparation for the Ofsted monitoring visit and identified areas where we can improve our practice.
- A new need to know process has been put in place to ensure senior leaders are sighted on our most vulnerable young people/ key risks, with a formal review process and shared thematic learning to further improve services and practice where applicable
- The first monthly Improvement and Performance meeting for leaders across all children's services took place in October, chaired by the Executive Director of Children's Services. This included analysis of the CHAT data and the vital signs scorecard. The measures in the vital signs report are being developed to ensure they drive meaningful conversations around outcomes and impact for children and families. This will be further strengthened with the new Performance framework which has now also been completed. An enhanced focus on all children's services measures is now in place with exception reporting taking place on the 22nd January 2025. This will facilitate reporting for the corporate council measures once agreed.

- The care leaver ambassadors gathered feedback during Care Leaver Week to contribute further ideas and recommendations for developing support to care leavers which were shared at the Care Leaver Local Offer Event on 13 November.
- The cared for IRO service is now holding fortnightly thematic performance meetings aligned to the improvement plan.
- We have begun to collate the feedback on the new child protection plan. Professional feedback has been received from our key safeguarding partners who have been wholly positive about the changes being more child focussed, impact focussed and easier for families to read and engage with. We are now obtaining feedback from families on the current format to enable a base line as well as engagement on the changes they would like to see. This will inform our next steps.
- We have launched a promotional video – [fostering is everything](#) – which shows the long-term impact fostering can have to show people how rewarding and life-changing fostering is. As well as achieving a fostering friendly status from the Fostering Network
- The pilot for our new personal education plan (PEP) has gone well with recommendations on some very tangible ways in which we can develop the form before a complete roll out to all schools in the spring term.
- Practitioners have been invited to be part of a practice reference group to shape services in Cheshire East and we have had good take up of this offer.

Impact for children and young people

- 22 Audits from October show that the majority of practice requires improvement, with 5 of 6 cases judged requires improvement and 1 case judged inadequate. Moderation findings agreed with the judgement of the auditor in 5 of 6 cases which gives us assurance about the impact of the recent audit training. However, to ensure this is embedded, the quality assurance service will continue to jointly moderate.
- 23 Strengths are clearly seen in case recording where we are writing to the child. Where this is happening, recording is more purposeful, more impactful and more sensitive.
- 24 Prior to the inspection there were no commissioned emergency beds, we now have two post 18 emergency beds, with an additional bed due to go live once vacant. This increased emergency bed capacity has meant that when young people are in crisis they have been able to access an emergency bed that meets their needs, and has avoided the use of unsuitable accommodation such as hotels.

Child and Family Feedback

- 25 Further work is required to ensure family feedback is gathered throughout our involvement and therefore a Family Feedback Strategy has been developed, pending formal sign off as part of our new governance arrangements (Practice, Policy and Procedure group). This includes strengthening the questions in our feedback so we can obtain some clear themes such as whether families feel listened to and involved in decision making.
- 26 Currently from the audits undertaken we have some feedback from children, young people and families, below is an extract:
- “We were treated with kindness and respect”
 “The social worker was brilliant, proactive and got everyone working together”
 “I feel safe in their [the social worker’s] hands”
 “I know the help we have had has changed our lives”
- 27 The participation team have been working with young people through October to develop the activities to celebrate November’s Children’s Rights month. This has included:
- 42 young people attending a Youth Work week event to take part in outcome-based activities and celebrate National Youth Work Week. The theme was ‘a right to youth work’ and senior managers were invited to have conversations and gather feedback and recommendations connected to the outcomes of the Children and Young People’s Plan. The recommendations from this work was presented at Children’s Trust Board on 14 November 2024. Further work is also being developed to ensure children and young people can work with the leads for each of the priorities within the CYP’s Plan so these are achieved collaboratively.
 - Young people from Cheshire East Youth Council took part in a Children and Families Committee ‘takeover’ to advocate on behalf of young people across Cheshire East by sharing the recommendations and priorities of young people. The young people launched their hate crime and discrimination campaign ‘Hate Stops Here’.
 - Preparing a young person who will participate in Takeover day to present their ideas and thoughts about issues that are important to them. These ideas include access to education resources for home educated children and young people and free access to GCSE exams.
- 28 The Care Leaver Ambassadors have delivered workshops at the Celebrating Practice staff events about the importance of positive relationships to improving outcomes. They have also captured the views of Care Leavers in preparation for the Local Offer Review Event and presented these ideas,

feedback and recommendations at the event which took place on 13 November 2024.

- 29 Young people co-produced and co-delivered the SEND annual conference where workshops were delivered and feedback gathered in respect of preparing for adulthood and transitions, health and wellbeing and inclusion. The feedback gathered at this event will be presented to the SEND partnership board on 22 November 2024.

Risks/ key areas requiring improvement

- 30 As highlighted above, the quality of practice is not where we need it to be, with the majority of cases judged requires improvement. However, this isn't unusual on an improvement journey as progress requires time and significant development which is being addressed in our improvement plan. What is reassuring is, that despite overall poor audit gradings, some areas of the practice was identified to be good and we are supporting staff to build on this so it can be reflected in all areas of the work undertaken with children.
- 31 Management oversight and supervision remains a key area for improvement to facilitate a good line of sight to the practice and will drive the quality of work, which our enhanced performance oversight will further support. Some service changes are looking to manage some of our work more effectively and this should also support managers to have improved oversight.

Update on Recruitment

- 32 The following roles were agreed by committee and full Council as additional capacity to support service improvements, starting from September onwards:

| <u>Roles</u> | <u>Update</u> |
|--|---|
| Independent Reviewing Officers (IRO) x 2 | There has been agreement that these can be advertised as permanent positions as the 18 month contracts were not attracting enough interest/suitable candidates. These posts are covered by agency in the interim. 1 candidate has been offered a role and we are awaiting a response. |
| Connected carer assessors x 2 | Advert closed on 29 November 2024. We have appointed to one post and the other post is being readvertised. |
| Social worker x 6 | As outlined in the previous report to committee, 4 agency social workers have been appointed into Macclesfield and Crewe within Children in Need and Child Protection as these are experienced workers. This is the same cost as 6 non-agency social workers. A workforce strategy will be a priority action to support recruitment including a proposal for international recruitment. |

| | |
|--|---|
| PAs x 3 | Recruited 3 additional staff on an agency basis, however, due to turnover within the service they are now no longer additional capacity and additional resource is being sourced. |
| Quality Assurance Officer | This post has been appointed to and the start date is 3 December 2024. |
| Project Manager to lead development of 18-25 accommodation | Internal secondment appointed on 1 July to enable work on this area to start immediately. Post funded by the service until 1 September. |

- 33 The spend to the end of October for the posts is £45,681 (4 social workers and Project Manager).

Consultation and Engagement

- 34 We are continuing to work together with children, young people, young adults, parents/carers, staff, and partners to develop, deliver and evaluate improvements, as outlined above. Children, families and practitioners' views are actively sought through our audit process. Practitioners have been invited to be part of a practice reference group to shape services in Cheshire East.

Reasons for Recommendations

- 35 Cheshire East Council's children's services received an inadequate judgement from the Ofsted inspection. The inspection demonstrated that there are areas we need to address at pace to improve outcomes for children. The council needs to ensure the findings from the inspection are addressed in a timely way to ensure we achieve good outcomes for children and young people and members need to be assured that the arrangements in place to address the shortcomings and make the necessary improvements are sufficiently robust and will deliver good or better outcomes for our children within a reasonable timeframe.

Other Options Considered

| Option | Impact | Risk |
|--|--|---|
| Do not scrutinise the improvement plan | Committee will not have oversight of progress against the plan so cannot be assured that outcomes will be improved for children and young people | There is a risk that improvements are not achieved at the pace needed |

Implications and Comments

Monitoring Officer/Legal

- 36 Members of the committee need to be assured that all requirements and recommendations within the ILACS report and the improvement notice (served upon the council by the DfE on the 24 July 2024 resulting from the Ofsted inspection findings), are complied with and that the plans in place deliver the improvements required are within the timescales set by the DfE.
- (a) Failure to comply or poor progress against the Improvement Plan can result in the imposition of directions to secure performance, which can include DfE intervention and nomination of a person to act on its behalf to secure performance.
- 37 The protection of vulnerable people is a council responsibility. Continued regular oversight by members of the Childrens and Families Committee, alongside the overall approach to improving service provision, aligns with this obligation.

Section 151 Officer/Finance

- 38 The additional resources linked to the plan are expected to be starting during September 2024 or in April 2025 in line with the costed plan, therefore the cost to date in our accounts is £45,681 at the end of October 2024.
- 39 The improvement plan to address the findings from the inspection was agreed at the Children and Families Committee on 16 July and Full Council on 17 July, which included the approach to the funding of the plan.

Policy

A council which empowers and cares about people

Work together with residents and partners to support people and communities to be strong and resilient.

Protect and support our communities and safeguard children, adults at risk, and families from abuse, neglect, and exploitation.

Be the best Corporate Parents to our children in care.

Ensure all children have a high quality, enjoyable education that enables them to achieve their full potential

Equality, Diversity, and Inclusion

- 40 Good quality practice with families ensures that all children and young people's needs are considered and supported.

Human Resources

- 41 Additional capacity has been requested to support the delivery of the improvement plan and an update on this is included within the body of the report. HR are supporting the improvement work and a recruitment and retention strategy is being developed.

Risk Management

- 42 There are reputational and financial risks to not providing good quality services, as well as risks to individual children and young people. The council must continue to ensure that these risks are mitigated by ensuring effective plans are in place to improve and that these make an impact on children's outcomes. The risk of failing to deliver the improvement plan has been added to the council's corporate risk register and this risk is monitored quarterly through the Corporate Policy Committee.

Rural Communities

- 43 Vulnerable children and young people are present in all communities in Cheshire East.

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

- 44 The improvement plan aims to improve the outcomes for our most vulnerable children and young people.

Public Health

- 45 Same as the implication above.

Climate Change

- 46 There are no implications for climate change because of this report.

| Access to Information | |
|------------------------------|---|
| Contact Officer: | Lisa Davies, Interim Director for Improvement, Children's Services Lisa.davies@cheshireeast.gov.uk |
| Appendices: | Appendix 1: RAG rating overview |

| | |
|--------------------|---|
| | Appendix 2: Improvement Plan |
| Background Papers: | Report on the improvement plan to the Children and Families Committee on 11 November 2024 Report on the improvement plan to the Children and Families Committee on 16 September 2024 Report on the improvement plan to the Children and Families Committee on 16 July 2024 Report on the Ofsted inspection findings to the Children and Families Committee on 3 June 2024 Cheshire East's Ofsted Inspection Report published 16 May Ofsted ILACS Framework |

Improvement Plan

Rating Overview

Ratings as at 13 November 2024.

Key

| Colour | Action Definition | Impact Definition |
|---------|--|--|
| Grey | Not started yet | Too early to measure impact |
| Red | Not on track | No impact or very limited impact / improving outcomes for a few children and young people |
| Amber | On track to be completed within timescales | Some positive impact but this is variable and does not consistently improve outcomes for children and young people |
| Amber E | Completed but we need to embed and evidence impact | |
| Green | Completed and embedded with evidence of impact | Positive and consistent impact which delivers improved outcomes for children and young people |

Chapter 1

| Senior Leaders' Oversight | | Impact: Grey | |
|---------------------------|--|--------------|-----------|
| Ref | Action | Due by | RAG |
| SL1 | Reporting and governance arrangements | Sept 24 | Reviewing |
| SL2 | Participation activity forward plan | Sept 24 | Reviewing |
| SL3 | Improvement Board | July 24 | Amber E |
| SL4 | Children's Services Strategic Quartet | July 24 | Amber E |
| SL5 | Corporate parenting strategic board | Nov 24 | Amber E |
| SL6 | LGA corporate parenting training | Nov 24 | Reviewing |
| SL7 | Care leaver champions | Dec 24 | Reviewing |
| SL8 | Cared for children and care leavers strategy | Nov 24 | Reviewing |
| SL9 | Quality assurance framework | May 24 | Reviewing |
| SL10 | Service manager thematic audit group | Aug 24 | Amber E |
| SL11 | Share audit findings with teams | Sept 24 | Amber E |
| SL12 | Vital signs performance report | Sept 24 | Amber E |
| SL13 | Councillor frontline visits | Nov 24 | Reviewing |
| SL14 | Children's social care national framework implications | Nov 24 | Reviewing |
| SL15 | 'Doing the Basics Brilliantly' | Sept 24 | Amber E |
| SL16 | Examples of good practice | Aug 24 | Amber E |
| SL17 | Strengthen children's feedback through audits | Jan 25 | Reviewing |
| SL18 | Seek families' views through interventions | Jan 25 | On track |

| Care Leavers: Quality of Practice | | Impact: Grey | |
|-----------------------------------|-------------------------------|--------------|-----------|
| Ref | Action | Due by | RAG |
| CLA1 | Practice standards | June 24 | Amber E |
| CLA2 | Mandatory training plan | June 25 | On track |
| CLA3 | Management structure | April 24 | Amber E |
| CLA4 | New pathway plan format | May 24 | Amber E |
| CLA5 | Restorative practice training | Nov 24 | Reviewing |

| | | | |
|------|---|---------|---------|
| CLA6 | Arrangements for young adults where there are safeguarding concerns | Sept 24 | Amber E |
| CLA7 | Recruit Care Leaver Ambassadors | Oct 24 | Amber E |

| Care Leavers: Planning for Adulthood | | Impact: Grey | |
|--------------------------------------|---|--------------|-----------|
| Ref | Action | Due by | RAG |
| CLB1 | Planning for adulthood on care entry | Oct 24 | Reviewing |
| CLB2 | Review Ignition Panel | Sept 24 | Amber E |
| CLB3 | Preparing for adulthood in practice standards | June 24 | Amber E |
| CLB4 | Care leaver hubs | July 24 | Amber E |
| CLB5 | Transition policy | Dec 24 | Reviewing |
| CLB6 | Health histories development | Oct 24 | Reviewing |
| CLB7 | PA training on health histories | June 24 | Amber E |
| CLB8 | Local offer app | Aug 24 | Amber E |
| CLB9 | Review the local offer | Dec 24 | On track |
| CLB10 | PA training on the local offer | July 24 | Amber E |
| CLB11 | Participation opportunities at hubs | July 24 | Amber E |
| CLB12 | Free bus pass for care leavers | Oct 24 | Amber E |

| Care Leavers: EET | | Impact: Grey | |
|-------------------|--|--------------|----------|
| Ref | Action | Due by | RAG |
| CLC1 | EET plans for young people | Sept 24 | Amber E |
| CLC2 | Offer of EET opportunities | Mar 25 | On track |
| CLC3 | Work with local businesses and organisations | Mar 25 | On track |
| CLC4 | Support on employment preparation | Oct 24 | Amber E |

| Care Leavers: Accommodation | | Impact: Grey | |
|-----------------------------|--|--------------|----------|
| Ref | Action | Due by | RAG |
| CLD1 | Emergency accommodation protocol | Aug 24 | Amber E |
| CLD2 | Review all young people who are/ at risk of being homeless or in emergency accommodation | June 24 | Amber E |
| CLD3 | Temporary and emergency accommodation meeting | June 24 | Amber E |
| CLD4 | PA training on housing support | July 24 | Amber E |
| CLD5 | Project group for accommodation | July 24 | Amber E |
| CLD6 | Review temporary and emergency options | Sept 24 | Amber E |
| CLD7 | Proposals to address accommodation shortages | July 24 | Amber E |
| CLD8 | Flexibilities in current contracts for 16-18 year olds' accommodation | Oct 24 | Amber E |
| CLD9 | 18-25 accommodation offer | Mar 26 | On track |

| Care Leavers: aged over 21 | | Impact: Grey | |
|----------------------------|---|--------------|---------|
| Ref | Action | Due by | RAG |
| CLE1 | Contact all 209 care leavers over 21 | Mar 24 | Amber E |
| CLE2 | 21+ offer protocol | July 24 | Amber E |
| CLE3 | Review care leavers 21+ with a disability | June 24 | Amber E |
| CLE4 | Tracker for care leavers 21+ | May 24 | Amber E |
| CLE5 | Quality assurance of care leavers 21+ | Aug 24 | Amber E |

| | | | |
|------|--|--------|----------|
| CLE6 | Review the impact of 21+ offer with young adults | Jan 25 | On track |
|------|--|--------|----------|

| Quality of Plans | | Impact: Grey | |
|------------------|-------------------------------------|--------------|-----------|
| Ref | Action | Due by | RAG |
| P1 | Restorative practice model | Aug 24 | Reviewing |
| P2 | Masterclasses | Apr 25 | On track |
| P3 | Management session on planning | Sept 24 | Amber E |
| P4 | Reflective case discussions for CP | July 24 | Amber E |
| P5 | Permanence action plan | Jan 25 | On track |
| P6 | Practice standards on care planning | Aug 24 | Amber E |
| P7 | Review permanence decision panels | Oct 24 | Amber E |
| P8 | Training on partnership challenge | Dec 24 | Amber E |
| P9 | Revise CP plan with families | Nov 24 | On track |
| P10 | Revise care plan with families | Dec 24 | On track |

| Quality and Frequency of Visits | | Impact: Grey | |
|---------------------------------|--|--------------|-----------|
| Ref | Action | Due by | RAG |
| V1 | Performance framework | Sept 24 | Amber E |
| V2 | Masterclasses on visiting | Sept 24 | Amber E |
| V3 | Visiting template | July 24 | Amber E |
| V4 | e-learning on visiting | Aug 24 | Amber E |
| V5 | Training on recording | Oct 24 | Reviewing |
| V6 | Make children's views clear within records | Mar 25 | Reviewing |
| V7 | Review visiting in supervision | Jan 25 | On track |

| Management Oversight and Supervision | | Impact: Grey | |
|--------------------------------------|---|--------------|----------|
| Ref | Action | Due by | RAG |
| MO1 | Leadership development programme | June 25 | On track |
| MO2 | CSC management programme | Apr 25 | On track |
| MO3 | Supervision policy and guidance | Sept 24 | Amber E |
| MO4 | Supervision training | Mar 25 | On track |
| MO5 | Permanence tracker | Oct 24 | Amber E |
| MO6 | Review plans for cared for children who are not in foster care or planning to return home | July 24 | Amber E |
| MO7 | Include children's views in the supervision form | Oct 24 | Amber E |

| Effectiveness of IROs | | Impact: Grey | |
|-----------------------|--|--------------|---------|
| Ref | Action | Due by | RAG |
| IR1 | IRO performance management framework | Sept 24 | Amber E |
| IR2 | IROs on management programme | April 24 | Amber E |
| IR3 | IRO practice standards | Sept 24 | Amber E |
| IR4 | Quarterly IRO development days | June 24 | Amber E |
| IR5 | IRO quality assurance alert guidance | Aug 24 | Amber E |
| IR6 | Challenge permanence performance | July 24 | Amber E |
| IR7 | Consult with children on the impact of the cared for IRO service | July 24 | Amber E |

| Sufficiency of Placements | | Impact: Grey | |
|---------------------------|--|--------------|-----------|
| Ref | Action | Due by | RAG |
| S1 | Family network culture | Sept 24 | Reviewing |
| S2 | Join Foster4 | May 24 | Amber E |
| S3 | Build Foster4 offer and front door | Oct 24 | Amber E |
| S4 | Opportunities for fostering marketing | Oct 24 | Amber E |
| S5 | Specialist foster carers to support step down from residential | Dec 24 | On track |
| S6 | Third Mockingbird constellation | Sept 24 | Amber E |
| S7 | Three council residential homes | Dec 24 | Reviewing |
| S8 | Deep dive on reunification | Dec 24 | Reviewing |
| S9 | Joint commissioning high needs placements | Dec 24 | On track |
| S10 | Young people influence recruitment of foster carers | Sept 24 | Amber E |
| S11 | Homes for cared for children workstream | Dec 24 | Reviewing |

Chapter 2

| The Front Door | | Impact: Grey | |
|----------------|---|--------------|-----------|
| Ref | Action | Due by | RAG |
| FD1 | Contact guidance | July 24 | Amber E |
| FD2 | Review LA MASH arrangements | Aug 24 | Amber E |
| FD3 | Multi-agency workshop reviewing front door arrangements | Sept 24 | Reviewing |
| FD4 | Chapter 3 Working Together | Dec 24 | On track |

| Strategy Meetings | | Impact: Grey | |
|-------------------|-------------------------------|--------------|---------|
| Ref | Action | Due by | RAG |
| SM1 | Workshop on strategy meetings | Aug 24 | Amber E |
| SM2 | Minute-taking training | Aug 24 | Amber E |
| SM3 | Management analysis box | June 24 | Amber E |

| Life-story work and later-life letters | | Impact: Grey | |
|--|---------------------------------------|--------------|-----------|
| Ref | Action | Due by | RAG |
| LS1 | Commission training | Aug 24 | Reviewing |
| LS2 | Life-story work in practice standards | Aug 24 | Amber E |
| LS3 | Monitoring for life-story work | Aug 24 | Amber E |

| Health of Cared for Children | | Impact: Grey | |
|------------------------------|---|--------------|-----------|
| Ref | Action | Due by | RAG |
| H1 | Prioritisation for vulnerable children for CYPMHS support | Mar 25 | On track |
| H2 | Waiting well initiatives | Mar 25 | On track |
| H3 | Review emotional support for UASC | Mar 25 | On track |
| H4 | Joint health and CSC reviews of health assessments timeliness | May 24 | Amber E |
| H5 | LA single point of contact | May 24 | Amber E |
| H6 | Quarterly reporting to NHS England | May 24 | Amber E |
| H7 | Health and wellbeing workstream | Dec 24 | Reviewing |

| Education for Cared for Children | | Impact: Grey | |
|----------------------------------|--|--------------|-----------|
| Ref | Action | Due by | RAG |
| ED1 | Education advisor attendance meetings | Apr 24 | Amber E |
| ED2 | Attendance forum | Apr 24 | Amber E |
| ED3 | Multi-disciplinary attendance meetings | Apr 24 | Amber E |
| ED4 | PEP training | Dec 24 | On track |
| ED5 | Review PEP form | Sept 24 | Amber E |
| ED6 | Benchmark cared for attainment against their peers | Sept 24 | Reviewing |
| ED7 | Audit young adults who are NEET at 20 | Aug 24 | Reviewing |
| ED8 | Use RONI to identify at risk of NEET | Nov 24 | On track |

| Workforce | | Impact: Grey | |
|-----------|--------------------------------------|--------------|-----------|
| Ref | Action | Due by | RAG |
| W1 | Financial support for the plan | July 24 | Amber E |
| W2 | Capacity for the care leaver service | July 24 | Reviewing |
| W3 | Review IRO capacity | July 24 | Amber E |
| W4 | Recruitment and retention group | Sept 24 | Amber E |
| W5 | Recruitment and retention strategy | Dec 24 | On track |
| W6 | Recruitment campaign | Jan 25 | On track |
| W7 | Reporting on caseloads | Aug 24 | Amber E |
| W8 | Masters apprenticeship scheme | Mar 25 | On track |
| W9 | Seek practitioner views | Mar 25 | On track |
| W10 | Communicate improvement progress | Mar 25 | On track |
| W11 | Seek children's views through audit | Monthly | Amber E |



Children's Services Improvement Plan

April 2024 – March 2025

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Chapter 3Error! Bookmark not defined.

Actions from internal assessment activities from September 2024Error! Bookmark not defined.

Introduction

This is our action plan to address the findings from the Ofsted inspection of children's services in Cheshire East which took place in February and March 2024. The findings from the inspection are available in a report on the [Ofsted website](#). The inspection gave Cheshire East's children's services an overall grading of inadequate and found that although some improvements had been made since our last inspection in 2019, the quality of practice and the experience and progress of children and young people was too variable, and for care leavers this was inadequate. We need to make significant improvements and this plan sets out how we will do this.

We are committed to improving outcomes for children and young people. We will use the inspection findings to continue to improve the support we offer. This plan responds to all the areas identified in the inspection report. Immediate action was taken to improve services, starting during the inspection, and this is reflected in the plan alongside longer-term actions and ambitions.

Through the delivery of our plan and our programme of improvement, we will continue to embed a culture of high support and high challenge and be a **child-focused** organisation that works **together with** people, through effective relationships that support positive change. We know our workforce is our most important asset and we will continue to support and regularly communicate with frontline practitioners and managers so everyone understands their role in improvement and we co-produce, deliver, evaluate and celebrate changes together.



Context

This inspection, and previous inspections, have shown that Cheshire East's children's services have not provided consistently good quality support to our children and young people. We were judged inadequate in 2013 and 2024. In developing this plan, we have critically considered what barriers have prevented us from achieving good quality services to date. We have recognised that in the past we have moved from fixing problem to problem, which has led to a 'stop/start' approach. We now need to embed a systemic approach to improvement; changing our culture, developing the right systems and processes to ensure we routinely evaluate impact, and holding our shape around the changes we expect to see – holding the right people accountable consistently at every level.

We will be reviewing and changing our services in line with the [children's social care national framework](#) to ensure that we deliver consistently good quality practice that achieves strong outcomes for children and young people.

Cheshire East Council, like councils across the country, has been experiencing unprecedented financial pressures. In February 2024, the council approved a balanced budget for 2024/25, which included spending money from reserves to cover the impact of additional financial pressures. The level of reserves is now insufficient to adequately protect the council against future risks. Forecasts indicate there is four-year funding gap of £100m to balance the budget and hold an appropriate level of reserves.

Alongside the improvement programme in children's services, Cheshire East Council has embarked on a significant transformation programme. The council-wide transformation plan will aim to address the funding gap and will be submitted to the Department for Levelling Up, Housing and Communities (DLUHC) as part of the criteria for exceptional financial support from the government.

We calculate that £1.986m of additional investment will be required to support children's services to deliver our improvement plan at pace. A

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costed proposal for additional capacity and expertise to support improvement was received and agreed by the Children and Families Committee and Full Council in July 2024.

