

Corporate Policy Committee

Agenda

Date:	Thursday, 2nd October, 2025
Time:	10.30 am
Venue:	Capesthorne Room, Macclesfield Town Hall

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

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

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

1. **Apologies for Absence**

To note any apologies for absence from Members.

2. **Declarations of Interest**

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

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

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

For requests for further information

Contact: Nikki Bishop, Democratic Services Officer

Tel: 01270 686462

E-Mail: CheshireEastDemocraticServices@cheshireeast.gov.uk

4. **Public Speaking/Open Session**

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

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

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

5. **First Financial Review 25/26** (Pages 13 - 96)

To consider the first financial review 2025-26.

6. **Medium Term Financial Planning Assumptions Update 2025/26 - 2028/29** (Pages 97 - 112)

To receive an update on the MTFS development.

7. **Corporate Delivery and Improvement Plan 2025-27**

To receive a verbal update on the Corporate Delivery and Improvement Plan.

8. **Violence and Aggression - Health and Safety Policy** (Pages 113 - 126)

To consider the draft policy.

9. **Minutes of Sub-Committees**

To receive the minutes of the Finance Sub Committee ([2 June 2025](#)) and General Appeals Sub Committee ([16 September 2025](#)).

10. **Work Programme** (Pages 127 - 130)

To consider the Work Programme and determine any required amendments.

Membership: Councillors D Clark, J Clowes, L Crane, T Dean, M Goldsmith, M Gorman (Vice-Chair), D Jefferay, N Mannion (Chair), C O'Leary, J Rhodes, J Saunders and F Wilson (Subs: Councillors B Puddicombe and L Wardlaw).

CHESHIRE EAST COUNCIL

Minutes of a meeting of the **Corporate Policy Committee**
held on Wednesday, 6th August, 2025 in the Capesthorpe Room - Town Hall,
Macclesfield SK10 1EA

PRESENT

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

Councillors D Clark, J Clowes, L Crane, T Dean, M Goldsmith, D Jefferay,
C O'Leary, J Rhodes, J Saunders and F Wilson

OFFICERS IN ATTENDANCE

Rob Polkinghorne, Chief Executive
Karen Wheeler, Interim Assistant Chief Executive
Ashley Hughes, Executive Director of Resources and S151 Officer
Philip Cresswell, Executive Director of Place
Dawn Godfrey, Executive Director of Children's Services
Janet Witkowski, Acting Governance, Compliance and Monitoring Officer
Brian Reed, Head of Democratic Services
Professor Rod Thomson, Interim Director of Population Health
Jo Wise, Development and Regeneration Delivery Manager
Tom Moody, Director of Transport and Infrastructure
Nikki Bishop, Democratic Services Officer

17 APOLOGIES FOR ABSENCE

There were no apologies for absence.

18 DECLARATIONS OF INTEREST

Councillor S Gardiner declared, in relation to agenda item 8 – Knutsford BID Proposal, that he was a Knutsford resident and Knutsford Town Councillor, and knew many of the BID Board members, including the Chair. Cllr Gardiner confirmed other than voting for the Knutsford Town Council annual budget which approved a line of expenditure to fund the preliminary work of the BID, he had not been involved in any further discussions or decision-making. Prior to the consideration of the item, following advice from the Monitoring Officer, Councillor S Gardiner confirmed that he would not participate in the debate nor the vote on this matter and would leave the meeting room.

Councillor T Dean declared, in relation to agenda item 8 – Knutsford BID Proposal, that he was a Knutsford resident. Councillor D also declared that he was a Board Member of the Tatton Park Board. Prior to the consideration of the item, following advice from the Monitoring Officer,

Councillor T Dean confirmed that he would not participate in the debate nor the vote on this matter and would leave the meeting room.

Councillor J Rhodes declared, in the interests of openness and transparency in relation to agenda item 8 – Knutsford BID Proposal, that she was a Board Member of the Tatton Park Board.

Councillor M Goldsmith declared, in relation to agenda item 8 – Knutsford BID Proposal, whilst he had been involved in the development of the Wilmslow BID proposal, he had not been involved in the Knutsford BID proposal. Councillor Goldsmith declared that he was also a Board Member of the Tatton Park Board and following advice from the Monitoring Officer, he would not participate in the debate nor the vote on this matter and would leave the meeting room.

19 MINUTES OF PREVIOUS MEETING

RESOLVED:

That the minutes of the meeting held on 12 June 2025 be agreed as a correct record and signed by the Chair.

20 PUBLIC SPEAKING/OPEN SESSION

There were no members of the public registered to speak.

21 TRANSFORMATION PLAN UPDATE

The committee considered the report which provided an update on the Council's Transformation Plan, including revenue and capital expenditure, financial and non-financial benefits for 2024-25 and associated governance and decision-making arrangements. The Council's Chief Executive, Rob Polkinghorne, introduced the report.

Councillor Ken Edwards addressed the committee as a visiting Member and highlighted his concerns relating to the Council's Transformation Plan, particularly in light of the Best Value notice from Government. Councillor Edwards welcomed the report and the assurance from the Chief Executive to ensuring that the Corporate Policy Committee and wider Members were provided with regular comprehensive progress reports going forward. Councillor Edwards stated the importance of driving forward the Council's Transformation Programme and Improvement Plan at pace.

Councillor L Wardlaw addressed the committee as a visiting Member and asked several questions in relation to the Council's Transformation Partner and sought clarity on the steps the Council was taking to assure value for money from the services being provided. It was queried why comprehensive progress reports had not previously been provided to Members and which committee had oversight and scrutiny of the Transformation Programme, including the contract with the Council's

Transformation Partner. Councillor Wardlaw queried the role of the Leader and Deputy Leader in relation to the transformation mobilisation plans and if the Leader and Deputy Leader were aware of the fees associated with the Transformation Partner. Finally, Cllr Wardlaw queried when officers had become aware of the £5m fees associated with the Council's Transformation Partner and where exactly this had been referenced within the Full Council report from July 2025.

The committee welcomed the report and agreed that whilst regular comprehensive updates had not been provided to the committee, that there was a strong commitment to doing so going forward. The committee agreed that this was a positive step-forward and that the focus of the committee should now move from process to outcomes, to enable the committee to effectively measure the success of the Transformation Plan. It was confirmed that the committee, and Members, would be provided with clear cashable and non-cashable savings, along with milestones relating to delivery to enable Members to hold officers to account. The committee agreed that future reports should provide assurance and set out clearly the overall costs and benefits (including economic) of transformation as well as timeframes for when key decisions would come forward.

The committee sought assurance in relation to contract management and the steps being taken to ensure value for money from the Council's Transformation Partner. It was clarified that there were regular meetings with the Council's Transformation Partner and formal contract management measures in place relating to invoices and deliverables against the contract.

A friendly amendment was proposed and accepted by the committee in relation to Recommendation 3, as summarised below.

1. Agree that the committee receives a progress update on delivery of the Transformation Plan, financial and non-financial benefits, for quarter 1 (*and provisional Q2*) 2025/26 and alongside the first financial review (quarter 1) in October 2025

RESOLVED (unanimously):

That the Corporate Policy Committee

1. Note and comment on the delivery of the Transformation Plan in 2024/25 including expenditure, financial and non-financial benefits.
2. Note that Service Committees will be the decision makers for relevant transformation business cases that propose a significant change in Council policy and inform the budget setting process with Corporate Policy Committee providing oversight and decision making for the overall transformation plan, budget and MTFS as set out in the Constitution.

3. Agree that this Committee receives a progress update on delivery of the Transformation Plan, financial and non-financial benefits, for quarter 1 (and provisional Q2) 2025/26 alongside the first financial review (quarter 1) in October 2025.
4. Agree that the approach to a new overarching Corporate Improvement and Delivery Plan includes transformation.
5. Agree that the Corporate Improvement and Delivery Plan is a standing item for quarterly progress updates from October 2025 aligned to financial reporting going forward.

22 TASK AND FINISH GROUP: HARASSMENT, INTIMIDATION AND ABUSE OF COUNCILLORS - FINAL REPORT

The committee considered the final report of the Harassment, Abuse and Intimidation Task and Finish Group which was established in January 2025 to consider the issue of harassment, abuse and intimidation faced by Elected Members.

The committee welcomed the report and thanked the Task and Finish Group and officers for their work. The committee agreed that the findings from the Member Survey were concerning and that the detailed support identified by the Task and Finish Group would go some way in supporting Members impacted by harassment, intimidation and abuse.

The committee agreed that the recommendations set out within the report should be implemented as quickly as possible and that Members also needed to consider how they could build their own resilience and build mechanisms to protect themselves. It was important that training for Members was right and included key themes such as managing social media accounts, building resilience to taking action against individuals that were abusive and understanding when it was appropriate to contact the Police.

RESOLVED (unanimously):

That the Corporate Policy Committee

1. Note the findings of the Member Survey (Appendix 1).
2. Approve the Councillor Incident Reporting Form (non-emergencies) (Appendix 2).
3. Agree that the Head of Democratic Services be appointed as the Council's Nominated Officer for councillors dealing with harassment, abuse and intimidation and approve the supporting role description (Appendix 3).

4. Approve the Councillor Safety Protocol (Appendix 4) and note that this will be available on the Members Hub.
5. Agree that Cheshire East Council reaffirms its commitment and support to the principles of the LGA Debate Not Hate Public Statement.
6. Agree the role profile (Appendix 5) for the Member Champion: Councillor Safety and note that the Leader and Deputy Leader of the Council will appoint a Member to this role.
7. Agree that the proposed training, as set out in paragraph 6.12.7 of the T&F Group report, be added to the Member Training and Development Plan.
8. Agree that the principle of lone working devices being made available to those Members who wish to have one subject to the cost implications being considered and developed further by the Monitoring Officer and Section 151 Officer in consultation with the Chair and Vice Chair of the Corporate Policy Committee and Chair of the Task and Finish Group.
9. Subject to the resolution of recommendation 8, approve that the Acting Governance, Compliance and Monitoring Officer be given delegated authority to proceed with required procurement and contractual processes in consultation with the Chair and Vice Chair of the Corporate Policy Committee and the Chair of the Task and Finish Group.

23 DIRECTOR OF PUBLIC HEALTH ANNUAL REPORT 2024: COMMERCIAL DETERMINANTS OF HEALTH

The committee considered the Director of Public Health Annual Report 2024, recommended to the committee by the Health and Wellbeing Board. The Annual Report was focussed upon the impact and influence of the commercial determinants of health (CDoH) which was increasingly becoming one of the major drivers of ill-health.

The committee welcomed the report and the proposal to use existing and new powers to reduce the harmful impacts of CDoH and/or to introduce a health in all policies approach to improve the wellbeing of the population.

The committee noted the proposal for Cheshire East to develop its own Position Statement on CDoH, which would set out its commitment to improving residents' health and wellbeing by counteracting the negative influence and impacts of CDoH. The committee queried if this would be aligned to the proposed Cheshire and Merseyside Position Statement on CDoH. It was confirmed that work would be approached in a coordinated manner, and done in collaboration with other authorities across the region

however it was important that Cheshire East also moved forward in its own right to make a difference, locally.

RESOLVED (unanimously):

That the Corporate Policy Committee

1. Approve the development of a Cheshire East Position Statement on Commercial Determinants of Health (CDoH), setting out the council's commitment to improving residents' health and wellbeing by counteracting the negative influence and impacts of CDoH.
2. Approve the council's Public Health team working with partners across Cheshire and Merseyside to produce a Cheshire and Merseyside Position Statement on Commercial Determinants of Health.
3. Approve the exploration of using planning powers and the local plan to restrict the density of unhealthy commodity industries in Cheshire East, particularly in areas where existing rates of deprivation and health inequalities are higher.
4. Approve the exploration of using cumulative impact assessment(s) and licensing powers to reduce the overall impacts of alcohol use and harm.
5. Approve the exploration of a Health in All Policies (HiAP) approach to sustainably and effectively address the underlying causes of health inequalities.
6. Approve the promotion, development and delivery of interventions and projects (e.g. The Bread-and-Butter Thing), to provide as many residents as possible with healthier food ingredients and meals, and reduce reliance on cheaper, processed products that are higher in fat, sugar and salt.
7. Note that forthcoming recommendations will be considered by Corporate Policy Committee and/or other service committee(s) as required.

The meeting adjourned for a 10-minute break at 19.10pm and reconvened at 19.20pm.

24 KNUTSFORD BID PROPOSAL

Prior to the consideration of this item, Councillors S Gardiner, T Dean and M Goldsmith left the room.

The committee considered the report which provided an updated on the emerging draft Knutsford Business Improvement District (BID) proposal. Groundwork CLM had formally notified the Council of its intention to instruct Cheshire East Council, on behalf of the Knutsford BID Steering

Group, to put a proposal for a Business Improvement District (BID) in Knutsford to a ballot. The proposed BID would focus on Knutsford town centre but was also tentatively proposed to extend into Tatton Park.

The committee noted that there were now two BIDs in Cheshire East (Wilmslow Town Centre and Crewe). It was proposed that the Knutsford BID followed the same process and decision-making route of those previous BIDs.

The committee agreed that it was important to improve the connectivity between Tatton Park and Knutsford however queried the financial impact this would have on the Council. It was clarified that if the levy remained at 2% as set out within the draft BID proposal, based on current rates for value of Tatton Park, a levy of approx. £1,700k would be paid. This would also be paid for other hereditaments within the BID area for which the Council would be levy payer. It was anticipated this would total £5.5k annually.

RESOLVED (unanimously):

That the Corporate Policy Committee

1. Agree that the Executive Director - Place notify the BID proposer of the Council's intention to recoup all reasonable costs associated with the Knutsford Business Improvement District and officers shall recover reasonable charges for the associated services provided by the Council.
2. On receipt of the Knutsford Business Improvement District (BID) final proposal:
 - a. The Chief Executive as Returning Officer and "Ballot Holder" shall check the BID proposal against the requirements set out in the BID Regulations, and subject to the BID proposal meeting the necessary requirements, shall make all necessary arrangements for the BID proposal ballot to take place, and for the results of the ballot to be counted and declared on behalf of the BID proposer.
 - b. The Executive Director for Place shall take a further report to the Economy and Growth Committee outlining the detail of the final BID proposal and seeking any necessary further authority to respond, including a decision as to how the Council should vote in the ballot.
3. That subject to a "yes" vote at ballot; the Executive Director for Place shall ensure a final review of the BID proposal is undertaken and shall determine whether there is any cause to veto the proposals having regard to all relevant matters as prescribed by the BID Regulations; and following that determination shall either

confirm that the Council will not veto the BID proposals or serve a notice to exercise a veto.

4. That subject to a “yes” vote at ballot, and the Executive Director of Place confirming that the Council will not veto the BID proposals:

(a) The Council’s Monitoring Officer shall make necessary arrangements for the completion and updating of such legal agreements as they consider necessary to facilitate the BID, including agreements ensuring clarity around baseline service levels within the BID area, and clarity of arrangements for collection and management of the BID levy.

(b) The Council as billing authority shall make necessary arrangements for billing, collection and enforcement of the BID levy and its transfer to the body responsible for the Knutsford BID.

25 WORK PROGRAMME

Councillor S Gardiner and M Goldsmith returned to the meeting. Councillor T Dean did not return.

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

- It was requested that consideration be given to adding ‘Risk’ as a standing item onto future agendas.
- It was requested that the provisional figures for Financial Reporting Period 2 be shared in October, when the First Financial Review report 2025-26 was due to be considered.

26 MIDDLEWICH EASTERN BYPASS - 2025-26 GRANT ALLOCATION ACCEPTANCE

In accordance with Section 100B(4)(b) of the Local Government Act 1972, the Chair had agreed that the item (Middlewich Eastern Bypass – 2025-26 Grant Allocation Acceptance) should be considered as an item of urgent business as it could not wait until the next scheduled meeting of full Council / the Highways and Transport Committee.

The committee queried the costs and risks of any additional borrowing associated with the project. It was clarified that, to avoid the need for any additional borrowing on top of what had been approved in the MTFS, the use of other ringfenced transport funding should be utilised, including the recently announced Local Transport Grant and capital receipts. It was confirmed that there was funding within existing budget to cover risk. Acceptance of the grant and estimated costs of the scheme would be reported to the Finance Sub Committee and a decision to approve a

Supplementary Capital estimate put to the Corporate Policy Committee, to formally recommend to Full Council.

RESOLVED (unanimously):

That the Corporate Policy Committee

1. Authorise the Executive Director of Resources and Section 151 Officer to:

- a. accept the initial DfT Capital Grant allocation of £23,475,881 towards the MEB.
- b. sign and return the 25/26 grant Letter by the DfT deadline of Wednesday 13 August 2025.
- c. certify the acceptance of the final business case approval as included in the letter dated 8 July 2025

2. Authorise the Executive Director of Place to confirm in writing that the Council accepts the conditions of the final business case approval (Active Travel Requirements) as included in the letter dated 8 July 2025.

3. Note that:

- a. further Grant allocations are expected in 2026/7 and 2027/28 and acceptance of these will be subject to future decisions;
- b. the acceptance of the grant and current estimated cost of the scheme will be reported to Finance Sub Committee, and a decision taken at this committee to approve a Supplementary Capital estimate before being recommended to Full Council.
- c. a report will be taken to a future Highways and Transport Committee to seek the necessary approvals to commence construction once an updated target cost estimate is known and the Scheme is proven to be affordable.
- d. A decision to not accept the grant would mean accumulated costs of c.27M would be written to the General Fund making the budget illegal due to insufficient resources to fund expenditure.

The meeting commenced at 5.30 pm and concluded at 7.45 pm

Councillor N Mannion (Chair)

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OPEN

Corporate Policy Committee

2 October 2025

First Financial Review 25/26

**Report of: Ashley Hughes, Executive Director of Resources,
Section 151 Officer**

Report Reference No: CPC/25/25-26

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 2025/26 based on our income, expenditure and known commitments as at the end of June 2025. 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.
- 3 The report highlights any changes and external pressures that are impacting the Council since setting the budget in February 2025.
- 4 As set out in previous Financial Reviews, the requirement to continue to identify further actions 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 of being an effective and enabling Council as set out in the Cheshire East Plan 2025-2029.
- 6 The report also requests member approval for amendments to the Council's budget in line with authorisation levels within the Constitution.
- 7 The full report to Finance Sub Committee on 10 September 2025 includes additional information on debt, Council Tax and Business Rates collection, Treasury Management and Prudential Indicators. The report can be found here: [Finance Sub Committee meeting 10/9/2025](#)

Executive Summary

- 8 This is the First Financial Review monitoring report (FR1), showing the forecast outturn position for the 2025/26 financial year.
- 9 The report provides the current forecast outturn position for the revenue budget, capital budget and Dedicated Schools Grant (DSG) for the financial year 2025/26 based on our income, expenditure and known commitments as at the end of June 2025.
- 10 The First Financial Review (FR1) forecast revenue outturn is an **adverse variance of £3.1m** (after the application of planned use of conditional Exceptional Financial Support **£25.3m** as set out in the approved budget in February 2025). Further details are shown in **Table 1** in paragraph 23.
- 11 All Directorates continue to work on mitigation plans to improve the overall forecast overspend position and in doing so, are highlighting any risks associated with mitigations currently reflected in the reported £3.1m overspend.
- 12 The value of additional mitigation plans not yet reflected as delivered at FR1 are estimated at £2.8m, giving a potential improved overall forecast of £0.3m overspend. However, should the current mitigations included in the FR1 forecast not materialise, alongside further risks identified, then the forecast overspend position could increase to £18.7m adverse. Further updates will be provided at FR2.
- 13 Each Directorate have plans underway to deliver approved budget changes (growth and savings) identified as part of the 2025/26 approved budget per MTFS line – see paragraph 31 below and **Annex 1, Section 2** of the report.
- 14 The opening DSG deficit is £112.1m with an in-year projected movement of £33.5m to forecast a year end deficit of £145.6m – refer to paragraphs 40-42 for further details. Further reporting on the DSG Management Plan

is being taken to the next Children's and Families Committee which outlines the plan to stabilise the DSG and start reducing the deficit.