Challenges for children's services are challenges for the whole council, and there is whole-council commitment and support for delivering this plan. This improvement plan is part of the council's transformation and has been informed by the findings from the LGA corporate peer review in March 2024.

The council's transformation plan will also support us to achieve our improvement plan. Cheshire East Council's transformation will include changes to the organisation's culture - embedding high standards, and effective challenge and performance management where these are not met, focusing on outcomes, not process. These messages will be echoed through our children's leadership and management programme.

The council's transformational plan will also support improved working between council services and improve the support to services from enablers.

This plan also feeds into our wider strategy for developing the council's children's services, the Together Strategy, which has the following building blocks:

- **Together supporting and enabling our workforce:** we have the right people, with the right skills and support to improve the outcomes of our children and young people
- **Together connecting as one team:** we work as one team across children's and adult services with shared skills, processes and communication to focus on the needs and experiences of children, young people and their families
- **Together improving and innovating our services:** our children, young people and their families have consistently good/ outstanding experiences of our services

- **Together collaborating with our families, colleagues and partners:** we adopt an 'experts by experience' approach that ensures that those receiving or delivering our services help to shape them.

Coproduction

In Cheshire East, we aim to work [TOGETHER](#) and adopt an 'experts by experience' approach that ensures that those receiving or delivering services help to shape them.

We will engage children and young people throughout our improvement journey in developing and delivering improvements. Children and young people's views will influence our delivery on a child, service, and strategic level. We are developing a new Corporate Parenting Board that will include care experienced young people as key members. Young people will be involved in shaping and evaluating services through the Corporate Parenting Board, our young people's participation groups, through our audits, young people's surveys, and the local offer app.

We will also continue to engage with practitioners and managers within our frontline teams to ensure we are all delivering improvements together, and we will ensure their feedback, and feedback from our partners, informs our evaluation of impact.

Support and Challenge

We are committed to delivering this plan and achieving consistently good and better services that achieve strong outcomes for children and young people. We know that we cannot deliver this plan alone, and that we need to work together with our children, young people and families, with our teams, across the partnership and throughout the council.

Throughout the development of the plan, we have engaged with frontline practitioners and managers on the inspection findings and what support

they need moving forwards, and we will continue to engage with our workforce throughout the delivery of the plan to ensure we are all on this journey together.

This plan has been developed together with and provided with scrutiny and challenge by:

- service managers and service leads, including partners
- the children’s social care leadership team
- the children’s services leadership team
- the council’s leadership team
- the Safeguarding Children’s Partnership
- the Improvement and Impact Board
- elected members on the Children and Families Committee and Cared for Children and Care Leavers Committee.

The final plan was endorsed by full Council.

We will continue to invest in our workforce through training, development, and management and leadership support and challenge. Training has been tailored to the areas for improvement raised during the inspection and will continue to be responsive to development needs throughout the year as identified in quality assurance and monitoring activity. This includes a bespoke leadership programme for all leaders within children’s services to embed a culture of high support and high challenge, and embedding restorative practice as our practice model so we build strong relationships that support effective change. The impact of training and support on practice will continue to be evaluated through the delivery of this plan so we can adapt and respond to areas for improvement.

We will also seek to ‘infect our system’ with good practice by collecting and sharing examples of good practice with teams.

We also recognise the enormous value from learning from other areas. We are currently working with Stockport through the sector led improvement programme (SLIP) to embed our practice model, restorative practice. We

have tailored this support to help to address the inspection findings. We have reviewed successful improvement plans in other areas and sought advice from other authorities and external bodies with specialist expertise, including the LGA and DfE, to support the development of this plan and will continue to use these sources throughout out improvement journey. We will continue to learn from innovative and best practice in other areas to improve our offer for children and young people in Cheshire East.

Monitoring Impact

The first chapter of the plan is structured under the seven areas for improvement highlighted in the 2024 Ofsted inspection report. It starts with senior manager oversight, to ensure this drives continuous improvement, followed by care leavers, as this is the area requiring the greatest improvement. The second chapter considers the additional areas for development from the inspection report. The third chapter covers additional actions identified through internal assurance activities.

The plan sets out the actions we will take to improve services. What is most important is that what we do makes a difference, so each month we will report on impact against the inspection findings. Progress against actions and impact against the inspection findings will be rated using the following:

| Colour | Action Definition | Impact Definition |
|--------|--|--|
| Grey | Action not started yet, no risk to implementation anticipated | Too early to measure impact |
| Red | Action not on track | No impact or very limited impact/ improving outcomes for a few children and young people |
| Amber | Action not yet completed, but on track to be completed within timescales | Some positive impact but this is variable and does not |

| | | |
|------------|---|---|
| Amber E | Action completed but we need to embed and evidence impact | consistently improve outcomes for children and young people |
| Green | Action completed and embedded with evidence of impact | Positive and consistent impact which delivers improved outcomes for children and young people |

Each section of the plan has a dedicated senior leader who is responsible for achieving and reporting on impact. The sources we will use to assess our impact for each area of the plan are outlined in each section. These include:

- Seeking and listening to children and young people's experiences
- Single agency and multi-agency audits
- Performance indicators
- Listening to practitioners and managers, including within partner agencies
- Recruitment and retention information.

Our impact on work with children and young people will also be evaluated through Ofsted and DfE monitoring visits.

The plan will be a live and responsive plan, so will adapt to incorporate new actions as needed. The plan covers the activity we will carry out over a 12-month period from April 2024 to March 2025. A new plan will be developed after this plan is completed for the period from April 2025 onwards.

Governance and Accountability

Progress against the plan will be driven by senior leaders and will be assessed and monitored through usual management arrangements including senior management meetings and supervision.

An independently chaired Improvement and Impact Board will formally scrutinise progress and impact monthly. Key members of the Safeguarding

Children's Partnership and the council's senior leadership team are members of the Improvement and Impact Board.

The Corporate Parenting Board will drive developments for cared for children and care leavers, and so will contribute to delivering improvements in relation to the inspection findings.

The Safeguarding Children's Partnership will receive six monthly updates on progress enabling all members to scrutinise and challenge progress.

The Children and Families Committee will scrutinise impact against the plan at every committee meeting.

The Cared for Children and Care Leavers Committee will scrutinise progress pertinent to care experienced young people and will receive reports on the work of the Corporate Parenting Board and its impact on improving outcomes for these young people.

The Children's Services Strategic Quartet, chaired by the council's chief executive, will scrutinise progress against the plan at every meeting.

Progress will also be reported into the corporate assurance panel, an external panel monitoring the council's transformation.

Key stakeholders, including our workforce, will be kept informed of progress through quarterly communications. Feedback from our workforce will continue to be sought through existing forums/ mechanisms such as team meetings, senior leaders walking the floor, councillor frontline visits, and #talktogether staff sessions.

Glossary

The legal definition of a care leaver comes from The Children (Leaving Care) Act 2000 which states that a care leaver is someone who has been in the care of the local authority for a period of 13 weeks or more spanning their 16th birthday.

Care leavers can also be referred to as care experienced young people or young adults, as they have had experience of being in care. This term tends to be preferred by young people/ young adults. Both terms are used interchangeably within this plan.

| Abbreviation | Expansion |
|--------------|--|
| CINCP | Child in Need and Child Protection |
| CYPMHS | Children and young people's mental health services |
| DfE | Department for Education |
| DLUHC | Department for Levelling Up, Housing and Communities |
| EET | Education, employment or training |
| ICB | Integrated Care Board |
| IRO | Independent Reviewing Officer |
| LGA | Local Government Association |
| MASH | Multi-agency safeguarding hub |
| NEET | Not in education, employment or training |
| NHS | National Health Service |
| PAs | Personal Advisors |
| PEPs | Personal education plans |
| RONI | Risk of NEET indicators |
| SLIP | Sector led improvement programme |
| SMART | Specific, measurable, achievable, relevant, time-based |
| UASC | Unaccompanied asylum-seeking children |

Children's Services Improvement Plan on a Page

Our improvement plan sets out how we will address the findings from the [Ofsted inspection of local authority children's services \(ILACS\)](#) in February and March 2024. It covers the 7 areas inspectors highlighted:

| Senior leaders' oversight | Care leavers | Quality of plans | Quality and frequency of visits | Management oversight and supervision | Effectiveness of IROs | Sufficiency of placements |
|---|---|--|---|---|---|--|
| What the inspection found: We need to improve how we monitor if children are getting the right support, as some children were not getting support that was good enough | What the inspection found: We need to improve the quality and consistency of support to care leavers, including those who are homeless and those who are over 21 | What the inspection found: We need to improve the quality of plans for children so they are child-focused and drive timely change | What the inspection found: We need to improve the quality and frequency of visits to children to ensure they are purposeful and in line with children's assessed needs. | What the inspection found: We need to improve the quality of management oversight and supervision to ensure this supports consistently good practice | What the inspection found: We need to improve the effectiveness of child protection chairs and IROs to escalate, challenge, and scrutinize plans for children | What the inspection found: We don't have sufficient placements to meet children and young people's needs |
| What we will do: Review reporting and governance arrangements Develop a Family Feedback Strategy Monitor progress against the improvement plan monthly through an independently chaired Improvement Board Embed 'Being Brilliant at the Basics' Revise quality assurance in line with our improvement plan Step up a new Corporate Parenting Board to ensure there is a whole council and partnership approach to improving outcomes for care experienced young people Commission corporate parenting training for senior leaders and elected members Develop care leaver champions across the council Ensure councillors have oversight of practice through practice weeks | What we will do: Develop practice standards Roll out a mandatory training plan specific to the care leavers service Change the management structure Revise the format of the pathway plan with young people Formalise arrangements around young adults where there are safeguarding concerns Develop care leavers hubs in Crewe and Macclesfield Launch an app for the local offer Develop EET plans for all young adults who are NEET and able to work Increase apprenticeships and other route to work opportunities Refresh the protocol for care leavers in emergency accommodation Mobilise additional accommodation options for 16-18 year olds Implement a wider 18-25 accommodation offer Review the 21+ offer and approach | What we will do: Embed restorative practice Continue to run masterclasses on plans Hold a management and leadership session on plans Establish reflective case discussion meetings to progress outcomes for children on longer child protection and repeat plans Develop a permanence strategy Refresh the practice standards on care planning Review permanence decision panels Explore what partnership training is needed to support effective challenge Develop a new child protection plan in partnership with children, young people and families Review the cared for plan in partnership with children, young people and families | What we will do: Strengthen the performance framework to ensure there is robust performance management of visits to children Deliver masterclasses on purposeful visits Reissue the visiting template to support consistent recording Develop and roll-out e-learning on visiting Team managers to review visiting schedules in supervision, and IROs and CP chairs to have oversight of frequency visits to children | What we will do: Commission a bespoke leadership development programme for all leaders in children's services Deliver an in-house leadership and management programme for children's social care tailored to our areas for improvement Update the supervision policy and develop practice guidance on reflective supervision All managers to complete supervision training Embed the permanence tracker Review the care plans for all cared for children who are not currently in foster care or planning to return home | What we will do: Review the performance management framework for IROs Include IROs in the in-house and commissioned leadership and management programmes Review and refresh the IRO practice standards Hold an IRO service development day every 3 months Revise the guidance on IRO quality assurance alerts to support outcome-focused practice Explore and challenge performance around permanence in performance clinics | What we will do: Embed a culture of considering support from the family network at the earliest opportunity Join Foster4 Work in partnership with the other Foster4 LAs to build our offer – ensuring there is an effective front door to support those who make an enquiry about becoming a foster carer Explore opportunities within the council to increase fostering marketing and raise awareness of fostering Develop specialist foster carers to support children to step down from residential care Develop our third Mockingbird constellation Open three council residential children's homes Carry out a deep dive on reunification and step down for children from care Investigate the potential for joint commissioning of high needs placements |

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Children's Services Improvement Plan Timeline

Our improvement plan set out how we will address the findings from the [Ofsted inspection of local authority children's services \(ILACS\)](#) in February and March 2024. This is the timeline for what we will achieve by delivering our plan.

What we achieved by the end of June 2024

1. All 209 21+ care leavers contacted and offered support. Tracker in place to monitor engagement with 21+ care leavers
2. New management structure in the care leavers service
3. Developed and started delivering a bespoke training programme for the care leavers service
4. New practice standards for the cared for and care leavers service.
5. Coproduced new pathway plan
6. Foster4 – we joined and launched new service
7. Opened a new residential home – Flude House
8. Revised quality assurance framework
9. New Improvement and Impact Board to drive and evaluate progress against the improvement plan
10. New Children's Services Strategic Quartet to provide improved leadership and accountability for children's services
11. Director level project group for accommodation for cared for young people and care leavers

What we achieved by the end of September 2024

12. Care leaver hubs (safe spaces) in Crewe and Macclesfield
13. Local offer app launched
14. Proposals in place to address 16-18 and 18-25 accommodation shortages
15. Revised protocol for care leavers in emergency accommodation
16. All young adults who are NEET and able to work will have an EET plan
17. Reflective case discussions established for longer child protection and repeat plans
18. Third Mockingbird constellation
19. Senior leaders and first tranche of managers trained in our bespoke management and leadership programme
20. Revised supervision policy
21. Vital signs performance report in place to support evaluation of the improvement plan

What you will see by the end of December 2024

22. Additional capacity in place to deliver the improvement plan
23. First meeting of the multi-agency corporate parenting strategic board
24. LGA corporate parenting training rolled out for senior leaders and elected members
25. Local offer reviewed together with young people and partners
26. New coproduced child protection plan
27. New coproduced care plan
28. Additional accommodation options in place for young people aged 16-18 using flexibilities/ modifications in current contracts
29. Refreshed recruitment and retention strategy

What you will see by the end of March 2025

30. Strengthened performance framework
31. Care leaver champions across the council
32. New permanence action plan
33. All managers completed supervision training
34. Increased apprenticeship opportunities and other route to employment opportunities in place for care leavers
35. Approaches in place to ensure the most vulnerable children and young people are prioritised for mental health support
36. 'Waiting well' initiatives developed with key health providers and third sector provision
37. Reviewed emotional support offer for unaccompanied asylum seeking children and young people
38. Refreshed recruitment campaign to attract high quality practitioners and managers to Cheshire East

Improvement Plan

All ratings are accurate as at 13 November 2024.

Chapter 1

1. Senior Leaders' Oversight

| What needs to improve | | | | |
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| Senior leaders' oversight of performance to ensure that there is a coherent approach to continuous improvement. | | | | |
| Section Lead | Director of Family Help and Children's Social Care | | | |
| What inspectors found | <ul style="list-style-type: none">• Senior leaders had not recognised, until this inspection, the extent of improvement required in services for care leavers. Systems to monitor and track groups of individual children have not been effective in identifying vulnerable care leavers who are not receiving the services they need. As a result, too many vulnerable care leavers are not getting the right level of help, support or protection.• Despite improvements, the quality of practice is still too variable. Improved timeliness has not been achieved for all children. Implementation of improvement plans needs to accelerate across teams but in particular within the care leavers service.• Leaders have recognised in their self-evaluation that more needs to be done to ensure that quality assurance activity is identifying all areas of poor practice and that it is consistently having an impact on outcomes for children.• Not all young people are informed of, or understand, the pledges contained within the cared for children and care leavers' strategy. | | | |
| Ref | Action | Action Owner | Due by | Action Rating |
| SL1 | Ensure there is effective line of sight from frontline practice through to the Executive Director of Children's Services through a review of reporting and governance arrangements, including a review of the performance framework. | Executive Director of Children's Services | September 2024 | Reviewing |
| SL2 | Develop a forward plan of participation activities where senior leaders will hear the experiences of children and young people directly, work with them in shaping services, and give feedback on improvement progress. | Participation Lead | September 2024 | Reviewing |

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| SL3 | Refresh the terms of reference for the Improvement and Impact Board, and expand the board to incorporate partners, to ensure there are robust arrangements in place to drive and scrutinise impact for children and young people in response to the inspection findings. | Executive Director of Children's Services | July 2024 | Complete but need to evidence impact |
| SL4 | Establish a Children's Services Strategic Quartet to provide improved leadership and accountability for children's services in line with best practice in the LGA guide for Chief Executives , and for council leaders , and DfE statutory guidance on the roles and responsibilities of the Director of Children's Services and the Lead Member for Children's Services . | Executive Director of Children's Services | July 2024 | Complete but need to evidence impact |
| SL5 | Step-up a multi-agency corporate parenting board to drive and scrutinise progress for cared for children and care experienced children and young people and ensure there is a whole council and partnership approach to supporting our young people. | Executive Director of Children's Services | November 2024 | Complete but need to evidence impact |
| SL6 | Commission LGA corporate parenting training for senior leaders across the partnership and all elected members. | Executive Director of Children's Services | November 2024 | Reviewing |
| SL7 | Develop care leaver champions across the council to increase awareness and support for care experienced young people and young adults. | Head of Service Cared for Children and Care Leavers | December 2024 | Reviewing |
| SL8 | Refresh the cared for children and care leavers strategy 2022-26 and action plan together with our care leaver ambassadors. | Head of Service Cared for Children and Care Leavers | November 2024 | Reviewing |
| SL9 | Revise the quality assurance framework to include thematic audits in line with the improvement plan and to strengthen the impact of audits on practice. | Head of Service Children's Safeguarding and Quality Assurance | May 2024 | Reviewing |
| SL10 | Establish service manager thematic audits to understand our support to specific cohorts/ within specific areas and drive improvements. | Service Managers CINCP | August 2024 | Complete but need to evidence impact |
| SL11 | Develop mechanisms to ensure audit findings and feedback from children and young people are routinely shared with teams to strengthen the impact of audits on practice. | Head of Service Children's Safeguarding and Quality Assurance | September 2024 | Complete but need to evidence impact |

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| SL12 | Develop a vital signs performance report in line with the improvement plan areas to support effective evaluation of improvement activity and drive improvements. | Business Intelligence Manager | September 2024 | Complete but need to evidence impact |
| SL13 | Review the programme for councillor visits to frontline services, expanding these to cared for and care leaver services, to ensure there is member oversight of quality of practice and outcomes for children and young people. | Head of Service Children's Safeguarding and Quality Assurance | November 2024 | Reviewing |
| SL14 | Review the children's social care national framework and its implications for practice and processes, to embed consistently good practice that achieves strong outcomes for children and young people. | Principal Social Worker | TBC | Scoping |
| SL15 | Embed 'Being Brilliant at the Basics' through our culture, leadership, and developing and sharing key communications on practice. Continually evaluate impact and reinforce messages through monthly performance meetings and quality assurance activity. | Head of Service Children's Safeguarding and Quality Assurance Principal Social Worker | Key communications in place by September 2024 | Complete but need to evidence impact |
| SL16 | Collate and share examples of good practice to embed understanding of good practice across teams and to celebrate good work. | Principal Social Worker | Start sharing practice by August 2024 and continue throughout the year | Complete but need to evidence impact |
| SL17 | Strengthen how we capture children and young people's feedback through audits by embedding this within the role of the audit and quality assurance officer. | Head of Service Children's Safeguarding and Quality Assurance | January 2025 | Reviewing |
| SL18 | Introduce contact to families, to capture the impact of services/interventions on outcomes for children and young people, to inform service improvement. | Participation Lead | January 2025 | On track |
| How we'll assess if we've addressed this area | <p>The pace and impact of changes will be evaluated through:</p> <ul style="list-style-type: none"> monthly reports against the improvement plan monthly performance indicators in the vital signs performance report | What we will see when we've addressed this area | <ul style="list-style-type: none"> Improvements result in consistently good quality practice - over 80% of audits will be good or better quality. Senior leaders have an accurate understanding of children's outcomes and areas for development. | |

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| | <ul style="list-style-type: none"> • monthly practice review audits which assess the quality of practice across services • monthly thematic audits to understand our support to specific cohorts/ within specific areas • feedback from children and young people from our participation groups and through audits. • Ofsted monitoring visits will demonstrate whether our understanding of improvements are accurate. | | <ul style="list-style-type: none"> • Senior leaders have an accurate understanding of the practice and development needs of staff on both an individual and workforce level. • Quality assurance activity drives improvements to the quality of practice, resulting in improved outcomes for children. • 90% young people tell us they understand the pledges contained within the cared for children and care leavers' strategy. • The council will have at least 20 care leaver champions across all the directorates. |
| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | | | Impact Rating |
| Key improvement activities delivered this month | | | Grey |
| <p>The first monthly Improvement and Performance meeting for leaders across all children's services took place in October, chaired by the Executive Director of Children's Services. This included analysis of the CHAT data and the vital signs scorecard. The measures in the vital signs report are being developed to ensure they drive meaningful conversations around outcomes and impact for children and families.</p> <p>A new need to know process has been put in place to ensure senior leaders are sighted on our most vulnerable young people/ key risks, with a formal review process.</p> <p>A second Corporate Parenting Strategic Board is planned for 20 November to agree priority areas of focus.</p> <p>Work will be taking place with our Care Leaver Ambassadors to share cared for children's experiences to inspire people to become corporate parenting champions.</p> <p>We are in the process of recruiting to a new QA officer position and part of this role will be to undertaken quality assurance activity against areas of the improvement plan to test impact. A proposal will come to a future Improvement Board.</p> <p>The Quality Assurance (QA) service have now moderated all 22 of the collaborative practice audits that have taken place since May 2024 to ensure an accurate judgement of the quality of practice. Training has also now taken place to ensure accurate judgements moving forward, this was supported by our external DfE advisor.</p> <p>The learning from audits was shared at the celebrating practice workshops for children's social care staff in October and November.</p> <p>'Being brilliant at the basics' was discussed at the celebrating practice workshops for managers and practitioners in October and November and booklets were shared.</p> | | | |

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| Good practice examples identified through audits are being shared with teams. | |
| What impact we are achieving for children and young people | |
| <i>What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.</i> | |
| Audits from October show that the majority of our practice requires improvement, with 5 cases judged requires improvement and 1 case judged inadequate. Moderation findings agreed with the judgement of the auditor in 5 of 6 cases which gives us assurance about the impact of the recent audit training. To ensure this is embedded, the QA service will continue to jointly moderate. | |
| What our performance indicators show | |
| The vital signs performance report includes the key performance indicators, targets and RAG rating. | |

2. Care Leavers

What needs to improve

The quality, consistency and responsiveness of support, advice and guidance for care leavers, including those who are homeless, with additional vulnerabilities, and those who are over 21 years of age.