- 15 The capital programme for the current year is forecasting expenditure of £205.5m in year, an underspend of £3m against a budget of £208.4m at Outturn. This is an increase against the approved MTFS budget of £173m due to increases in Supplementary Capital Estimates (SCEs) of £22.3m as well as some reprofiling of projects.
- 16 The overall forecast revenue overspend of £3.1m remains a significant financial challenge for the Council when considered in addition to the planned use of Exceptional Financial Support (EFS) of £25.3m. Reserves at out-turn were £29.4m, being £6.3m of General Fund Reserves and £23.1m of Earmarked Reserves. A planned net use of Earmarked Reserves and the General Fund Reserve is forecast at £3.3m leaving £26.1m total available reserves. The Council's level of reserves is therefore insufficient to cover the current forecast revenue outturn for the year without further action. Further details are also available in the following Annexes to the main report.

Annex 1: Detailed First Financial Review 2025/26

- **Section 1** 2025/26 Forecast Outturn
- **Section 2** 2025/26 Directorate Revenue Commentary and update on 2025/26 Approved Budget Change Items
- **Section 3** Revenue Grants for approval
- **Section 4** Capital
- **Section 5** Reserves

Annex 2: Detailed Capital Programme 2025/26

RECOMMENDATIONS

The Corporate Policy Committee to:

1. Review the factors leading to a forecast adverse Net Revenue financial pressure of £3.1m against a revised budget of £440.5m (0.7%). 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 £205.5m against an increased capital budget of £208.5m. This was adjusted at outturn following an approved MTFS budget of £173m.
3. Approve the Supplementary Capital Estimate Requests for Allocation of Additional Grant Funding over £500,000 and up to £1,000,000 as per **Annex 1, Section 4, Table 4.**
4. Recommend to Council to approve the Supplementary Capital Estimate Request for Allocation of Additional Grant Funding over £1,000,000 as per **Annex 1, Section 4, Table 5**
5. Note the available reserves position as per **Annex 1, Section 5.**

Background

- 17 The Council operates a financial cycle of planning, review, management and reporting. This report ensures that we review where we are and provide a forecast outturn position for the 2025/26 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.
- 18 The Council set its 2025/26 annual budget in February 2025. The budget was balanced, as required by statute, with planned use of EFS, by way of a capitalisation direction, totalling £25.3m, plus £24.3m of transformation 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) 2025 to 2029.
- 19 This single view of the financial picture of the Council provides the overall financial context.
- 20 The management structure of the Council is organised into the following directorates:
 - Adults, Health and Integration
 - Children's Services
 - Place
 - Resources
 - Chief Executive's Office
 - Governance, Compliance and Monitoring

- 21 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 Cheshire East Plan. Budget holders are responsible for ensuring they manage their resources in line with the objectives of the Council and within the approved budget.
- 22 For the purposes of each committee, these directorate budgets are aligned to a specific committee and the appendices to this report provide information at a level that should enable the committee to scrutinise the causes of any variations in budget and appropriate actions needed to bring the Council back into line in terms of managing its resources.

2025/26 Revenue Outturn – Financial Review 1 (FR1)

- 23 Overall, the First Financial Review (FR1) forecast revenue outturn is an **adverse variance of £3.1m** (after the application of planned use of conditional Exceptional Financial Support **£25.3m** as set out in the approved budget in February 2025). Further details are shown in **Table 1 below**.

Table 1 2025/26 FR1	Revised Budget £m	Forecast Outturn £m	Forecast Variance £m
Service Committee			
Adults and Health	167.257	166.962	(0.295)
Children and Families	97.352	106.350	8.998
Corporate Policy	43.671	43.734	0.062
Corporate Policy- Cross Transformation	(13.452)	(3.821)	9.631
Economy Growth	28.741	26.456	(2.285)
Environment and Communities	43.670	41.125	(2.545)
Highways and Transport	17.151	17.265	0.114
Total Service Budgets	384.390	398.071	13.681
Finance Sub:			
Central Budgets	56.068	45.535	(10.533)
Funding	(415.197)	(415.197)	-
Total Finance Sub	(359.129)	(369.662)	(10.533)
Exceptional Financial Support	(25.261)	(25.261)	-
TOTAL	0.0	3.147	3.147

- 24 All Directorates continue to work on mitigation plans to improve the overall forecast overspend position and in doing so, are highlighting any

risks associated with mitigations currently reflected in the reported £3.1m overspend.

- 25 The value of additional mitigation plans not yet reflected as delivered at FR1 are estimated at £2.8m, giving a potential improved overall forecast of £0.3m overspend (see Optimistic forecast Table 2). However, should the current mitigations included in £3.1m FR1 forecast not materialise, then the pessimistic forecast position could increase to £18.7m (see Table 3). Further updates will be provided at FR2.

26 **Table 2 Optimistic position**

Table 2 – Optimistic position 2025/26 FR1	Revised Budget £m	Forecast Outturn £m	Forecast Variance £m
Service Committee			
Adults and Health	167.257	166.562	(0.695)
Children and Families	97.352	105.050	7.698
Corporate Policy	43.671	43.734	0.062
Corporate Policy- Cross Transformation	(13.452)	(3.821)	9.631
Economy Growth	28.741	26.456	(2.285)
Environment and Communities	43.670	40.125	(3.545)
Highways and Transport	17.151	17.265	0.114
Total Service Budgets	384.390	395.371	10.980
Finance Sub:			
Central Budgets	56.068	45.400	(10.668)
Funding	(415.197)	(415.197)	-
Total Finance Sub	(359.129)	(369.797)	(10.668)
Exceptional Financial Support	(25.261)	(25.261)	-
TOTAL	0.0	0.313	0.313

27 **Table 3 Pessimistic position**

Table 3 – Pessimistic position 2025/26 FR1	Revised Budget (NET) £m	Forecast Outturn £m	Forecast Variance £m
Service Committee			
Adults and Health	167.257	171.862	4.605
Children and Families	97.352	108.050	10.698
Corporate Policy	43.671	43.734	0.062
Corporate Policy- Cross Transformation	(13.452)	(0.821)	12.631
Economy Growth	28.741	26.456	(2.285)
Environment and Communities	43.670	41.525	(2.145)
Highways and Transport	17.151	17.265	0.114
Total Service Budgets	384.390	408.071	23.681
Finance Sub:			
Central Budgets	56.068	51.083	(4.985)
Funding	(415.197)	(415.197)	-
Total Finance Sub	(359.129)	(364.114)	(4.985)
Exceptional Financial Support	(25.261)	(25.261)	-
TOTAL	0.0	18.696	18.696

- 28 As indicated above in Table 1, the forecast overspend of £3.1m remains a significant financial challenge for the Council when considered in addition to the planned use of EFS of £25.3m. Reserves levels are insufficient to cover this level of overspending and should not be used as an alternative to undelivered savings or management actions to constrain and contain in-year pressures. Any drawdown in year to fund unmitigated pressures is not a sustainable approach and will take the Council further into financial distress.
- 29 The key areas causing an overspend at FR1 include a projected overspend of £9.0m within Children and Families, this is largely due to increased costs of placements (£6.4m adverse) and staffing (£2.2m). A

shortfall of £9.7m is forecast against in-year cross-directorate Transformation savings, details of all Transformation related savings can be found in paragraphs 47-50 below.

- 30 Offsetting these pressures, there is a favourable variance of £4.7m within the Place Directorate due to vacancy management and various one-off income items expected in year. The contingency budget is contributing a further £7.2m to the overspend position (including the use of £1.6m to cover the pay inflation pressure), whilst interest and Minimum Revenue Provision (MRP) are forecast to be £3.3m under budget due to lower than expected borrowing, increased levels of investment and slippage in the capital programme. More detailed narrative explanations of variances are included in Section 2 of Annex 1.

Overall mitigations planned to manage pressures

- 31 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 have contributed to date or are being considered:
- Line-by-line reviews of all budgets to further identify immediately any underspends and/or additional funding.
 - Actively manage vacancies, particularly agency usage and reduce any overspends on staffing as soon as possible.
 - Review 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).
 - 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.
 - Finance Sub – potential further bad debt reviews generating one-off in year contributions to assist in reducing the in year overspend and review/reset process moving forward.
 - Contingency Budget - the remaining balance of £5.7m (after general pay inflation pressure of £1.6m) has been released from Contingency to support the overall Council over commitment.

Capital Programme

- 32 The MTFS budget of £173m was set at Full Council in February 2025. Following that approval, and the completion of the outturn position of 2024/25, the MTFS position was increased to £208.4m. This was driven by increases in Supplementary Capital Estimates (SCEs) of £22.3m as well as some reprofiling of projects.
- 33 The FR1 forecast position for capital spending for 2025/26 indicates forecast capital expenditure of £205.5m against the revised MTFS budget of £208.4m, showing a small forecast underspend.
- 34 **Table 4 below** sets out the capital programme position for 2025/26 as at FR1:

Capital 2025/26	Actuals FR1	Forecast Spend	Funded by:					Total
			Governm ent Grants	External Contributi ons	Revenue Contributions	Capital Receipts	Prudential Borrowing	
	£m	£m	£m	£m	£m	£m	£m	£m
Adults and Health	-	0.132	0.132	-	-	-	-	0.132
Children and Families	0.030	47.746	39.054	6.812	-	0.050	1.830	47.746
Corporate Policy	1.014	16.481	-	-	-	-	16.481	16.481
Economy & Growth	3.036	44.420	23.082	1.394	0.183	0.328	19.433	44.420
Environment & Communities	0.451	24.371	8.340	1.193	0.647	-	14.191	24.371
Highways & Transport	4.730	72.392	57.795	4.762	-	0.825	9.010	72.392
Total	9.261	205.542	128.403	14.161	0.830	1.203	60.945	205.542

- 35 Detailed Committee tables are set out in **Annex 2**.
- 36 A full update is being provided to the Capital Programme Board.
- 37 Changes to the capital programme will impact the capital financing budget in year through the costs of interest payable where borrowing is incurred. Minimum Revenue Provision (repayments for the capital borrowing) impacts in subsequent years once an asset has become operational. Therefore, reductions in borrowing achieved through capital programme budget changes, whether through delay, budget reduction or alternative sources of financing, will be reflected in the revenue position each year in the MTFS for 2025-29 and beyond.
- 38 The current Capital programme remains unaffordable and ongoing scrutiny of the capital programme will be undertaken by the Capital Programme Board.
- 39 The current forecast for achievable capital receipts in year is £1m at FR1 – in line with budget - however further receipts are in the pipeline and a further update will be provided at FR2. Any additional receipts above budget can be used to reduce revenue pressures from borrowing in year or could be used to assist with funding of transformation activity.

Dedicated School Grant

- 40 The key pressure on DSG relates to the high needs block where SEND service continues to see a significant increase in the number of pupils with an Educational Health Care Plans (EHCPs), and the associated school placement costs. The deficit in 2024/25 was an improvement on the budget gap, the in-year pressure being £33.5m increasing the cumulative deficit balance to £112.1m with an additional £1.6m Early Years payback increasing the cumulative deficit to £113.7m.
- 41 The cumulative deficit is currently being managed by an accounting override, which has recently been extended until 2028, allowing it to be treated as an un-usable reserve. At this stage the position is not recoverable unless there are significant changes to funding, national policy and demand. The cumulative deficit position is adding to the pressures of the Council as borrowing is required to cover the cumulative deficit which results in annual interest costs of around £5.6m in 2024/25 with an estimated cost of £5.8m in 2025/26.
- 42 The updated DSG Management Plan in July 2025, reported at Children and Families Committee in September 2025, reduces the growth rate of EHCP based on the lower in year deficit at the yearend outturn. The mitigated forecast for 2025/26 is £145.6m (in year position of a deficit of £32.1m) after including mitigations of £14.8m. This plan continues to reduce the previous planned mitigated deficit by 2031/32 from £236.7m to £205.4m. The DSG Management plan and appendix can be found here:

[DSG management plan – reprofiled 2025/26 – 2031/32](#)

[Appendix 1 for DSG management plan – reprofiled 2025/26 – 2031/32](#)

Progress on delivery of the 2025/26 approved budget change items

- 43 Each Directorate have plans underway to deliver approved budget changes (growth and savings) identified as part of the 2025/26 approved budget per MTFS line – see **Annex 1, Section 2** of the report.
- 44 Table 5 presents a summary of the progress on the delivery of the 2025/26 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.

- 45 The green and blue columns show budget change items that are either delivered or on track to be delivered or even exceed in some cases. However, there is also a pressure of £23.1m 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 £8.9m, unrelated to the change item rows that have been identified to assist the outturn position. The table overleaf summarises the progress by Committee:

Table 5: Summary of the progress on the delivery of the 2025/26 approved budget change items:

Committee	Approved Change Budget £m	Forecast Outturn £m	Complete £m	Green £m	Amber £m	Red £m	EFS £m	Mitigate £m
Adults & Health	21.494	21.199	(0.737)	20.148	3.350	2.961		(4.523)
Children & Families	8.659	17.657	(0.487)	1.981	0.203	16.033		(0.073)
Corporate Policy	1.078	1.140	(0.726)	0.310	-	1.893		(0.337)
Corporate Policy Cross Transform	(13.452)	(3.821)	-	-	(1.446)	(2.375)		-
Economy & Growth	0.534	(1.751)	(1.009)	0.668	(0.148)	1.187		(2.449)
Env & Communities	(2.741)	(5.286)	(0.159)	(8.048)	0.401	3.324		(0.804)
Highways & Transport	1.061	1.175	0.161	1.667	(0.025)	0.124		(0.752)
Finance Sub - Central	35.294	24.761	16.681	8.080	-	-		-
Finance Sub - Funding	(26.666)	(26.666)	-	(26.666)	-	-		-
Exceptional Financial Support	(25.261)	(25.261)	-	-	-	-	(25.261)	-
TOTAL	-	3.147	13.724	(1.860)	2.335	23.147	(25.261)	(8.938)

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

Transformation Savings Update

- 47 The FR1 forecast outturn position against the approved Transformation budget changes for 2025/26 is outlined in Table 6 below:

Table 6 - Transformation Budget Saving	Saving included in Council's 2025/26 budget £m	Forecast Outturn position at FR1 £m	(Under)/Over £m
Access to Services & Corporate Core (Cross cutters including Digital/Workforce/3 rd Party Spend/Fees & Charges)	(13.452)	(3.821)	9.631
Service Delivery – Adults Social Care	(7.000)	(7.000)	-
Service Delivery – Children's	(3.788)	(1.368)	2.420
Service Delivery – Place	(0.175)	(0.175)	-
Total	(24.415)	(12.364)	12.051

- 48 The FR1 forecast outturn position against Access to services and Corporate Core projects is outlined below in Table 7:

Table 7 - Transformation Budget Saving	2025/26 Budget £m	2025/26 FR1 £m	2025/26 Variance £m
Digital Customer Enablement Invest	(0.750)	-	0.750
Digital Acceleration – Invest to Save	(0.600)	(0.200)	0.400
Digital Blueprint – Invest to Save	(4.000)	(1.000)	3.000
Fees and Charges	(0.750)	(0.821)	0.071
Third Party Spend	(3.000)	(0.625)	2.375
Target Operating Model (TOM)	(3.000)	(0.999)	2.001
Agency Staffing	(0.352)	(0.176)	0.176
Workforce Productivity	(1.000)	-	1.000
Total	(13.452)	(3.821)	9.631

- 49 Within the cross cutting Corporate Core Programme, the Fees and Charges project has reached agreement with relevant budget holders to deliver savings of £0.821m, which is £0.071m in excess of the £0.750m planned budget saving. Across the other cross cutting projects within the Corporate Core and Access to Services programmes, delays in agreeing

business cases and associated savings mean that the anticipated full year savings can now no longer be delivered in 2025/26. Savings across the Workforce, Digital and Third Party spend projects for the remainder of the financial year are forecast at £3.0m against the budget saving of £12.7m. This forecast is based on a projection of delivery for each project, which collectively results in the achievement of approximately 24% of the 2025/26 budgeted savings.

- 50 The Adults Social Care Transformation programme is forecasting a shortfall of £2.7m against the four Transformation projects but this has been completely offset by in year mitigating actions, with maximisation of client income and management of vacancies the main contributors. The Children's Service Delivery programme is forecasting total savings of £0.5m against savings of £3.8m included in the 2025/26 budget. One off mitigating actions of £0.9m have been identified to date, to reduce the net shortfall to £2.4m.
- 51 The Transformation Update appended (Annex 3) to this report provides further details.

Revenue Grants for Approval

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

Reserves Position

- 53 On 1 April 2025, Earmarked Reserves totalled £23.1m and the General Fund Reserve Balance totalled £6.3m. Of the total earmarked reserves, £3.3m (11.2%) will be spent in 2025/26, on supporting the revenue budget for 2025/26.
- 54 Table 8 below shows the position on reserves forecast level of Earmarked and General reserves by the end of 2025/26.
- 55 As set out in the 2025/26 Budget/MTFS approved in February 2025, the overall level of reserves held by the Council remains insufficient.

Table 8: Total Reserves

Table 8 Earmarked Reserves	Balance at 1 April 2025	Drawdowns to Support Service Expenditure	Additional Contributions to Reserves	Balance Forecast at 31 March 2026
	£m	£m	£m	£m
Earmarked Reserves	(23.114)	14.888	(11.341)	(19.567)

General Fund Reserve	(6.299)	0	(0.186)	(6.485)
Total Usable Reserves	(29.413)	14.888	(11.527)	(26.052)

- 56 The Council is currently forecast to have £26.1m of earmarked reserves at the end of the financial year 2025/26. Of this £3.0m can be considered ringfenced, with specific conditions limiting their use.
- 57 A full list of all earmarked reserves per Committee can be found in **Annex 1, Section 5**.

Consultation and Engagement

- 58 As part of the budget setting process the Pre-Budget engagement process provided an opportunity for interested parties to review and comment on the Council's Budget principles.

Reasons for Recommendations

- 59 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.
- 60 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

- 61 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/Governance

- 62 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.
- 63 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.
- 64 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.
- 65 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.
- 66 This report provides an update on progress for 2025/26 for all services.
- 67 It also provides updates and comments regarding the Council's use of 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

- 68 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.
- 69 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.
- 70 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.
- 71 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.
- 72 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.
- 73 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.
- 74 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.

- 75 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.

Human Resources

- 76 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

- 77 Financial risks are assessed and reported on a regular basis, and remedial action taken if required. Risks associated with the achievement of the 2024/25 budget and the level of general reserves were factored into the 2025/26 financial scenario, budget, and reserves strategy.

Impact on other Committees

- 78 All Committees will receive this financial update report.

Policy

- 79 This report is a backward look at Council activities and predicts the year-end position. It supports the Council's vision of being an effective and enabling Council as set out in the Cheshire East Plan 2025-2029
- 80 The forecast outturn position, ongoing considerations for future years, and the impact on general reserves will be fed into the assumptions underpinning the 2026 to 2030 Medium-Term Financial Strategy.
- 81 The approval of supplementary estimates and virements are governed by the Finance Procedure Rules section of the Constitution.

Equality, Diversity and Inclusion

- 82 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.

Consultation

Name of Consultee	Post held	Date sent	Date returned
Statutory Officer (or deputy):			
Ashley Hughes	S151 Officer	12/09/2025	15/09/25
Kevin O'Keefe	Interim Monitoring Officer	12/09/2025	15/09/25
Legal and Finance			
Julie Gregory	Legal Manager	28/08/2025	01/09/2025
Chris Benham	Director of Finance	28/08/2025	01/09/2025

Access to Information	
Contact Officer:	Chris Benham – Director of Finance Chris.benham@cheshireeast.gov.uk
Appendices:	Annex 1 - Detailed First Financial Review 2025/26: <ul style="list-style-type: none"> • Section 1 2025/26 Forecast Outturn • Section 2 2025/26 Directorate Revenue Commentary and update on 2025/26 Approved Budget Change Items • Section 3 Revenue Grants for approval • Section 4 Capital • Section 5 Reserves Annex 2 - Detailed Capital Programme 2025/26 Annex 3 – Transformation Update
Background Papers:	The following are links to key background documents: MTFS 2025-2029



First Financial Review 2025/26

Results to end of June 2025

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Section 1: 2025/26 Forecast Outturn

- 1.1. Table 1 provides a service summary of financial performance based on information available as at the end of June 2025. The current forecast is that services will be £13.7m over budget in the current year.
- 1.2. It also shows that central budgets are forecast to be £10.6m under budget resulting in an overall outturn of £3.1m overspend against a net revenue budget of £440.5m.
- 1.3. The forecast outturn position is based on a full financial management review across all service and reflects the following assumptions:
 - 1 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;
 - 2 A review of the on-going impacts of adverse variances identified in 2024/25;
 - 3 Any identified, emerging items of significance:
 - 4 Within Adult Social Care, significant growth is forecast for care costs, less mitigations linked to delivery of savings;
 - 5 Within Children's Services, the rising cost and number of placements is a continuing trend and the Directorate are reviewing governance in this area in order to mitigate the overspend.
 - 6 Forecast impact of the confirmed increased 2025/26 pay award £1.6m (assumed to be covered from the contingency budget);
 - 7 Detailed review of any vacancy underspends in all areas;
 - 8 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.
 - 9 Mitigation activities delivered or forecast to be delivered by 31 March as reflected in paragraph 28 of the main covering report.
- 1.4 Further items impacting on the level of the Council's balances are detailed in **Section 5**.

Committee	Service Area Tier 3	Revised Budget	Forecast Outturn	Variance
		£m	£m	£'m
Adults and Health	People	0.000	0.000	0.000
Adults and Health	Adults Health & Integration	-5.205	-5.205	0.000
Adults and Health	Communities and Integration Total	3.085	2.640	-0.445
Adults and Health	Integrated Commissioning - MH, LD & Families Total	0.798	0.798	0.000
Adults and Health	Integrated Commissioning - New Models of Care Total	0.000	0.000	0.000
Adults and Health	Integrated Commissioning - Thriving & Prevention Total	1.561	1.636	0.075
Adults and Health	Integrated Urgent Care Total	-8.453	-8.453	0.000
Adults and Health	Adult Safeguarding Total	1.844	1.844	0.000
Adults and Health	Care4CE Total	17.918	17.956	0.038
Adults and Health	Community Care – Short Term Intervention Total	3.254	3.254	0.000
Adults and Health	Community Care – Locality Teams Total	77.742	75.979	-1.763
Adults and Health	Mental Health and Learning Disability Total	75.409	77.209	1.800
Adults and Health	Operations Total	-1.251	-1.251	0.000
Adults and Health	Social Care Reform, Practice Assurance and Development Team Total	0.555	0.555	0.000
Adults and Health	Health Improvement Total	0.394	0.394	0.000
Adults and Health	Health Protection Total	0.000	0.000	0.000
Adults and Health	Infection Prevention & Control Total	0.354	0.354	0.000
Adults and Health	Joint Strategic Needs Assessment Total	0.246	0.246	0.000
Adults and Health	Public Health Total	-0.994	-0.994	0.000
Adults and Health		167.257	166.962	-0.295
Children and Families	Children Prevention and Support Total	0.000	0.000	0.000
Children and Families	Childrens Improvement and Development Total	0.345	0.350	0.004
Children and Families	Early Start Total	2.446	2.398	-0.048
Children and Families	Education and 14-19 Skills Total	-55.251	-55.118	0.133
Children and Families	Education Infrastructure and Outcomes Total	0.498	0.498	0.000
Children and Families	Education Participation and Pupil Support Total	19.758	20.053	0.295
Children and Families	Educational Psychologists Total	1.804	1.804	0.000
Children and Families	Preventative Services Total	4.373	4.128	-0.245
Children and Families	SEND Total	60.531	60.535	0.003
Children and Families	Children's Services Total	1.169	2.398	1.229
Children and Families	Childrens Social Care - Safeguarding Total	2.424	2.433	0.009
Children and Families	Cared for Children Total	9.204	9.250	0.046
Children and Families	Children in Need, Protection and Disabilities Total	9.874	10.821	0.947
Children and Families	Childrens Social Care Total	1.429	1.364	-0.065
Children and Families	Provider Services and Fostering Total	36.447	42.913	6.466
Children and Families	Integrated Front Door & Domestic Abuse Total	2.022	2.194	0.172
Children and Families	Social Worker Academy Total	0.276	0.330	0.054
Children and Families		97.352	106.350	8.998
Corporate Policy	Corporate Total	1.302	0.967	-0.335
Corporate Policy	Customer Services Total	2.671	2.571	-0.100
Corporate Policy	Human Resources Total	2.823	2.583	-0.240
Corporate Policy	Finance Total	5.718	5.718	0.000
Corporate Policy	Procurement Total	0.584	0.554	-0.030
Corporate Policy	Revenues and Benefits - Rent Allowances	1.218	2.475	1.257
Corporate Policy	Revenues and Benefits Other	2.685	2.382	-0.303
Corporate Policy	Digital Total	12.136	12.045	-0.091
Corporate Policy	Audit and Risk Total	3.241	2.868	-0.373
Corporate Policy	Democratic and Governance Services Total	4.118	3.749	-0.369
Corporate Policy	Legal Services Total	4.117	4.306	0.189
Corporate Policy	Business Change Total	1.985	2.460	0.475
Corporate Policy	Engagement & Communications Total	1.072	1.054	-0.018
Corporate Policy		43.671	43.734	0.062
Corporate Policy	Cross Transformation Savings	-13.452	-3.821	9.631
Corporate Policy - Cross Transformation Savings		-13.452	-3.821	9.631
Economy and Growth	Economic Development Total	1.492	1.082	-0.410
Economy and Growth	Estates Total	17.715	16.937	-0.778
Economy and Growth	Growth and Enterprise Total	0.150	0.262	0.112
Economy and Growth	Housing Total	4.063	3.595	-0.468
Economy and Growth	Rural and Cultural Directorate Total	4.752	4.281	-0.471
Economy and Growth	Place Directorate	0.570	0.300	-0.270
Economy and Growth		28.741	26.456	-2.285
Environment and Communities	Environment and Neighbourhood Services Total	0.334	0.750	0.416
Environment and Communities	Environmental Services Total	7.964	5.068	-2.896
Environment and Communities	Environmental Operations Total	23.741	23.958	0.217
Environment and Communities	Neighbourhood Services Total	4.532	4.952	0.420
Environment and Communities	Regulatory Services and Health Total	2.971	2.826	-0.145
Environment and Communities	Planning Total	4.128	3.571	-0.557
Environment and Communities		43.670	41.125	-2.545
Highways and Transport	Highways Total	11.980	11.730	-0.250
Highways and Transport	Infrastructure Total	0.110	0.138	0.028
Highways and Transport	Infrastructure and Highways Directorate Total	0.605	0.620	0.015
Highways and Transport	Strategic Transport Total	4.457	4.778	0.321
Highways and Transport		17.151	17.265	0.114
SUMMARY - SERVICE BUDGETS		384.390	398.071	13.681
Finance Sub - Central Budgets	Financing and Investment	34.039	30.759	-3.280
Finance Sub - Central Budgets	Movements in Reserves	1.304	1.304	0.000
Finance Sub - Central Budgets	Parish Precepts & Other Operating Expenditure	12.772	12.772	0.000
Finance Sub - Central Budgets	Contingency Budget	7.953	0.700	-7.253
Finance Sub - Central Budgets		56.068	45.535	-10.533
TOTAL		440.458	443.605	3.147
Finance Sub - Funding Budgets	Council Tax	-320.086	-320.086	0.000
Finance Sub - Funding Budgets	Business Rates Retention	-57.122	-57.122	0.000
Finance Sub - Funding Budgets	Revenue Support Grant	-0.849	-0.849	0.000
Finance Sub - Funding Budgets	Unringfenced Grants	-37.140	-37.140	0.000
Finance Sub - Funding Budgets		-415.197	-415.197	0.000
Exceptional Financial Support		-25.261	-25.261	0.000
SUMMARY TOTAL - OVERALL POSITION		0.000	3.147	3.147

Section 2: Directorate Revenue

Commentary and update on 2025/26

Approved Budget Change Items

The following section provides an explanation of the key drivers behind variances to Budget and the tables below provide detailed commentary on the progress against the approved budget change items that were agreed as part of the approved budget in February 2025. These are split by relevant committee.

Adults and Health favourable variance of £0.3m

- 2.1 The Adults, Health and Integration budget is forecast to underspend by £0.3m at FR1. This position is based on several early-year assumptions and estimates and is therefore subject to a potential range, from an optimistic underspend of £0.7m to a pessimistic overspend of £4.6m.
- 2.2 The MTFS 2025/26 targets were based upon the Inner Circle Deep Dives completed in July 2024, which provided a high-level estimate of savings that could be potentially achieved through the ASC Transformation Programme.
- 2.3 Business cases are now being progressed, helping us better understand when the savings are likely to come through to the budget. For two of the transformation programmes, pilots are being run to ensure the models adopted deliver the intended outcomes, and resources are being mobilised to support full implementation.
- 2.4 There is confidence that transformation plans are on track and that the full year effect of the targets remains achievable but when profiling the delivery of savings, it is clear some in year mitigation is required.
- 2.5 It is estimated that a further £3.9m of the planned savings will be delivered in 2025/26 through the Transformation Programme (see table below). Areas have been identified to mitigate the shortfall of £3.5m through increase in client contributions, use of one-off funding and efficiencies.
- 2.6 £0.5m of savings have been verified as delivered in Q1, these are linked to the Health and Social Care Partnership Case Reviews and the introduction of the Guide Price.

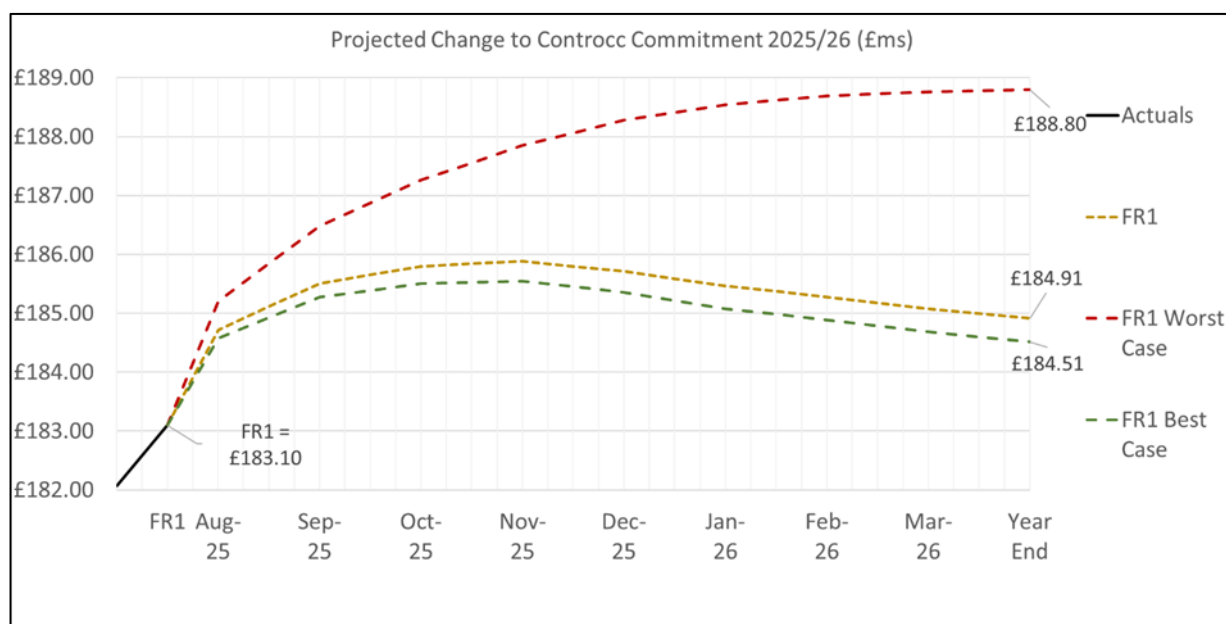
MTFS Saving 2025/26	Budget Target (£ms)	FR1 - Assumed Delivered (£ms)	FR1 - Estimate for remaining 2025/26 (£ms)	FR1 - Total Forecast (£m)	Budget Variance (£ms)
Prevent, Reduce, Enable	-1.500	0.000	-0.650	-0.650	0.850
Learning Disability transformation	-2.500	0.000	-1.000	-1.000	1.500
Commissioning and Brokerage	-0.500	-0.125	-0.375	-0.500	0.000
Partnership Case Review	-2.500	-0.343	-1.857	-2.200	0.300
Preparing for Adulthood	-0.868	0.000	0.000	0.000	0.868
Total	-7.868	-0.468	-3.882	-4.350	3.518

- 2.7 **Staffing:** The forecast assumes that staffing levels remain consistent with the June payroll. Underspends in year are currently being driven by held vacancies, which are forecast at FR1 to continue throughout 2025/26.
- 2.8 **Client income:** The position assumes that the overperformance in client income that we saw at the end of 2024/25 continues into 2025/26, supported by pension and benefit uplifts in 2025/26.

The forecasted full year effect of this is £3.5m and is expected to be a recurrent benefit. As the transformation plan continues to be implemented there may be implications for client income, and this will be monitored throughout the year.

Risks and Assumptions

- 2.9 **Demographic growth:** The forecast assumes externally commissioned care growth of £5.7m between FR1 and year end. This estimate matches the trend seen in 2024/25 and is based on comparable conditions and internal constraints for expenditure growth. The graph below projects the £5.7m growth and the forecasted delivery of savings from FR1 to the year end. The FR1 projection includes the estimated delivery of the £3.9m savings, the worst-case excludes this.



Summary of 2025/26 Controcc Financial Commitment as 7th July (FR1):

Primary Support Reason	Age Band	Accommodation with Care	Supported Living	Care at Home	Direct Payment	Day Care	Shared Lives	Total
Physical Support	18-64	£ 2,720,086	£ 2,165,280	£ 3,503,173	£ 2,431,986	£ 94,362	£ 79,229	£ 10,994,115
Physical Support	65+	£ 32,199,738	£ 605,400	£19,415,261	£ 802,415	£ 17,534	£ 42,454	£ 53,082,803
Learning Disability Support	18-64	£ 11,289,150	£ 26,447,204	£ 8,218,397	£ 5,504,444	£2,069,914	£ 234,976	£ 53,764,085
Learning Disability Support	65+	£ 1,682,844	£ 4,287,642	£ 1,241,728	£ 12,848	£ 96,873	£ 32,517	£ 7,354,453
Memory & Cognition	18-64	£ 1,880,712	£ 354,544	£ 256,178	£ 159,062	£ 9,892	£ 11,598	£ 2,671,986
Memory & Cognition	65+	£ 27,998,543	£ 245,213	£ 2,769,315	£ 676,097	£ 74,889	£ 57,148	£ 31,821,205
Mental Health	18-64	£ 2,115,946	£ 5,575,481	£ 1,867,532	£ 426,628		£ 80,739	£ 10,066,326
Mental Health	65+	£ 5,622,329	£ 572,751	£ 1,045,293	£ 73,570		£ 41,196	£ 7,355,139
Sensory Support	18-64	£ 157,900	£ 529,779	£ 205,021	£ 389,485	£ 44,627		£ 1,326,811
Sensory Support	65+	£ 574,533	£ 1,044	£ 186,454	£ 33,529		£ 3,842	£ 799,402
Social Isolation Support	18-64	£ 183,971	£ 774,437	£ 284,706	£ 263,482	£ 100,571	£ 53,052	£ 1,660,219
Social Isolation Support	65+	£ 182,072	£ 32,200	£ 74,560	£ 16,373	£ 2,818	£ 26,735	£ 334,760
Substance Misuse Support	18-64	£ 98,029	£ 177,287	£ 26,306			£ 1,932	£ 303,554
Substance Misuse Support	65+	£ 133,515		£ 66,456				£ 199,970
Support for Carer	18-64			£ 3,635	£ 77,684			£ 81,320
Support for Carer	65+				£ 80,045			£ 80,045
Block Contract Commitments								£ 1,203,386
Total		£ 86,839,370	£ 41,768,263	£39,164,013	£ 10,947,648	£2,511,479	£ 665,419	£ 183,099,578

- 2.10 **Use of grants:** The position assumes it will be possible to replicate the 2024/25 use of grants against eligible criteria.
- 2.11 **NHS:** A significant area of financial risk which is not reflected in the FR1 position, as it is impossible to quantify at this time, is the potential implications for Local Authorities as a result of changes in the NHS.