A. Quality of practice

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| Section Lead | Head of Service for Cared for Children and Care Leavers |
| What inspectors found | <p>The quality of practice for care leavers is inadequate.</p> <p>Relationships and transition to the care leavers' service</p> <ul style="list-style-type: none"> • Not all children in care have the opportunity to get to know their personal advisers (PAs) to build a relationship with them before they are 18 years old. Planning for young people who transition to the leaving care service is not always robust. For some, their voice is not evident and plans lack detail which means their individual needs are not always sufficiently understood. This means that there are some young people who leave care with too much uncertainty about how they will be supported. • Not all PAs know their young people well enough to have trusted and meaningful relationships with them. For some young people, PAs do not know their stories of why, or when, they came into care. • Case records do not reflect the work undertaken with young people. <p>Pathway plans</p> <ul style="list-style-type: none"> • Pathway plans do not consistently cover all the important elements of young people's lives. Wishes and feelings are not always clearly expressed. They do not consistently include other professionals, they are not sufficiently ambitious for young people and they do not always capture young people's voices. • Plans for unaccompanied asylum-seeking care leavers do not consistently acknowledge their unique cultural heritage, or identify how young people can access support for the trauma they have experienced. • Plans are not always effective in helping young people to make meaningful change in their lives. • Support for care leavers is not effective enough, which means that many do not access employment, further education or training. <p>Recognising and responding to risk</p> <ul style="list-style-type: none"> • Risk of harm is not always recognised or responded to effectively. |

| <ul style="list-style-type: none"> For some young people, there is a lack of professional curiosity about their day-to-day lives and living arrangements. This has resulted in a lack of understanding of risk, or a clear recognition of how best to support young people when they are at their most vulnerable. When potential risk of harm for care leavers is identified, it is difficult to see how this risk is managed or mitigated effectively. This means that some care leavers may be exposed to risky situations and people. This was not fully understood by senior leaders until this inspection. <p>Management oversight</p> <ul style="list-style-type: none"> PAs receive supervision, however the quality of supervision was variable. Most supervision is brief and task focused. Significant gaps in supervision exist on some young people's care files meaning there is a lack of consistent management grip on driving young people's plans forward and ensuring they are safe. | | | | |
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| Ref | Action | Action Owner | Due by | Action Rating |
| CLA1 | Develop and launch practice standards for the cared for and care leavers service to support consistently good practice. This will include clear standards on recording, visiting, transitions, and responsibilities when cases are jointly held. | Service Manager Care Leavers | June 2024 | Complete but need to evidence impact |
| CLA2 | Develop and roll out a mandatory training plan that is specific for the care leavers service to support practitioners to deliver consistently good practice. This will include planning, professional curiosity, adult/ transitional safeguarding and culture/diversity. | Principal Social Worker Service Manager Care Leavers | Launch in June 2024 and deliver over the year | On track |
| CLA3 | Change the management structure of the care leavers service, removing the role of senior PAs, ensuring that all PAs receive direct oversight and supervision from a team manager (who are qualified social workers) to support good quality supervision and drive improved outcomes for care leavers. | Service Manager Care Leavers | April 2024 | Complete but need to evidence impact |
| CLA4 | Revise the format of the pathway plan with young people to ensure it supports good practice. The new plan will include sections for multi-agency professionals' views, and contingency plans. | Service Manager Cared for Children | May 2024 | Complete but need to evidence impact |
| CLA5 | Deliver restorative practice training to the whole care leavers service together to support a change in culture and consistency in practice. | Head of Service for Cared for Children and Care Leavers together with Stockport SLIP support | November 2024 | Reviewing |

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| CLA6 | Formalise arrangements around young adults where there are safeguarding concerns to ensure senior leaders have oversight of these young adults and that multi-agency team around the adult meetings are held to develop safety plans with them. | Head of Service for Cared for Children and Care Leavers | September 2024 | Complete but need to evidence impact |
| CLA7 | Recruit three Care Leaver Ambassadors to work together with us to improve services, and to represent the experiences of cared for children and care leavers to the Corporate Parenting Strategic Board and corporate parenting workstreams. | Participation Lead | October 2024 | Complete but need to evidence impact |

Please also see the section on management oversight and supervision

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| How we'll assess if we've addressed this area | <ul style="list-style-type: none"> Monthly practice review audits will tell us about the quality of practice and plans and will assess if PAs can tell young people's stories. Monthly thematic audits will conduct deep dives to understand our support to specific cohorts/ within specific areas, for example UASC young people. Some of the thematic audits will involve phone calls to young people to understand their experience of services, the impact of their plan, and their relationships with their PAs. The percentage of young people with PAs and pathway plans at 16. | What we will see when we've addressed this area | <ul style="list-style-type: none"> Practice to support care leavers will be of consistently good quality and will support young people to achieve good outcomes. Over 80% audits will be good or better quality. Management oversight is good quality and drives improved outcomes. Over 80% of management oversight in audits will be good or better quality. 100% of young people will get to know their PAs from age 16. 90% young people will tell us they have good relationships with their PAs and know how they will be supported once they leave care. 100% PAs will be able to tell young people's stories. 100% case records will accurately reflect work with young people. Pathway plans will cover all the important elements of young people's lives, and will reflect their voices and their individual needs, including their cultural heritage. Plans will consistently include other professionals and will be ambitious for young people. Over 80% plans audited will be good or better quality. There is appropriate professional curiosity, which means risk of harm is recognised and responded to swiftly and effectively. When potential risk of harm is identified, it is managed or mitigated effectively. 100% audits will show appropriate professional curiosity and that risk of harm is responded to. |
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Impact to date

Our assessment of where we are in relation to what the inspectors found

Impact Rating

OFFICIAL

17

| Key improvement activities delivered this month | Grey |
|--|------|
| A mandatory training offer to support new staff is being explored. The restorative practice training for the care leavers service is currently being scoped with Stockport. The care leaver ambassadors gathered feedback during Care Leaver Week to contribute further ideas and recommendations for developing support to care leavers which were shared at the Care Leaver Local Offer Event on 13 November. From January onwards ambassadors will be involved in recommissioning process and engagement for 16-17 supported accommodation. | |
| What impact we are achieving for children and young people | |
| <i>What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.</i> | |
| The latest audits demonstrate our practice to support care leavers is not yet good quality. | |
| What our performance indicators show | |
| As at 12 November, 19 young people aged 16 and 17 did not have a pathway plan in place, the majority were 16 and newly eligible for a pathway plan. Performance is being monitored through routine performance meetings. | |

B. Planning for Adulthood

| Section Lead | Head of Service Cared for Children and Care Leavers |
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| What inspectors found | <ul style="list-style-type: none"> Transition planning into adulthood for most care leavers is variable. There is some proactive planning for disabled care leavers with complex physical needs, and young people with neurodiverse needs. However, for other care leavers such as those with complex mental health and emotional needs, proactive transition planning does not always take place. This means that these care leavers do not access the help and support that they need. Not all care leavers have access to their full health history. This means important information that could be used to provide ongoing support to them as they transition to adulthood is not available or used to inform care planning for them. Not all PAs spoken to by inspectors could describe the local offer to care leavers or explain how care leavers could benefit from it. Not all young people are accessing the full range of entitlements or services available to them. The local offer is not communicated effectively to all care leavers, which means that they are not all aware of, nor do they access, their full range of entitlements. |

| <ul style="list-style-type: none"> Care leavers can access community-based resources but do not have a dedicated place they can go to which provides a safe space for them to receive support. The plan is for the newly opened family hubs to provide this in the coming months but at present this is not available. | | | | |
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| Ref | Action | Action Owner | Due by | Action Rating |
| CLB1 | Embed within our culture and approach that we start planning for adulthood as soon as a child or young person enters care. | Head of Service Cared for Children and Care Leavers Head of Service Inclusion Head of Service Safeguarding Children and Quality Assurance | October 2024 | Reviewing |
| CLB2 | Review terms of reference and membership for Ignition Panel to ensure young people's post 18 plans are effectively tracked and reviewed from age 16 to ensure proactive transition plans are in place. | Head of Service Cared for Children and Care Leavers | September 2024 | Complete but need to evidence impact |
| CLB3 | The practice standards will specify which preparing for adulthood roles should be undertaken by social workers and which by PAs and will set clear expectations on what care leavers should receive/ have in place. | Service Manager Care Leavers | June 2024 | Complete but need to evidence impact |
| CLB4 | Develop care leavers hubs, with our care leavers, as a safe space for care leavers to access support and advice. Advice sessions will be offered from the hub to support preparation for adulthood, including housing, finances, drug and alcohol support, parenting support, careers advice, CV workshops, and interview preparation. Emotional health and wellbeing support will be available at the hub through Pure Insight and health support through the cared for nurse. | Service Manager Care Leavers Area Delivery Manager Targeted Youth Work | Interim hubs in Crewe and Macclesfield by July 2024 | Complete but need to evidence impact |
| | | Head of Service for Education Participation and Pupil Support | Permanent hub from the Crewe Youth Zone by the end of 2025 | On track |
| CLB5 | Review the transition policy. | Service Manager Cared for Children Service Manager for Children with Disabilities | December 2024 | Reviewing |

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| CLB6 | Engage and consult with care experienced young people on how they want to understand their health histories and adapt the current process in line with their feedback. | Designated Nurse Safeguarding and Looked After Children | October 2024 | Reviewing |
| CLB7 | Deliver training to PAs on arrangements to support young people to understand their health histories. | Designated Nurse Safeguarding and Looked After Children | June 2024 | Complete but need to evidence impact |
| CLB8 | Launch an app for the local offer. This will ensure all care leavers have immediate access to the local offer and their entitlements through their mobile. It will also support us to keep in touch with young people and gain their feedback and allow young people to develop peer support groups. | Service Manager Care Leavers | August 2024 | Complete but need to evidence impact |
| CLB9 | Review the local offer together with young people and partners. | Service Manager Care Leavers | December 2024 | On track |
| CLB10 | Deliver training on the local offer to all PAs. | Service Manager Care Leavers | July 2024 | Complete but need to evidence impact |
| CLB11 | Develop regular participation opportunities for care leavers through the care leaver hubs, to ensure their views shape services. | Participation Lead | July 2024 | Complete but need to evidence impact |
| CLB12 | Launch a free bus pass for care leavers aged up to 22. | Head of Service Cared for Children and Care Leavers | October 2024 | Complete but need to evidence impact |
| How we'll assess if we've addressed this area | | What we will see when we've addressed this area | | |
| <ul style="list-style-type: none">• Monthly thematic audits will conduct deep dives to understand our support to specific cohorts/ within specific areas. One theme will be planning for adulthood.• The thematic audit will involve phone calls to young people to understand their experience of services, what they know about the local offer, and how their plan is preparing them for adulthood. | | | <ul style="list-style-type: none">• Proactive planning takes place for all care leavers ensuring they are prepared for adulthood. Over 80% audits will be good or better quality.• 90% young people tell us they feel well supported and have the information they need to be prepared for adulthood. 90% tell us they know about the local offer, the care leavers hub, and their entitlements.• 100% care leavers have access to their health histories. | |

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| | <ul style="list-style-type: none">• The percentage of young people who have access to their health histories.• PAs can describe the local offer and explain how care leavers can benefit from it.• Feedback from young people accessing the care leaver hubs. | | <ul style="list-style-type: none">• 100% PAs can describe the local offer and explain how care leavers can benefit from it. |
| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | | | Impact Rating |
| Key improvement activities delivered this month | | | Grey |
| <p>Consultation has taken place with care leavers on how they would like to understand their health histories. The consultation has been informed by good practice in other local authorities regarding care leaver health summaries.</p> <p>Discussions have been held regarding utilising the care leaver app to update information for the young person to be able to access regarding their health and wellbeing. Further work is being explored regarding the identification of a named person as a link to contact within each GP practice that supports with our Cheshire East Care Leavers.</p> <p>The Specialist Nurse Cared for Children 16+ and Transitions will offer support by attending the care leaver hub once a month.</p> <p>The local offer was reviewed with young people during November as part of November Children’s Rights Month. The changes from the session now need to be put in place.</p> <p>The free bus travel pass for care leavers was launched in October which will support care leavers to access the hubs and EET opportunities.</p> <p>The Participation Team are developing regular participation events for care leavers in the Care Leaver Hub. They have launched evening provision for Care Leavers to attend a cooking session. This takes place monthly in Macclesfield and Crewe. Participation, voice, and service development is incorporated into the activities with the other focus being outcomes connected to reducing isolation and preparing for adulthood. It has been beneficial to have the Care Leaver Team also staff the sessions on a rota basis to support with any Care Leaver specific support e.g. housing, benefits, wider support from a PA. The Participation Team are developing good working relationships with Pure Insight, the Care Leaver Service, and Care Leaver Employment, Education and Training Team who regularly enable the team to work with their groups/young people and signpost opportunities to them.</p> | | | |
| What impact we are achieving for children and young people <i>What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.</i> | | | |

There is increased senior leader oversight of outcomes for young adults through the post-18 resource and accommodation panel (RAP). This panel ensures there are meaningful plans in place for young adults and supports them to take up tenancies at the right time for them.

We know from the focus audits that planning for adulthood from an early point is not yet embedded and is still an area for development.

What our performance indicators show

As at 12 November, there were 36 17 year olds and 37 16 year olds without PAs. An advert for permanent PAs is about to go out which will support with bringing more stability to the service.

C. Education, Employment and Training

| Section Lead | | Director of Education, Strong Start and Integration | | |
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| What inspectors found | | <ul style="list-style-type: none"> Too many care leavers are not in education, employment or training (NEET). They are not being encouraged and well supported to improve their life chances in order to achieve their aspirations for a better future. | | |
| Ref | Action | Action Owner | Due by | Action Rating |
| CLC1 | Work together with young adults who are NEET and able to work to develop an EET plan to support them towards gaining EET. Plans will be reviewed every 12 weeks. | Service Manager Care Leavers | September 2024 | Complete but need to evidence impact |
| CLC2 | Develop an offer of EET opportunities, including apprenticeships, that support young people to gain employment or training in their chosen field. | Service Manager Care Leavers | March 2025 | On track |
| CLC3 | Work with local businesses and organisations, including the chamber of commerce, to secure additional corporate parenting support for cared for children and care leavers and to prepare employers for supporting young people in employment. | Service Manager Care Leavers | March 2025 | On track |
| CLC4 | Provide bespoke support to enable young people to be prepared for entering employment through job readiness training, CV and interview support. | Service Manager Care Leavers | October 2024 | Complete but need to evidence impact |
| How we'll assess if we've addressed this area | | <ul style="list-style-type: none"> The percentage of young people who are in EET. Thematic audits will conduct deep dives to understand our support to specific cohorts/ within specific areas, including EET. | | |
| What we will see when we've addressed this area | | <ul style="list-style-type: none"> The percentage of care leavers who are in EET will increase – we want to increase to above 75% in EET. By April 2025, we would have at least 10 new apprenticeship opportunities for young adults. 90% young people will tell us they are encouraged and well supported to improve their life chances and access EET. | | |
| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | | | | Impact Rating |

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| Key improvement activities delivered this month | Grey |
| <p>We continue to review and update EET plans and work with young people and their PAs to do this for all those young people who are NEET and able to work. We continue to offer monthly EET sessions at both care leaver hubs and review all of those who are NEET and ready to work at our monthly NEET Challenge Panel meetings.</p> <p>We currently work with Cygnet and Safe Opportunities to offer work placements to young people. This is currently funded by the Virtual School and is primarily for 16-19 year olds.</p> <p>The Apprenticeship Co-ordinator and EET adviser are also always looking for links to employers for work opportunities for young people. The Venture with Confidence programme is underway and some of the young people have just completed part of the community project which was to revitalise a garden area at Springfield School. They worked really hard and have made a real difference. They are also planning on supporting a foodbank in Crewe as part of their community project.</p> <p>A meeting has taken place on developing a model of work experience and apprenticeships with a plan to move this to the next stage.</p> <p>Meetings have taken place with ICT and Equans to explore opportunities. We are also meeting regularly with The Pledge to look at ways of working together to maximise opportunities for young people. Outside the council we also had a meeting with Sportscape Education to see what opportunities they may be able to offer to our care leavers and have a meeting booked in with the NHS to explore their opportunities. This is all starting to build up a picture of what could be on offer to enable us to seek opportunities when young people express interest in these areas.</p> | |
| What impact we are achieving for children and young people | |
| <p><i>What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.</i></p> <p>10 young people have started at university this year – we now have 20 young people at university.</p> <p>We now have 13 young people in apprenticeships.</p> <p>We have a young person due to start work experience with the Family Hubs. One young person has been supported to become a Care leaver Ambassador.</p> <p>All young people who attended the last Venture with Confidence programme have positive plans in place for their next steps and all but one have started on these.</p> | |
| What our performance indicators show | |

In October, 70% of care leavers aged 17-18 were in EET, which is a reduction on previous months.

59% care leavers aged 19-21 (up to 21st Birthday) were in EET, which again is a reduction on previous months. Of those 66 young people who were NEET, 6 young people are signed up to re-engagement activities – these young people were previously unable to work due to disability / illness so this is a real step for them.

These indicators can fluctuate significantly in September and October as individuals decide that initially agreed education pathways may no longer be the most appropriate route and are looking for different options. October half term is a time when colleges review attendance and continuation on courses.

D. Accommodation

Section Lead Head of Service for Cared for Children and Care Leavers

What inspectors found

- For care leavers who live out of the area, accessing suitable housing is challenging and some wait for extended periods in supported accommodation until suitable permanent accommodation becomes available.
- A small number of care leavers are homeless. This group includes some care leavers with the greatest needs, including those who struggle with their mental health, those who are not in education, employment or training (NEET) or those who are in unsuitable accommodation, or have no fixed abode.
- Information about where young people are living is not routinely updated. This means that the local authority cannot be assured that these vulnerable young people are safe and well cared for.

| Ref | Action | Action Owner | Due by | Action Rating |
|------|---|------------------------------|-------------|--------------------------------------|
| CLD1 | Refresh and relaunch the protocol for care leavers in emergency accommodation, with clear escalation requirements, to ensure all practitioners are working to expected practice standards and there is senior leadership oversight of any young adults in emergency and unsuitable accommodation. | Service Manager Care Leavers | August 2024 | Complete but need to evidence impact |
| CLD2 | All young people who are homeless, at risk of homelessness, or in emergency accommodation will be reviewed in weekly performance clinics and by the monthly risk management forum to ensure effective plans are in place to support and protect them. | Service Manager Care Leavers | June 2024 | Complete but need to evidence impact |

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| CLD3 | The weekly temporary and emergency accommodation meeting will consider any care leavers who need accommodation. | Housing Options Manager | June 2024 | Complete but need to evidence impact |
| CLD4 | Deliver training for PAs on supporting young adults with housing concerns, including how to support young people to meet the criteria for housing allocation in other areas, so they can provide bespoke support tailored to young adults' needs. | Housing Options Manager | July 2024 | Complete but need to evidence impact |
| CLD5 | Establish a director level project group for accommodation for cared for young people and care leavers to drive increased sufficiency. | Interim Director of Commissioning | July 2024 | Complete but need to evidence impact |
| CLD6 | Explore and review the suitability of temporary and emergency accommodation options across Cheshire East to increase options for care leavers. Identify gaps in provision to inform commissioning to ensure we can meet young people's needs. | Service Manager Care Leavers Head of Housing Head of Commissioning Children, Families and Adults with Complex Needs | September 2024 | Complete but need to evidence impact |
| CLD7 | Develop proposals to address 16-18 and 18-25 accommodation shortages. | Head of Housing Head of Commissioning Children, Families and Adults with Complex Needs | July 2024 | Complete but need to evidence impact |
| CLD8 | Mobilise additional accommodation options for cared for young people aged 16-18 using flexibilities/ modifications in current contracts. | Head of Commissioning Children, Families and Adults with Complex Needs | October 2024 | Complete but need to evidence impact |
| CLD9 | Implement a wider 18-25 accommodation offer, ensuring this is shaped by our care experienced young adults. | Head of Housing Head of Commissioning Children, Families and Adults with Complex Needs | March 2026 | On track |

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| How we'll assess if we've addressed this area | <ul style="list-style-type: none"> • Monthly thematic audits will conduct deep dives to understand our support to specific cohorts/ within specific areas, including care leavers in unsuitable accommodation. • The thematic audit will involve phone calls to young people to understand their experiences. • The number of young people who are homeless. • The number of young people in unsuitable accommodation. | What we will see when we've addressed this area | <ul style="list-style-type: none"> • Over 80% care leavers who live out of area access suitable housing in a timely way. • 90% care leavers tell us they are well supported. • Effective plans and contingency plans prevent care leavers from needing to access emergency or unsuitable accommodation. Over 80% audits will be good or better quality. • Records on where young people are living are accurate and there is effective oversight of young people's accommodation. |
| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | | | Impact Rating |
| Key improvement activities delivered this month <p>A director level project group for accommodation for young people aged 16+, chaired by the Interim Director of Commissioning, has been in place since July 2024 and has met four times. Mapping of existing capacity shortfalls and pressures within accommodation has been completed. A project plan has been developed to increase our accommodation and was this agreed by the council's Corporate Leadership Team in July. The project plan will be delivered in 3 phases between July 2024 to March 2026 for full implementation of the offer.</p> <p>Governance arrangements have been agreed to support the project and System Stabilisation and New Model Development sub-groups have been established under the Accommodation with Support Steering Group. We have also established a finance and activity workstream to run alongside the former. Since the last (September) monthly update we have:</p> <ul style="list-style-type: none"> • Formally notified the YMCA of our commitment to support the utilisation the Apollo Buckingham campus in Crewe for an initial cohort of 7 (possibly 8) unaccompanied asylum seeking young people so that they have the assurance to both sign the lease for those units of accommodation with Apollo Buckingham, but also to recruit additional dedicated support for those young people. • Staff recruitment - Crewe YMCA will commence recruitment once the needs of the cohort above are fully known – the YMCA have stated that it will be easier for them to recruit a dedicated full-time member of staff (40 hours) to support the group. • Service Lead Care Leavers will identify UASC Cohort to move by w/e 1 November 2024. Once agreed it should be possible to commence moves for the initial group of young people in December. • Evaluation – will be part of the next stabilisation meeting on 5 November, although the YMCA have already shared some ideas of what they intend to do i.e. mood boards, startup surveys etc. | | | Grey |

- Notice to current provision – as soon as the initial cohort is agreed this will be done asap to avoid delays in moving the group into the Apollo accommodation. Once we have the cohort signed off, the Commissioning team will work with the Placements Team to serve notice on their current placements.
- Financial modelling has shown that for each young person above moved from their current provision with Homes for Support a saving of £1200-£1300 per week will be achieved, whilst at the same time ensuring a more bespoke offer of need specific support for the UASC cohort is offered, and freeing up places with Homes for Support for older cared for young people, for whom this is a suitable option.

Discussions are being progressed alongside this with our current commissioned providers of 16-17 year old supported and independent living placements, YMCA and P3, on mobilisation of additional emergency bed provision. YMCA expect to have 11 one bedroom 'ignition' flats available in Crewe by January 2025; 2 flats will be available in November 2024 and the other 9 by January. Three additional emergency beds will be available in Crewe, one is live, another will go live in November, and the other is awaiting a young person to move on.

Pure Insights (our commissioned care leavers mentoring service) have also expressed an interest in developing supported accommodation for young adults aged 18+ which we will explore with them. We are also looking at suitable options in the North of the Borough at the Bisset House/Mews site in Macclesfield managed by East Cheshire Housing Consortium to assess viability for up to 8 further units of accommodation for care leavers.

Formal plans for the full commissioned 18-25 offer will be tabled for the Children and Families Committee in January 2025 prior to open procurement activity. This work will now be overseen by the new model development group under the parent 16-25 accommodation with support workstream. From October we will involve the council's revenue and benefits representatives in this work as concerns have been raised about timeliness and contact frequency when trying to claim housing benefit back for eligible over 18's for those placed with registered housing providers.

What impact we are achieving for children and young people

What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.

As of 12 November there was one young person in unsuitable accommodation (excluding those in custody).

Collaborative working across children's social care and housing is improving awareness and oversight of those in unsuitable accommodation and concerted effort is being made to support young adults into suitable accommodation. However, given the high level of complexity and vulnerability of these young people, we must continue to prioritise strengthening our collective response to them from a council and partnership perspective.

Prior to the inspection there were no commissioned emergency beds, we now have two post 18 emergency beds, with an additional bed due to go live once vacant. This increased emergency bed capacity has meant that when young people are in crisis they have been able to access an emergency bed that met their needs, and has avoided the use of unsuitable accommodation such as hotels.

What our performance indicators show

As above.

E. Care leavers aged over 21

Section Lead Head of Service for Cared for Children and Care Leavers

- What inspectors found**
- For care leavers over the age of 21, persistent efforts to engage them are not routinely made.
 - When young people become 21, unless they are in education or highly vulnerable, they are no longer provided with a PA or leaving care services unless they contact a duty worker and explicitly request help. At the time of this inspection, there were over 200 young people in this category, and this included very vulnerable disabled young people. Some of these care leavers have not been receiving the services they need, or are entitled to, and the local authority cannot be assured that they are safe.
 - It was not evident on young people's records that discussions had taken place to inform a decision as to young people's informed choice to move from having a personal advisor to the 21+ offer.
 - Disabled care leavers who are open to the 21+ offer are not prioritised as a vulnerable group and as such the local authority cannot be assured that their needs are being met. In cases seen there was not enough evidence of persistence or curiosity in where they may be now, despite histories of having extensive engagement with services as children.
 - The quality assurance of the care leaver cohort aged 21+ needs strengthening.

| Ref | Action | Action Owner | Due by | Action Rating |
|------|--|------------------------------|------------|--------------------------------------|
| CLE1 | Contact all 209 care leavers aged over 21 to ensure they are aware of the support available to them and offer them an allocated worker. | Service Manager Care Leavers | March 2024 | Complete but need to evidence impact |
| CLE2 | Review the 21+ offer and approach, formalising this in a protocol and ensuring it is clear on the local offer. The protocol will include continued proactive communication post 21 so young people know what support is available. | Service Manager Care Leavers | July 2024 | Complete but need to evidence impact |
| CLE3 | Review cases for care leavers with a disability who are open to the 21+ offer to ensure their needs are being met. | Service Manager Care Leavers | June 2024 | Complete but need to evidence impact |

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| CLE4 | Develop a tracker for care leavers aged over 21 and monitor through weekly performance clinics to ensure there is regular oversight of engagement and support with these young people. | Service Manager Care Leavers | May 2024 | Complete but need to evidence impact |
| CLE5 | Establish regular quality assurance around care leavers aged over 21 to ensure there is effective oversight of their outcomes and that this drives improvement. | Head of Service for Cared for Children and Care Leavers Head of Service for Safeguarding and Quality Assurance | August 2024 | Complete but need to evidence impact |
| CLE6 | Review the impact of the revised 21+ offer with young adults, involving them in shaping any changes to services. | Service Manager Care Leavers | January 2025 | On track |

Please also see CLB5 – Review the Transition Policy.

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| How we'll assess if we've addressed this area | <ul style="list-style-type: none"> Monthly thematic audits will conduct deep dives to understand our support to specific cohorts/ within specific areas. One theme will be support to those 21 and over, including those with a disability. The thematic audit will involve phone calls to young adults to understand their experience of services. The percentage of care leavers over 21 who we were in touch with within the last 3 months. | What we will see when we've addressed this area | <ul style="list-style-type: none"> Persistent efforts to engage young adults over 21 are routinely made. We are in touch with over 90% of care leavers over 21 in the last 3 months. Over 90% young adults will tell us they know that support is available if they need it. There is effective oversight of young adults aged 21+ and their outcomes, including young adults with a disability. |
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| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | Impact Rating |
| Key improvement activities delivered this month | Grey |
| We are recruiting a dedicated resource to support young adults aged 21+, a 21+ coordinator. This will support us to provide a consistent response to all our young adults. | |
| What impact we are achieving for children and young people <i>What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.</i> | |

Young adults know the 21+ offer is there if they want to access it. However we have more to do to improve the quality and consistency of our support. We will strengthen our offer through the dedicated 21+ coordinator.

What our performance indicators show

As of 12 November, there were 234 young adults aged 21+, 165 were open to the 21+ offer and 69 were allocated a PA.

3. Quality of plans

| What needs to improve | | | | |
|---|--|-------------------------|-------------|---------------|
| The quality of plans for children to ensure that they are more child-focused and drive forward positive change in a timely way. | | | | |
| Section Lead | Head of Service for Child in Need and Child Protection | | | |
| What inspectors found | <p>Child in need and child protection</p> <ul style="list-style-type: none"> The quality of child protection plans is inconsistent. Some are outcome focused although some lack purpose and urgency. Some children have been subject to protracted child protection planning. The quality of safety plans is inconsistent, mostly relying on vulnerable parents and are overly optimistic. The use of jargon makes it difficult for parents to understand what is required. Multi-agency core groups meet regularly to review progress however social workers do not routinely update children's experiences against the child protection plan. For some children who have been known to services for several years and have been the subject of repeat child protection and child in need plans, the quality of practice is too variable. Contingency thinking and planning are not strong enough for these children. This means that, for some children, plans are not effective in improving their outcomes. When child in need and child protection plans do not progress, there was drift and delay for children, and ineffective challenge from the chair and multi-agency group in child in need meetings, core groups and review conferences. <p>Cared for children</p> <ul style="list-style-type: none"> The quality of care plans for children is inconsistent. Consideration is not routinely given to permanence planning for children from an early stage. Some children are subject to statutory intervention for longer than they need to be. This is due to delays in the discharge of care orders. | | | |
| Ref | Action | Action Owner | Due by | Action Rating |
| P1 | Embed the agreed restorative practice model approach to support requirement for consistently good practice. | Principal Social Worker | August 2024 | Reviewing |

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| P2 | Continue to provide masterclasses – short in-house training sessions for practitioners and managers on specific topics. This will include planning. The masterclass programme will continue to be responsive to audit findings to support improved practice. | Principal Social Worker | Starting in April 2024 and running throughout the year | On track |
| P3 | Hold a management and leadership session on planning to ensure there is a shared understanding on what constitutes a good quality plan, and that the role of team managers and IROs is clear in scrutinising plans to ensure all plans are good quality. | All Service Managers | September 2024 | Complete but need to evidence impact |
| P4 | Establish reflective case discussion meetings to progress outcomes for children on longer child protection plans and repeat plans. | Safeguarding and Quality Assurance Manager, Child Protection | July 2024 | Complete but need to evidence impact |
| P5 | Develop a permanence action plan to ensure permanence planning is considered and progressed from an early stage, with permanence plans being in place at the second cared for review. The permanence action plan should consider all routes to permanence, including reunification. | Head of Service for Cared for Children and Care Leavers | January 2025 | On track |
| P6 | Refresh the practice standards on care planning to ensure expectations to support permanence are clear. | Service Managers for Cared for Children | August 2024 | Complete but need to evidence impact |
| P7 | Review permanence decision panels to ensure effectiveness of permanence planning. | Head of Service for Cared for Children and Care Leavers | October 2024 | Complete but need to evidence impact |
| P8 | Explore within the multiagency safeguarding group what training is needed to support effective partnership challenge. | Children's Safeguarding Partnership Training Manager | December 2024 | Complete but need to evidence impact |
| P9 | Develop a new child protection plan in partnership with children, young people and families to ensure it is concise, focused on the key priorities to keep children safe, and easy for families to understand. | Safeguarding and Quality Assurance Manager, Child Protection | November 2024 | On track |

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| P10 | Review the cared for plan in partnership with children, young people and families to ensure it is supports best practice and is easy for families to understand. | Service Managers for Cared for Children | December 2024 | On track |
| Please also see action MO5 - Embed the permanence tracker to monitor achieving permanence planning within statutory and children's timescales. | | | | |
| How we'll assess if we've addressed this area | <ul style="list-style-type: none">• Monthly practice review audits will tell us about the quality of plans across all service areas.• Multi-agency audits will tell us about the quality of multi-agency challenge in supporting plan progression.• Permanence planning will be a focus of thematic audits.• The percentage of plans judged good or better.• The percentage of plans within timescales.• The percentage of children on repeat child protection plans.• Number of children on CP plans over 15 months.• The percentage of permanence plans in place by the second review.• The number of children on care orders and number of care orders discharged. | What we will see when we've addressed this area | <ul style="list-style-type: none">• Plans will be consistently good quality, with effective contingency plans, child-focused and result in good outcomes for children and young people. It will be easy for everyone to see what needs to happen from the plan. Over 80% plans audited will be good or better quality.• Drift and delay is prevented through effective management oversight and partnership challenge.• Consideration is routinely given to permanence planning for children from an early stage and children achieve permanence in a timely way.• Repeat child protection plans will be under 15%.• 100% permanence plans will be in place by the second review. | |
| Impact to date | | | | Impact Rating |
| Our assessment of where we are in relation to what the inspectors found | | | | |
| Key improvement activities delivered this month | | | | Grey |
| Our first annual celebration of restorative practice took place at the celebrating practice workshops in October and November, which included a session on reflective circles and reflecting on practice in group supervision. | | | | |
| The service has begun to collate the feedback from the new child protection plan. Professional feedback has been received from our key safeguarding partners who have been wholly positive about the changes being more child focussed, impact focussed and easier for families to read and engage with. We are committed to obtaining feedback from families to inform our next steps. | | | | |
| Preparations are underway with the Participation Team to facilitate sessions with children and young people to review the revised cared for plan. | | | | |
| A review of permanence decision panels has been completed. This has highlighted that some children and young people have experienced delays. In response, we have strengthened the permanence tracker to ensure this tracks all parts of the process including those managed by legal services, so there is oversight of timeliness. | | | | |

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| We will be recruiting a court progression officer and developing a tracker that reviews all cases before the court which will also support increased timeliness for children and young people. | |
| What impact we are achieving for children and young people <i>What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.</i> | |
| In the latest audits, 2 plans were judged good, 3 requires improvement and 1 inadequate. The themes continue to be a lack of SMART planning as timescales were not clearly identified. Where plans were judged to be good, actions were outcome focussed and timebound. Contingency planning remains an area for improvement, and we need to be considering this at a far earlier point in our intervention. | |
| What our performance indicators show | |
| The percentage of children subject to repeat child protection plans within 2 years has reduced to 9.2% in October (from a range between 11.3-14.6%) which is positive. | |

4. Quality and frequency of visits

| What needs to improve | | | | |
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| The quality and frequency of visits to children so that they are purposeful and in line with assessed needs. | | | | |
| Section Lead | Head of Service for Child in Need and Child Protection | | | |
| What inspectors found | <p>Child in need and child protection</p> <ul style="list-style-type: none"> • Visits to children in need and those subject to child protection plans are not always carried out at a frequency reflecting assessed need. Not all visits are carried out within local authority prescribed or statutory timescales. There is a lack of clarity on the expected visiting times for children in need. • Some children are not visited often enough for social workers to build trusting relationships with them. Changes in social workers impacts this. • Visits to children do not always have purpose and do not link to their plans clearly enough. Records of visits vary in depth and quality of detail. Some visits are very brief, and their contribution towards the assessment or progress of the plan is limited. <p>Cared for children</p> <ul style="list-style-type: none"> • Visits to children in care are not always carried out in line with statutory visiting schedules or their assessed need. | | | |
| Ref | Action | Action Owner | Due by | Action Rating |
| V1 | Strengthen the performance framework to ensure robust performance management of visits to children. | Director of Family Help and Children's Social Care | September 2024 | Complete but need to evidence impact |
| V2 | Support improved visiting practice through the masterclass training programme and briefings to team meetings. | Principal Social Worker | September 2024 | Complete but need to evidence impact |
| V3 | Reissue the visiting template to practitioners to ensure consistency in recording. | Principal Social Worker | July 2024 | Complete but need to evidence impact |

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| V4 | Develop and roll out e-learning on visiting to support purposeful visits that are carried out with a frequency that reflects children’s needs. | | Principal Social Worker | August 2024 | Complete but need to evidence impact |
| V5 | Deliver training to the children’s social care workforce on the impact of recording, including views from a care leaver on what reading their case files felt like for them. | | Principal Social Worker | October 2024 | Reviewing |
| V6 | Develop more ways of writing documents e.g. visits to the child, and that children’s views are highlighted in a specific colour within the child’s record. Principal Social Worker to share new expectations in Celebrating Practice events. | | Principal Social Worker | March 2025 | Reviewing |
| V7 | Team managers to review visiting schedules in supervision, and IROs and CP chairs to have oversight of frequency visits to children. | | All Team Managers and IROs | Evaluate in January 2025 | On track |
| How we’ll assess if we’ve addressed this area | | <ul style="list-style-type: none">• Monthly practice review audits will tell us about the quality of practice and visits, and the quality of relationships with children and young people.• Timeliness of visits. | What we will see when we’ve addressed this area | <ul style="list-style-type: none">• Visits to children are carried out at a frequency reflecting assessed need and this is clearly recorded on their files. Over 80% visits will be in line with need as shown through audit.• Children are visited often enough for social workers to build trusting relationships with them. 90% of young people will tell us they trust their social workers.• Visits to children are purposeful and clearly link to their assessments or plans. | |
| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | | | | | Impact Rating |
| Key improvement activities delivered this month | | | | | Grey |
| The care leaver ambassadors attended the celebrating practice workshops in October and November to deliver a session on the importance of building strong relationships with children and young people, and what difference this can have on their lives, to support improved practice. Expectations on recording the child’s voice were included in the ‘being brilliant at the basics’ communications. | | | | | |
| What impact we are achieving for children and young people | | | | | |

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| <i>What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.</i> | |
| We know from our audits that our practice is not yet good quality. | |
| What our performance indicators show | |
| The timeliness of visits is monitored through the weekly and monthly performance clinics. | |

5. Management Oversight and Supervision

| What needs to improve | | | | |
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| The quality of management oversight and supervision to ensure that consistent, good social work practice is in place. | | | | |
| Section Lead | Head of Service for Child in Need and Child Protection | | | |
| What inspectors found | <ul style="list-style-type: none"> Management oversight and challenge are not fully embedded across all service areas. Management oversight across all service areas does not provide sufficient challenge or reflection to improve social work practice. For some children, this has led to their needs not being recognised or acted upon in a timely way. The quality of supervision is too variable. Supervision is not always sufficiently analytical or reflective. Supervision is not consistently driving children's plans forward, actions although timebound roll over for many months without completion. This means not all children's circumstances are sufficiently understood. For a small number of young children who live in children's homes there have been significant delays in driving their care plans forward to secure long-term permanence. This is because there has not been effective management oversight and supervision of children's care plans, and IROs do not routinely challenge drift and delay. Recent arrangements to track permanence for children have been introduced, but it is too soon to see the impact of this, and some children continue to experience drift and delay. | | | |
| Ref | Action | Action Owner | Due by | Action Rating |
| MO1 | Commission a bespoke leadership development programme to support all leaders in children's services (from team leaders and above) to develop their leadership, reflective skills, and confidence in effective challenge to improve practice and outcomes for children. | Principal Social Worker | Running between March 2024 - June 2025 | On track |
| MO2 | Deliver an in-house leadership and management development programme for children's social care, tailored to our areas for improvement, to support a culture of high support and high challenge and embed consistently good quality practice. | Principal Social Worker | To commence in April 2024 and run throughout the year | On track |
| MO3 | Update the supervision policy and develop practice guidance on reflective supervision based on best practice. | Principal Social Worker | September 2024 | Complete but need to |

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| | | | | evidence impact |
| MO4 | All managers to complete supervision training to support them to deliver reflective supervision that considers children's lived experiences, supports learning and improves practice. | Principal Social Worker | Training to be delivered between November and March 2025 | On track |
| MO5 | Embed the permanence tracker to monitor achieving permanence within statutory and children's timescales. | Service Manager Cared for Children | Evaluate impact in October 2024 | Complete but need to evidence impact |
| MO6 | Review the care plans for all cared for children who are not currently in foster care or planning to return home to ensure they are on the right plan. | Head of Service Safeguarding and Quality Assurance | July 2024 | Complete but need to evidence impact |
| MO7 | Revise the supervision form to ensure that children and young people's views are included and considered as part of reflective supervision. | Head of Service Child in Need and Child Protection | October 2024 | Complete but need to evidence impact |
| How we'll assess if we've addressed this area | <ul style="list-style-type: none"> Monthly practice review audits will tell us about the quality of practice and management oversight. These audits include a review of case supervision which informs the judgement on management oversight. The percentage of supervision within timescales. | What we will see when we've addressed this area | <ul style="list-style-type: none"> Management oversight and challenge are embedded across all service areas. Over 80% of management oversight in audits will be good or better quality. Supervision is consistently good quality, analytical and reflective. Management oversight improves social work practice, leading to children and young people receiving timely support and experiencing good outcomes. Children achieve permanence in a timely way. 100% children will have a permanence plan by their second review. Over 90% supervision will be within timescales. | |
| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | | | | Impact Rating |

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| Key improvement activities delivered this month | Grey |
| <p>The supervision training was planned to take place over three dates between November and January. The session in November had to be stepped down due to low attendance despite this being mandatory for managers.</p> <p>A workshop was held on 9 October with team managers and service managers to share the recent audit findings on case supervision. The session explored themes, including a positive increase in compliance since the revision of the supervision template, evidence of reflection on some cases of recent significant events, improved reflection on some cases using the 'what, so what & now what' tool (shared with managers at a previous Leadership Network session). Audit also showed there continues to be a lack of consistency in recording supervision, capturing gaps in compliance and ensuring appropriate actions are recorded and reviewed. Use of tools improves quality of supervision, however they are not being consistently used. Some supervisions are too task orientated, lengthy and lack focus on the impact on the child.</p> <p>There are prompts now contained within the supervision record referencing the expectation to consider the voice of the child and consider lived experience.</p> <p>Further dip sampling of supervision with Team Managers and Service Managers is scheduled to take place on 26 November to look at whether quality of supervision is embedding and driving improved practice.</p> <p>In order for case supervision to be effective and timely the expectation is that practitioners complete the compliance section and any relevant significant updates prior to the supervision session support best use of the time to focus on reflection, impact and clear actions. This expectation has been briefed to staff.</p> <p>A review of permanence decision panels highlighted that some children and young people have experienced delays. In response, we have strengthened the permanence tracker to ensure this tracks all parts of the process including those managed by legal services, so there is oversight of timeliness.</p> | |
| What impact we are achieving for children and young people <i>What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.</i> | |
| <p>The latest audits show that management oversight and supervision continue to require improvement (5 of 6 audits), 1 was judged inadequate.</p> | |
| What our performance indicators show | |
| <p>Case supervision is a focus area of 'being brilliant at the basics', and there is continued scrutiny of performance through performance clinics and the Director's Performance and Quality Clinic.</p> | |

6. Effectiveness of IROs

| What needs to improve | | | | |
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| The effectiveness of child protection chairs and independent reviewing officers (IROs) to escalate, challenge and scrutinize plans for children. | | | | |
| Section Lead | Head of Service for Children's Safeguarding and Quality Assurance | | | |
| What inspectors found | <ul style="list-style-type: none"> Child protection chairs are not consistently effective in driving forward plans for children. Some children have been subject to protracted child protection planning, some plans lack purpose and urgency. They do not consistently advocate for children. Consequently, there are missed opportunities to act when risks increase, or changes have not happened within the child's timeframe. For example, for children who experience long-term neglect. Child protection chairs recognise they need to be more specific about what needs to change within the timeframe for children. Some plans are lengthy and opaque, the use of jargon makes it difficult for parents to understand what is required. Permanence plans are not routinely identified by the time of children's second reviews, leading to drift and delay of children's plans. For some children, IROs were not seen to actively raise this within the cared for children's review. IROs do not always robustly challenge the appropriateness of plans, which are not always-outcome focused, or challenge drift. The quality and impact of care planning for cared for children was variable. For some children, the impact of multiple social workers and IROs has resulted in drift and delay of their plans and permanence. For a small number of young children who live in children's homes there have been significant delays in driving their care plans forward to secure long-term permanence. This is because there has not been effective management oversight and supervision of children's care plans, and IROs do not routinely challenge drift and delay. | | | |
| Ref | Action | Action Owner | Due by | Action Rating |
| IR1 | Review the performance management framework for IROs to ensure that we can evidence their impact in children's plans and children's lives. | Head of Service for Children's Safeguarding and Quality Assurance | September 2024 | Complete but need to evidence impact |
| IR2 | IROs will be included in the in-house and commissioned leadership and management development programme. This will ensure we have a consistent | Principal Social Worker | IROs to be included by April 2024 | Complete but need to |

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| | understanding of quality and expectations on practice and joint approach to improvement. | | | evidence impact |
| IR3 | Review and refresh the IRO practice standards to embed consistently good quality practice. | Safeguarding and Quality Assurance Managers | Review quarterly at service development days | Complete but need to evidence impact |
| IR4 | Hold an IRO service development day every 3 months to embed consistently good practice. | Safeguarding and Quality Assurance Managers | Every 3 months from June 2024 | Complete but need to evidence impact |
| IR5 | Revise the guidance on IRO quality assurance alerts to support improved outcome-focused practice in line with our key improvement areas, e.g. planning, tailored visiting, and preventing drift and delay. | Safeguarding and Quality Assurance Managers | August 2024 | Complete but need to evidence impact |
| IR6 | Explore and challenge performance around permanence in performance clinics with IROs to ensure this is achieved within children's timescales. | Safeguarding and Quality Assurance Manager, Cared for Children | July 2024 | Complete but need to evidence impact |
| IR7 | Carry out consultation and engagement sessions with cared for young people to evaluate the impact of the cared for IRO service and redesign the consultation forms for older young people. | Safeguarding and Quality Assurance Manager, Cared for Children | July 2024 | Complete but need to evidence impact |

Please also see action P9 - Develop a new child protection plan in partnership with children, young people and families to ensure it is concise, focused on the key priorities to keep children safe, and easy for families to understand.

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| How we'll assess if we've addressed this area | <ul style="list-style-type: none"> • Monthly practice review audits will tell us about the quality of practice and plans. • Themes and impact of IRO quality assurance alerts. • Percentage of plans that are good or better quality. • Number of children on CP plans over 15 months. • Percentage of repeat child protection plans. • Percentage of permanence plans at the second review. | What we will see when we've addressed this area | <ul style="list-style-type: none"> • IROs consistently drive forward plans and advocate for children. Plans are good quality, outcome-focused, and result in good outcomes for children. Over 80% plans audited will be good or better quality. • Children achieve long-term permanence in a timely way. • 100% children will have a permanence plan by their second review. • Repeat child protection plans will be under 15%. |
|--|--|--|---|

| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | Impact Rating |
|---|----------------------|
| Key improvement activities delivered this month | Grey |
| <p>The safeguarding and quality assurance service has been moved to sit independently from the operational services which will support greater oversight as well as support and challenge to the work of the wider services.</p> <p>The Cared for IRO service is now holding fortnightly thematic performance meetings aligned to the improvement plan.</p> <p>The IROs continue to attend the Leadership Network meetings to support consistency across the management teams.</p> | |
| What impact we are achieving for children and young people <i>What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.</i> | |
| <p>The service has begun to collate the feedback from the new child protection plan. Professional feedback has been received from our key safeguarding partners who have been wholly positive about the changes being more child focussed, impact focussed and easier for families to read and engage with. We are committed to obtaining feedback from families to inform our next steps.</p> <p>The sickness absence within the IRO team has been resolved and we have two agency posts covering which offers additional capacity. This should start to enable the IROs to show more consistency and quality in the work they are completing which will have a positive impact on performance data moving forwards.</p> <p>The latest audits show that there is evidence of IRO footprint on case files; however, the quality and consistency of this can still be variable. We remain keen to improve the evidence of IRO impact and anticipate the increased capacity now in place in the service will support this.</p> <p>In response to the feedback received from a cohort of cared for children who identified they would like to see a digitalised method of consultation, new feedback forms are being revised, and we have launched a digital portal for families and professionals to use.</p> | |
| What our performance indicators show | |
| <p>Positively, we have seen the numbers of children open on a child protection plan for 15 months or longer remains reasonably static at 21. This equates to 7% of the total, a 0.5% increase from last month. However, this is a dynamic cohort and 8 children of the 21 have only just moved into the 15 month or longer bracket. This suggests we are making some improvements with managers and IROs tracking progress of planning at earlier points to ensure plans can be safely ended within the children's timescales.</p> | |

The percentage of children subject to repeat child protection plans is also reducing. Repeat plans ever are currently accounting for 21% of the overall numbers (year to date). This is a positive picture of continual reduction from a high of 39% in July.

The data around children with a plan of permanence at the second review is not where it needs to be. A deep dive is underway to understand the barriers in achieving permanence for these young people. This will inform the action plan that is being developed and will enable practice improvements to be understood in this area.

7. Sufficiency of placements

| What needs to improve | | | | |
|--|---|---|----------------|--------------------------------------|
| The sufficiency of suitable placements that can meet children and young people's assessed needs. | | | | |
| Section Lead | Head of Service Children's Provision | | | |
| What inspectors found | <ul style="list-style-type: none"> When children cannot remain in the care of their birth parents, there is variability in how quickly potential carers from within the extended family are identified. Challenges to sufficiency impact on the choice of placements and the quality of children's experiences. Some children still live in homes that do not match their needs, due to a lack of choice. Sufficiency of in-house foster carers is a challenge. Some children experience multiple placement moves, which are unsettling for them. There are inconsistencies in management oversight and recording as to the rationale for this. A small number of young children who now live in children's homes have experienced frequent moves in foster care placements and too many changes in social worker. Some young children live in residential children's homes for long periods of time. | | | |
| Ref | Action | Action Owner | Due by | Action Rating |
| S1 | Embed a culture of considering support from the family network at the earliest opportunity, including identifying potential carers from within the extended family where children can't remain in the care of their birth parents. | Head of Service Child in Need and Child Protection Head of Service Cared for Children and Care Leavers | September 2024 | Reviewing |
| S2 | Join Foster4, which will provide additional resources for fostering recruitment and training. | Head of Service Children's Provision | May 2024 | Complete but need to evidence impact |
| S3 | Work in partnership with the other local authorities to build our Foster4 offer, ensuring there is an effective front door to the fostering service so we can effectively support those who make an enquiry and increase the number of foster carers within Cheshire East. | Head of Service Children's Provision | October 2024 | Complete but need to evidence impact |

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| S4 | Explore opportunities within the council to increase fostering marketing and raise awareness of fostering to increase the number of people considering fostering. | Head of Service Children's Provision | October 2024 | Complete but need to evidence impact |
| S5 | Develop specialist foster carers to support children and young people to step down from residential care. | Head of Service Children's Provision | December 2024 | On track |
| S6 | Develop our third Mockingbird constellation to increase support for foster carers and children and young people in foster care. | Service Manager for Fostering | September 2024 | Complete but need to evidence impact |
| S7 | Open three Cheshire East Council residential children's homes, which will include one emergency bed, to increase the placement options for Cheshire East's young people. | Head of Service Children's Provision | Flude House to open in April 2024 | Complete but need to evidence impact |
| | | | Cherry Tree House to open in November 2024 | Delayed |
| | | | Victoria Lodge to open in December 2024 | Reviewing |
| S8 | Carry out a deep dive on reunification and step down for children from care as part of the council's transformation programme. | Head of Service Child in Need and Child Protection | December 2024 | Reviewing |
| S9 | Investigate the potential for joint commissioning of high needs placements for children with relevant system partners, developing costed business cases where required, to support increased placement options for young people. | Strong Start Programme Lead Head of Service Children's Provision | December 2024 | On track |
| S10 | Young people to develop recruitment questions to ask foster carers, and deliver training to the fostering panel, to ensure children and young people's voices and experiences are included in the recruitment and selection of foster carers. | Participation Lead | September 2024 | Complete but need to evidence impact |

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| S11 | Develop a ‘Homes for Cared for Children’ workstream and action plan to improve outcomes for cared for children. This workstream will include a care leaver ambassador to ensure the views of care experienced children and young people shape our priorities and service development. | | Head of Service Children’s Provision Participation Team | December 2024 | Reviewing |
| How we’ll assess if we’ve addressed this area | <ul style="list-style-type: none">• Increase in in-house fosters and increase in range of foster carers to support different groups, for example older young people.• Percentage of children and young people in foster care with Cheshire East carers.• Reduction in the timeframe to bring in new foster carers.• Number of children and young people with 3 or more placement moves.• Children and young people will report that their placements meet their needs and they feel safe and supported. | | What we will see when we’ve addressed this area | <ul style="list-style-type: none">• When children cannot remain in the care of their birth parents, their networks are explored at an early stage to support them to remain with their wider family where possible.• There is sufficient choice of placements to meet children and young people’s needs, which means children are placed in a home that is right for them.• Children and young people experience stable homes and placement moves are prevented/ limited wherever possible. | |
| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | | | | | Impact Rating |
| Key improvement activities delivered this month | | | | | Grey |
| Placements: Placements continue to be challenging but we are looking to be creative to ensure our children and young people have homes that meet their needs, this includes supporting the APOC (appropriate places of care) workstream. Fostering: The Foster4 offer is now embedded into our service, which includes a recruitment hub. Foster4 data highlights the following: Number of enquiries into the service – 111 Number of expressions of interest – 28 Expressions of interest that have resulted in initial visits – 12 Number of assessments currently in progress – 9 Number of new foster carers approved - 4 | | | | | |

The Foster4 initiative is still very new and impact is hard to measure at this point, however, if all 9 assessments conclude positively in the financial year, we would have a total of 13 new fostering households, which would be 160% increase on the previous year.

Young people have developed recruitment questions to ask foster carers, and delivered training to the fostering panel, to ensure children and young people's voices and experiences are included in the recruitment and selection of foster carers.

The agency decision maker has observed the fostering panel this month and offered feedback. Children's questions have been used and are giving a richness to the process.

A new communications business partner is now in place for children's services who is supporting fostering. We have launched a promotional video – [fostering is everything](#) – which shows the long-term impact fostering can have to show people how rewarding and life-changing fostering is. We are also exploring targeted marketing with Triple Value Impact (transformation / digital) project group.

In House Residential:

Flude House has had a difficult month due to staffing sickness, however support from Cherry Tree has been offered to stabilise the house. An audit was completed by the responsible individual and has resulted in an action plan for the Homes Manager.

All documents have been submitted to Ofsted for Cherry Tree House. Ofsted have been contacted to chase up on our registration visit.

Joint Commissioning of high needs placements

A triangulation group has been established between the ICB MH and Neurodiverse Commissioning Team, ICB Transforming Care Team, and Cheshire East Council Strong Start Commissioning Team to look at options for children with complex needs. Mapping of 'as-is' position and desired future state for jointly commissioned placements for complex young people (principally those with learning disabilities, neurodiverse and/or challenging behaviours) will commence late November.

What impact we are achieving for children and young people

What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.

We continue to run Triple S (Step up, Step Down and Stability) on a weekly basis, and this is working well to stabilise placements and plan moves in advance.

What our performance indicators show

As above.