2.12 The NHS will be undergoing significant restructuring during 2025/26 following the announcement of the abolition of NHS England. In addition, all Integrated Care Boards (ICB) are required to make a 50% reduction in their administrative costs, primarily staffing. Cheshire and Merseyside ICB is one of the most financially challenged ICBs in the country and is formally in financial turnaround and required to make cashable savings of approximately £170m. This has the potential to drive costs to local Authorities through areas such as Continuing Health Care, S117 Mental health aftercare, changes to Service Level Agreements, as well as through the Better Care Fund.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
	Adults and Health Committee	21.494	21.199	(0.295)	
1	Client Contributions	(5.182)	(5.182)	-	Green - Income target for 2025/26 has been achieved.
2	Revenue Grants for Adult Social Care	(0.220)	(0.220)	-	Completed
3	Pensions Cost Adjustment	(0.517)	(0.517)	-	Completed
4	Demand in Adult Social Care	5.000	5.000	-	Amber - We have completed a model to forecast cost and demand in adult social care which will form the basis of future growth and saving requirements.
5	Pay Inflation	2.251	2.961	0.710	Red - LGS pay offer for 2025. Full and final offers of 3.20% increase resulting in overspend of c.£1.6m across the Council. Updated at FR1 to include additional pressure from the 2.5% not previously identified.
6	Funding the staffing establishment	3.800	3.800	-	Green - Increases in the number of social care staff to maintain safe services and to meet increasing demands.
7	Fully Funding current care demand levels 2024/25	24.500	24.500	-	Green - Growth, recognising the full year effect of current pressures on the externally commissioned care budget.
8	Remodel extra care housing catering service	(0.270)	(0.270)	-	Green - Work is ongoing to remodel the catering offer in extra care facilities.
9T	Prevent, Reduce, Enable - Older People	(1.500)	(0.650)	0.850	<p>Amber - The Prevent Reduce Enable programme has been established in accordance with the Council's Strategic Transformation programme. The pilot began on 16 June.</p> <p>The Prevent, Reduce, Enable programme is focused on ensuring that people are supported to live independent lives for as long as possible, delaying the need for commissioned social care services.</p> <p>The business case for year one anticipates a realisable saving of</p>

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
					£650k. This is a shortfall of £850k against the MTFS. Offsetting savings are being identified.
10T	Learning Disability service transformation	(2.500)	(1.000)	1.500	<p>Amber - Programme status has been updated to Amber due to continued challenges identified within working groups about delivery targets. The full year effect of the transformation programme remains at £2.5m as per the MTFS savings target, however, it is acknowledged the delivery of the full target will not be achieved this year due to a time lag in converting business cases into delivery.</p> <p>The forecast has been amended to £1m to reflect this.</p> <p>A breakdown of how the £2.5m (full year effect) savings target will be achieved is in development, covering the three key areas of the programme, Supported Living, Care4CE, and Shared Lives contributions.</p> <p>Work is also underway to confirm savings from the decommissioning of one of our Supported Living buildings, (estimated at £154k) this to be recorded against this target once validated.</p>
11T	Commissioning and brokerage transformation	(0.500)	(0.500)	-	Green - The Guide Price Policy is now in place and a tracker has been set up to monitor savings against the MTFS target. there is a high confidence level that this can be achieved.
12T	Preparing for Adulthood	(0.868)	-	0.868	Red - This saving will be realised in children's services, it is likely that this is double counting with saving identified in the Birth to Thrive transformation group. We are reviewing as part of 'plan B' savings.
13T	Health and Social Care Partnership Case Review	(2.500)	(2.200)	0.300	Green - This is now part of BAU and the service will provide updates via a tracker as to the progress against the target. To date this year we have achieved 684k.
In year	Other forecast mitigations within the Adults services	-	(5.304)	(5.304)	Mitigations linked to maximisation of eligible grants, careful management of vacancies, and client income. To reconcile to FR1.
In year	Other forecast pressures within the Adults services	-	0.781	0.781	Other variances to reconcile to FR1 position.

Children and Families adverse variance of £9.0m

- 2.13 The Children's Services budget is forecast to overspend by £9.0m in FR1 based on the June 2025 reports. This is mainly due to increased costs in placements and staffing, and are the focus of this commentary.
- 2.14 The forecast placements cost for 2025/26 is £6.4m adverse to budget, this continues the year end outturn pressure which was £3.4m adverse to budget. The number of children in care at FR1 was 549 (at June 2025) compared to 550 at March 2025. Placement costs are increasing higher than inflation and £1.18m of net growth is forecast which was not factored into the budget. The forecast reports an overspend based on actual and committed costs which includes planned changes to specific client packages at this point in time.
- 2.15 This overspend is partly due to the increase in Care Leavers (Post 18) with a 54% growth in 2025 (£7.4m) to 2024. There were 95 post 18 placements at a weekly cost of £102k in June 2025 decreasing to 87 in July 2025 at a weekly cost of £95k. The weekly cared for children summary report on 25 July reported 546 children and included placement changes for 12 children which had a cost increase of 105% which highlights the costs are continuing to be a pressure.
- 2.16 The MTFS set out savings in relation to placements for Right Child Right Home £1.3m and New Accommodation with Support Offer for 16-25 Young People of £1.1m. Due to these increased placement costs the forecast has assumed these saving will not be met in 2025/26.
- 2.17 The Directorate are undertaking work to review and manage the placement governance with the aim to reduce the cost of this overspend in year.
- 2.18 The establishment staffing costs for 2025/26 is £2.2m adverse to budget, this continues the year end outturn pressures on the staffing base cost. This is offset by underspends on other staff related cost of £0.5m. The use of agency staff who are contracted to cover vacancies, sickness absence and maternity leave, especially in cared for children and children in need, protection and disabilities, continues to be a significant cost. This is due to ensuring staffing levels are safe and meet our statutory duties.
- 2.19 The forecast assumes positions covered by agency staff will continue, whilst vacant post with no agency workers assigned are assumed to be a budgeted position cost. The international social workers programme has begun with 4 staff commencing in June and 4 staff in July. The agency staff supporting their induction period should be removed after 6 months, this has not been included in the forecast and will be revisited in FR2 as a potential cost reduction.
- 2.20 The Directorate are working to reduce the reliance on agency staff by promoting recruitment campaigns to attract permanent staff instead of extending agency contracts.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
	Children and Families Committee	8.659	17.657	8.998	
14	Pension costs adjustment	(0.050)	(0.037)	0.013	Red - Teacher's pension legacy costs are not reducing as anticipated.
		(0.487)	(0.487)	-	Completed - CEC pension reduction.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
15	Growth to deliver statutory Youth Justice service, and meet Safeguarding Partnership duties	0.203	0.203	-	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.
16	Growth in School, SEND and Social Care Transport budget	1.501	1.501	-	Red - Being reviewed as part of ongoing SEND improvement
17	Pay Inflation	2.624	2.874	0.250	Red - LGS pay offer for 2025.Full and final offers of 3.20% increase resulting in overspend of c.£1.6m across the Council.
18	Fully Funding current care demand levels 2024/25	3.295	7.313	4.018	Red - Will need to be closely monitored throughout the year to ensure that funding is sufficient to meet demand and complexity. This is also part of transformation work to ensure Edge of care/Right Child Right home.
19	Court Progression Improvement	0.023	0.023	-	Red - Some of this will be covered in the new structure build and re-design which may not require a separate court team, there is increased oversight on applications court delays at Director level, to minimise delays to court work.
20	Growth for annual contribution to the Regional Adoption Agency	0.213	0.213	-	Green
21	Growth for Unaccompanied Asylum Seeking Children due to emerging pressures	0.500	0.500	-	Green - Growth in Unaccompanied Asylum Seeking Children.
22	Reversal of a one year policy change for traded services	0.120	0.120	-	Green - Reversal of non-permanent 2023/24 policy change CF23-27 42.
23	Schools Improvement	0.175	0.175	-	Green - Due to staffing previously been paid out of the school improvement grant and this grant is now ceasing there is insufficient budget to cover the existing staffing

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
					in the service to cover our statutory duties.
24	Funding the staffing establishment	2.739	4.885	2.146	Red - A families First transformation area of work has commenced and the re-structure will be delivered as part of this.
25	Safe Walking Routes to School	(0.250)	(0.026)	0.224	Red
26T	New accommodation with support offer for 16-25 young people	(1.100)	-	1.100	Red - 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. A paper has been approved at C&F committee on the 9 June. There is a delay in this saving, for 2025/26.
27T	Birth to Thrive	(0.500)	(0.500)	-	Red - This is delayed by SRO capacity and needs a review by Transformation Board.
28T	Right Child, Right Home	(1.320)	-	1.320	Red - The oversight of placements now in place should now support the future savings. This is unlikely to be delivered in 2025/26.
29	Extended Rights to Free Transport	0.388	0.388	-	The Extended Rights to Free Travel grant is being rolled in to the Local Government Financial Settlement. This growth item is offset by additional grants within the central budgets. Amount confirmed and updated as at provisional settlement 18/12/2024.
30	Children's Social Care Prevention Grant – Expenditure	0.905	0.905	-	Green - Expenditure relating to the Children's Social Care Prevention Grant.
31	Children's Social Care Prevention Grant – Grant Income	(0.905)	(0.905)	-	Green - Grant announced in 2025/26 financial settlement.
32	Foster4	0.114	0.114	-	Green
33	Foster Carers uplift of National Minimum Allowance (NMA)	0.471	0.471	-	Green - 3.55% NMA foster carer uplift.
In-year	In year variances not included in MTFS Proposals.	-	0.889	0.889	In Year variances mainly relating to Inspection of Local Authority Children's services (ILACS) overspend £0.7m.
In-year	In year variances not included in MTFS Proposals.	-	(0.214)	(0.214)	Quality Assurance, Commissioning and Partnership - Mitigations to balance back to Finance Review Position.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
In-year	In year variances not included in MTFS Proposals.	-	(1.058)	(1.058)	Family Help & Children's Social Care - mitigations to balance back to finance review position.
In-year	In year variances not included in MTFS Proposals.	-	0.310	0.310	In year variances mainly relating to Youth Service.

Corporate Policy adverse variance of £0.1m

2.21 Corporate Services has a net budget of £43.7m, at First Financial Review, the budget is forecast to be overspent by £0.1m. This includes the pay award pressure.

2.22 The budgeted pay award is held centrally on a corporate code at this stage. Now the pay award has been agreed, the budget will be distributed to services before the increased amounts become payable, so they match up. This will change individual service forecasts but not the overall figure for Corporate.

2.23 Key issues with the FR1 variance:

- Vacancy management in Corporate Services has resulted in the majority of services forecasting an underspend on staffing budgets which is being partially offset by the use of agency staff in some services. The net underspend on staffing costs is forecast at approximately £1.9m;
- Vacancy management has been combined with tighter control on non-pay spending across all services which is achieving a forecast underspend of £0.3m;
- ICT underspend of £0.1m. The ICT forecast is based on:
 - April to August where the existing shared service continues
 - September to March where a reduced shared service will operate.
 - These have been compared to the existing budget breakdown and hence there are considerable variances due to the new structure and business model that will be introduced from September.
- There are several risks around the forecast, including:
 - It is unclear whether the service has sufficient resource to deliver the 50,000 hours of project work assumed in the projected figures.
 - The cost model has been changed by Gemini and Cheshire West and Chester (CWaC) so that the chargeable rate against the 50,000 hours is no longer viable and therefore the subsidisation of revenue by income has now changed and a new cost model to cover costs is yet to be agreed;
 - The Memorandum of Understanding with CWaC for the second half of the year has not yet been agreed, and hence the level of recharge cannot be guaranteed; and
 - There are risks around the revenue consequences of the shared Gemini capital programme and the lack of transparency – whilst these areas are becoming clearer they are not yet agreed.

2.24 However, these underspends have been offset by the following pressures:

- a forecast £1.3m under-recovery on Rent Allowances;
- a forecast under-recovery of income of £0.6m within several services particularly within Transformation and Improvement, Legal Services, and Audit & Risk;
- a £0.1m pressure due to unachievable savings from previous year's MTFS; and
- a staff budget pressure of £0.4m across Corporate Services relating to the estimated impact of the latest pay award offer versus the amount included in the MTFS.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
	Corporate Policy Committee	1.078	1.140	0.062	
34	Enforce prompt debt recovery and increase charges for costs	(0.077)	(0.077)	-	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 the regular recovery process during the year.
35	Pension costs adjustment	(0.396)	(0.396)	-	Completed
36	Pay Inflation	1.494	1.893	0.399	Red - LGS pay offer for 2025. Full and final offers of 3.20% increase resulting in overspend of c.£1.6m across the Council.
37	Shared Services Review - Move to Hybrid Model for ICT	(0.733)	(0.733)	-	Completed - The Shared Service continues to reduce third party costs and agency spend as per the Business case.
38	The achievement of additional Registration Service income, over and above that which is currently identified as required	(0.350)	(0.350)	-	Green - Additional Registration Service income. To be reviewed in year as the season progresses.
39	Recognising the annual receipt of £45k of Police and Crime Panel grant income	(0.045)	(0.045)	-	Green - This reflects a grant payment from the home office that is received each year in the Council's budget subject to adequate justification being provided.
40	Remove unspent element of phones budgets in corporate services	(0.060)	(0.060)	-	Completed. The phone budgets were reduced accordingly following approval of this proposals to align budgets with spend levels.
41T	Digital Acceleration Revenue Growth	-	-	-	No proposal in 2025/26
42T	Digital Blueprint Revenue Growth	-	-	-	No proposal in 2025/26
43	Transactional Shared Services stabilisation plan	0.270	0.270	-	Green - To provide TSS with additional capacity in 2025/26 - impact of this item and further review to be determined.
44	Additional cost of External Audit Fees	0.265	0.265	-	Green - Additional cost of External Audit Fees - based on 2024/25 fee level.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
45	Reduce Members Allowances budget	(0.100)	(0.100)	-	Green - Reduce Members Allowances budget for previous years pay award that was not taken.
46	Additional Cost of Bank Charges from 2025/26	0.120	0.120	-	Green - Based on current expectations of the 2025/26 charge this is deliverable.
47	Reverse reduction in leadership and management costs as posts are being retained	0.540	0.540	-	Completed. This reversal was necessary in light of the LGA review of decision making and the need to put an appropriate senior management structure in place in the corporate areas.
48	Reinstatement of a one-off saving of £150,000 from election budgets for 2024/25	0.150	0.150	-	Green - Reinstatement of a one-off saving of £150,000 from election budgets, for the 2024/25 year. Noted that the election costs will exceed the reserve and that difference will form a pressure on outturn. The next big local election is May 2027.
In year	Mitigations to balance back to Finance Review position	-	(0.337)	(0.337)	Mitigations to balance back to Finance Review position

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
	Corporate Policy Committee - Council Wide Transformation	(13.452)	(3.821)	9.631	
49T	Digital Customer Enablement Invest to Save	(0.750)	-	0.750	Red - Delivery of a Digital Enablement Framework which directly supports the ambitions of the Corporate Plan. This existing initiative is a key enabler for deliverables within Customer Experience Workstream, putting customer considerations at the centre of ongoing service delivery. It additionally provides transformational capabilities for ongoing change management and increased efficiencies within the end-to-end service delivery processes including keeping customers informed and corporate case management options.
50T	Digital Acceleration Invest to Save	(0.600)	(0.200)	0.400	Red - The Digital Acceleration Project is now rated RED to reflect a material delay in Senior Stakeholder decision making. This delay stems from the absence of committed

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
					<p>business ownership within services, which is significantly impacting the sign-off of benefits. To mitigate this, strategic alignment with the Workforce Programme is being actively explored to secure accountable ownership and embed benefit realisation into service planning. This alignment is critical to unlocking the value of the projects within the programme and ensuring sustainable adoption and benefit realisation across directorates.</p> <p>The Acceleration enablement process remains broadly on track except for the above-mentioned blocker, with notable progress achieved this period. The AI Transformation Platform contract is now in place and the design and delivery planning is being kicked off across all directorates. Realisation of the associated savings are dependent on the various Directorates adopting the solutions within the same financial period and continued delays in this area are likely to have a significant impact on the 25/26 benefit realisation forecast. Any potential impact will be identified and assessed during the detailed design activities which will complete over the coming period.</p>
51T	Digital Blueprint - Invest to Save	(4.000)	(1.000)	3.000	<p>Red - Digital Adoption is now rated RED to reflect a material delay in senior stakeholder decision-making. While quality and resource indicators remain green, the overall programme has shifted from amber to red due to persisting delays in business case approvals and the absence of committed business ownership within services.</p> <p>Phase 1 business cases have been drafted but are still awaiting sign-off. These delays—occurring at both service and board levels—are impacting delivery momentum and continued delays in this area are likely to have a significant impact on the 25/26 benefit realisation forecast.</p> <p>The initiative is designed to fast-track digital solutions that deliver council-wide service improvements and efficiencies. However, hesitancy from</p>

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
					service areas and the absence of a streamlined approval process are slowing the transition from planning to delivery. Realisation of the associated savings are also dependent on this process and ongoing delays in this area are likely to have a significant impact on the 25/26 benefit realisation forecast. Any potential impact will be identified, assessed and reported during the detailed design process which is continuing and will complete over the coming period.
52T	Target Operating Model (TOM)	(3.000)	(0.999)	2.001	<p>Red - At FR1 the forecast for this transformation proposal is nil achievement.</p> <p>A significant amount of work is taking place to establish a basis for making savings.</p> <p>This includes a line by line review and a number of other projects to identify savings.</p> <p>WF1 has seen good progress to date with the Operating Model, it has recently been re-scoped and delivered a draft People Strategy in preparation for the next phase of work around spans and layers across the Council.</p>
53T	Agency Staffing	(0.352)	(0.176)	0.176	<p>Red - At FR1 the forecast for this transformation proposal is being set at nil against this corporate line.</p> <p>There are expected savings of £690,000 from the first round of the purchase of additional annual leave scheme and from holiday payments to agency staff.</p> <p>These will be included in service figures so are not included here to avoid any double counting.</p> <p>A significant amount of work is taking place to establish a basis for making the savings.</p> <p>This includes a line by line review and a number of other projects to identify savings which will include reducing agency spend, increasing uptake of benefits through our Vivup Employee Benefits Platform (which increases income to us).</p>

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
					WF2 is focusing on delivery of tangible and non-tangible benefits. Savings modelling work is progressing with all Directorates.
54T	Workforce Productivity	(1.000)	-	1.000	<p>Red - At FR1 the forecast for this transformation proposal is nil achievement.</p> <p>A significant amount of work is taking place to establish a basis for making savings.</p> <p>This includes a line by line review and a number of other projects to identify savings.</p> <p>WF3 has delivered an Employee Engagement Strategy and refreshed Council Values. A new Employee Lifecycle is under development to support our People Strategy and delivery of our Cheshire East Plan 2024 - 2029.</p>
55T	Fees and Charges	(0.750)	(0.821)	(0.071)	<p>Amber - The project has identified business activities where fees and charges can be increased in order to meet the target and this was approved by the Transformation Board.</p> <p>There have since been suggested changes provided approved at the May 2025 Transformation Board which allow for additional income of £0.821m to be raised. Where necessary, the approval processes are being undertaken.</p>
56T	Third Party Spend	(3.000)	(0.625)	2.375	<p>Amber - An allocation approach has been agreed at CLT and further work is being undertaken to identify which areas the £3m savings are going to be delivered from. Additional resources have been provided to the Project Team in order to complete previously planned activity in order to identify potential contract savings. A report is being considered at Transformation Board in July 2025.</p>

Economy and Growth favourable variance of £2.3m

2.25 Growth and Enterprise Directorate and Place Directorate are forecasting an underspend of £2.3m against a budget of £28.7m.