Chapter 2

1. The Front Door

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| Section Lead | | Head of Service Front Door | | |
| What inspectors found | | <ul style="list-style-type: none"> For some children and families, there is a delay in the step-up from early help services to statutory services. The step-up process is not as streamlined as it should be. For a small number of children, obtaining information from partner agencies and the voice of the child can lead to a delay in decision-making when the threshold is clearly met. Issues relating to parental consent are not always well recorded. The multi-agency partnership is not routinely included in social care decisions about next steps to help and protect children, or, when managers make decisions to close referrals. | | |
| Ref | Action | Action Owner | Due by | Action Rating |
| FD1 | Update the contact guidance to include that where the threshold for a referral is clearly met, cases must be actioned immediately. This guidance will also include ensuring consent is clearly recorded. Embed the guidance to support consistently good practice. | Service Manager Integrated Front Door | July 2024 | Complete but need to evidence impact |
| FD2 | Review multi-agency safeguarding hub (MASH) arrangements in other local authorities to learn from good practice and inform the development of multi-agency decision making in the front door. | Head of Service Early Help, Prevention and Domestic Abuse Service Manager Integrated Front Door | August 2024 | Complete but need to evidence impact |
| FD3 | Hold a collaborative workshop to review the current front door provision and agree actions to establish multi-agency decision-making, informed by the inspection findings and observation of good practice in other areas. | Head of Service Front Door | September 2024 | Reviewing |

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|---|---|--|--|---------------|----------------------|
| FD4 | Consider chapter 3 of Working Together 2023 in the safeguarding partnership to establish agreed multi-agency working arrangements. | | Head of Service Children's Safeguarding and Quality Assurance Chair of the Safeguarding Partnership and statutory partners within the partnership | December 2024 | On track |
| How we'll assess if we've addressed this area | <ul style="list-style-type: none">Monthly multi-agency front door thematic audits will conduct deep dives to understand our support to specific cohorts/ within specific areas. One theme will be step up to social care. These audits also consider consent and timeliness of decisions.The percentage of contacts that are referred to children's social care completed within 24 hours. | What we will see when we've addressed this area | <ul style="list-style-type: none">Families stepping-up from early help services to statutory services will swiftly receive support. Over 90% of referrals to children's social care will be within 24 hours.90% parental consent will be well recorded.All decisions for referrals to children's social care will be made swiftly. Over 80% referrals audited will be good quality.The multi-agency partnership is routinely included in social care decisions about next steps to help and protect children and when managers make decisions to close referrals. | | |
| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | | | | | Impact Rating |
| Key improvement activities delivered this month | | | | | Grey |
| Dorset Council provided an independent evaluation of our front door in November. The front door operational procedures are being updated in response to Dorset's review. | | | | | |
| What impact we are achieving for children and young people <i>What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.</i> | | | | | |
| Dorset's review found the following strengths: <ul style="list-style-type: none">The right decisions are made for children within the front doorThe culture and behaviours of staff in the front door are strong and positiveStaff were clear about the processes they needed to follow for their part the serviceThere was evidence of clear management oversight | | | | | |

- The needs of the whole family and other connected children were considered
- Pitstop meetings which discuss vulnerable person assessments (VPAs) from the police provide a holistic view of families' needs
- The emergency duty team are an experienced team with strong relationships to the front door team managers and a clear process on sharing information and recording referrals.

The areas for development identified were:

- Ensuring all referrals are completed within the front door
- Consideration to holding strategy discussions within the front door and review of the use of strategy discussions
- Partnership representation within the front door and timeliness of information sharing
- Timescales and oversight for responses to children in need
- Consent is well understood but not always clearly recorded
- Children with SEND are not always having their needs identified and responded to early enough.

What our performance indicators show

Timeliness of referrals to children's social care progressed within 24 hours has reduced to 77.2% in October.

Performance indicators are being used to develop audit activity within ChECS to review quality of triage and decision making/ application of thresholds.

2. Strategy Meetings

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|---|---|--|--|---|---|--------------------------------------|
| Section Lead | | Head of Service Children's Safeguarding and Quality Assurance | | | | |
| What inspectors found | | • Strategy meetings do not consistently capture the discussion about risk, which means that the rationale for decisions made, and next steps, is not always clear. | | | | |
| Ref | Action | | | Action Owner | Due by | Action Rating |
| SM1 | Deliver a workshop on strategy meetings for team managers to support consistently good practice. | | | Service Managers CINCP | August 2024 | Complete but need to evidence impact |
| SM2 | Deliver training for unit coordinators on minute taking to support consistently good practice across the team in capturing discussions on risk. | | | Children and Family Service Business Support Lead | August 2024 | Complete but need to evidence impact |
| SM3 | A management analysis box to be added to the strategy discussion form to ensure a clear rationale for decisions is included. | | | Service Managers CINCP | June 2024 | Complete but need to evidence impact |
| How we'll assess if we've addressed this area | | • Strategy discussion audits within the 8-weekly multi-agency liaison meetings will tell us about the quality of strategy discussions and whether the rationale for decisions is clearly recorded. | | What we will see when we've addressed this area | • Strategy meetings consistently capture the discussion about risk which means that the rational for decisions and next steps is clear. 90% strategy discussions will have a clear rationale for decisions. | |
| Impact to date | | | | | | Impact Rating |
| Our assessment of where we are in relation to what the inspectors found | | | | | | |
| Key improvement activities delivered this month | | | | | | Grey |

We continue to embed the quality assurance of strategy meetings in the Safeguarding Children's Partnership multi-agency liaison meeting. This meeting is attended by key strategic leads in health, police, education, children's social care and the partnership business manager. The next multi-agency liaison meeting is taking place on 10 December where strategy meetings linked to neglect will be the focus. This learning will go back into individual agencies to support practice improvements.

What impact we are achieving for children and young people

What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.

We are in the process of recruiting to a new QA officer position and part of this role will be to undertake quality assurance activity against areas of the improvement plan to test impact. A piece of QA activity needs to look at the quality of strategy meetings and partnership decision making.

What our performance indicators show

There have been 208 completed strategy meetings in October and 125 completed s47 investigations with a further 78 in progress. Only 59 of these section 47 investigations were conducted jointly with police colleagues. The quality assurance work around this improvement action needs to consider whether we conduct too many single agency s47 investigations and whether we are utilising strategy discussions in the right way.

3. Life-story work and later-life letters

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| Section Lead | | Head of Service for Cared for Children and Care Leavers | | | |
| What inspectors found | | • Life-story work and later-life letters are not usually started in a timely way. This means that children have limited opportunities to understand their journey into care at a time that is right for them. | | | |
| Ref | Action | | Action Owner | Due by | Action Rating |
| LS1 | Commission external training on life-story work to ensure practitioners understand the expectation, importance, and how to complete it. | | Principal Social Worker | March 2025 | Reviewing |
| LS2 | Include in the practice standards for care planning that the expectation for every child is that life story work and later life letters are started early. | | Head of Service for Cared for Children and Care Leavers | August 2024 | Complete but need to evidence impact |
| LS3 | Establish a process for monitoring and reviewing life-story work and later-life letters. | | Service Managers Cared for Children | August 2024 | Complete but need to evidence impact |
| How we'll assess if we've addressed this area | | • Feedback from children and young people, and their carers – children will tell us they have a better understanding of their life stories. | What we will see when we've addressed this area | • Life-story work and later-life letters are started early so children understand why they are in care. | |
| Impact to date | | | | | Impact Rating |
| Our assessment of where we are in relation to what the inspectors found | | | | | |
| Key improvement activities delivered this month | | | | | Grey |
| Training on life story work has been commissioned from Research in Practice. The training will be delivered in January and February. | | | | | |

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| A monthly review/tracker meeting has now been established with service managers and team managers attending. Progress is recorded on the child's record. | |
| What impact we are achieving for children and young people <i>What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.</i> | |
| From the tracker, we can see the timeliness of later life work has increased for children with a plan of adoption. | |
| What our performance indicators show | |
| As above. | |

4. Health of Cared for Children

| Section Lead | | Associate Director Quality and Safety Cheshire East, Cheshire and Merseyside NHS | | |
|-----------------------|--|--|------------|--------------------------------------|
| What inspectors found | | <ul style="list-style-type: none"> Waiting lists result in some delay in children accessing emotional support services. A small number of unaccompanied asylum-seeking children (UASC) and young people wait too long to access emotional support and counselling due to waiting lists. Initial and review health assessments are not always completed within appropriate timescales. | | |
| Ref | Action | Action Owner | Due by | Action Rating |
| H1 | Develop prioritisation matrices/ approaches to ensure the most vulnerable children and young people are prioritised for mental health support based on an understanding of the additional and differing needs and risks for children with experience of the care system. | Head of Commissioning Children, Families and Adults with Complex Needs Programme Lead for Mental Health and Neurodiversity – Cheshire East NHS ICB | March 2025 | On track |
| H2 | Develop 'waiting well' initiatives with key health providers and third sector provision to support children and young people while they wait based on an understanding of protective factors and how they can be increased and developed in response to needs. | Head of Commissioning Children, Families and Adults with Complex Needs Programme Lead for Mental Health and Neurodiversity – Cheshire East NHS ICB | March 2025 | On track |
| H3 | Review the current emotional support offer for UASC young people in Cheshire East, taking into account any recommendations/ good practice from the Cheshire and Merseyside scoping exercise on support to UASC young people. | Designated Nurse Safeguarding and Looked After Children | March 2025 | On track |
| H4 | Health and children's social care to jointly review the timeliness of health assessments on a six-weekly basis to support improved timeliness. | Service Manager Cared for Children Designated Nurse Safeguarding and Looked After Children | May 2024 | Complete but need to evidence impact |
| H5 | Develop a single point of contact for health assessments within the local authority to support increased timeliness. | Service Manager Cared for Children | May 2024 | Complete but need to evidence impact |

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|--|---|---|--|--------------------------------------|
| H6 | Report quarterly to NHS England on out of area initial and review health assessments that are out of timescale to drive improved timeliness. | Designated Nurse Safeguarding and Looked After Children | May 2024 | Complete but need to evidence impact |
| H7 | Develop a health and wellbeing workstream and action plan to improve health outcomes for cared for children and care leavers. This workstream will include a care leaver ambassador to ensure the views of care experienced children and young people shape our priorities and service development. | Designated Nurse Safeguarding and Looked After Children | December 2024 | Reviewing |
| How we'll assess if we've addressed this area | <ul style="list-style-type: none">• Waiting lists for children and young people's mental health services (CYPMHS).• Timeliness of annual health assessments, initial and review health assessments. | What we will see when we've addressed this area | <ul style="list-style-type: none">• Children and young people access children and young people's mental health services (CYPMHS) without delay. 90% of non-urgent referrals receive an assessment within 6 weeks. 90% wait no more than 6 weeks between assessment and treatment.• 90% annual health assessments will be completed within timescales. | |
| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | | | | Impact Rating |
| Key improvement activities delivered this month | | | | Grey |
| Emotional Health of Cared for Children Greater Manchester ICB have now completed their scoping exercise regarding the health of unaccompanied asylum-seeking children and are holding a workshop on 26 November to present their findings and update on practice development. This will include a review of the support for their emotional health. Liverpool are currently working on Phase 1 of the project that is being completed for Cheshire and Merseyside, focussing on the Liverpool cohort of UASC initially due to the high numbers placed in the city. Phase 2 of the work will involve a roll out across Cheshire and Merseyside. In terms of our UASC cohort of young people the process for referral for mental health support have clear established pathways. The use of the CAMHS, IAPT / Talking Therapies and Pure insight are the main agencies for referral. Referrals to Freedom from Torture continue but they have been unable to accept new referrals for some time. | | | | |

Health Assessments for Cared for Children

Weekly multi-agency meetings are continuing to take place to try to resolve barriers to attendance for health assessments. Where children have not attended within timescales, there is still evidence of multi-agency work to ensure these children are seen as quickly as possible, often in complex situations.

Discussions have been held regarding utilising the care leaver app to update information for the young person to be able to access regarding their health and wellbeing. Further work is being explored regarding the identification of a named person as a link to contact within each GP practice that supports with our Cheshire East Care Leavers.

The Specialist Nurse Cared for Children 16+ and Transitions will offer support by attending the care leaver hub once a month.

What impact we are achieving for children and young people

What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.

Emotional Health of Cared for Children

Current data shows for cared for children there is a maximum 3 week wait for first contact from point of referral for children referred to CWP Children & Young People's Mental Health Services, and this will be tracked monthly from this point as an additional marker has been added to the Patient Electronic Record to note cared for status. The majority of cared for children are seen within 1 week or less.

Health Assessments for Cared for Children

There continues to be an increase in the number of children who are experiencing significant delays in their initial health assessments. On review of the trends further detail has been noted below:

Consent

Consent to medical and consent to share medical information in some cases is not being secured within a timely manner to ensure that appointment allocation can proceed. This in particular is impacting the children who are placed out of area as the health admin teams are unable to send out the documentation bundle to providers out of area unless complete.

Paperwork

The completion of the IHA paperwork and associated documents is not being secured within the required timescale. The teams have also seen delays in the paperwork not being updated following a placement move which again has caused delays in the process of requesting an IHA.

Some providers out of area are placing specific requests for additional information to be gathered and submitted prior to the IHA slot being allocated. This information request is to secure a brief background history of the family and the reason why the child / young person has entered care as well as any known medical history that the health teams need to be made aware about.

GP registration and NHS Number allocation

GPs / NHS numbers are not being secured in a timely manner for children and young people placed out of area. Some of our unaccompanied asylum-seeking young people are not allocated an NHS number until they are registered with a GP. This process can take several weeks and has an impact on the IHA slot being allocated in out of area providers. Locally we have developed a process to support this.

Some out of area providers will not proceed with booking an IHA slot until a GP has been identified so they are able to ensure that there is clear communication, and the actions shared. This is not a persistent issue however we have reiterated with our children's social care colleagues the need to ensure that GP registration is a key requirement for our children placed out of area.

Placement Changes / Moves.

Some of our children within the Q2 time period have experienced multiple placement changes. As a result, this has a significant impact on the IHA waiting lists as often the cancellations are very late notice, or the child is not brought. This along with the need for updated paperwork is causing a number of blockages in the system. Clear and timely communication is required to ensure the health teams can proactively support.

Increased number of children and young people placed out of area

We have noted an increased number of children and young people placed out of area. The current figures do not reflect the placement changes where children and young people have been placed out to a variety of out of area locations but then are brought back into area for short periods of time before moving on again.

Social worker turnover

Some families have noted multiple changes of social worker within a very short timescale. This has proved challenging for the social worker to gain an understanding of what is outstanding and then completing the required actions within an effective time period. This has also increased the number of communication challenges between children's social care and health teams.

Interpreters

There have been multiple challenges with interpreters not arriving at IHA appointments or very late cancellations. This has been escalated to service leads. One young person was required to attend the hospital on 5 occasions as an interpreter had not attended the previously planned appointments.

Missed Appointments

Within Q2 there has been an increased number of missed appointments recorded. During Q2 there was a total of 27 missed or very late appointments cancellations. This also includes children who were brought too late to an allocated appointment slot. Health teams have explored with children's social care service leads to ensure that where children are placed with parents or family that support around organisation of the multiple appointments can be supported.

Large Sibling Groups

During Q2 there have been an increased number of large sibling groups. This has had a direct impact on clinic capacity to try where possible to ensure that the children are seen together. For 3-4 children this will consume a full clinic slot. For sibling groups larger than this consideration has been taken

to split the siblings across different dates. It is noted that out of area providers will ensure the children are seen in the first available slot – this often means they are split across several days / weeks.

Carer Transport

During Q2 we have had a number of examples of where the lack of carer transport has negatively impacted the children being brought to appointments or causing very late cancellations. The health teams have worked very closely with children's social care to ensure where possible the families are supported to attend.

Late Notifications

The health teams have received a total of 16 late notifications during Q2. Within that total, 3 have been identified as being significantly late and outside of timescale. This has a negative impact on the health team's ability to secure an IHA slot within the 20 day timeframe.

Outcome:

The themes identified above result in:

- Large numbers of emails and escalations being sent to request urgent actions with challenges.
- The large volume of missed appointments has had a direct impact on the number of clinic slots available. The backlog of young people that have not been seen within timescale has increased.
- Overall workload for our admin teams to organise new clinics to alleviate the pressure, but this is currently not having an impact due the number outstanding.

Plan:

- ICB weekly review of the IHA dashboard led by the Deputy Designated Nurse with the ICB SG admin.
- Weekly IHA meetings with children's social care admin and the health provider teams – chaired by the Deputy Designated Nurse.
- Weekly summary report to be submitted to children's social care managers and admin leads so support can be secured for the children and families to attend.
- Children's social care admin leads to update the allocated social worker, team manager and supervising social worker.
- Escalations from the ICB team to the children's social care service leads to continue where required.
- 6 weekly meetings with children's social care service leads
- IHA process template awaiting sign off by the Interim Director of Family Help and Children's Social Care. Once authorised for use – the Named Nurse SG children WCNT, Deputy Designated Nurse, and the Designated Dr to hold a series of briefing sessions for children's social care to go through the agreed process and documentation.
- Decliner pathway awaiting sign off by the Interim Director of Family Help and Children's Social Care. This will then be added to the briefing sessions for review and discussion.
- Escalation pathway to be built around the process once agreed.

What our performance indicators show

Children and Young People's Mental Health Services – all young people (CWP CYPMHS)

The average waiting times in September 2024 for a Choice Assessment were 12 weeks for South Cheshire and 9 weeks for East Cheshire. We are reviewing this with CWP Leads as waiting times have shown minimal progress in terms of reduction over the year as an aggregate. Please note the published tables below relate to **all** young people referred and as per the detail in the narrative above cared for children and young people are seen within 3 weeks or less in the vast majority of cases.

| Average Choice Assessment Waiting Times (referral to 1 st meaningful contact, in weeks) | | | | | | | | | | | | |
|--|------|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|------|
| | 2023 | | | 2024 | | | | | | | | |
| Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept |
| 0-18 South Cheshire | 5 | 15 | 7 | 9 | 11 | 8 | 7 | 10 | 6 | 6 | 10 | 12 |
| 0-18 East Cheshire | 5 | 7 | 3 | 7 | 6 | 9 | 6 | 4 | 5 | 3 | 6 | 9 |

The waiting times in September 2024 for a Partnership Appointment were 11 weeks for South Cheshire (reduced from 18 weeks at the time of the inspection) and 11 weeks for East Cheshire (similar to the time of the inspection). Whilst these times are still higher than desired, they are lower than elsewhere across Cheshire & Wirral as a result of concerted efforts in Cheshire East to address waiting times.

| Average Partnership Appointment Waiting Times (from assessment partnership appointment or individual intervention in weeks) | | | | | | | | | | | | |
|---|------|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|------|
| | 2023 | | | 2024 | | | | | | | | |
| Sept | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sept |
| 0-18 South Cheshire | 2 | 4 | 6 | 10 | 18 | 15 | 7 | 10 | 15 | 7 | 9 | 11 |

| | | | | | | | | | | | | |
|--------------------|----|---|---|---|----|----|---|---|----|----|----|----|
| 0-18 East Cheshire | 11 | 5 | 4 | 9 | 12 | 23 | 7 | 8 | 10 | 13 | 10 | 11 |
|--------------------|----|---|---|---|----|----|---|---|----|----|----|----|

The data is available at [Waiting times - Children and Young People's Mental Health Services :: Cheshire and Wirral Partnership NHS Foundation Trust \(mymind.org.uk\)](https://mymind.org.uk)

Health Assessments for Cared for Children

2023/24 turnout data confirmed that 91% of cared for children had their annual health assessment. This an increase of 2% from 89% in 2022/23.

Additionally, 87% had their teeth checked by a dentist in 2023/24 which is an increase of 12% from 75% in 2022/23.

5. Education for Cared for Children

| Section Lead | | Head of Service for Inclusion | | | |
|-----------------------|--|---|---|--------------------------------------|--|
| What inspectors found | | <ul style="list-style-type: none">• Too many primary-aged children in care experience attendance issues as they move into secondary school.• Personal education plans (PEPs) contain the required information, but outcomes for children in care overall are low.• Many children in care are ill-prepared for adulthood and struggle to cope with the challenges that they face when they leave care.• The identification of children and young people who are at risk of not being in employment, education or training (NEET) does not begin early enough. | | | |
| Ref | Action | Action Owner | Due by | Action Rating | |
| ED1 | Review attendance through education advisors' fortnightly attendance meetings and determine clear actions for young people to improve their attendance. | Head of Service for Inclusion | April 2024 | Complete but need to evidence impact | |
| ED2 | Review the plans for those with lower than 50% attendance, in alternative provision, or not in full time education, in a forum chaired by a head of service, to ensure there are clear actions on what needs to happen and there is senior leader oversight of these young people. | Head of Service for Inclusion | April 2024 | Complete but need to evidence impact | |
| ED3 | Hold multi-disciplinary team meetings for individual children and young people when required to improve attendance. These meetings develop a plan to improve attendance and continue to meet until attendance has improved. | Head of Service for Inclusion | April 2024 | Complete but need to evidence impact | |
| ED4 | Improve the quality of PEPs through delivering training, ensuring we are ambitious for young people, targets are SMART, and there is a clear early planning for preparing young people for adulthood and securing EET. Involve young people in the development and delivery of the training to ensure the impact of a good quality PEP is clear. | Head of Service for Inclusion | Delivery from September - December 2024 | On track | |
| ED5 | Review the PEP form to ensure that this supports improvement in areas where care experienced young people attain less well than their peers, for example reading. | Head of Service for Inclusion | September 2024 | Complete but need to evidence impact | |

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| ED6 | Report cared for children’s attainment against their peers within scorecards and performance reports to drive improved performance. | | Head of Service for Inclusion | September 2024 | Reviewing |
| ED7 | Audit young adults who are NEET at 20 and look what learning can be taken from their preparation for adulthood to improve our support. | | Head of Service for Inclusion Service Manager for Care Leavers | August 2024 | Reviewing |
| ED8 | Use the risk of NEET indicators (RONI) to identify which cared for young people in Year 11 are at risk of NEET and ensure that the right support is in place to support them into EET. | | Area Delivery Manager Youth Support Service – NEET and Preparing for Adulthood | November 2024 | On track |
| How we’ll assess if we’ve addressed this area | | <ul style="list-style-type: none">• Percentage attendance for cared for children.• Educational outcomes for cared for children.• PEP audits will tell us about the quality of PEPs and impact, and how well they support preparation for adulthood and prevent young people becoming NEET.• Percentage of PEPs that are good or better quality.• Percentage of young people in care in Year 12 and 13 that are NEET. | What we will see when we’ve addressed this area | <ul style="list-style-type: none">• 95% attendance for all cared for children• Educational outcomes for cared for children are good and in line with their peers.• Cared for young people are well prepared for adulthood.• Identifying children and young people who are at risk of NEET begins early and helps to prevent them becoming NEET.• 95% of PEPs are graded as good or better• 90% of young people in care in Year 12 and 13 are EET. | |
| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | | | | | Impact Rating |
| Key improvement activities delivered this month | | | | | Grey |
| Attendance meetings are continuing and have become a staple of our practice. To build on this and to ensure attendance codes and approaches are consistent, we have drafted attendance guidance. This will be reviewed by the legal team and subsequently council leadership for approval. The professional challenge in place for those with low attendance also continues and the pupil panel meeting has adapted and altered to meet the needs of our everchanging cohort – as well as discussing young people who are of particular concern, the young people with attendance below | | | | | |

50% are now a standing agenda item discussed at each meeting. All meetings are attended by virtual school specialist attendance officers, advisors, and head of service, alongside service managers from within the social care teams and the manager of the cared for IRO team. The process for multi-disciplinary team meetings has been updated along with the documentation that is used to record the outcomes from these meetings.

We have now had two designated teacher training days that were attended by close to 55 designated teachers from across the authority. On top of this we've held training for our school governors that was well attended, and an event specifically for new designated teachers. At these events several of our currently cared for young people presented on their lived experiences to contextualise the work our schools do. The bulk of these sessions were specifically around writing effective PEPs or, in the case of the governor's session, how to quality assure PEP documents and their statutory role within schools. We have produced a pre-recorded piece of training that went to all designated teachers around the writing of SMART targets. We will be completing further PEP moderation at the end of the autumn term to analyse the data around quality assurance and RAG rating. We will use this information, comparing it with the summer term 2024, to see progress and identify areas for improvement / next steps.

The pilot for our new PEP has gone well with recommendations on some very tangible ways in which we can develop the form before a complete roll out to all schools in the spring term. Our Early Years PEP has been updated; this captures progress in relation to early learning goals and looks at where the child is now and what we hope for them for the future. This PEP now has a clear section for SMART targets. This will be rolled out to all early years settings in the spring term. We have a meeting scheduled in December with a working group to look at our EHCP cohort and how we can adapt our PEP document to improve how we capture their school experiences, achievements and targets in line with their EHCP.

Over the past month we have been working on completing our annual Virtual School Headteacher's Report which is due to go to the Cared for and Care Leavers Committee on 3 December 2024. Part of this process involved a thorough analysis of attainment data on our children in early years foundation stage (EYFS), Year 1 (phonics), Year 2 (phonics resitters), Year 6 (SATs), Year 11 (GCSEs and other qualifications), and Year 13 (A Levels and other qualifications). The bulk of this data is not yet validated, and so final findings and comparison is somewhat difficult – but we have received some very positive outcomes that we will be reporting on in the future in comparison with other groups both nationally and regionally.

Six 20 year olds who are NEET and able to work have been audited. This is 32% of the current 20 year old NEET cohort. 10 key areas have been highlighted as risk factors and further analysis is due to be completed around these key areas and next steps.

Termly meetings are taking place between the Virtual School post 16 advisor and school aged advisors. The autumn term meeting has taken place to look at next steps for all of our year 11 cohort and identify those young people at risk of NEET. Termly meetings are then held between the Virtual School and Youth Support Service to ensure support is in place for all students to support them into EET.

What impact we are achieving for children and young people

What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.