2.26 The key reasons for the underspend are:

10 Assets Service: £0.6m underspend (vacancies and one-off invoicing for backdated rent).

11 Economic Development: £0.4m underspend (vacancies, use of grants and additional recharges to capital).

12 Housing: £0.5m underspend (vacancies, income and reduced spend).

13 Other £0.5m underspend (Tatton Park £0.2m staffing, Green infrastructure and cultural economy – vacancies £0.3m).

14 Directorate £0.3m (reduction in expenditure and use of reserves).

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
	Economy and Growth Committee	0.534	(1.751)	(2.285)	
57	Office estate rationalisation	(0.150)	(0.100)	0.050	Amber - due to the timeline for the transfer of buildings being extended. Risk associated with the transfer of Westfields to Education for a SEND school. This item is being mitigated by in year savings.
58	Pension Costs Adjustment	(0.164)	(0.164)	-	Completed
59	Tatton Park ticketing and EPOS upgrade	0.001	0.001	-	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.
60	CEC Archives	0.014	0.014	-	Green - All elements of the programme are progressing well, on time and on budget.
61	Rural and Visitor Economy Electricity costs	(0.021)	(0.021)	-	Green - In line with wider national industry price caps, the projections of energy reduction costs to users were due to be introduced during 2025/26 and therefore consideration to reduce the budget provision has been carried out in the base budget.
62	Minimum energy efficiency standards (MEES) - Estates - Revenue Adjustment	0.023	0.102	0.079	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.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
63	Pay Inflation	1.064	1.187	0.123	Red - LGS pay offer for 2025. Full and final offers of 3.20% increase resulting in overspend of c.£1.6m across the Council.
64	Maintenance and operation of new assets in Crewe town centre	0.205	0.205	-	Green - Expected to spend to allocated budget.
65	Land Fill Site Assessments Revenue Adjustment - Estates – Review and Risk Assessment of Council owned Landfill sites (53 sites) Review and Risk Assessment completions	0.010	0.010	-	Green - Environment Service capacity identified. 2nd stage review underway.
66	Tatton Park Estate Dwellings Refurbishment	0.015	0.015	-	Completed - Provision for response maintenance issues for 8 onsite dwellings to ensure properties meet standards required as part of tenancy agreements and the National Trust lease.
67	Improving Crewe Rented Housing Standards	0.188	0.100	(0.088)	Green - Due to the progression of the Governments Renters Rights Bill which will bring forward improvements to the private rented sector and the struggle to recruit to Housing Standards Officers posts this project has been currently placed on hold. To understand the current condition of the private rented sector within Cheshire East will require the commissioning of a Stock Condition Survey, which will influence future direction and plans. It is therefore the intention to utilise a proportion of the funding to undertake this commission to help to formulate a robust plan to improve the private rented sector.
68	Maximise potential of Countryside Access Management System	0.020	0.020	-	Green - Contract negotiation in progress following Procurement Engagement.
69	Assets - building and operational – Energy	(0.860)	(0.860)	-	Completed - This was a known reduction as agreed last year as part of the overall MTFS savings target.
70	Assets - building and operational – Maintenance	0.465	0.465	-	Green - Whilst Inflation limits have stabilised, the additional funding is required to offset known increases in material costs and labour rates that were inadequate in previous financial years and to mitigate the impacts moving forward. The overall backlog of maintenance still remains a challenge, alongside the continued holding costs associated with managing vacant premises, pending the implementation of the future use / operation.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
71	Tatton Park - Increase Fees and Charges	(0.126)	(0.126)	-	Green - Following the strategic pricing review in 2020, Tatton Park continues to monitor and review parkland and attraction admission prices on an annual basis. Appropriate adjustments are made after considering the wider national economic situation, local competitor pricing and visitor dynamics to ensure that Tatton is able to achieve its budget targets.
72T	Corporate Landlord Model Refresh	(0.050)	(0.050)	-	Amber - This is a notional target saving allocation, based on the potential reduction of assets, linked to the disposals programme. Budget savings have been allocated from both the Assets Disposal programme and existing Facilities Management revenue funding.
73T	Asset Strategy Refresh	(0.100)	(0.100)	-	Amber - This was a notional target saving allocation, based on the potential reduction of assets, linked to the disposals programme. Several of the key sites are subject to planning consents or contractual conditions as part of the disposal strategy and may therefore be a challenge to achieve within year. Provisional budget has been identified from additional income and savings within the investment portfolio.
In-year	Place Directorate Mitigations to balance back to Finance Review position	-	(0.270)	(0.270)	Place Directorate Mitigations to balance back to Finance Review position
In-year	Growth & Enterprise Mitigations to balance back to Finance Review position	-	(2.179)	(2.179)	Growth & Enterprise Mitigations to balance back to Finance Review position

Environment and Communities favourable variance of £2.6m

2.27 Environment and Neighbourhood Services is forecasting an underspend of £2.6m against a budget of £43.7m.

2.28 The key reasons for the forecast underspend are:

15 Development Management: £0.6m underspend mainly from additional income.

16 Environmental Services: £2.9m underspend:

17 Extended Producer Responsibility Grant £1.4m one-off benefit.

18 Ansa management fee £0.2m – one-off benefit from vacancies.

19 Improved company reserves £0.8m one-off benefit.

20 General underspending £0.4m from vacancy management and additional income.

21 Leisure Commissioning: £0.6m overspend from delay in delivery of MTFS savings and shortfall in income.

22 Other service issues: £0.4m overspend (Pay award pressures).

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
	Environment and Communities Committee	(2.741)	(5.286)	(2.545)	
74	Strategic Leisure Review (Stage 2)	0.403	0.626	0.223	Red - Initial savings secured via committee decision on 11 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.
75	Libraries Strategy - Stage 1	(0.100)	(0.061)	0.039	Committee approval to implement final Strategy secured 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. Staff consultations now complete, new structure implemented from 7th July. 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 of c.£154k enabling over 2,150 hours of library opening time per annum. Budget gap of £39k yet to be found, mitigated through in year savings from ongoing staff vacancies.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
76	Reduce revenue impact of carbon reduction capital schemes	0.171	0.171	-	Green - Carbon Neutral Council target 2030 for the Council to be Carbon neutral with minimum of offset.
77	Pay Inflation	2.270	2.698	0.428	Red - LGS pay offer for 2025.Full and final offers of 3.20% increase resulting in overspend of c.£1.6m across the Council.
78	Pension Costs Adjustment	(0.159)	(0.159)	-	Completed
79	Explore a Trust delivery model for Libraries and other services	(0.150)	(0.150)	-	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.
80	Land Charge Income Adjustment	0.147	0.147	-	Amber - Uncertainty around implementation timescales of HM Land Registry changes to centralise some aspects of land charges functions hence understanding of actual impact, to be regularly monitored.
81	Local Plan Review	0.315	0.315	-	Amber - Reprofiled budget adjustment to provide additional funding towards development of new Local Plan which has now commenced.
82	Review of CCTV service - service efficiencies and income generation from existing services	(0.040)	(0.040)	-	Green - On target. Restructure has been subject to recruitment process with final outcomes communicated. Establishment to be updated on Unit 4.
83	Environmental Services Growth 2025/26 onwards	3.041	1.808	(1.233)	Green - Environmental Services Growth 2025/26 onwards.
84	Environmental Services Savings 2025/26 onwards	(2.366)	(2.170)	0.196	Green - Environmental Services Savings 2025/26 onwards.
85	Environmental Services Growth - Pensions	0.727	0.727	-	Green - Environmental Services Growth - Pensions (2025/26 onwards). This is net nil for the Council and forms a housekeeping item to ensure the budgets for staff who have transferred in from the ASDVs, at different pension contribution rates, are consistent in advance of changes for all employees.
86	Environmental Services – expected income from Extended Producer Responsibility for packaging	(7.000)	(8.394)	(1.394)	Green - New Central Government Legislation Extended producer responsibility (EPR) 2025-26, Deposit Return Scheme 2027-2028 and Waste Disposal Carbon Tax UK Emissions Trading Scheme (ETS) 2027-28.
In year	Libraries Strategy Stage 1 (mitigation)	-	(0.039)	(0.039)	Savings mitigated through in year vacancy saving. 2025/26 RAG rated amber.
In year	Environment & Communities Mitigations	-	(0.925)	(0.925)	Environment & Communities Mitigations to balance back to Finance Review position

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
	to balance back to Finance Review position				
In year	Fees and Charges	-	0.160	0.160	Adjustment for fees and charges - presenting Lyon Review items centrally

Highways and Transport adverse variance of £0.1m

2.29 Highways and Infrastructure are forecasting an overspend of £0.1m against a budget of £17.2m.

2.30 The key reasons for the overspend are:

23 Car Parking £0.5m overspend (reduced income offset by back dated rent reviews).

24 Transport Policy £0.2m underspend from vacancies to address pressures in parking.

25 Highways £0.2m underspend from increased income to address pressures in parking.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
	Highways and Transport Committee	1.061	1.175	(0.114)	
87	Increase parking charges	(0.450)	(0.450)	-	Green - Annual inflation adjustment to existing Pay & Display tariffs was implemented on 5th July 2024, in advance of bringing charges into effect in the "free towns" on the 2nd December 2024. A further inflation adjustment took effect in May 2025.
88	Safe Haven outside schools (Parking)	0.010	0.010	-	Green – 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.
89	Parking PDA / Back Office System contract - fall out of one off set up cost	(0.030)	(0.030)	-	Green - Introduction of a new system to administer the Council's parking services and process Penalty Charge Notices which will reduce administration costs and improve service response times.
90	Parking - Part-year effect of strategy changes	(0.720)	(0.139)	0.581	Red - Following decisions in January 2024, tariffs were uplifted from 1st July 2024 to extend pay and display to car parks in "free towns" from 2nd December 2024.
91	Parking - Staff and member parking	(0.250)	-	0.250	Red - Proposals for a new scheme of staff and members parking permits, integrated with the corporate travel plan, are being developed for consultation in 2025.
92	Transport and Infrastructure Strategy Team – Restructure	-	-	-	Green - The proposed changes will develop a more resilient in-house team and reduce reliance on agency / consultancy staff. The changes 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.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
93	Local Bus	1.545	1.545	-	Green - A network of new bus service contracts has been procured and services started on 30 March 2025. Extra evening and weekend services are planned to complement our Bus Service Improvement Plan.
94	FlexiLink Service Improvement Plan - invest to save	0.592	0.592	-	Green - Bus service review is complete and specification for a revised flexible transport service (DRT) have been prepared. Flexible transport will be designed to fill gaps in local bus service provision, especially in rural areas, and over extended hours of operation, to open up the service to more users.
95T	Advertising Income. Initial project scoping work being undertaken to understand scale/complexity and resourcing needs	(0.025)	(0.025)	-	Amber - Proposal for the transformation of the Council's approach to on-street sponsorship and advertising have been prepared as part of the Transformation Programme.
96	Pension Costs Adjustment	(0.055)	(0.055)	-	Completed
97	Pay Inflation	0.228	0.263	0.035	Red - LGS pay offer for 2025. Full and final offers of 3.20% increase resulting in overspend of c.£1.6m across the Council.
98	Flood and Water Management Act 2010 SuDS and SABs Schedule 3 Implementation	-	-	-	Amber - 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.
99	Highways: Revenue Service	0.216	0.216	-	Completed - 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
100	Highways: Depots	-	-	-	Green - 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.
In year	Highways and Transport Mitigations to balance back to Finance Review positions	-	(0.968)	(0.968)	Highways and Transport Mitigations to balance back to Finance Review positions.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
In year	Fees and Charges	-	0.216	0.216	Adjustment for fees and charges - presenting Lyon Review items centrally

Finance Sub favourable variance of £10.5m

2.31 The variance relating to the Finance Sub Committee is due to the use of £5.7m contingency budget to assist the overspend position. The variance shown below of £7.3m also includes a favourable variance of £1.6m which offsets the unbudgeted costs of the pay award being included in the service lines. In addition, there has been an improvement in the capital financing budget of £3.3m, this is in part due to a reduction in the cost of borrowing and also some slippage in the capital programme leading to a reduction in Minimum Revenue Provision (MRP) payable in year.

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
	Finance Sub-Committee (Central Budgets)	35.294	24.761	(10.533)	
101	Capital Financing Budget	3.387	0.107	(3.280)	Green - Improvement against MRP of £0.5m, linked to slippage in capital programme. Improvement on net interest cost due to lower than expected borrowing (int cost) and slight improvement on rates/levels of investments (int income) of £2.7m.
102	Creation of Contingency Budget	15.953	8.700	(7.253)	Green - Creation of Contingency Budget as per Finance Sub Committee June Budget Assumptions Report (virements of £0.7m for C&F and £8m for A&H approved at FSC 10/03/2025). Assumed general pay inflation pressure of £1.585m to be taken from this budget to offset pressure in service budgets.
103	Risk of unachievable budget savings or growth demands exceeding estimates	-	-	-	Green - Risk of unachievable budget savings or growth demands exceeding estimates.
104	Pension adjustment – linked to E&C growth item	(0.727)	(0.727)	-	Green - Linked to growth item in E&C. ASDVS coming back into house but currently paying lower pension contribution rate than the standard CEC rate.
105	Use of Earmarked Reserves (reversal of 2024/25 one off use of central EMRs)	3.723	3.723	-	Completed – Budget adjustment

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
106	Top up of Earmarked Reserves	-	-	-	Completed – Planned budget adjustment not until 2026/27
107	Use of General Reserves (reversal of one off use in 2024/25)	11.654	11.654	-	Completed – Budget adjustment
108	Top up General Reserves	1.304	1.304	-	Completed

MTFS Ref No	Detailed List of Approved Budget Changes – Service Budgets	2025/26 MTFS £m	2025/26 Forecast Outturn £m	2025/26 Forecast Outturn Variance £m	Progress 2025/26 (RAG rating and commentary)
	Finance Sub-Committee (Funding Budgets)	(26.666)	(26.666)	-	
109	Council Tax increase % growth	(14.326)	(14.326)		Green - Council tax and business rates income collection is managed through the Collection Fund therefore no impact on current year funding target if actual amount collected was to vary from budget.
110	Council Tax increase base growth	(5.852)	(5.852)		Green - Council tax and business rates income collection is managed through the Collection Fund therefore no impact on current year funding target if actual amount collected was to vary from budget.
111	Business Rates Retention	(0.495)	(0.495)		Green - S31 Grants to be received in line with final settlement from MHCLG plus net income from NNDR1. Increase related to inflationary forecast increase in settlement funding assessment (related to business rates baseline)
112	Unringfenced general grants change	(3.012)	(3.012)		Green - grants to be received in line with final settlement from MHCLG
113	National Insurance increase contribution	(2.981)	(2.981)		Green - grants to be received in line with final settlement from MHCLG

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. General use grants, also known as unring-fenced grants, are funds provided by the Government to local authorities without specific restrictions on how the money is spent. They allow councils to determine how best to utilise the funding to address local needs and priorities.
- 3.4. **Table 1** shows additional grant allocations that have been received over £1m that **Council** will be asked to approve.
- 3.5. **Table 2** shows additional grant allocations that have been received which are over £0.5m and up to £1m and are for **Committee** approval.

Table 1 – Council Decision

3.6. Supplementary Revenue Estimate Requests for Allocation of Additional Grant Funding over £1,000,000

Committee	Type of Grant	£m	Details
Environment and Communities	Extended Producer Responsibility Grant (Specific Purpose)	2.591	This is an increase on the MTFS forecast position. This grant is a policy approach where producers are given significant responsibility (financially and physically) for the management of their products and packaging at the end of their useful life. This shifts the burden of waste management away from local authorities and places it on those that create the waste. The fees collected from the producers are distributed to local authorities to help them manage packaging waste collection and recycling programs.
Economy and Growth	Enterprise Cheshire & Warrington (ECW): Skills Bootcamp (Specific Purpose)	1.371	This is a new grant from the Department for Education. 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.

Table 2 – Committee Decision

3.7. Supplementary Revenue Estimate Requests for Allocation of Additional Grant Funding over £500,000 up to £1,000,000

Committee	Type of Grant	£m	Details
Children and Families - Schools	Delivering Better Value in SEND (Specific Purpose)	0.767	This is a new grant from the Department for Education. Its purpose is to support the ability to carry out relevant data analysis and assurance required during Phase 1 of the programme, as part of overall participation in the Delivering Better Value (DBV) in SEND programme.
Children and Families – Schools	Early Years Expansion Grant (Specific Purpose)	0.634	This is a new grant from the Department for Education. This grant provides funding to support the early years sector as it prepares to deliver the final phase of expansion of the working parent entitlement from September 2025.

Committee	Type of Grant	£m	Details
Adults and Health – Public Health	OHID SSMTR Supplementary Substance Misuse Treatment & Recovery Grant (Specific Purpose)	0.525	This is a new grant from the Department for Health and Social Care. The SSMTR (Supplementary Substance Misuse Treatment & Recovery) Grant, also known as the Drug and Alcohol Treatment and Recovery Improvement Grant (DATRIG), is a funding initiative by the DHSC to enhance drug and alcohol treatment and recovery services across England. It aims to increase access to treatment, improve the quality of provision, and support individuals in their recovery journey
Environment and Communities	Transitional Resource Grant (Specific Purpose)	0.871	This is a new grant from the Department for Environment, Food and Rural Affairs. It covers the implementation of the weekly food collections and the cost of resources to implement this such as officer time, public communications, distributing food waste containers and project management related costs.
Environment and Communities	High Speed 2 (HS2) Ltd (Specific Purpose)	0.850	This grant is from High Speed 2 (HS2) Ltd and is for landscape and environmental improvements in the Wybunbury area.

Section 4: Capital

Table 1: Financial Parameters for 2024/25 to 2027/28

Parameter	Value (£m)			
	2024/25	2025/26	2026/27	2027/28
Repayment of Borrowing				
Minimum Revenue Provision*	15.327	17.977	21.920	23.934
External Loan Interest	19.412	18.359	19.271	20.995
Investment Income	(4.329)	(3.300)	(2.747)	(2.704)
Contributions from Services Revenue Budgets	(0.977)	(1.311)	(2.261)	(2.494)
Total Capital Financing Costs	29.433	31.725	36.183	39.731
Use of Financing EMR	(2.100)	0.000	0.000	0.000
Actual CFB in MTFS	28.508	35.039	38.758	41.860
Budget Deficit /(Surplus)	(1.175)	(3.314)	(2.575)	(2.129)
Capital Receipts targets*	1.000	1.000	1.000	1.000
Flexible use of Capital Receipts	1.000	1.000	1.000	1.000

*Anticipated MRP based on achieving capital receipts targets

- 1.1. 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 **Annex 2**.
- 1.2. **Table 3** lists details of Delegated decisions up to £500,000 for noting.
- 1.3. **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.
- 1.4. **Table 5** lists Supplementary Capital estimates greater than £1,000,000 for recommendation to Council.

Table 2: Capital Programme Update

CHESHIRE EAST COUNCIL CAPITAL PROGRAMME SUMMARY					
CAPITAL PROGRAMME 2025/26 - 2028/29					
	Forecast 2025/26 £m	Forecast 2026/27 £m	Forecast 2027/28 £m	Forecast 2028/29 £m	Total Forecast 2025-29 £m
Committed Schemes - In Progress					
Adults and Health	0.132	0.424	0.000	0.000	0.556
Children and Families	46.836	20.285	16.945	13.403	97.469
Corporate Policy	12.991	3.265	2.377	0.600	19.233
Economy & Growth	44.420	39.649	47.806	49.559	181.434
Environment & Communities	23.822	2.646	6.033	9.285	41.786
Highways & Transport	64.245	64.629	32.495	93.317	254.686
Total Committed Schemes - In Progress	192.446	130.898	105.656	166.164	595.164
CAPITAL PROGRAMME 2025/26 - 2028/29					
	Forecast 2025/26 £m	Forecast 2026/27 £m	Forecast 2027/28 £m	Forecast 2028/29 £m	Total Forecast 2025-29 £m
New Schemes					
Adults and Health	0.000	0.000	0.000	0.000	0.000
Children and Families	0.910	0.000	0.000	0.000	0.910
Corporate Policy	3.490	1.663	1.377	0.000	6.530
Economy & Growth	0.000	0.000	0.000	0.000	0.000
Environment & Communities	0.549	0.370	0.214	0.349	1.482
Highways & Transport	8.147	12.960	13.069	11.502	45.678
Total New Schemes	13.096	14.993	14.660	11.851	54.600
Total	205.542	145.891	120.316	178.015	649.764
Funding Requirement					
Indicative Funding Analysis: (See note 1)					
Government Grants	128.403	93.235	39.007	102.750	363.395
External Contributions	14.160	21.230	26.673	40.606	102.669
Revenue Contributions	0.830	0.660	0.000	0.000	1.490
Capital Receipts	1.203	1.931	20.979	11.840	35.952
Prudential Borrowing (See note 2)	60.946	28.835	33.658	22.819	146.258
Total	205.542	145.891	120.316	178.015	649.764

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.

Note 2:

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 £m	Reason and Funding Source
Supplementary Capital Estimates that have been made up to £500,000		
Adults and Public Health		
Community - Rural Shared Prosperity Fund	0.088	New allocation for 2025-26 Rural UKSPF funding
Children and Families		
Family Hubs Transformation	0.105	New capital grant allocation for 2025-26 for Family Hubs Transformation
Economy & Growth		
Economic Development		
UKSPF E22 and E29 capital interventions	0.350	SCE to be approved to reflect 25/26 allocation of UKSPF and should be in place for FR2. Funds to be transferred from Revenue
Culture & Tourism		
Visitor Economy - Rural Shared Prosperity Fund	0.248	
Highways & Transport		
Bus Priority	0.132	To be funded by BSIP Phase 3 grant
Total Supplementary Capital Estimates Requested	0.923	
£m		
Capital Budget Virements that have been made up to £500,000		
Children & Families		
Education and 14-19 Skills		
Macclesfield Planning Area - secondary new places	0.200	Transfer budget to Tytherington High school project (CAP-10468)
Macclesfield Academy Resource Provision	0.100	Budget from CAP-10278 to be transferred to central High Needs allocation (CAP-10106)
New AP Free School	0.025	Transfer budget from New SEN Additional AP places (CAP-10599) to New AP Free School as no longer required as a separate project.
School Condition Grant	0.001	Return of remaining budget in School Condition Grant - Catering Block to central School Condition Grant allocation (CAP-00106)
Facilities Management		
Premises Capital (FM)	0.111	Virement from PSDS - 3B - Lot 1 programme aborted and no additional grant claims to be made, the Prudential Borrowing funding was allocated as match funding and there is a risk that SALIX request clawback, therefore the need for this funding to remain in the Capital Programme.
Total Capital Budget Virements Approved	0.436	
Total Supplementary Capital Estimates and Virements	1.360	

Table 4: Requests for Supplementary Capital Estimates (SCEs) and Capital Virements

Committee / Capital Scheme	Amount Requested £m	Reason and Funding Source
Service Committee are asked to approve the Supplementary Capital Estimates above £500,000 up to and including £1,000,000		
Highways & Transport		
A500 Corridor OBC Update	0.903	Final tranche of DfT development grant funding to fund the production of an update OBC Update for the A500 scheme. The A500 Scheme is one of 42 schemes under review by DfT which should report back this Autumn. No spend on this grant will be incurred ahead of the review's anticipated conclusion
Total Supplementary Capital Estimates Requested	0.903	
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		
Corporate		
ICT Hybrid Model	0.750	Virement from Infrastructure Investment Programme to ICT Hybrid Model to support Gemini Phase 2
Highways & Transport		
A500 Corridor OBC Update	0.764	Virement from "A500 Dualling" project in respect of acquiring land. This land requirement now falls under "A500 Corridor OBC update" .
Total Capital Virements requested	1.514	
Total SCEs and Virements	2.417	

Table 5: Requests for Supplementary Capital Estimates (SCEs) for Recommendation

Committee	Amount Requested £m	Reason and Funding Source
Corporate Policy Committee are asked to recommend to Council the approval of the Supplementary Capital SCEs over £1,000,000		
Environment & Communities		
King George Playing Fields	1.522	To add £1,522,370 to the Capital Programme for King George Playing field works to be funded by £1,113,370 Football Foundation Grant, £320,000 Crewe Football Club and £89,000 of s106 monies.
Highways & Transport		
Public Transport Infrastructure	0.700	To add BSIP Phase 4 grant of £2,122,646 to the Capital Programme, distributed over four projects.
Bus Priority	0.623	
Real Time Passenger Information (RTPI)	0.750	
Macclesfield Bus Station	0.050	
Total Supplementary Capital Estimates Requested	3.645	
Total Supplementary Capital Estimates and Virements	3.645	

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 2025 in the Council's General Fund Reserves was £6.3m, as published in the Council's Statement of Accounts for 2024/25.
- 5.3 At FR1, the closing balance at 31 March 2026 in the Council's General Fund Reserve is forecast to be £6.5m.
- 5.4 The current balance on reserves is insufficient in order to provide adequate protection against established and newly emerging risks, particularly the DSG deficit, which is projected to rise to £146m 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 2025 was £23.1m.
- 5.6 During 2025/26, £14.9m will be drawn down to fund expenditure specifically provided for by services. This includes £3.8m to fund one off Transformation costs, £2.2m for Capital expenditure and £6.2m to support the collection fund. These balances fall within the forecasts approved during the MTFS budget setting process. £11.5m will be added back to reserves, this is predominantly related to the collection fund and will be used to mitigate future legislative changes over the short to medium term. Net movement on reserves is therefore £3.4m.
- 5.7 The indicative closing balance on Earmarked Reserves at 31 March 2026, is forecast at £19.6m. With the General Fund reserves of £6.5m, total reserves available for Council use at 31 March 2026 are forecast at £26.1m.
- 5.8 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.

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

Earmarked Reserves	Balance at 1 April 2025	Drawdowns to Support Service Costs (+)	Additional Funds to Reserve (-)	Forecast Balance at 31 March 2026	Notes
Adults and Health Committee	£m	£m	£m	£m	
Public Health Reserve	(3.204)	0.207	0	(2.997)	Ring-fenced underspend to be invested in areas to improve performance against key targets.
PFI Equalisation - Extra Care Housing	0	0	(0.113)	(0.113)	Surplus grant set aside to meet future payments on existing PFI contract.
Adults and Health Committee Total:	(3.204)	0.207	(0.113)	(3.110)	

Table 2 – Children and Families Committee

Earmarked Reserves	Balance at 1 April 2025	Drawdowns to Support Service Costs (+)	Additional Funds to Reserve (-)	Forecast Balance at 31 March 2026	Notes
Children and Families Committee	£m	£m	£m	£m	
ILACS Spending Plan	(0.456)	0.456	0	0	To address the findings from the Ofsted inspection of local authority children's services.
Children and Families Committee Total:	(0.456)	0.456	0	0	

Table 3 – Corporate Policy Committee

Earmarked Reserves	Balance at 1 April 2025	Drawdowns to Support Service Costs (+)	Additional Funds to Reserve (-)	Forecast Balance at 31 March 2026	Notes
Corporate Policy Committee	£m	£m	£m	£m	
Collection Fund Management	(5.120)	6.199	(10.035)	(8.956)	To manage cash flow implications as part of the Business Rates Retention Scheme.
Capital Financing Reserves	(2.234)	2.234	0	0	To provide for financing of capital schemes, other projects and initiatives.
Insurance Reserve	(0.314)	0	0	(0.314)	To settle insurance claims and manage excess costs.
Elections General	(0.432)	0	0	(0.432)	To provide funds for Election costs every 4 years.
Digital Solutions Architect	(0.074)	0.074	0	0	To help fund the Digital Customer Enablement programme and will be key to realising the cost savings and efficiencies across the Council through a number of digital initiatives.
2025/26 Transformation Reserve 1	(3.500)	3.500	0	0	To support a group of projects across the Council's four Directorates to deliver improved service delivery through efficiency and revenue savings.
2025/26 Transformation Reserve 2	(5.300)	0.323	0	(4.947)	The Transformation Programme 2 reserve has been created to help mitigate one-off costs of the change delivery programme over the next two financial years.
ICT Programme	(0.300)	0.300	0	0	To support the costs associated with the Gemini project, including potential redundancies.
Corporate Policy Committee Total:	(17.274)	12.660	(10.035)	(14.649)	

Table 4 – Economy and Growth Committee

Earmarked Reserves	Balance at 1 April 2025	Drawdowns to Support Service Costs (+)	Additional Funds to Reserve (-)	Forecast Balance at 31 March 2026	Notes
Economy and Growth Committee	£m	£m	£m	£m	
Place Directorate Reserve	(0.418)	0.418	0	0	To support a range of projects within the Place Directorate.
Investment (Sustainability)	(0.549)	0.050	0	(0.499)	To aid investment that can increase long-term financial independence and stability of the Council.
Legal Proceedings	(0.179)	0.025	0	(0.154)	To respond to insolvency/legal proceedings on land and property matters.
Tatton Park Trading Reserve	(0.050)	0.050	0	0	To support Tatton Vision capital project and for the replacement of vehicles
Economy and Growth Committee Total:	(1.196)	0.543	0	(0.653)	

Table 5 – Environment and Communities Committee

Earmarked Reserves	Balance at 1 April 2025	Drawdowns to Support Service Costs (+)	Additional Funds to Reserve (-)	Forecast Balance at 31 March 2026	Notes
Environment and Communities Committee	£m	£m	£m	£m	
Strategic Planning	(0.287)	0	0	(0.287)	To meet costs associated with the Local Plan - site allocations, minerals and waste DPD. - Reserve needed in 26/27
Trees / Structures Risk Management	(0.084)	0	0	(0.084)	To help respond to increases in risks relating to the environment and adverse weather events.
Air Quality	(0.036)	0.036	0	0	Air Quality Management - DEFRA Action Plan. Relocating electric vehicle chargepoint in Congleton
Licensing Enforcement	(0.010)	0.010	0	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)	(0.002)	0.002	0	0	Grant relating to Public Information Works.
Neighbourhood Planning	(0.041)	0.041	0	0	To match income and expenditure.
Street Cleansing	(0.022)	0.022	0	0	Committed expenditure on voluntary litter picking equipment and electric blowers.
Environment and Communities Committee Total:	(0.482)	0.111	0	(0.371)	

Table 6 – Highways and Transport Committee

Earmarked Reserves	Balance at 1 April 2025	Drawdowns to Support Service Costs (+)	Additional Funds to Reserve (-)	Forecast Balance at 31 March 2026	Notes
Highways and Transport Committee	£m	£m	£m	£m	
Flood Risk and Adverse Weather Events	(0.400)	0.911	(1.193)	(0.682)	To help the service manage risks such as the impact of adverse weather.
Highways Procurement Project	(0.083)	0	0	(0.083)	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	(0.019)	0	0	(0.019)	Contribution to LEP transport studies/consultancy . Ongoing working around Transport Legacy issues.
Highways and Transport Committee Total:	(0.502)	0.911	(1.193)	(0.784)	

Table 7 – Earmarked Reserves Summary

Earmarked Reserves	Balance at 1 April 2025 £m	Drawdowns to Support Service Costs (+) £m	Additional Funds to Reserve (-) £m	Forecast Balance at 31 March 2026 £m
Adults and Health Committee	(3.204)	0.207	(0.113)	(3.110)
Children and Families Committee	(0.456)	0.456	0	0
Corporate Policy Committee	(17.274)	12.660	(10.035)	(14.649)
Economy and Growth Committee	(1.196)	0.543	0	(0.653)
Environment and Communities Committee	(0.482)	0.111	0	(0.371)
Highways and Transport Committee	(0.502)	0.911	(1.193)	(0.784)
Earmarked Reserves Total	(23.114)	14.888	(11.341)	(19.567)
General Fund Reserve	(6.299)	0	(0.186)	(6.485)
CEC Total Usable Reserves	(29.413)	14.888	(11.527)	(26.052)



First Financial Review 2025/26

Results to end of June 2025

Capital tables by Committee

Adults & Health

CAPITAL

CAPITAL PROGRAMME 2025/26-2028/29												
Scheme Description	Forecast Expenditure							Forecast Funding				
	Total Approved Budget	Prior Years	Forecast Budget 2025/26	Forecast Budget 2026/27	Forecast Budget 2027/28	Forecast Budget 2028/29	Total Forecast Budget 2025/29	Grants	External Contributions	Revenue Contributions	Capital Receipts	Prudential Borrowing
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Committed Schemes in progress												
Adults Services												
Community - Rural Shared Prosperity Fund	0.449	0.361	0.088	0.000	0.000	0.000	0.088	0.088	0.000	0.000	0.000	0.000
Electronic Call Monitoring System	0.389	0.000	0.000	0.389	0.000	0.000	0.389	0.000	0.000	0.389	0.000	0.000
People Planner System	0.094	0.043	0.026	0.025	0.000	0.000	0.051	0.051	0.000	0.000	0.000	0.000
Replacement Care4CE Devices	0.093	0.065	0.018	0.010	0.000	0.000	0.028	0.028	0.000	0.000	0.000	0.000
Total Committed Schemes	1.025	0.469	0.132	0.424	0.000	0.000	0.556	0.167	0.000	0.389	0.000	0.000
Total Adults and Health Schemes	1.025	0.469	0.132	0.424	0.000	0.000	0.556	0.167	0.000	0.389	0.000	0.000

Children and Families

CAPITAL

CAPITAL PROGRAMME 2025/26 - 2028/29													
Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding
	Total Approved Budget £m	Prior Years £m	Forecast Budget 2025/26 £m	Forecast Budget 2026/27 £m	Forecast Budget 2027/28 £m	Forecast Budget 2028/29 £m	Total Forecast Budget 2025/29 £m	Grants £m	External Contributions £m	Revenue Contributions £m	Capital Receipts £m	Prudential Borrowing £m	
Committed Schemes in progress													
Childrens Social Care													
Foster Carer Capacity Scheme	0.534	0.468	0.067	0.000	0.000	0.000	0.067	0.000	0.000	0.000	0.000	0.067	0.067
Crewe Youth Zone	5.135	0.570	3.718	0.847	0.000	0.000	4.565	3.718	0.000	0.000	0.000	0.847	4.565
Family Hubs Transformation (Early Years - C110120)	0.387	0.282	0.105	0.000	0.000	0.000	0.105	0.105	0.000	0.000	0.000	0.000	0.105
Children's Home Sufficiency Scheme	1.404	0.358	1.046	0.000	0.000	0.000	1.046	0.000	0.000	0.000	0.000	1.046	1.046
Strong Start, Family Help & Integration													
Early Years Sufficiency Capital Fund	1.036	0.985	0.050	0.000	0.000	0.000	0.050	0.050	0.000	0.000	0.000	0.000	0.050
Childcare Capital Expansion	0.749	0.009	0.640	0.100	0.000	0.000	0.740	0.740	0.000	0.000	0.000	0.000	0.740
Education and 14-19 Skills													
Adelaide Academy	0.904	0.069	0.835	0.000	0.000	0.000	0.835	0.665	0.000	0.000	0.000	0.170	0.835
Basic Need Grant Allocation	7.401	0.017	7.384	0.000	0.000	0.000	7.384	7.384	0.000	0.000	0.000	0.000	7.384
Congleton Planning Area - Primary (1)	2.209	0.179	2.030	0.000	0.000	0.000	2.030	0.764	1.266	0.000	0.000	0.000	2.030
Congleton Planning Area - Primary (2)	0.628	0.579	0.049	0.000	0.000	0.000	0.049	0.049	0.000	0.000	0.000	0.000	0.049
Congleton Planning Area - Primary (3)	7.504	0.004	0.049	0.500	2.000	4.950	7.499	4.299	3.200	0.000	0.000	0.000	7.499
Devolved Formula Grant - Schools	1.143	0.443	0.391	0.310	0.000	0.000	0.701	0.701	0.000	0.000	0.000	0.000	0.701
Energy Efficiency Grant - Schools	0.541	0.541	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Future Schemes - Feasibility Studies	0.400	0.124	0.150	0.126	0.000	0.000	0.276	0.276	0.000	0.000	0.000	0.000	0.276
Gainsborough Primary - Flooring	0.304	0.017	0.287	0.000	0.000	0.000	0.287	0.287	0.000	0.000	0.000	0.000	0.287
Handforth Planning Area - New School	13.003	0.010	0.040	0.500	4.000	8.453	12.993	0.129	12.864	0.000	0.000	0.000	12.993
Leighton Academy – Resourced unit (New SEN places	0.193	0.141	0.052	0.000	0.000	0.000	0.052	0.052	0.000	0.000	0.000	0.000	0.052
Leighton SEND Reception Adaptations	0.026	0.000	0.026	0.000	0.000	0.000	0.026	0.026	0.000	0.000	0.000	0.000	0.026
Little Angels Satellite Sites	0.029	0.021	0.008	0.000	0.000	0.000	0.008	0.008	0.000	0.000	0.000	0.000	0.008
Macclesfield Planning Area - Secondary New	0.531	0.006	0.525	0.000	0.000	0.000	0.525	0.525	0.000	0.000	0.000	0.000	0.525
Macclesfield Planning Area - New School	4.001	0.002	0.000	0.000	4.000	0.000	4.000	0.000	4.000	0.000	0.000	0.000	4.000
Malbank High School	1.922	1.897	0.025	0.000	0.000	0.000	0.025	0.025	0.000	0.000	0.000	0.000	0.025
Mobberley Primary School	1.208	0.037	0.050	0.861	0.259	0.000	1.170	0.870	0.000	0.000	0.300	0.000	1.170
Nantwich Planning Area (Primary Schools - 210	9.061	0.793	6.768	1.500	0.000	0.000	8.268	5.308	2.960	0.000	0.000	0.000	8.268