We have attended an inter-authority moderation of PEPs to look for strengths and share best practice. On top of this we have identified the young people for whom we will be moderating Personal Education Plans for in the autumn term.

| What our performance indicators show | |
|--|--|
| <p>Compared to September 2024 we are seeing much improved data when it comes to attendance. In the first instance, we have fewer young people awaiting placement (currently 3 awaiting placement compared to 4 in September despite having 11 more cared for children). Equally, attendance figures for both primary and secondary school age young people is increasing moving from 96.07% to 96.35% and 83.86% to 84.36% respectively.</p> | |

6. Workforce

| Section Lead | | Director of Family Help and Children’s Social Care | | | |
|-----------------------|--|--|----------------|--------------------------------------|--|
| What inspectors found | | <ul style="list-style-type: none">• Frequent changes in social workers impact on the quality of relationships and the progress of plans for some children, leading to delay.• Too many children have experienced changes in social worker, which means they must retell their story, and this prevents them from being able to build trusting relationships.• The impact of multiple social workers and IROs on care planning has resulted in drift and delay for some children in achieving permanence. | | | |
| Ref | Action | Action Owner | Due by | Action Rating | |
| W1 | Review capacity across children’s social care and supporting services to deliver the improvement plan and develop a costed proposal to the Children and Families Committee. | Director of Family Help and Children’s Social Care | July 2024 | Complete but need to evidence impact | |
| W2 | Assess demand to the care leavers service and determine what capacity is needed to support allocation at 15 years 9 months and to increase support to care leavers aged 21+. | Service Manager Care Leavers | July 2024 | Reviewing | |
| W3 | Review capacity across the two IRO teams to look at how we can create dedicated time for supporting and driving improved outcomes for care leavers. | Head of Service Children’s Safeguarding and Quality Assurance | July 2024 | Complete but need to evidence impact | |
| W4 | Reestablish a workforce, recruitment and retention group for children’s social care. | Director of Family Help and Children’s Social Care | September 2024 | Complete but need to evidence impact | |
| W5 | Refresh the recruitment and retention strategy. | Head of HR Principal Social Worker | December 2024 | On track | |

| | | | | |
|---|--|---|--|--------------------------------------|
| W6 | Develop and launch a refreshed recruitment campaign to attract high quality practitioners and managers to Cheshire East. | Head of HR Principal Social Worker | January 2025 | On track |
| W7 | Develop reporting on caseloads specific to each service on what we would expect to see to support effective oversight. | Director of Family Help and Children's Social Care Business Intelligence Manager | August 2024 | Complete but need to evidence impact |
| W8 | Launch a level 7 apprentice scheme (a masters equivalent programme, so a shorter programme than our current BA equivalent level 6 apprenticeships) to supplement our current scheme supporting people to train as social workers with Cheshire East. | Principal Social Worker | To start in March 2025 | On track |
| W9 | Seek practitioners' views on the support they receive to deliver good practice, workloads, and progress to date, through the practice review audits, elected member frontline visits, and walking the floor. | Executive Director of Children's Services | Quarterly review | On track |
| W10 | Keep the children's workforce updated on developments around the inspection findings through the monthly children's newsletter and monthly talk together sessions with the DCS to ensure there is a joined up approach to improvement. | Executive Director of Children's Services | Quarterly review | On track |
| W11 | Seek children, young people and families' views of the support they have received through our audit process. | Head of Service Children's Safeguarding and Quality Assurance | Monthly | Complete but need to evidence impact |
| How we'll assess if we've addressed this area | | What we will see when we've addressed this area | | |
| <ul style="list-style-type: none">• Monthly practice review audits will tell us about the quality of practice across all service areas and include feedback from children and families on their relationships with their workers.• Caseload data.• The percentage of social worker vacancies and the percentage turnover rate for social workers. | | | <ul style="list-style-type: none">• Social workers build effective and trusting relationships with children and families, which supports improved outcomes for children and young people. 90% young people tell us that they trust their social workers.• Teams are stable, meaning children and young people don't experience frequent changes in social worker or IROs.• Average caseloads are 15 for AYSEs, 20 for cared for, and 22 for CINCP.• 80% practitioners tell us that their caseloads are manageable and they feel well supported by managers. | |

| Impact to date <i>Our assessment of where we are in relation to what the inspectors found</i> | Impact Rating |
|---|----------------------|
| Key improvement activities delivered this month <p>Action W2 is marked as delayed as although we had additional funding agreed to support the care leavers service, and these posts were subsequently recruited to, instability within the service has meant that the service has not yet benefitted from additional capacity. A recruitment advert for permanent PA roles is about to go out shortly.</p> <p>The workforce strategy has been refreshed and will be considered by senior leaders and the workforce group.</p> <p>Practitioners have been invited to be part of a practice reference group to shape services in Cheshire East. The first meeting is intended to take part in December.</p> | Grey |
| What impact we are achieving for children and young people <i>What our quality assurance activity tells us – including audits, surveys, feedback from children, young people and families, and feedback from our workforce. Include any risks or if any new actions have been identified.</i> | |
| <p>Our good practice alerts recognise some of the strong relationships that are in place between children, young people, families and practitioners. However we know some children and young people experience too many changes in worker which impacts on their ability to build relationships and feel supported.</p> | |
| What our performance indicators show <p>Information on caseloads and further detail on workforce is included within the workforce report.</p> | |

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BRIEFING REPORT

Children and Families Committee

13 January 2025

Update on the progress of the key areas of the Dedicated Schools Grant Management Plan 2024/25 to 2030/31 – Financial Reporting 3 2024/2025

Report of: Theresa Levey, Executive Director of Children's Services

Report Reference No: CF/46/24-25

Purpose of Report

- 1 To provide the Children and Families Committee with an up-to-date forecast deficit reserve position for 2024-25 on the Dedicated Schools Grant (DSG) management plan.
- 2 The forecast deficit reserve position within this report is based on actual costs and information taken from 1 April 2024 – 30 November 2024.

The Children and Families Committee is recommended to:

1. Scrutinise and note the forecast deficit reserve position for 2024-25 for the DSG Management plan 2024/25 to 2030/31.
2. Note the provisional High Needs allocations for 2025/26.

Executive Summary

- 3 The DSG management plan has been reprofiled to take in to account of the reduced growth of Education, Health and Care Plan (EHCP) numbers (13.5% EHCP growth - 5.5% lower than anticipated) and a considerably lower deficit position than forecast on 31 March 2024 (£10 million reduction in the deficit position – giving a position of £79 million).

- 4 The reprofiled DSG management plan was shared with Children and Families Committee in November 2024.
- 5 The latest forecast for 2024-25 (based on actual expenditure April to November 24) shows a forecast deficit reserve position of £115.8 million, representing a total of £25.1 million reduced deficit compared with the original DSG management plan forecast (submitted to the DfE via the Safety Valve programme) and a £4.3 million reduced deficit compared with the reprofiled DSG mgmt. plan
- 6 The Government have announced funding increases for DSG allocations and have released provisional DSG allocations for 2025-26.
- 7 For Cheshire East the provisional high needs allocation represents a 7% increase, approximately £4 million additional funding compared with 2024-25 allocations.
- 8 Appendix 1 of the report provides more detail on the financial forecast for 2024/2025.
- 9 Appendix 1 also provides an analysis of data for both education health and care needs assessments (EHCNA) and education health and care plans (EHCP).
- 10 There has been a 11% reduction in the number of EHCNAs received during the period January to October 2024 compared with the same period in 2023. The growth of EHCPs during the same period has also seen a reduced growth of 6%.

Background

- 11 The DSG management plan provides a forecast for both an unmitigated position and a mitigated position for the period 2024/25 to 2030/31.
- 12 The unmitigated financial forecast is the do-nothing position. Whereas the mitigated financial forecast includes carefully considered interventions.
- 13 The overall strategy and mitigations focus on **RIGHT TIME, RIGHT SUPPORT, RIGHT PLACE**. This includes:
 - The need to continue to increase local specialist provision and become less reliant on the independent sector
 - Embed the graduate approach and inclusion across all schools and settings and strengthen SEN support
 - Strengthening decision making and governance

- 14 The two tables below show the original forecasts (original submission to the DfE via the Safety valve programme) and the reprofiled forecast for each year of the DSG management plan.

| Original Submission December 2023 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 |
|--------------------------------------|---------|---------|---------|---------|---------|---------|---------|
| | £m | £m | £m | £m | £m | £m | £m |
| Unmitigated cumulative deficit | 154.6 | 244.6 | 363.5 | 514.8 | 702.2 | 929.1 | 1,200.9 |
| Mitigated cumulative deficit | 140.9 | 189.0 | 227.7 | 256.5 | 276.2 | 285.4 | 284.8 |
| Impact of mitigations | -13.7 | -55.6 | -135.8 | -258.3 | -426.0 | -643.7 | -916.1 |

| Reprofiled September 2024 | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 2030-31 |
|--------------------------------|---------|---------|---------|---------|---------|---------|---------|
| | £m | £m | £m | £m | £m | £m | £m |
| Unmitigated cumulative deficit | 132.6 | 208.7 | 310.8 | 443.8 | 612.2 | 820.0 | 1073.0 |
| Mitigated cumulative deficit | 120.1 | 159.2 | 190.7 | 213.9 | 229.5 | 237.3 | 236.7 |
| Impact of mitigations | -12.5 | -49.5 | -120.1 | -229.9 | -382.7 | -582.7 | -836.3 |

DfE 2025-26 High Needs DSG allocation

- 15 Recent government announcements state:

“Overall, core schools funding (including funding for both mainstream schools and high needs) is increasing by £2.3bn in 2025-26 compared to the previous year. Within this £2.3bn, high needs funding is increasing by a further £1 billion in 2025-26 to help local authorities and schools with the increasing costs of supporting children and young people with SEND. The majority of this increase will be allocated through the high needs NFF. Through this formula, local authorities will receive at least a 7% increase per head of their population aged 2-18, compared to their 2024-25 allocations, with some authorities seeing gains of up to 10%”.

- 16 For Cheshire East the provisional high needs allocation represents a 7% increase. Within the DSG management plan forecasts, a prudent increase of 3% has been applied to income, as advised by DfE Safety Valve colleagues.
- 17 The table below shows the provisional high needs allocations compared with the 2024-25 allocation and the forecast allocation as detailed in the DSG mgmt. plan. the provisional allocation is 4% higher than the forecast allocation for 2025-26.

| | DSG Allocation 2024-25 (March 24) | 2025-26 DSG Mgmt. Plan Forecast | DSG Mgmt. Plan assumed % increase | Provisional NFF Allocation 2025-26 | % increase from 2024-25 Allocation | % increase from DSG Mgmt. Plan Forecast 2025-26 |
|--|-----------------------------------|---------------------------------|-----------------------------------|------------------------------------|------------------------------------|---|
| DSG allocation | 58,626,629 | 60,350,774 | 3% | 62,807,805 | 7.1% | 4.1% |
| DSG import / export | -468,000 | -468,000 | | -450,000 | -3.8% | -3.8% |
| DSG historic pay & pensions adjustment | -687,115 | -687,115 | | -799,258 | 16.3% | 16.3% |
| | 57,471,514 | 59,195,659 | 3% | 61,558,547 | 7.1% | 4.0% |

- 18 Please note, some data sources used in the NFF are due to be updated following the publication of the provisional 2025-26 allocations, such as data based on the January 2024 AP census and October 2024 school census. Therefore exact allocations are unknown at this point.

Briefing Information

- 19 As stated under the purpose of the report, this paper is to provide a briefing to the Children and Families Committee and asks members of the committee to scrutinise and note the forecast deficit reserve position for 2024/25 DSG management plan
- 20 This report is not for seeking a decision but is to support a broader discussion and to provide an update on the DSG management plan.

Implications

Monitoring Officer/Legal

- 21 Under the Local Government Finance Act 1992, the council has a statutory duty to use resources efficiently and effectively against priorities and to achieve a balanced budget. Section 28 (budget monitoring: general) of the Local Government Act 2003 requires the Council to review its calculations from time to time during the year and to take such action, if any, as it considers necessary to deal with any deterioration in its financial position.
- 22 The Dedicated Schools Grant (DSG) is paid to the Council by the Secretary of State under section 14 of the Education Act 2002. (power of Secretary of State to give financial assistance for purposes related to education or children etc.). It is a specific ring-fenced grant given outside the local government finance settlement. The terms of the grant require it to be used to support schools budgets for purposes defined in regulation The Schools and Early Years Finance (England) Regulations 2023. Local authorities are responsible for determining the split of the grant between central expenditure and the individual schools budget

(ISB) in conjunction with local schools forums. Local authorities are responsible for allocating the ISB to individual schools in accordance with the local schools' funding formula.

- 23 The Education and Skills Funding Agency Guidance on DSG: Conditions of grant 2023-24 require any local authority with an overall deficit on its DSG account to present a Plan to the DfE for managing their future DSG spend and to keep the schools forum regularly updated about the authority's DSG account and plans for handling it including high needs pressures and potential savings.

Section 151 Officer/Finance

- 24 In April 2020 Ministry of Housing, Communities and Local Government (MHCLG) introduced new legislation to switch the DSG deficit reserve from a usable to an unusable reserve and allowed the creation of an adjustment account on the balance sheet.
- 25 When MHCLG set up the accounting override it prevented local authorities from funding a DSG deficit from General Funds without the permission of the Secretary of State. It was made clear to council treasurers that this override was in place to allow time to find suitable arrangements to address this national issue.
- 26 The current override has been extended and will now end on 31 March 2026, unless further extensions are announced. Without the override the size of the negative reserve for council expected as of 31 March 2026 would present a financial stability issue for the 2026/27 financial year. The council does not have sufficient reserves to be able to cover the cost of the cumulative deficit if the override is removed.
- 27 The size of the deficit has negative cash flow implications for the council, as we are spending more money than we receive. This results in revenue interest costs linked to the cost of borrowing.
- 28 The 2023/24 closing DSG balance was lower than in the original management plan, and the end of 24/25 balance is also forecast to be lower. This is positive for both the delivery of the plan as well as for the financial impact of interest costs. The impact on the council's revenue costs through the cost of interest in 2023/24 was around £2.6 million and is forecast to be in the region of £5 million in 2024/25. This cost will increase annually as the DSG cumulative deficit continues to increase.
- 29 As detailed in the Cheshire East MTFS 2024-28, and the most recent MTFS reports for 2025-29, the council is experiencing financial challenges at a scale that it has not faced before. This makes successful delivery of the DSG Management Plan imperative.

Policy

- 30 Local authorities are under a duty to ensure sufficiency of school places in their area (section 14 of the Education Act 1996).
- 31 The SEND Code of Practice (January 2015) provides statutory guidance on duties, policies and procedures relating to Part 3 of the Children and Families Act 2014 and associated regulations and applies to England.
- 32 The DfE issued the “SEND Review: Right support, right place, right time” - a SEND and AP green paper which is a consultation on the future of SEND services. The SEND Partnership response is in support of the proposals and promptly making those legal requirements will support the council in delivery of the necessary changes.
- 33 Following the green paper consultation in March 2023 DfE published their SEND and alternative provision improvement plan which sets out their plans to change the special educational needs and disabilities (SEND) and alternative provision system in England. The partnership will ensure we keep up to date with the DfE roadmap and change programme as this is progressed nationally. [SEND and alternative provision roadmap - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/consultations/send-and-alternative-provision-roadmap)
- 34 The statutory duties include:
- (a) the need to undertake a needs assessment where a child may have additional needs,
 - (b) to issue an education, health and care plan within 20 weeks where assessment provides evidence this is required to meet the assessed needs.
 - (c) the local authority must then secure an appropriate school place and must consult with parental preference

| | | |
|---|---|--|
| An open and enabling organisation (Include which aim and priority) | A council which empowers and cares about people Support all children to have the best start in life. Increase opportunities for all children and young | A thriving and sustainable place Reduce impact on the environment. Thriving urban and rural economies with opportunities for all Be a carbon neutral council by 2025 |
|---|---|--|

| | | |
|--|---|--|
| | adults with additional needs. Ensure all children have a high quality, enjoyable education that enables them to achieve their full potential | |
|--|---|--|

Equality, Diversity and Inclusion

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

Human Resources

There are no direct implications for rural communities.

Risk Management

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

Rural Communities

There are no direct implications for rural communities.

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

- 41 The council has approved its Children's Vision which contains a priority around children with additional needs.
- 42 The SEND Partnership Strategy sets out the Partnership vision for meeting the needs of children and young people with SEND. This strategy was refreshed to include the DBV opportunities and mitigations within the DSG Management Plan in 2023

Public Health

- 43 There are no direct implications for public health

Climate Change

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

| Access to Information | |
|------------------------------|---|
| Contact Officer: | Claire Williamson Director of Education, Strong Start and Integration Claire.williamson@cheshireeast.gov.uk |
| Appendices: | Appendix 1 – Financial impact and impact on EHCNA and EHCPs |
| Background Papers: | Update of the Dedicated Schools Grant (DSG) management plan for the period 2024/25 to 2030/31 to reflect the financial outturn position and the reduced growth of Education, Health and Care plan numbers as of 31 March 2024. CEC Report |

| | |
|--|---|
| | <p>Template & Appendix 1 - DSG Management Plan Update.pdf C&F Committee 11 November 2024</p> <p>Update on the progress of the key areas of the Dedicated Schools Grant Management Plan 2024/25 to 2030/31 – Quarter 1 2024/2025 C&F Committee 16 September 2024 CEC Briefing Report Template</p> <p>Update on the progress of the key areas of the Dedicated Schools Grant Management Plan 2024/25 to 2030/31 CEC Briefing Report Template (cheshireeast.gov.uk)</p> <p>Revised Dedicated Schools grant Management Plan 2024/25 to 2030/31 C&F Committee 29 April 24 CEC Report Template (cheshireeast.gov.uk)</p> <p>Appendix 1 - Safety Valve DSG Management Plan.pdf (cheshireeast.gov.uk)</p> <p>DSG Management Plan 2022-23 – C&F Committee September 2022 - Decision report template (cheshireeast.gov.uk)</p> <p>15 DSG Management Pan 2023-2024 – C&F Committee September 2023 CEC Report Template (cheshireeast.gov.uk)</p> <p>Delivering Better Value Update C&F Committee March 2023 - Decision report template (cheshireeast.gov.uk)</p> <p>SEND & AP Green Paper - SEND and alternative provision improvement plan - GOV.UK (www.gov.uk)</p> <p>Children and Families Committee 18 September 2023:</p> <ul style="list-style-type: none"> • SEND Strategy 2. SEND Strategy.pdf (cheshireeast.gov.uk) • SEND Sufficiency Statement CEC Report Template (cheshireeast.gov.uk) • Capital Programme CEC Report Template (cheshireeast.gov.uk) <p>This link provides information on Safety Valve agreements with other local authorities - Dedicated schools grant: very high deficit intervention - GOV.UK (www.gov.uk)</p> |
|--|---|

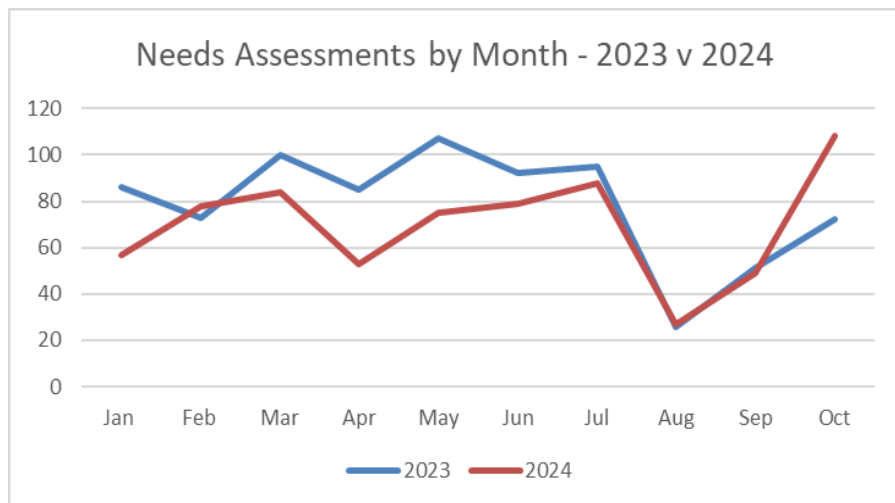
Financial Impact - Budget Expenditure by Provision Type

| | Original Budget 2024-25 | Revised Budget Updated (to reflect 2023-24 outturn) 2024/25 | Forecast 2024-2025 FR3 (Oct/Nov) | Variance 2024-25 | Commentary |
|---|-------------------------|---|----------------------------------|---------------------|--|
| Mainstream | £22,616,870 | £21,850,992 | £22,240,848 | £389,856 | 1.75% overspend – on track |
| Resourced Provision or SEN Units | £3,138,000 | £3,148,667 | £3,174,667 | £26,000 | Small overspend relating to place funding |
| Maintained Special Schools or Special Academies placements | £20,724,458 | £21,191,106 | £22,633,841 | £1,442,735 | Average cost of other LAs £16k v £13.8 = £400k 1 other LA average £47k Further investigation required to fully understand overspend on special schools, as numbers of EHCP are lower than anticipated. |
| Non maintained special schools or independent (NMSS or independent) placements | £51,163,557 | £40,909,564 | £36,282,942 | (£4,626,622) | 34 less CYP in placement type. Average cost appears to be lower than anticipated (£60k v £64k) – not all placements have been subject to a 3.4% receipt and passport of separate government grants to reflect teachers pay and pension increases and the new core budget grant has aided the fee increase challenge. |
| Hospital Schools or Alternative Provision placements | £3,241,600 | £3,300,177 | £3,283,167 | (£17,010) | Small underspend re top up funding but small overspend on place funding – on track |
| Post 16 mainstream placements | £5,643,352 | £6,273,542 | £4,961,871 | (£1,311,671) | Forecast EHCP numbers and associated costs include CYP who may not be currently educated in a setting. The management plan assumes that costs may be incurred for CYP if they continue their education. |
| LA Expenditure – schools support services | £1,735,303 | £1,646,023 | £1,318,541 | (£327,482) | Outreach programme (pilot under evaluation and assessment – intention is to continue in the future) Vacancies within the EY SEN practitioners & Start for Life teams |
| Health, Social Care, Therapy Services and Care Provision | £1,892,207 | £2,022,207 | £2,003,207 | (£19,000) | Small saving on SALT contract |
| Total Expenditure | £110,155,346 | £100,342,278 | £95,899,083 | (£3,124,653) | |
| Total Income (including block transfer) | (£58,899,531) | (£58,899,531) | (£57,377,371) | £94,143 | DfE Allocation plus a school block transfer of 0.5% less historic pay and pension grant. |
| Deficit brought forward | £89,634,605 | £78,651,798 | £78,651,798 | £0 | |
| Cumulative Deficit | £140,890,419 | £120,094,544 | £115,745,494 | (£4,349,050) | Qtr. 1 we anticipated a cumulative deficit of £120m, Latest forecast figures suggest a cumulative deficit reserve of £115.7 million, an improvement of £4.3 million on the revised/updated DSG mgmt. plan, and a £25 million improvement on the original submission |

Impact Measures – all data recorded/forecasts based on January as per SEN2 Survey Return and the DfE DSG management plan template.

| Impact Measure | | Baseline Jan 2024) | Original Target Jan 2025 | Revised Annual Target Jan 2025 | Actuals November 2024 | Forecast Jan 25 | RAG | Commentary |
|---|----------------|-----------------------|--------------------------------|---|-----------------------------|--------------------|-----|--|
| Total no. of EHCPs recorded on the SEN2 DfE survey return | | 4576 | 5164 | 4937 | 4864 | 4969 | | The forecast represents the number of EHCPs anticipated to be reported on the DfE SEN2 survey return (January 2025) |
| Cumulative % growth of total EHCPs | | 13.6% | 8.5% | 7.9% | 6.3% | 8.6% | | The growth of EHCPs is marginally above the target for 2024/25 |
| Total no. of CYP in a specialist placement | RP / SEN Unit | 148 | 172 | 180 | 183 | 183 | | On track – no concerns. Work on future SEN units/Resource Provisions is progressing inline with the DSG mgmt. plan. |
| | Special School | 817 | 922 | 927 | 880 | 880 | | Slightly lower number of placements in special schools, included other LA special schools. DSG mgmt. plan assumed Church Lawton fully occupied by CEC residents but other LAs occupy 25% of these places. This will be updated in future versions of the plan. |
| Proportion of CYP in a specialist placement | RP / SEN Unit | 3% | 3% | 3.6% | 3.8% | 3.7% | | On track – no concerns. |
| | Special School | 17.9% | 17.6% | 18.8% | 18.1% | 17.7% | | The proportion of CYP placed in a special school is slightly below the target. There are less CYP placed in other LAs than anticipated |
| No. of CYP in a NMSS/ISS/SPI placement | | 545 | 814 | 639 | 605 | 621 | | On track – no concerns. |

EHCNA Analysis



In the first six months of the calendar year (January to June 2024), we have **received** 426 needs assessment requests, compared to 543 in the same period in 2023, representing a 22% reduction. However, in the following four months (July to October 2024) needs assessments increased by 11% compared with the levels in 2023 for the same period.

If we look at the whole of 2024 to date (October), we have received 698 needs assessment requests, compared with 787 in the same period of 2023, representing a 11% reduction overall.

The graphs on pages 14 and 15 provide a deeper dive into the data by analysing where the requests have originated; from an establishment, a parent, or a professional.

The graph (page 14) shows a comparison of needs assessment requests received in **academic years 2023-24 and 2024-25** (September to November) which highlights areas which will require a deeper dive to inform mitigations and interventions to be considered to address the volume of needs assessment requests received in the first term of the academic year 2024-25. The increase of needs assessments based on the first three months of the academic year is 23%.

In recent months we have seen an increase in needs assessment requests in relation to children and young people experiencing concerns around mental health and anxiety; within the applications we have seen an increased number with concerns in regards of barriers to accessing school full time and in some instance unable to attend school at all. Many of these children and young people do not yet have any diagnosis but are on ASC or ADHD pathways following referrals being undertaken. As a response to this we are currently looking to work with colleagues across the partnership including health to review the needs and themes to look at how we can support our children, families and schools/settings moving forwards.

The Transition Team have been working in various settings, across Cheshire East from early years to post 16, reviewing the transition process and sharing good practise. This includes piloting targeted work within settings and co-producing Transition Guides for each key phase transition. These guides are currently being trialled and shared with professionals with a review planned for March 2025. The aim is to establish a consistent

benchmark for transition aligned with a graduated approach to support children and young people with transition. The guides and resources are available to professionals via our Family Hubs webpage.

To support parents/carers the Transition Team are now developing a dedicated webpage for each key phase of transition providing tailored guidance and resources. In collaboration with parent carer forum and other parent support groups we have identified common themes and concerns around transition. Additionally, we are attending parent support groups and encouraging coffee mornings within our settings to ensure parents feel informed and supported.

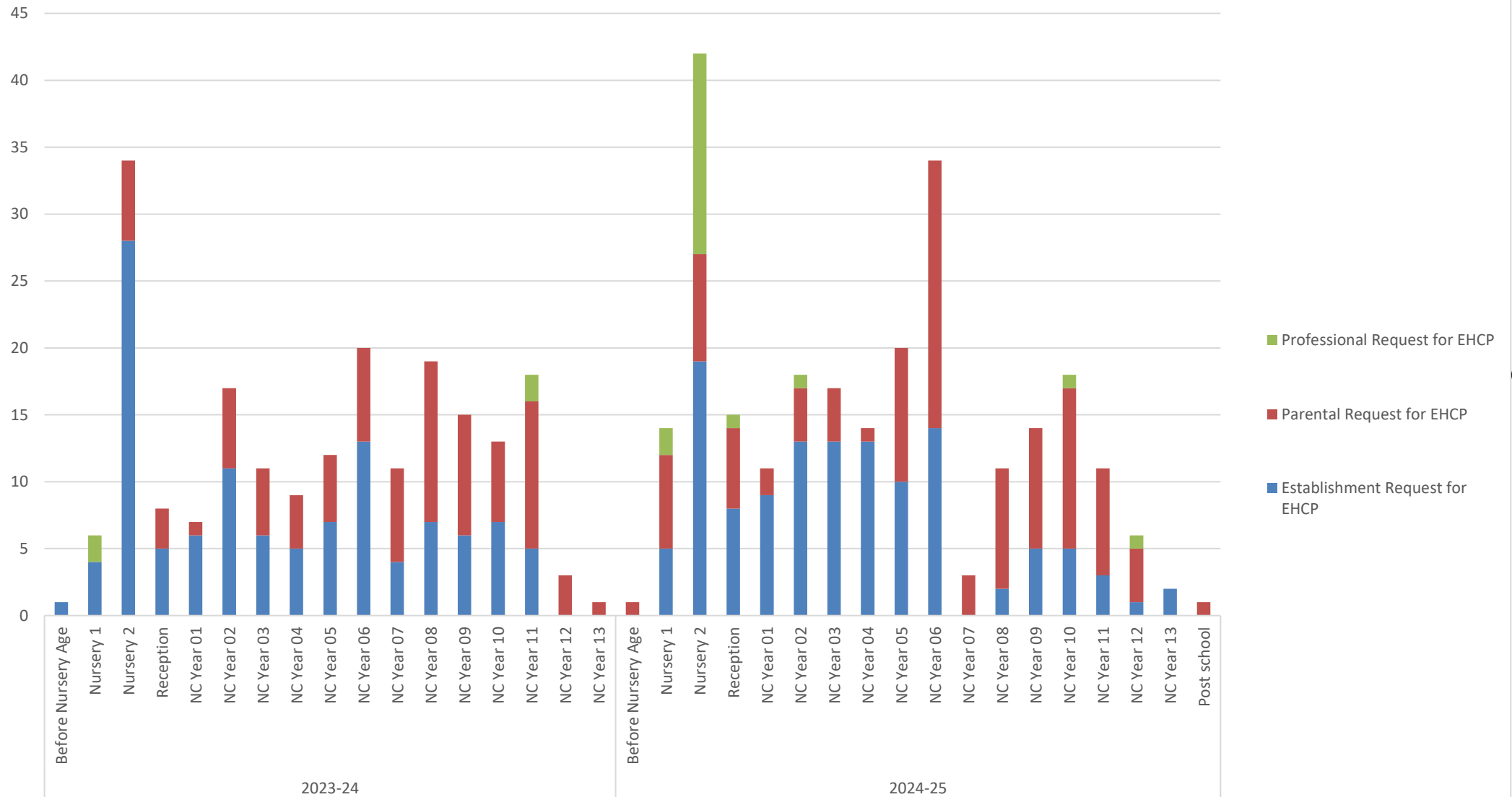
The early years forum was established in September 2023. The role of the early years forum is to support effective early intervention for children with SEND in line with the SEND COP graduated approach. The multi agency partnership support the early provision of interventions at SEND support level and monitor their impact on childrens outcomes. When the forum started in 2023 the agenda was initially new referrals which meant very few children were recommended for needs assessment as the forum were recommending interventions and supporting settings with the quality of SEND support plans and then monitoring the impact on childrens outcomes. Children are then scheduled for reviews. At a review the forum makes recommendations based on the impact of the graduated approach support in terms of how successful it has been in helping the child to make progress. For some children their progress is rapid and it is clear their development gap is narrowing in this case SEND support continues and transition to school is planned. Where children make progress however its clear the gap between peers is not closing or is widening. The early years forum will recommend a needs assessment request.

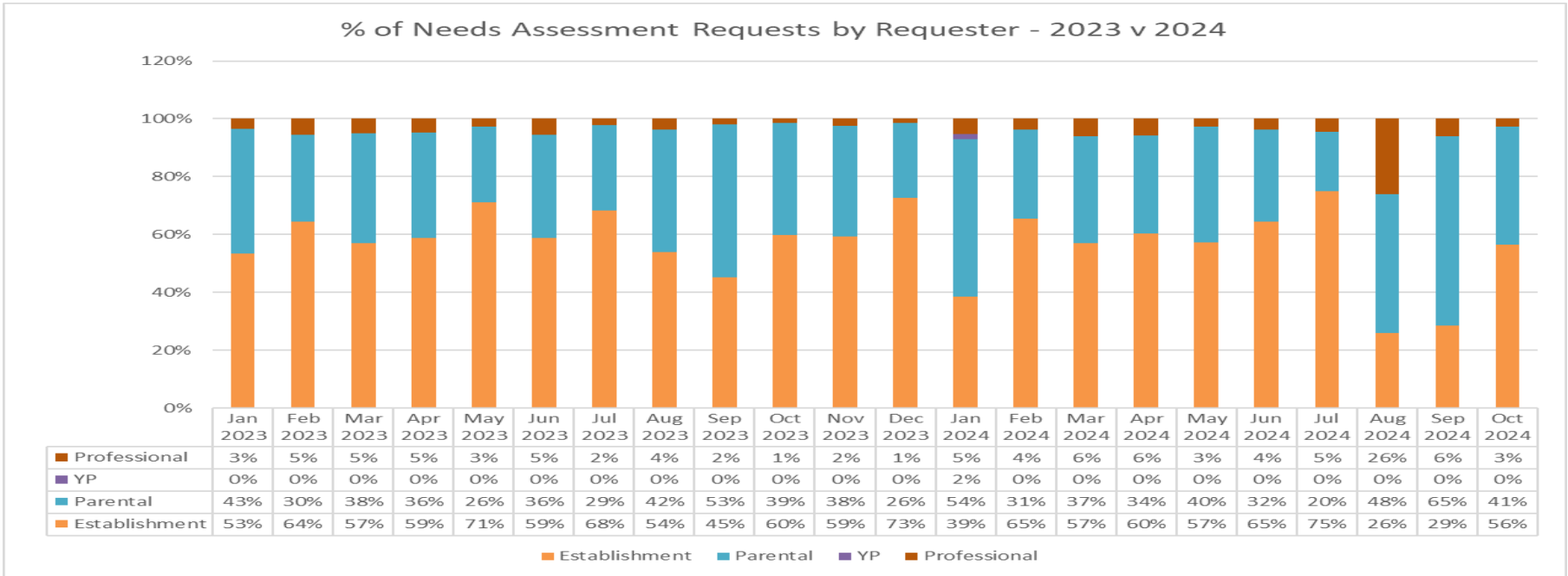
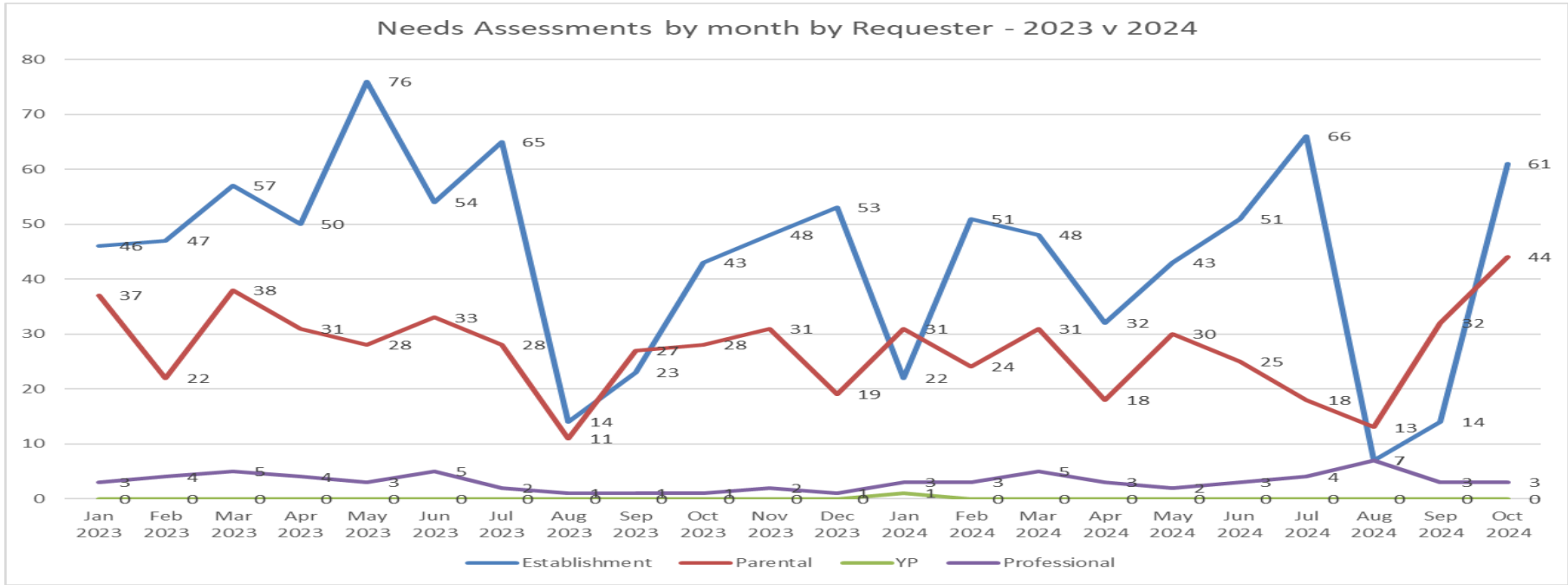
As the forum has entered its second year the reviews and needs assessment requests have increased as children are coming back for review with robust evidence to demonstrate they need more help to achieve their outcomes than a SEND support plan can provide.

Whilst the numbers have risen we are confident that the children referred by the early years forum require a EHCP to support need. The numbers between professional and establishment referral could both be early years forum referrals. We have seen a slight rise in parental requests. With the majority of families known to forum, parents are happy with the forum recommendations. However some parents have taken their own actions independently or on advice of educational settings to progress with assessments requests in advance of the early years forum.

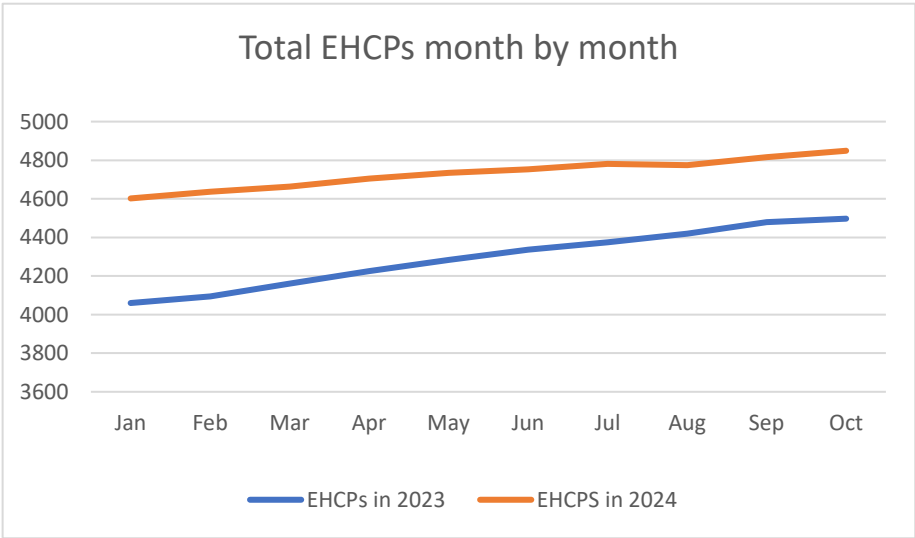
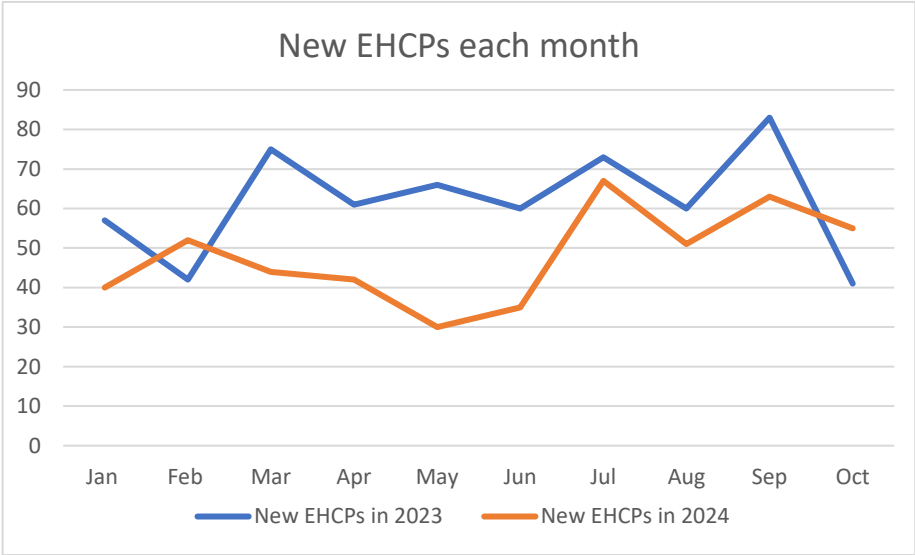
We have recently appointed a new early years forum lead practitioner to strengthen links between the EYF and parents carers to build trust with the process.

Number of Needs Assessment Requests by year Group AY 2023-24 & 2024-25 (September to November)





EHCP Analysis



New EHCPs - During the calendar year 2023 (January to December 2023), we issued 715 **new** EHCPs.

We previously reported in the first six months of the calendar year 2024 (January to June 2024), we have **issued** 243 **new** EHCPs, compared to 361 in the same period in 2023, representing a 33% reduction.

However we can see from the latest data (January to October), we have issued **479** new EHCPs, compared to 618 in the same period in 2023, representing a 22% reduction.

Total EHCPs - During the calendar year 2023 (January to December 2023) we had an overall increase in total EHCPs of 547, representing a 13.6% increase and a total number of EHCPs at 4576.

We previously reported, in the first six months (January to June 2024), **total** EHCPs, have risen by 157, representing 3% increase. For the same period in 2023, the rise was 267 EHCPs, representing a 7% increase. The latest data (January to October), shows the total number EHCPs have risen by 273, bringing the total EHCPs to 4849, representing a 6% increase.

We are forecasting the total number of EHCPs for the calendar year will be 4969, representing an 8.5% increase. This increase is 0.5% more than the target figure shown in our revised DSG mgmt. plan (shared with Children and Families Committee in September 2024) but is lower than our originally stated in our DSG mgmt. plan submitted via the Safety Valve programme December 2023.

EHCP Forecasts

For reference, below detail the unmitigated forecast of EHCP numbers over the life of the plan.

Original Submission December 2023

| Original Submission | | | | | | | | |
|------------------------------|--------------------|---------|---------|---------|---------|---------|---------|---------|
| December 2023 | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | |
| | Mitigated Forecast | | | | | | | |
| Type | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
| Mainstream | 2,460 | 2,649 | 2,735 | 2,641 | 2,612 | 2,488 | 2,257 | 1,925 |
| RP / SEN Units | 156 | 172 | 254 | 308 | 335 | 362 | 389 | 409 |
| Special Schools | 828 | 922 | 1,016 | 1,116 | 1,206 | 1,266 | 1,286 | 1,306 |
| NMSS & Independent | 757 | 814 | 652 | 507 | 354 | 239 | 120 | 53 |
| AP/Pupil Referral Unit (PRU) | 19 | 19 | 19 | 19 | 19 | 19 | 19 | 19 |
| Post 16 & FE | 556 | 588 | 624 | 649 | 671 | 687 | 698 | 701 |
| Total EHCPs | 4,776 | 5,164 | 5,300 | 5,240 | 5,197 | 5,061 | 4,769 | 4,413 |
| | 8% | 3% | -1% | -1% | -3% | -6% | -7% | |

Reprofiled September 2024

| Reprofiled September 2024 | Year 1 | | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 |
|------------------------------|--------------------|---------|---------|---------|---------|---------|---------|---------|
| | Mitigated Forecast | | | | | | | |
| Type | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | 2030/31 |
| Mainstream | 2,368 | 2,546 | 2,647 | 2,656 | 2,465 | 2,260 | 2,106 | 1,855 |
| RP / SEN Units | 148 | 180 | 263 | 366 | 401 | 401 | 401 | 401 |
| Special Schools | 817 | 927 | 994 | 1,056 | 1,132 | 1,208 | 1,276 | 1,276 |
| NMSS & Independent | 613 | 639 | 532 | 360 | 295 | 207 | 121 | 54 |
| AP/Pupil Referral Unit (PRU) | 19 | 19 | 29 | 39 | 49 | 59 | 59 | 59 |
| Post 16 & FE | 611 | 626 | 650 | 661 | 672 | 680 | 680 | 669 |
| Total EHCPs | 4,576 | 4,937 | 5,115 | 5,138 | 5,014 | 4,815 | 4,643 | 4,314 |
| | 8% | | 4% | 0% | -2% | -4% | -4% | -7% |

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OPEN

Children and Families Committee

13 January 2025

Update on the Transformation of Travel Support

Report of: Theresa Leavy, Executive Director of Children's Services

Report Reference No: CF/47/24-25

Ward(s) Affected: All wards.

For Decision or Scrutiny: Scrutiny

Purpose of Report

- 1 This report provides a brief overview of progress and impact to date against the plans to transform travel support for children and young people in Cheshire East.

Executive Summary

- 2 In 2022 Cheshire East Council embarked on a three-year change programme to improve and modernise travel support for children and young people across the borough. Edge Public Solutions (Edge) were appointed from March 2023 to support these transformation plans.
- 3 This transformation has taken place at a time when the cost of school transport has been increasing across the country. Recent research by the County Council Network (CCN)¹ sets this out in detail, in particular the rising costs of transport for children and young people with special educational needs and disabilities (SEND), driven by the increase in the number of Education, Health and Care Plans (EHCPs), which has had a bigger impact on rural areas.
- 4 The overall cost of engaging Edge as consultants for the transformation programme will be £733k with financial improvements forecast to achieve around £3.1million by the end of 2024/25, a return on investment of £2.37million (323%).

¹[The Travel to School Challenge – report by CCN and Impower](#)

- 5 The outturn position for 2023/24 was an overspend of £1.286m. Budgets for 2024/25 reflected growth of £936k and savings of £400k, i.e., a net growth of £536k. This year has seen an improving position from FR1 when we reported a pressure of £500k to a projected overspend of £131k at FR3.
- 6 Whilst the total number of students being transported in Cheshire East has dropped by 48 pupils (1.25%) from March 2023 to October 2024, there has been an increase of 146 SEND pupils (13.3%). Despite this increase, the average cost per SEND pupil has fallen 14% from £10,215 to £8,796.
- 7 Changes to personal travel budgets (PTBs) and a revised charging policy offer lower cost options for providing transport. The number of PTBs overall has increased from 120 to 185 from March 2023 to October 2024 (a 54% increase), but most of this has been in relation to SEND pupils, an increase from 95 to 164 pupils (up 73%). During the same period routes with single occupiers have fallen by 23% from 177 to 136.
- 8 The dynamic purchasing system (DPS), which has 201 approved suppliers (up by 45% from 139 on the previous approved suppliers list) and use of electronic auctions will enable the team to continue to reduce contract costs.
- 9 A management information dashboard will provide information on changing trends to enable closer management of the service and new finance reports should enable closer scrutiny of costs and pressures.
- 10 A move to an integrated the travel team approach will improve processes and efficiencies and enable the team to focus on initiatives to keep costs under control.

RECOMMENDATIONS

The Children and Families committee is recommended to:

1. Scrutinise the progress and impact to date in relation to the transformation of travel support for children and young people.

Background

- 11 In November 2022, the children and families committee considered a report setting out the findings and recommendations from an independent review of travel support for children and young people. The committee agreed a number of recommendations to progress the transformation of travel support over the next three years.

Progress and impact to date

- 12 The consultancy support from Edge was reduced from the initial three years to two years due to budget pressures and is now set to end in March 2025. It is comprised of eight workstreams as outlined below and had a cumulative financial improvement target of £1,889,204 over the two years.
 - (a) Re-procurement of current supply contracts (DPS)
 - (b) Route optimisation as part of DPS re-tender programme
 - (c) Re-assessment of eligibility for transport
 - (d) Introduce travel training
 - (e) Promotion of PTBs / Single Occupier Review
 - (f) Post 16 / spare seats
 - (g) Integrated Travel Team
 - (h) Transport Systems

- 13 Papers considered by the committee throughout the programme have provided progress updates; this report provides a summary of the programme to date and the impact it has had on the service.
 - (a) Re-procurement of current supply contracts (DPS)
 - i. A dynamic purchasing system (DPS) has been established, with the framework live on the council's procurement portal, ProContract. The marketing initiative identified 1,003 potential suppliers, who were all contacted by email/telephone and 201 transport providers have applied and been accepted onto the DPS, increasing by 45% from 139 who were on the previous approved contractors list.
 - ii. It was intended to use electronic reverse auctions to tender new contracts rather than a 'best priced bid' basis, as experience proved that lower prices were achieved. There were delays in implementing the auctions and they were used for the first time in August 2024.
 - iii. An analysis of the contracts that have been retendered since the DPS was introduced shows that the use of electronic auctions achieves lower prices, with savings of 13% being achieved. The overall impact of this is within Table 1 and 2 in the reprocurement of current supply contracts (DPS).
 - iv. New contracts starting in September 2024 that were tendered by best priced bid or auction resulted in auctioned routes being £10-

£15 per day lower (c.12%) reflecting a similar outcome to the retendered routes.

(b) Route optimisation as part of DPS re-tender programme

- i. The routes that were operating in October 2023 were optimised to reduce the number in operation (an exception was Springfield school where changes over summer 2024 would mean further changes to transport). This was done in two phases; phase 1 took place in October 2023 for routes in the south of the borough, and phase 2 in January 2024 for routes in the north. The outcome of this exercise is shown in the table below.

| | South (Oct-23) | North (Jan-24) | Total |
|--------------------|---------------------------|---------------------------|--------------|
| Routes to optimise | 308 | 233 | 541 |
| Terminated | 43 | 27 | 70 |
| % Terminated | 14.0% | 11.6% | 12.9% |

- ii. 70 routes out of a total of 541 (13%) were terminated and 105 were retendered after consultation with schools to ensure there were no issues with the passenger mixes.
 - iii. Further optimisation took place in summer 2024 to put transport arrangements in place for the new cohort of pupils starting school in September 2024. This resulted in 90 routes being terminated.
 - iv. The savings in 2023/24 from this exercise were £287k (phase 1 for Jan-Mar 2024) and projected savings in 2024/25 of £1.6 million, a total saving of £1.89 million.
 - v. Optimisation is a key part of the travel planning process and needs to take place to ensure that routes are efficient and that children arrive at school ready to learn. It needs to be done on a regular basis to ensure that costs are kept under control. The work undertaken has demonstrated the benefit of regular optimisation exercises, although resulting changes to transport need to consider the impact on the pupils travelling.
- (c) Re-assessment of eligibility for transport
- i. This work focused on mainstream pupils who were travelling on routes that were deemed to be available for walking and therefore free transport could be withdrawn.
 - ii. Following the decision by committee in September 2023 the affected parents were made aware of changes to eligibility of the two routes that were assessed as safe to walk and free transport

was withdrawn from 81 pupils in January 2024 saving £25k to the end of the year.

- iii. This workstream was taken back in-house in May 2024 and work is underway to review other available walking routes to identify what remedial work is needed to re-classify routes currently deemed as unsafe to make them safe to walk.
 - iv. An update report will be presented to a future meeting of the committee in line with the MTFS proposal to make further savings in relation to school transport.
- (d) Introduce travel training
- i. During 2023, work was undertaken to research the options for providing independent travel training. The consideration that a prerequisite for starting a travel training service for CEC was that it should target training towards those candidates who are:
 - Already assessed as eligible for free school transport (they may not yet be receiving it).
 - Are assessed as capable of completing a travel training course.
 - Whose parents / carers agree to travel training and show a willingness for their child to use public transport for their school journey once they are trained.
 - ii. To ensure it can train enough candidates to at least cover its costs, it is key to understand:
 - Which establishment(s) candidates might be attending and the volume.
 - Whether there is public transport serving the establishment(s) at the times required for school attendance.
 - It was found that some but not large numbers of candidates who meet all the tests, but there are many potential candidates who don't meet all the tests and would benefit from travel training but who do not currently qualify for free school transport, and it is simply a life skill from which they would benefit.
 - iii. One of the biggest barriers is the public transport network, which does not have the necessary coverage to enable candidates to travel to school after they have completed the training. This

significantly reduces the cost benefit of an independent travel training scheme, especially one that is externally provided.