Children and Families

CAPITAL

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding £m
	Total Approved Budget	Prior Years	Forecast Budget 2025/26	Forecast Budget 2026/27	Forecast Budget 2027/28	Forecast Budget 2028/29	Total Forecast Budget 2025/29	Grants	External Contributions	Revenue Contributions	Capital Receipts	Prudential Borrowing	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
New AP Free School	0.525	0.003	0.521	0.000	0.000	0.000	0.521	0.521	0.000	0.000	0.000	0.000	0.521
New Satellite school - 2	9.000	0.013	0.987	5.000	3.000	0.000	8.987	8.987	0.000	0.000	0.000	0.000	8.987
New SEN Free School	0.998	0.010	0.740	0.248	0.000	0.000	0.988	0.988	0.000	0.000	0.000	0.000	0.988
New SEN places - 1	1.089	0.004	1.086	0.000	0.000	0.000	1.086	1.086	0.000	0.000	0.000	0.000	1.086
Oakfield Lodge & Stables	0.050	0.013	0.037	0.000	0.000	0.000	0.037	0.037	0.000	0.000	0.000	0.000	0.037
Poynton Planning Area	1.500	0.021	0.479	1.000	0.000	0.000	1.479	0.676	0.803	0.000	0.000	0.000	1.479
Provision of Sufficient School Places - SEND	7.182	6.974	0.208	0.000	0.000	0.000	0.208	0.000	0.000	0.000	0.000	0.208	0.208
Sandbach Primary Academy	1.583	0.912	0.671	0.000	0.000	0.000	0.671	0.671	0.000	0.000	0.000	0.000	0.671
Schools Condition Capital Grant	6.497	1.037	3.460	2.000	0.000	0.000	5.460	5.460	0.000	0.000	0.000	0.000	5.460
SEN/High Needs Capital Allocation	4.860	0.187	4.673	0.000	0.000	0.000	4.673	4.673	0.000	0.000	0.000	0.000	4.673
Shavington Planning Area - New Primary School	8.040	0.162	0.500	3.692	3.687	0.000	7.879	5.549	2.330	0.000	0.000	0.000	7.879
Springfield Satellite Site (Dean Row)	6.112	5.820	0.292	0.000	0.000	0.000	0.292	0.000	0.000	0.000	0.000	0.292	0.292
Springfield Satellite Site - Middlewich	6.000	0.017	3.983	2.000	0.000	0.000	5.983	5.983	0.000	0.000	0.000	0.000	5.983
The Dingle PS Expansion (Was Haslington PA- Tytherington High School	1.395	1.373	0.022	0.000	0.000	0.000	0.022	0.022	0.000	0.000	0.000	0.000	0.022
Various SEN Sites - Small Works/Adaptations	3.006	0.208	2.797	0.000	0.000	0.000	2.797	2.797	0.000	0.000	0.000	0.000	2.797
Wheelock Primary School	0.150	0.001	0.149	0.000	0.000	0.000	0.149	0.149	0.000	0.000	0.000	0.000	0.149
Wilmslow High School BN	2.411	0.890	0.521	1.000	0.000	0.000	1.521	1.062	0.460	0.000	0.000	0.000	1.521
Wilmslow Primary Planning Area	14.179	12.788	1.391	0.000	0.000	0.000	1.391	0.193	1.150	0.000	0.000	0.048	1.391
	0.626	0.001	0.025	0.600	0.000	0.000	0.625	0.125	0.500	0.000	0.000	0.000	0.625
Total Committed Schemes	135.456	37.986	46.836	20.285	16.945	13.403	97.469	64.960	29.532	0.000	0.300	2.678	97.469
New Schemes													
Education and 14-19 Skills													
Chelford Primary School	0.340	0.000	0.340	0.000	0.000	0.000	0.340	0.340	0.000	0.000	0.000	0.000	0.340
Park Lane Refurbishment additional SEND places	0.200	0.005	0.195	0.000	0.000	0.000	0.195	0.195	0.000	0.000	0.000	0.000	0.195
Alderley Edge Primary - 25-26 Condition Project	0.050	0.000	0.050	0.000	0.000	0.000	0.050	0.050	0.000	0.000	0.000	0.000	0.050
Rainow Primary - 25-26 Condition Project	0.025	0.000	0.025	0.000	0.000	0.000	0.025	0.025	0.000	0.000	0.000	0.000	0.025
Ruskin - 25-26 Condition Project	0.200	0.000	0.200	0.000	0.000	0.000	0.200	0.200	0.000	0.000	0.000	0.000	0.200
Styal primary - 25-26 Condition Project	0.100	0.000	0.100	0.000	0.000	0.000	0.100	0.100	0.000	0.000	0.000	0.000	0.100
Total New Schemes	0.915	0.005	0.910	0.000	0.000	0.000	0.910	0.910	0.000	0.000	0.000	0.000	0.910
Total Children and Families Schemes	136.371	37.991	47.746	20.285	16.945	13.403	98.380	65.870	29.532	0.000	0.300	2.678	98.380

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding
	Total Approved Budget	Prior Years	Forecast Budget 2025/26	Forecast Budget 2026/27	Forecast Budget 2027/28	Forecast Budget 2028/29	Total Forecast Budget 2025-29	Grants	External Contributions	Revenue Contributions	Capital Receipts	Prudential Borrowing	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Committed Schemes in progress													
ICT Services													
Accelerate Digital	5.719	0.282	2.709	1.350	1.377	0.000	5.436	0.000	0.000	0.000	0.000	5.436	5.436
Care Act Phase 2	6.314	5.256	1.058	0.000	0.000	0.000	1.058	0.000	0.000	0.000	0.000	1.058	1.058
Digital Customer Enablement	3.102	2.939	0.163	0.000	0.000	0.000	0.163	0.000	0.000	0.000	0.000	0.163	0.163
ICT Device Replacement	3.762	1.136	1.776	0.250	0.200	0.400	2.626	0.000	0.000	0.000	0.000	2.626	2.626
ICT Hybrid Model	3.449	1.758	1.690	0.000	0.000	0.000	1.690	0.000	0.000	0.000	0.000	1.690	1.690
IADM (Information Assurance and Data Management)	19.465	17.456	2.009	0.000	0.000	0.000	2.009	0.000	0.000	0.000	0.000	2.009	2.009
Infrastructure Investment Programme (IIP)	34.429	31.376	2.223	0.830	0.000	0.000	3.053	0.000	0.000	0.000	0.000	3.053	3.053
Vendor Management	1.006	0.767	0.239	0.000	0.000	0.000	0.239	0.000	0.000	0.000	0.000	0.239	0.239
Finance & Customer Services													
Core Financials	13.143	10.259	1.099	0.785	0.800	0.200	2.884	0.000	0.000	0.000	0.000	2.884	2.884
Vendor Management - Phase 2	0.099	0.024	0.025	0.050	0.000	0.000	0.075	0.000	0.000	0.000	0.000	0.075	0.075
Total Committed Schemes	90.488	71.255	12.991	3.265	2.377	0.600	19.233	0.000	0.000	0.000	0.000	19.233	19.233
New Schemes													
ICT													
Digital BluePrint	6.530	0.000	3.490	1.663	1.377	0.000	6.530	0.000	0.000	0.000	0.000	6.530	6.530
Total New Schemes	0.000	0.000	3.490	1.663	1.377	0.000	6.530	0.000	0.000	0.000	0.000	6.530	6.530
Total Corporate Policy Schemes	90.488	71.255	16.481	4.928	3.754	0.600	25.763	0.000	0.000	0.000	0.000	25.763	25.763

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Forecast Expenditure							Forecast Funding					
	Total Approved Budget	Prior Years	Forecast Budget 2025/26	Forecast Budget 2026/27	Forecast Budget 2027/28	Forecast Budget 2028/29	Total Forecast Budget 2025-29	Grants	External Contributions	Revenue Contributions	Capital Receipts	Prudential Borrowing	Total Funding
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Committed Schemes in progress													
Facilities Management													
Public Sector Decarbonisation Fund - FM 3	5.148	5.144	0.003	0.000	0.000	0.000	0.003	0.000	0.000	0.000	0.000	0.003	0.003
PSDS - 3B - Lot 3 (schools)	4.390	3.353	1.036	0.000	0.000	0.000	1.036	0.969	0.000	0.067	0.000	0.000	1.036
PSDS - 3C	1.672	0.086	1.586	0.000	0.000	0.000	1.586	1.363	0.000	0.000	0.000	0.223	1.586
Septic Tanks	1.585	0.291	0.094	0.400	0.400	0.400	1.294	0.000	0.000	0.000	0.000	1.294	1.294
Schools Capital Maintenance	8.315	5.788	1.797	0.730	0.000	0.000	2.527	2.257	0.000	0.271	0.000	0.000	2.527
Premises Capital (FM)	48.241	34.609	3.787	3.984	2.700	3.161	13.632	0.000	0.000	0.000	0.000	13.632	13.632
Housing													
Crewe Towns Fund - Warm and Healthy Homes	2.126	0.161	1.965	0.000	0.000	0.000	1.965	1.965	0.000	0.000	0.000	0.000	1.965
Disabled Facilities	26.244	14.040	3.486	2.906	2.906	2.906	12.204	11.302	0.000	0.000	0.000	0.902	12.204
Green Homes Grant	2.647	2.449	0.198	0.000	0.000	0.000	0.198	0.198	0.000	0.000	0.000	0.000	0.198
Gypsy and Traveller Sites	4.136	4.058	0.078	0.000	0.000	0.000	0.078	0.000	0.000	0.000	0.000	0.078	0.078
Home Repairs Vulnerable People	1.797	0.987	0.271	0.339	0.200	0.000	0.810	0.374	0.000	0.000	0.000	0.436	0.810
Home Upgrade Grant Phase 2	2.894	2.094	0.800	0.000	0.000	0.000	0.800	0.800	0.000	0.000	0.000	0.000	0.800
Local Authority Housing Fund	0.732	0.422	0.309	0.000	0.000	0.000	0.309	0.309	0.000	0.000	0.000	0.000	0.309
Sustainable Warmth - Home Upgrade Grant	0.843	0.829	0.014	0.000	0.000	0.000	0.014	0.014	0.000	0.000	0.000	0.000	0.014
Temporary Accommodation	1.479	1.076	0.403	0.000	0.000	0.000	0.403	0.000	0.287	0.116	0.000	0.000	0.403
Warm Homes Fund	0.239	0.218	0.021	0.000	0.000	0.000	0.021	0.021	0.000	0.000	0.000	0.000	0.021
Warm Homes Local Grant (DESNZ)	7.793	0.000	1.354	3.252	3.187	0.000	7.793	7.793	0.000	0.000	0.000	0.000	7.793
Estates													
Corporate Landlord - Non-Operational	1.336	0.000	1.336	0.000	0.000	0.000	1.336	0.000	0.000	0.000	0.000	1.336	1.336
Malkins Bank Landfill Site	1.360	0.782	0.080	0.497	0.000	0.000	0.577	0.000	0.000	0.000	0.000	0.577	0.577
Farms Strategy	2.910	1.689	0.152	0.065	0.335	0.669	1.220	0.000	0.000	0.000	1.220	0.000	1.220
WorkplaCE	1.000	0.255	0.745	0.000	0.000	0.000	0.745	0.745	0.000	0.000	0.000	0.000	0.745

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding £m
	Total Approved Budget £m	Prior Years £m	Forecast Budget 2025/26 £m	Forecast Budget 2026/27 £m	Forecast Budget 2027/28 £m	Forecast Budget 2028/29 £m	Total Forecast Budget 2025-29 £m	Grants £m	External Contributions £m	Revenue Contributions £m	Capital Receipts £m	Prudential Borrowing £m	
Economic Development													
Crewe Towns Fund - Repurposing Our High Streets	1.132	0.526	0.390	0.216	0.000	0.000	0.606	0.606	0.000	0.000	0.000	0.000	0.606
Crewe Towns Fund - Flag Lane Baths	1.969	0.603	0.012	1.353	0.000	0.000	1.365	0.012	0.000	0.000	0.000	1.353	1.365
Crewe Towns Fund - Mill Street Corridor	4.477	1.479	2.998	0.000	0.000	0.000	2.998	2.998	0.000	0.000	0.000	0.000	2.998
Crewe Towns Fund - Mirion St	1.190	1.066	0.125	0.000	0.000	0.000	0.125	0.125	0.000	0.000	0.000	0.000	0.125
Crewe Towns Fund - Crewe Youth Zone non-grant	0.351	0.246	0.067	0.038	0.000	0.000	0.105	0.105	0.000	0.000	0.000	0.000	0.105
History Centre Public Realm & ICV (Crewe Towns Fund) CTC1	0.580	0.028	0.152	0.400	0.000	0.000	0.552	0.552	0.000	0.000	0.000	0.000	0.552
Handforth Heat Network	13.219	0.035	0.695	0.450	12.039	0.000	13.183	2.569	7.428	0.000	0.000	3.187	13.183
Demolition of Crewe Library & Concourse CTC10	3.396	3.237	0.159	0.000	0.000	0.000	0.159	0.000	0.000	0.000	0.000	0.159	0.159
Future High Street Funding - CEC Innovation Centre	4.251	3.961	0.291	0.000	0.000	0.000	0.291	0.291	0.000	0.000	0.000	0.000	0.291
Crewe Town Centre Regeneration	32.333	31.010	1.323	0.000	0.000	0.000	1.323	1.000	0.064	0.000	0.000	0.259	1.323
South Macclesfield Development Area	34.630	3.283	0.176	0.000	0.000	31.171	31.347	10.000	10.000	0.000	11.347	0.000	31.347
North Cheshire Garden Village	57.866	9.530	6.991	17.810	23.535	0.000	48.336	17.693	0.000	0.000	21.700	8.944	48.336
Handforth Garden Village s106 Obligations	6.841	0.000	0.000	2.740	0.000	4.101	6.841	0.000	0.000	0.000	0.000	6.841	6.841
Leighton Green	2.096	1.495	0.000	0.601	0.000	0.000	0.601	0.000	0.000	0.000	0.000	0.601	0.601
Connecting Cheshire Phase 3	8.000	0.720	0.850	1.200	2.000	3.230	7.280	0.000	7.280	0.000	0.000	0.000	7.280
Digital Projects	9.250	5.680	0.070	0.000	0.000	3.500	3.570	3.570	0.000	0.000	0.000	0.000	3.570
UKSPF E22 and E29 capital interventions	1.654	1.304	0.350	0.000	0.000	0.000	0.350	0.350	0.000	0.000	0.000	0.000	0.350
Macclesfield Indoor Market Refurbishment (MIMR)	2.496	1.898	0.598	0.000	0.000	0.000	0.598	0.500	0.000	0.000	0.000	0.098	0.598
Nantwich Town Centre Public Realm Improvements	0.100	0.000	0.050	0.050	0.000	0.000	0.100	0.000	0.100	0.000	0.000	0.000	0.100
Culture & Tourism													
Countryside Vehicles	1.579	0.726	0.070	0.300	0.300	0.182	0.852	0.000	0.000	0.000	0.000	0.852	0.852
Culture & Tourism S106 Schemes	0.664	0.075	0.143	0.387	0.010	0.049	0.589	0.000	0.589	0.000	0.000	0.000	0.589
Green Structures Investment	0.896	0.000	0.271	0.239	0.195	0.191	0.896	0.000	0.000	0.000	0.000	0.896	0.896
New Archives Premises CTC1	10.256	1.566	8.362	0.328	0.000	0.000	8.690	0.000	0.000	0.000	0.000	8.690	8.690
PROW Capital Works	1.138	1.127	0.011	0.000	0.000	0.000	0.011	0.011	0.000	0.000	0.000	0.000	0.011
PROW CMM A6 MARR	0.100	0.070	0.001	0.029	0.000	0.000	0.030	0.030	0.000	0.000	0.000	0.000	0.030
Visitor Economy - Rural Shared Prosperity Fund	0.713	0.465	0.248	0.000	0.000	0.000	0.248	0.248	0.000	0.000	0.000	0.000	0.248
Tatton Park Investment Phase 2	3.280	1.446	0.500	1.334	0.000	0.000	1.834	0.000	0.000	0.000	0.000	1.834	1.834
Total Committed Schemes	331.345	149.912	44.420	39.649	47.806	49.559	181.434	68.768	25.747	0.454	34.267	52.197	181.434
Total Growth & Enterprise	331.345	149.912	44.420	39.649	47.806	49.559	181.434	68.768	25.747	0.454	34.267	52.197	181.434