- iv. The council has no internal travel training function and there are no external suppliers working across the borough so options at present are limited. Other local authorities have had similar issues in trying to commission this service. It was recommended to reconsider travel training as part of an internally provided service within the council or integrated travel team.
- (e) Promotion of PTBs / Single Occupier Review
 - i. The offer for personal travel budgets (PTBs) was amended from 25p to 45p per mile and the new arrangements were launched in September 2023, including applying the increased rate for existing parents.
 - ii. We have targeted PTBs at SEND pupils travelling in solo transport. As of October 2024, we had a total of 164 SEND pupils benefitting from PTBs, an increase of 73% from 95 in March 2023. This has provided estimated savings of £309k against the cost of taxi transport in 2023/24 and projected to save £276k in 2024/25.
 - iii. Since March 2023 the number of children travelling on solo transport has reduced from 177 to 136 (23%). This followed a campaign to promote PTBs and staff allocating solo transport as a last resort. In most cases the solo transport is now a result of the child's needs or because they are the only child travelling to that school, especially out of borough.
- (f) Post-16 / spare seats
 - i. The committee approved changes to the post-16 policy in February 2024, which including making PTBs the default travel option for these young people. Overall our post-16 travel cohort has reduced from 185 in March 2023 to 146 in October 2024. Of these, 33 (23%) were taking up the PTB offer.
 - ii. Of those students eligible for post-16 travel, 70 were offered a PTB and the rest were provided with transport as this was the lowest cost option. 52 of the 70 students offered the PTB appealed against this and 44 of the appeals were successful and transport was provided.
 - iii. Although 33 post-16 PTBs is a relatively low figure, this is the first year of the policy change. Where 3 or 4 students could travel together but offering all of them a PTB was cheaper, it only

needed one of the students to appeal successfully against the PTB and a taxi for all the students became the lowest cost option. Post-16 students travelling out of borough tends to be a barrier to parents accepting a PTB due to the distance, and time taken out of the day for two journeys. Numbers are expected to increase in future years, especially as children attend settings closer to home.

- iv. Those post-16 pupils not awarded a PTB and the 32 pupils travelling on a spare seat are now paying a £900 contribution (increased from £450) towards transport which will generate an additional £38,368 of income in 2024/25.
 - v. Of these, only 5 have been set up to pay by monthly direct debit to date as there were initially some issues with the process and therefore 5 were selected on a test basis. Three are now running smoothly but there are issues with two which are being investigated with the aim of having the direct debit process available for full use in September 2025.
- (g) Integrated Travel Team
- i. A survey was conducted in December 2023 with staff who work in the three areas of the school travel service (across the children's and place directorates), i.e., the transport operations team, Education Travel Policies Team and Contracts and Performance team. This focused on identifying what worked well, what could be improved and how the teams worked together and with other service areas.
 - ii. Meetings then took place with staff to determine the tasks completed by each team and identify where duplication of tasks took place or where synergies could bring similar tasks under the control of one team.
 - iii. An options paper on a future operating structure was drafted in July 2024 but no further progress has taken place due to the wider corporate restructure and the decision to bring the functions of ANSA, which includes transport systems, back to Cheshire East Council. Further work will be done early in 2025 around where responsibility for the various services are best placed.
- (h) Transport Systems
- i. Early in the programme, work commenced to cleanse the data in the mobisoft travel centre (MTC) to help with the delivery of the various workstreams. The majority was completed but some non-

essential data has still to be done before the end of the programme.

- ii. This was a large task, and a procedure has been documented that will take place every month to cleanse the data prior to the production of MI and a budget forecast.
- iii. A MI dashboard using Power BI has been developed and is being finalised with the addition of historical data to enable data trends to be produced. This will assist with budget monitoring and tracking where pressures are arising, enabling action to be taken. Work with finance has resulted in a new report format that will enable a high-level view of the financial position with the ability to drill down into the detail.
- iv. These developments will give the team more visibility of the financial position and provide accurate data that will help the team to manage the budget and control the costs.

Financial Improvements

- 14 The transformation of travel support programme originally had a financial improvement plan as outlined below.

| Potential annual returns | | |
|--------------------------|-----------|-----------|
| 23/24 | 24/25 | 25/26 |
| 544,602 | 1,889,204 | 2,146,806 |

- 15 This was based on the work starting in January 2023, but the actual start date was delayed until 14 March 2023 and therefore the savings target for 23/24 was reduced to £469,521.
- 16 The revised target and agreed actual financial improvements achieved for 2023/24 are shown in Table 1 at Appendix 1, with an overachievement of £310k against target.
- 17 The figures for 2024/25 are shown in Table 2 at Appendix 1 and the current position is that improvements of £2.3million will be achieved (these have not yet been signed off but have followed the same process as in 2023/24), an overachievement of £434k against target.
- 18 This will give total improvements over the two years of the programme of £3.1million, i.e., the actual savings from 2023/24 of £779k (in Table 1) plus the expected savings in 2024/25 of £2.36 million (in Table 2). This is £783k above the financial improvement target.

Budget Implications and Pressures

- 19 The financial improvements achieved are as a result of the delivery of the various initiatives and are being tracked to monitor the success of each element.
- 20 Whilst we can optimise routes to remove costs, use auctions to reduce the cost of retendering, and offer PTBs etc to reduce route costs, the demand means that new routes need to be set up and this is driven by the schools that the children are attending.
- 21 The costs of transporting children with special needs are higher than mainstream pupils and these numbers are increasing. Similarly, more children are having to travel out of borough for their education due to lack of places to meet their needs and the transport costs are higher. The transport team cannot control these pressures and can only provide the most efficient transport possible.
- 22 Across the UK, the cost of school transport is increasing, and has been for several years. Recent County Council Network (CCN) research has shown a 23% increase in spend in just two years. Most of this increase is on SEND transport and costs for county councils have doubled to £800m in the last five years, with national expenditure growing from £727m in 2019 to £1.4bn in 2024.
- 23 The key driver is the number of Education, Health and Care Plans (EHCPs) which have grown rapidly from 240,183 in 2015 to 575,973 in 2023/24, an increase of 140 per cent over 10 years.
- 24 Analysis by the CCN has shown that these increases are more acute in county areas with county and rural councils transporting double the amount of SEND pupils on average (2,458), compared to the rest of the country, a 45% increase in 2018/19's average of 1,694 pupils per county and rural council. The costs per pupil travelling in those areas have also risen more sharply, from £6,792 in 2018/19 to £9,750 this year: a 44% increase.
- 25 By comparison, in Cheshire East the average cost per SEND pupil in March 2023 was £10,215 and this has reduced to £8,796 in October 2024, a reduction of 14% despite a 13.3% increase in the number of pupils.
- 26 The outturn position for 2023/24 was an overspend of £1.286m. Budgets for 2024/25 reflected growth of £936k and savings of £400k, i.e., a net growth of £536k. This year has seen an improving position from FR1 when we reported a pressure of £500k to a projected overspend of £131k at FR3.

Value for money of the programme

- 27 The costs of engaging Edge as consultants for the programme will cost £733k with financial improvements achieved looking to be around £3.1million by the end of 2024/25, a return on investment of £2.37million (323%).
- 28 In addition, the DPS and use of electronic auctions will enable the team to continue to reduce contract costs and changes to PTBs and charging policy will offer lower cost options for providing transport.
- 29 The MI dashboard will provide information on changing trends to enable closer management of the service and the new finance reports should enable closer scrutiny of costs and pressures.
- 30 A move to an integrated travel team with all three service areas coming under one team would improve processes and efficiencies and enable the team to focus on initiatives to keep costs under control.

Consultation and Engagement

- 31 The transformation of travel support programme has been subject to a number of consultations over the past couple of years, but no consultation or engagement has taken place in relation to this update on progress.

Reasons for Recommendations

- 32 The recommendations are for committee to scrutinise progress made to date in the transformation of travel support.

Other Options Considered

- 33 No other options were considered as this paper is in response to a request from committee for an update.

Implications and Comments

Monitoring Officer/Legal

- 34 The local authority is required by the Education Act 1996 as amended by the Education and Inspections Act 2006 to make suitable travel arrangements for eligible children to attend school. This includes the duty to promote sustainable modes of travel for children and young people of compulsory school age.
- 35 Updated statutory guidance for local authorities, namely, 'Travel to school for children of compulsory school age' was issued by the Department of Education in January 2024. This replaces the previous 'Home to School Travel and Transport Guidance' from 2014 and is for

children of compulsory school age: [Travel to school for children of compulsory school age](#)

- 36 There is separate guidance on travel to post-16 education and training ie 'Post-16 transport and travel support to education and training', issued January 2019: [Post-16 transport and travel support to education and training](#).
- 37 The local authority is therefore under a duty to have regard to the guidance when performing their duties in relation to home to school travel and transport and sustainable travel.

Section 151 Officer/Finance

- 38 This report is for information and does not contain any changes to the current budget. The budget, pressures and savings are detailed within the main report. Any ongoing pressures/savings are being reviewed as part of the 2025/26 MTFS process.

Policy

- 39 There are no policy implications of this report and its recommendations/decisions here.
- 40 The transformation of travel support support's the following council's priorities and aims.

| An open and enabling organisation | A council which empowers and cares about people | A thriving and sustainable place |
|---|---|--|
| <p>Ensure that there is transparency in all aspects of council decision making</p> <p>Support a sustainable financial future for the council, through service development, improvement and transformation</p> | <p>Ensure all children have a high quality, enjoyable education that enables them to achieve their full potential</p> | <p>A transport network that is safe and promotes active travel</p> |

Equality, Diversity and Inclusion

- 41 There are no equality implications as a result of this report and its recommendations/decisions here.

Human Resources

- 42 There are no HR implications as a result of this report.

Risk Management

- 43 A risk management framework has been established as part of the transformation programme for travel support.

Rural Communities

- 44 Children and young people across all areas of Cheshire East access travel support. However, as the statutory provision of free home-to-school transport is based on distance to school, residents in rural areas of the borough are more likely to be eligible for travel support and therefore affected by any changes. Children living in rural communities often rely on travel support to access their learning and any proposals to improve the delivery and customer experience for these services supports these rural communities.

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

- 45 Children, young people, and their parents are key stakeholders in the transformation programme. The transformation of travel support aims to improve travel options for eligible students.

Public Health

- 46 The provision of walking and cycling routes to school and promoting active travel, including safer walking routes to school is in line with our Public Health priorities. Extending and improving the travel options available to eligible students could encourage more active and healthy methods of getting students to school.

Climate Change

- 47 The transformation of travel support will have a limited impact on the environment, and we are actively promoting healthier and greener journeys to school.

| Access to Information | |
|------------------------------|---|
| Contact Officer: | Gill Betton, Head of Service, Children's Development and Partnerships Gill.betton@cheshireeast.gov.uk |
| Appendices: | Appendix 1 – Table 1 and Table 2 |
| Background Papers: | The current school transport policies can be found at: School transport policies (cheshireeast.gov.uk) |

Appendix 1

Table 1- Revised target and agreed actual financial improvements achieved for 2023/24

| FIP ITEM | | Target Improvements 23/24 * | Actual Improvements 23/24 | Improvements to Target |
|-------------|---|---|---------------------------|------------------------|
| 1 | Reprocurement of current supply contracts (DPS) | 83,462 | 229,412 | 145,950 |
| 2 | Route optimisation as part of DPS re-tender programme | 190,771 | 287,176 | 96,405 |
| 3 | Re-assessment of eligibility for transport | 50,897 | 25,006 | -25,891 |
| 4 | Travel training | 15,875 | 0 | -15,875 |
| 5 | Promotion of PTB's / Single Occupier Review | 198,516 | 309,431 | 110,915 |
| 6 | Post 16 / Spare Seats / PHS | 0 | 0 | 0 |
| 7 | Extra Staffing | -70,000 | -71,760 | -1,760 |
| Grand Total | | 469,521 | 779,265 | 309,744 |
| | | * - amended figure from £544,602 due to delay in Edge commencing work | | |

Table 2 - Target and financial improvements forecast for 2024/25

| FIP ITEM | | Target Improvements 24/25 | Improvements 24/25 to date | Predicted Improvements 24/25 |
|-------------|---|---------------------------|----------------------------|------------------------------|
| 1 | Reprocurement of current supply contracts (DPS) | £ 590,000 | £ 260,350 | £ 470,434 |
| 2 | Route optimisation as part of DPS re-tender programme | £ 814,000 | £ 965,250 | £ 1,603,071 |
| 3 | Re-assessment of eligibility for transport | £ 105,204 | £ 25,401 | £ 25,401 |
| 4 | Travel training | £ 130,000 | £ - | £ - |
| 5 | Promotion of PTB's / Single Occupier Review | £ 250,000 | £ 137,885 | £ 275,997 |
| 6 | Post 16 / Spare Seats / PHS | £ 70,000 | £ 17,413 | £ 38,368 |
| 7 | Extra Staffing | -£ 70,000 | -£ 51,213 | -£ 51,213 |
| Grand Total | | £ 1,889,204 | £ 1,355,086 | £ 2,362,058 |

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Children and Families Committee Work Programme 2024-25

| 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 | Is the report for decision or scrutiny? |
|------------------|-------------------------------|---|---|---|--------------|----------------------------|-------------------------|-------------------------------------|-------------|---|
| CF/20/24-25 | 10/02/25 | Schools Funding Formula and Early Years Funding Formula 2025/26 | To provide committee with an update on the Dedicated School Grant (DSG) for 2024/25. To request approval for the allocation of each sub block making up the DSG. To request approval of the schools funding formula and early years funding formula following recommendations from the Schools Forum. To request approval to provide delegated authority to the Executive Director of Children's Services to use the funds in accordance with the relevant guidance and proposed funding formula methods. | Director of Education, Strong Start and Integration | Yes | No | Open | No | No | Decision |
| CF/36/24-25 | 10/02/25 | Determination of the Admissions Arrangements for 2026-27 | To determine the School Admissions Arrangements for 2026-27 following consultation | Director of Education, Strong Start and Integration | No | Yes | Open | No | Yes | Decision |
| CF/37/24-25 | 10/02/25 | ILACS Improvement Plan Progress | To update committee on progress against the improvement plan to address the findings from the Ofsted inspection of local authority children's services (ILACS) in February and March 2024, and to ensure committee | Director of Improvement | N/A | No | Fair | No | No | Scrutiny |

Children and Families Committee Work Programme 2024-25

| 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 | Is the report for decision or scrutiny? |
|------------------|-------------------------------|---|--|---|--------------|----------------------------|-------------------------|-------------------------------------|-------------|---|
| | | | can scrutinise impact on outcomes for children and young people. | | | | | | | |
| CF/47/24-25 | 10/02/25 | Academisation of St Benedict's Catholic Primary School | Provide necessary assurances to enable the Committee to consider their support for the conversion. | Director of Education, Strong Start and Integration | No | TBC | Open | No | Yes | Decision |
| CF/48/24-25 | 10/02/25 | Academisation of Hurdsfield Primary School | Provide necessary assurances to enable the Committee to consider their support for the conversion. | Director of Education, Strong Start and Integration | No | No | Open | No | TBC | Decision |
| CF/49/24-25 | 10/02/25 | Schools forecasting financial deficits | To update committee around the schools which are forecasting financial deficits at the end of 2024/25, and share details of the actions being taken to support schools in addressing their deficits. | Director of Finance and Customer Services | No | No | Open;#Fair | Yes | Yes | |
| CF/16/24-25 | 07/04/25 | Service Budgets 2025/26 (Children & Families Committee) | The purpose of this report is to set out the allocation of approved budgets for 2025/26 for services under the Committee's remit, as determined by Finance Sub Committee | Director of Finance and Customer Services | No | No | Open | Yes | No | Scrutiny |
| CF/38/24-25 | 07/04/25 | ILACS Improvement Plan Progress | To update committee on progress against the improvement plan to address the findings from the Ofsted inspection of local authority children's services | Director of Improvement | N/A | No | Fair | No | No | Scrutiny |

Children and Families Committee Work Programme 2024-25

| 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 | Is the report for decision or scrutiny? |
|------------------|-------------------------------|---|--|---|--------------|----------------------------|-------------------------|-------------------------------------|-------------|---|
| | | | (ILACS) in February and March 2024, and to ensure committee can scrutinise impact on outcomes for children and young people. | | | | | | | |
| CF/50/24-25 | 07/04/25 | Academisation of St. Mary's Catholic Primary School, Middlewich | Provide necessary assurances to enable the Committee to consider their support for the conversion. | Director of Education, Strong Start and Integration | No | No | Open | No | TBC | Decision |

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CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Cared For Children and Care Leavers Committee**
held on Tuesday, 18th June, 2024 in the Committee Suite 1,2 & 3, Westfields,
Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor J Saunders (Vice-Chair)

Councillors M Beanland, S Bennett-Wake, J Bird, E Gilman, G Hayes,
S Holland, B Posnett and B Puddicombe

1 APPOINTMENT OF CHAIR**RESOLVED:**

That Cllr Carol Bulman be appointed as Chair for the 2024-25 municipal year.

2 APPOINTMENT OF VICE-CHAIR**RESOLVED:**

That Cllr Jos Saunders be appointed as Vice-Chair for the 2024-25 municipal year.

3 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr Carol Bulman and Cllr Dawn Clark. Cllr Jos Saunders chaired the meeting in the absence of the Chair.

4 DECLARATIONS OF INTEREST

There were no declarations of interest.

5 MINUTES OF PREVIOUS MEETING**RESOLVED:**

That the minutes of the meeting held on 5 December 2023 be agreed as a correct record.

6 UPDATE FROM SHADOW COMMITTEE (VERBAL UPDATE)

The committee received a presentation outlining the recent activities of the shadow committee, My Voice. This included:

- The children and young people had been supported with sharing their experiences with Ofsted and had been part of an Ofsted focus group to speak to inspectors. There had been positive comments around social workers and also comments shared on experiences that could have been better
- There had been activities for the group throughout February, an Easter activity day and planning for the Star Celebration Day
- The group had been involved in developing the 'Coming into Care' guide and providing feedback
- Care Leavers had developed a training resource aimed at equipping professionals who work with Cared for Children and Care Leavers with the right skills to support those facing domestic abuse. Care Leavers used their lived experiences to promote messages, influence the training and develop case studies

7 OFSTED INSPECTION FINDINGS

The committee received the report on the findings from the Ofsted inspection of local authority children's services (ILACS) conducted in February and March 2024, the plans in place to improve services in relation to the findings, and monitoring arrangements from Ofsted and the Department for Education.

It was requested that Members have more oversight of the service's self-evaluation. Officers gave assurances that this was being actioned, with a proposal being planned to be brought to both this committee and the Children and Families Committee on enhancing Member frontline visits to give more insight into practices.

It was felt that the Corporate Parenting Working Group was positive and it was requested that all Members across the Council were encouraged to engage with corporate parenting and to undertake the training.

It was clarified that this report had also been to the Children and Families Committee, which most members of this committee also sit on, and two hours had been spent at that meeting thoroughly scrutinising and debating this report in addition to the discussion today.

RESOLVED:

That the Cared for Children and Care Leavers Committee:

1. Note the inspection findings, implications for monitoring from Ofsted and the DfE, and plans to improve services.
2. Note that a task and finish workshop for the Cared for Children and Care Leavers committee and Children and Families committee will take place on 2 July 2024 to review and scrutinise the draft improvement plan.

8 CHILDREN IN CARE ANNUAL REPORT 2022-23 (NHS CHESHIRE AND MERSEYSIDE)

The committee received the NHS Cheshire and Merseyside System Oversight Board/Quality and Performance Committee Children in Care Annual Report 2022-23.

There was a concern about the delay in reporting and this leading to conflicting data between this report and the scorecard.

It was requested that there be more regular representation from health colleagues at meetings of this committee going forward.

Dentistry continued to be an area of concern for the committee. Officers advised that data on dental checks were forming part of the weekly performance scrutiny to ensure that the data was up to date and recorded clearly. This was intended to improve Cheshire East's data accuracy and ensure targeted action.

It was requested that dentistry be picked up as part of the work streams for the improvement plan.

RESOLVED:

That the report be noted.

9 FOSTERING SERVICE ANNUAL REPORT

The committee received the Fostering Service Annual Report for 2022-23.

There was a request for comparison data with statistical neighbours and the national average position. Officers agreed that future reports could include data from north west local authorities.

It was noted that the timeliness of reporting needs consideration.

RESOLVED:

That the report be noted.

10 VIRTUAL SCHOOL HEAD TEACHER ANNUAL REPORT 2022/23

The committee received the Virtual School Headteacher Annual Report 2022-23.

The committee noted some of the recent successes of the cared for children and young people, including graduating university and securing apprenticeships. The committee were keen to ensure that the successes were being celebrated by the Council as corporate parents in a timely

manner and in a way that would be meaningful to each individual. Officers gave assurances that this suggestion would be taken away and would also be reflected in the next Virtual School Headteacher report.

RESOLVED:

That the report be noted.

11 REVIEW OF THE TERMS OF REFERENCE

The committee received the report on the review of the committee's terms of reference, as required on an annual basis.

There was a request for this to reference the newly established working group and workstreams that were set up as part of the improvement plan. Officers undertook to refresh the terms of reference to reflect this and would bring back to a later meeting of the committee.

RESOLVED:

That the report be noted.

12 CARED FOR CHILDREN AND CARE LEAVERS SCORECARD Q3 2023-24

The committee received the quarter 3 scorecard and an update in relation to Cared for Children and Care Leavers services following the Ofsted inspection.

Members reiterated that more regular health reporting was required.

Officers undertook to ensure that overall reporting would be more timely going forward to ensure meaningful scrutiny.

RESOLVED:

That the report be noted.

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

Councillor J Saunders

CHESHIRE EAST COUNCIL

Minutes of a meeting of the
Cared For Children and Care Leavers Committee
held on Monday, 30th September, 2024 in the Committee Suite 1,2 & 3,
Westfields, Middlewich Road, Sandbach CW11 1HZ

PRESENT

Councillor C Bulman (Chair)
Councillor J Saunders (Vice-Chair)

Councillors M Beanland, S Bennett-Wake, D Clark, D Edwardes, G Hayes,
B Posnett and B Puddicombe

Officers in attendance

Theresa Leavy, Interim Executive Director Childrens Services
Lisa Davies, Interim Children's Services Improvement Director
Andrea Stone, Interim Director of Family Help & Children's Social Care
Annemarie Parker, Head of Service: Cared for Children & Care Leavers
Laura Rogers, Head of Service Inclusion and Virtual Cared for Children
Annie Britton, Participation Team Lead
Rachel Graves, Democratic Services Officer
Nicola Booth, Operations Manager Adoption Counts
Alice Taylor, Adoption Counts
Nicola Wycherley, Designated Nurse Cared for Children, Integrated Care Board
Josette Niyokindi, Associate Director of Quality & Safety Improvement, Integrated Care Board

13 APOLOGIES FOR ABSENCE

Apologies were received from Councillor E Gilman. Councillor D Edwardes attended as a substitute member.

14 DECLARATIONS OF INTEREST

There were no declarations of interest.

15 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 18 June 2024 be approved as a correct record.

16 UPDATE FROM THE SHADOW COMMITTEE (VERBAL UPDATE)

The Committee received a presentation outlining the recent activities of the shadow committee, My Voice. This included:

- My “Voice of in Care Experience” held on Tuesday 6 – 8 pm during term time.
- launch of Junior My Voice, held on Tuesday 4 – 5.30 pm.
- activity days and project days during the summer holidays
- launch of the Care Leavers Hub
- Involvement in recruitment for Executive Director Place and Family Hub Worker.

It was reported that Care Leaver week would take place week commencing 28 October 2024 and that the Star Celebration Day would be held on 24 November 2024.

The Committee asked about the Care Leaver Hub and the need to ensure that they were offering the services that care leavers wanted. In response it was explain that were two bases, one in Crewe and one in Macclesfield. Young people were attending the hubs for planned sessions such as cooking and education as well as using them as a base to drop into, knowing that there would always be someone there to offer a hot drink and support. The longer-term plan was to have a bespoke hub at the Crewe Youth Zone. Free bus travel for Care Leavers aged 16 to 21 would be operational from 30 September 2024 and this would assist young people to access the Hubs.

17 ADOPTION SERVICE SIX MONTHLY REPORT

The Committee considered the six-monthly report on the Adoption Service, which covered the period 1 April 2023 to 30 September 2023.

The Committee as concerned about the timeliness of reporting as the data in the report was a year old. In response it was stated that there was a process which the data had to go through before it could be reported to the Committee. Data from Adoptions Count and from local authority were collected and went to the Leadership Board to be checked before any report could be written. It was usually a period of three- or four-months following collection of data and checking before it could be presented. It was reported that Adoption Counts had now appointed a Data Officer who now coordinating data and processed it and hopefully this would help with the timeliness of reporting the data.

Reference was made to the timeliness of stage 1 assessments and in response it was stated that the statutory checks that were required to be undertaken often took a longer to be completed. To help with this process, there would be dedicated recruitment and assessment social workers who would work with families during stage 1 of the process.

It was asked about the refusal of health assessment by a young person and what happened if this was the case. It was stated that although it was a statutory requirement, the young person's consent was needed. If an assessment were refused another appointment would be offered and the service worked with the young person to understand their reason for refusal and would make adjustments if required to enable them to undertake the health assessment. If they still did not want a health assessment, a health plan would be created from their paper records.

**18 CARED FOR CHILDREN AND CARE LEAVERS COMMITTEE
QUARTER 1 SCORECARD 2024-25**

The Committee received the Cared for Children and Care Leavers scorecard for quarter 1 of 2024-25.

The Committee welcomed the inclusion of the health details in the scorecard.

There was concern about the number of children being housed in hotels and that these children were usually more vulnerable and needed extra support. It was reported that the number in hotels since the scorecard was published had reduced from eight to two. The main reason for using this type of accommodation was that they had exhausted all other options. The service worked closely with housing to resolve their accommodation needs.

Reference was made to the number of social workers, and it was reported that there were 24 social workers with the additional social workers to be recruited as part of the Children Services Improvement Plan.

RESOLVED:

That the Committee note the Quarter 1 Scorecard 2024-25.

The meeting commenced at 4.00 pm and concluded at 5.36 pm

Councillor C Bulman (Chair)

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