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding £m
	Total Approved Budget £m	Prior Years £m	Forecast Budget 2025/26 £m	Forecast Budget 2026/27 £m	Forecast Budget 2027/28 £m	Forecast Budget 2028/29 £m	Total Forecast Budget 2025-29 £m	Grants £m	External Contributions £m	Revenue Contributions £m	Capital Receipts £m	Prudential Borrowing £m	
Committed Schemes in progress													
Environment Services													
Bereavement Service Data System	0.035	0.007	0.028	0.000	0.000	0.000	0.028	0.000	0.000	0.028	0.000	0.000	0.028
Booth Bed Lane, Goostrey	0.140	0.000	0.000	0.140	0.000	0.000	0.140	0.100	0.040	0.000	0.000	0.000	0.140
Bosley Village Play Area	0.020	0.000	0.020	0.000	0.000	0.000	0.020	0.000	0.020	0.000	0.000	0.000	0.020
Browns Lane Play Area 2024/25	0.012	0.000	0.012	0.000	0.000	0.000	0.012	0.000	0.012	0.000	0.000	0.000	0.012
Carbon Neutral 2030 Investments	13.980	0.104	0.297	0.300	4.000	9.279	13.876	0.000	0.000	0.000	0.000	13.876	13.876
Carbon Offset Investment	0.568	0.539	0.029	0.000	0.000	0.000	0.029	0.000	0.000	0.000	0.000	0.029	0.029
Carnival Fields	0.042	0.000	0.042	0.000	0.000	0.000	0.042	0.000	0.042	0.000	0.000	0.000	0.042
Chelford Village Hall Phase 2	0.061	0.000	0.061	0.000	0.000	0.000	0.061	0.000	0.061	0.000	0.000	0.000	0.061
Closed Cemeteries	0.152	0.000	0.152	0.000	0.000	0.000	0.152	0.000	0.000	0.000	0.000	0.152	0.152
Crewe Crematorium Flue Modifications	0.030	0.019	0.011	0.000	0.000	0.000	0.011	0.000	0.000	0.000	0.000	0.011	0.011
Crewe Crematorium and Macclesfield Crematorium Major	0.030	0.018	0.012	0.000	0.000	0.000	0.012	0.000	0.000	0.000	0.000	0.012	0.012
Elworth Park	0.052	0.002	0.035	0.015	0.000	0.000	0.050	0.000	0.050	0.000	0.000	0.000	0.050
Energy Improvements at Cledford Lane	0.985	0.914	0.071	0.000	0.000	0.000	0.071	0.000	0.000	0.000	0.000	0.071	0.071
Fleet EV Transition	6.897	0.990	3.580	0.327	2.000	0.000	5.907	0.000	0.000	0.000	0.000	5.907	5.907
Fleet Vehicle Electric Charging	0.585	0.159	0.286	0.140	0.000	0.000	0.426	0.000	0.000	0.000	0.000	0.426	0.426
Future High Street Funding - Sustainable Energy Network	1.566	1.349	0.216	0.000	0.000	0.000	0.216	0.216	0.000	0.000	0.000	0.000	0.216
Green Investment Scheme (Solar Farm)	4.150	3.459	0.536	0.155	0.000	0.000	0.691	0.000	0.000	0.000	0.000	0.691	0.691
Green Spaces Wilmslow - Mersey Forest	0.021	0.021	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Grounds Maintenance Management ICT System	0.121	0.060	0.062	0.000	0.000	0.000	0.062	0.000	0.000	0.000	0.000	0.062	0.062
Household Waste Recycling Centres	0.860	0.084	0.776	0.000	0.000	0.000	0.776	0.000	0.000	0.000	0.000	0.776	0.776
Jim Evison Playing Fields	0.161	0.019	0.120	0.022	0.000	0.000	0.142	0.000	0.142	0.000	0.000	0.000	0.142
Litter and Recycling Bins	0.208	0.119	0.010	0.052	0.027	0.000	0.089	0.000	0.000	0.000	0.000	0.089	0.089
Longridge Open Space Improvement Project	0.066	0.000	0.000	0.066	0.000	0.000	0.066	0.000	0.066	0.000	0.000	0.000	0.066
LTA - Tennis Facility Improvements	0.124	0.039	0.085	0.000	0.000	0.000	0.085	0.060	0.000	0.000	0.000	0.025	0.085
Macclesfield Chapel Refurbishment	0.629	0.022	0.607	0.000	0.000	0.000	0.607	0.000	0.000	0.607	0.000	0.000	0.607
Main Road, Langley	0.259	0.003	0.160	0.097	0.000	0.000	0.257	0.000	0.257	0.000	0.000	0.000	0.257
Newtown Sports Facilities Improvements	0.099	0.093	0.000	0.006	0.000	0.000	0.006	0.000	0.006	0.000	0.000	0.000	0.006
Park Development Fund	0.846	0.670	0.089	0.087	0.000	0.000	0.176	0.000	0.000	0.000	0.000	0.176	0.176
Park Play, Meriton Road & Stanley Hall	0.010	0.000	0.010	0.000	0.000	0.000	0.010	0.000	0.010	0.000	0.000	0.000	0.010
Pastures Wood De-carbonisation	0.051	0.038	0.013	0.000	0.000	0.000	0.013	0.000	0.000	0.013	0.000	0.000	0.013
Queens Park Bowling Green	0.017	0.002	0.015	0.000	0.000	0.000	0.015	0.000	0.015	0.000	0.000	0.000	0.015
Review of Household Waste Recycling Centres	1.000	0.000	1.000	0.000	0.000	0.000	1.000	0.000	0.000	0.000	0.000	1.000	1.000
Rotherhead Drive Open Space and Play Area	0.141	0.117	0.006	0.006	0.006	0.006	0.024	0.000	0.024	0.000	0.000	0.000	0.024
Rugby Drive, Macclesfield	0.071	0.024	0.047	0.000	0.000	0.000	0.047	0.000	0.047	0.000	0.000	0.000	0.047
Shaw Heath Recreation Ground	0.022	0.016	0.000	0.006	0.000	0.000	0.006	0.000	0.006	0.000	0.000	0.000	0.006
Stanley Hall Improvements	0.055	0.053	0.002	0.000	0.000	0.000	0.002	0.000	0.002	0.000	0.000	0.000	0.002
The Carrs Improvement Project	0.061	0.000	0.000	0.061	0.000	0.000	0.061	0.000	0.061	0.000	0.000	0.000	0.061
The Moor, Knutsford	0.036	0.032	0.004	0.000	0.000	0.000	0.004	0.000	0.000	0.000	0.000	0.004	0.004

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding £m
	Total Approved Budget	Prior Years	Forecast Budget 2025/26	Forecast Budget 2026/27	Forecast Budget 2027/28	Forecast Budget 2028/29	Total Forecast Budget 2025-29	Grants	External Contributions	Revenue Contributions	Capital Receipts	Prudential Borrowing	
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	
Unsafe Cemetery Memorials	0.035	0.009	0.026	0.000	0.000	0.000	0.026	0.000	0.000	0.000	0.000	0.026	0.026
Victoria Park Amenity Improvements	0.020	0.012	0.008	0.000	0.000	0.000	0.008	0.000	0.008	0.000	0.000	0.000	0.008
Victoria Park Pitch Improvements	0.029	0.028	0.001	0.000	0.000	0.000	0.001	0.000	0.001	0.000	0.000	0.000	0.001
Weekly Food Waste Collections	8.209	0.192	7.517	0.500	0.000	0.000	8.017	2.519	0.000	0.000	0.000	5.497	8.017
West Park Open Space & Sports Improvements	0.120	0.045	0.075	0.000	0.000	0.000	0.075	0.000	0.075	0.000	0.000	0.000	0.075
Woodland South of Coppice Way, Handforth	0.089	0.068	0.005	0.016	0.000	0.000	0.021	0.000	0.021	0.000	0.000	0.000	0.021
Wybunbury Parish Open Space	0.005	0.001	0.004	0.000	0.000	0.000	0.004	0.000	0.004	0.000	0.000	0.000	0.004
Wybunbury St Chad's Closed Cemetery	0.219	0.000	0.219	0.000	0.000	0.000	0.219	0.000	0.000	0.000	0.000	0.219	0.219
Neighbourhood Services													
Congleton Leisure Centre	13.000	12.973	0.027	0.000	0.000	0.000	0.027	0.000	0.020	0.000	0.000	0.007	0.027
Crewe Towns Fund - Cumberland Arena	3.173	0.404	2.768	0.000	0.000	0.000	2.768	2.769	0.000	0.000	0.000	0.000	2.769
Crewe Towns Fund - Pocket Parks	1.481	0.954	0.527	0.000	0.000	0.000	0.527	0.527	0.000	0.000	0.000	0.000	0.527
Crewe Towns Fund - Valley Brook Green Corridor	3.339	0.590	2.748	0.000	0.000	0.000	2.748	2.748	0.000	0.000	0.000	0.000	2.748
Middlewich Leisure Centre	0.060	0.051	0.009	0.000	0.000	0.000	0.009	0.000	0.000	0.000	0.000	0.009	0.009
Libraries - Next Generation - Self Service	0.374	0.336	0.038	0.000	0.000	0.000	0.038	0.000	0.000	0.000	0.000	0.038	0.038
Strategic Leisure Review	3.400	1.329	1.421	0.650	0.000	0.000	2.071	0.000	0.000	0.000	0.000	2.071	2.071
Planning & Regulatory Services													
Regulatory Systems & Environmental Health ICT System	0.313	0.279	0.034	0.000	0.000	0.000	0.034	0.000	0.000	0.000	0.000	0.034	0.034
Total Committed Schemes	68.030	26.244	23.822	2.646	6.033	9.285	41.786	8.940	0.991	0.647	0.000	31.208	41.786
New Schemes													
Environment Services													
Parks	1.483	0.000	0.549	0.370	0.214	0.349	1.483	0.000	1.483	0.000	0.000	0.000	1.483
Total New Schemes	1.483	0.000	0.549	0.370	0.214	0.349	1.483	0.000	1.483	0.000	0.000	0.000	1.483
Total Environment and Communities Schemes	69.513	26.244	24.371	3.016	6.247	9.635	43.269	8.940	2.474	0.647	0.000	31.208	43.269

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding £m
	Total Approved Budget £m	Prior Years £m	Forecast Budget 2025/26 £m	Forecast Budget 2026/27 £m	Forecast Budget 2027/28 £m	Forecast Budget 2028/29 £m	Total Forecast Budget 2025-29 £m	Grants £m	External Contributions £m	Revenue Contributions £m	Capital Receipts £m	Prudential Borrowing £m	
Committed Schemes in progress													
Highways													
A532 Safer Road Fund Scheme	1.466	1.395	0.070	0.000	0.000	0.000	0.070	0.000	0.000	0.000	0.000	0.070	0.070
A536 Safer Road Fund Scheme	2.404	2.353	0.051	0.000	0.000	0.000	0.051	0.000	0.000	0.000	0.000	0.051	0.051
A537 Safer Road Fund Scheme	2.490	2.346	0.144	0.000	0.000	0.000	0.144	0.144	0.000	0.000	0.000	0.000	0.144
Air Quality Action Plan	0.523	0.522	0.002	0.000	0.000	0.000	0.002	0.000	0.000	0.000	0.000	0.002	0.002
Alderley Edge Bypass Scheme Implementation	60.411	60.360	0.051	0.000	0.000	0.000	0.051	0.000	0.000	0.000	0.000	0.051	0.051
Bridge Maintenance Minor Wks	12.463	11.672	0.792	0.000	0.000	0.000	0.792	0.374	0.000	0.000	0.000	0.418	0.792
Client Contract and Asset Mgmt	0.693	0.547	0.146	0.000	0.000	0.000	0.146	0.000	0.000	0.000	0.000	0.146	0.146
Footpath Maintenance - Slurry Sealing & Reconstruction Works	1.323	1.323	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Highway Maintenance Minor Wks	69.622	69.552	0.070	0.000	0.000	0.000	0.070	0.000	0.000	0.000	0.000	0.070	0.070
Highway Pothole/Challenge Fund	11.669	11.497	0.172	0.000	0.000	0.000	0.172	0.000	0.000	0.000	0.000	0.172	0.172
Jack Mills Way Part 1 Claims	0.307	0.307	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Local Highway Measures	7.255	7.105	0.151	0.000	0.000	0.000	0.151	0.151	0.000	0.000	0.000	0.000	0.151
Ward Members Local Highway Measures	0.872	0.319	0.553	0.000	0.000	0.000	0.553	0.177	0.000	0.000	0.000	0.376	0.553
Programme Management	1.547	1.546	0.002	0.000	0.000	0.000	0.002	0.002	0.000	0.000	0.000	0.000	0.002
Road Safety Schemes Minor Wks	6.423	6.260	0.163	0.000	0.000	0.000	0.163	0.034	0.000	0.000	0.000	0.128	0.163
Traffic Signal Maintenance	1.095	0.795	0.300	0.000	0.000	0.000	0.300	0.299	0.000	0.000	0.000	0.001	0.300
Traffic Signs and Bollards - LED Replacement	1.259	1.259	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Winter Service Facility	0.957	0.771	0.097	0.089	0.000	0.000	0.186	0.000	0.000	0.000	0.000	0.186	0.186
Managing and Maintaining Highways	4.712	0.000	4.712	0.000	0.000	0.000	4.712	0.000	0.000	0.000	0.000	4.712	4.712
Pothole Funding	17.397	0.000	5.799	5.799	5.799	0.000	17.397	17.397	0.000	0.000	0.000	0.000	17.397
Integrated Block - LTP	6.009	0.000	2.003	2.003	2.003	0.000	6.009	6.009	0.000	0.000	0.000	0.000	6.009
Maintenance Block - LTP	19.476	0.000	7.878	5.799	5.799	0.000	19.476	17.397	0.000	0.000	0.000	2.079	19.476
Incentive Fund - LTP	4.350	0.000	1.450	1.450	1.450	0.000	4.350	4.350	0.000	0.000	0.000	0.000	4.350
Infrastructure													
A500 Dualling scheme	88.692	11.117	0.050	0.150	0.000	77.375	77.575	74.125	3.450	0.000	0.000	0.000	77.575
A500 Corridor OBC Update	3.371	0.064	0.700	1.391	0.451	0.764	3.307	2.543	0.764	0.000	0.000	0.000	3.307
A50 / A54 Holmes Chapel	0.604	0.101	0.000	0.000	0.000	0.503	0.503	0.000	0.503	0.000	0.000	0.000	0.503
A54 / A533 Leadsmithy Street, Middlewich	0.564	0.177	0.000	0.000	0.000	0.387	0.387	0.000	0.387	0.000	0.000	0.000	0.387
A6 MARR CMM Handforth	1.088	1.046	0.042	0.000	0.000	0.000	0.042	0.042	0.000	0.000	0.000	0.000	0.042
A6 MARR Technical Design	0.473	0.285	0.188	0.000	0.000	0.000	0.188	0.070	0.119	0.000	0.000	0.000	0.188
A556 Knutsford to Bowdon	0.504	0.373	0.060	0.071	0.000	0.000	0.131	0.000	0.131	0.000	0.000	0.000	0.131
Peacock Roundabout Junction	0.750	0.036	0.516	0.000	0.000	0.198	0.714	0.000	0.714	0.000	0.000	0.000	0.714
Congleton Link Road	83.991	72.920	0.700	1.750	1.000	7.621	11.071	0.316	10.756	0.000	0.000	0.000	11.071
Crewe Green Roundabout	7.500	7.059	0.441	0.000	0.000	0.000	0.441	0.000	0.441	0.000	0.000	0.000	0.441
Flowerpot Phs 1 & Pinchpoint	4.249	1.516	0.100	0.488	0.336	1.808	2.732	1.719	1.014	0.000	0.000	0.000	2.732

CAPITAL PROGRAMME 2025/26 - 2028/29

Scheme Description	Forecast Expenditure							Forecast Funding					Total Funding £m
	Total Approved Budget £m	Prior Years £m	Forecast Budget 2025/26 £m	Forecast Budget 2026/27 £m	Forecast Budget 2027/28 £m	Forecast Budget 2028/29 £m	Total Forecast Budget 2025-29 £m	Grants £m	External Contributions £m	Revenue Contributions £m	Capital Receipts £m	Prudential Borrowing £m	
Future High Street Funding - Adaptive Signals	0.509	0.455	0.054	0.000	0.000	0.000	0.054	0.000	0.054	0.000	0.000	0.000	0.054
Future High Street Funding - Flag Lane Link	1.481	1.481	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Future High Street Funding - Southern Gateway	5.303	5.101	0.202	0.000	0.000	0.000	0.202	0.202	0.000	0.000	0.000	0.000	0.202
Highways & Infrastructure S106 Funded Schemes	5.113	1.316	1.176	1.268	0.000	1.354	3.798	0.163	3.635	0.000	0.000	0.000	3.798
Transport & Infrastructure Development Studies	0.350	0.043	0.307	0.000	0.000	0.000	0.307	0.307	0.000	0.000	0.000	0.000	0.307
Middlewich Eastern Bypass	96.600	27.679	18.000	37.682	13.240	0.000	68.921	46.779	14.611	0.000	0.000	7.532	68.921
Mill Street Corridor - Station Link Project	0.847	0.263	0.584	0.000	0.000	0.000	0.584	0.000	0.284	0.000	0.000	0.300	0.584
North-West Crewe Package	51.366	49.055	1.411	0.300	0.300	0.300	2.311	0.000	2.311	0.000	0.000	0.000	2.311
Old Mill Road / The Hill Junction	1.325	0.188	0.100	1.036	0.000	0.000	1.136	0.000	1.136	0.000	0.000	0.000	1.136
Poynton Relief Road	54.848	47.293	0.500	3.355	1.435	2.265	7.555	2.236	4.219	0.000	1.000	0.100	7.555
Sydney Road Bridge	10.501	10.112	0.014	0.375	0.000	0.000	0.389	0.000	0.390	0.000	0.000	-0.001	0.389
Strategic Transport and Parking													
Active Travel Fund	3.109	0.525	2.584	0.000	0.000	0.000	2.584	2.584	0.000	0.000	0.000	0.000	2.584
Active Travel (Cycling / Walking Route) Investment	2.920	2.854	0.066	0.000	0.000	0.000	0.066	0.001	0.000	0.000	0.000	0.065	0.066
Available Walking Routes	0.151	0.000	0.151	0.000	0.000	0.000	0.151	0.151	0.000	0.000	0.000	0.000	0.151
Car Parking Review	0.895	0.570	0.325	0.000	0.000	0.000	0.325	0.000	0.000	0.000	0.325	0.000	0.325
LEVI Capital Fund 23/24	2.172	0.000	0.217	0.652	0.652	0.652	2.172	2.172	0.000	0.000	0.000	0.000	2.172
On-street Residential Charging	0.551	0.389	0.162	0.000	0.000	0.000	0.162	0.151	0.000	0.000	0.000	0.011	0.162
Park Lane – Ayreshire Way, Congleton Walking and Cycling	0.482	0.433	0.049	0.000	0.000	0.000	0.049	0.049	0.000	0.000	0.000	0.000	0.049
Sustainable Travel Access Prog	2.245	2.059	0.186	0.000	0.000	0.000	0.186	0.186	0.000	0.000	0.000	0.000	0.186
Sustainable Modes of Travel to Schools Strategy (SMOTSS)	1.117	0.883	0.234	0.000	0.000	0.000	0.234	0.234	0.000	0.000	0.000	0.000	0.234
Public Transport Infrastructure	2.765	1.586	0.800	0.379	0.000	0.000	1.179	1.179	0.000	0.000	0.000	0.000	1.179
Bus Priority	0.755	0.000	0.413	0.341	0.000	0.000	0.755	0.755	0.000	0.000	0.000	0.000	0.755
Real Time Passenger Information (RTPI)	0.750	0.000	0.600	0.030	0.030	0.090	0.750	0.750	0.000	0.000	0.000	0.000	0.750
Macclesfield Bus Station	0.050	0.000	0.050	0.000	0.000	0.000	0.050	0.050	0.000	0.000	0.000	0.000	0.050
Local Access - Crewe Transport Access Studies	0.400	0.088	0.312	0.000	0.000	0.000	0.312	0.312	0.000	0.000	0.000	0.000	0.312
Local Access - Macclesfield Transport Access Studies	0.300	0.061	0.239	0.000	0.000	0.000	0.239	0.239	0.000	0.000	0.000	0.000	0.239
Local Transport Grant	7.754	0.000	7.754	0.000	0.000	0.000	7.754	7.754	0.000	0.000	0.000	0.000	7.754
Middlewich Rail Study	0.020	0.000	0.020	0.000	0.000	0.000	0.020	0.020	0.000	0.000	0.000	0.000	0.020
LTP Development & Monitoring Studies	0.900	0.460	0.220	0.221	0.000	0.000	0.441	0.441	0.000	0.000	0.000	0.000	0.441
Digital Car Parking Solutions	0.140	0.097	0.044	0.000	0.000	0.000	0.044	0.016	0.000	0.000	0.000	0.027	0.044
Pay and Display Parking Meters	0.620	0.607	0.013	0.000	0.000	0.000	0.013	0.000	0.000	0.000	0.000	0.013	0.013
Car Parking Improvements (including residents parking)	0.322	0.266	0.056	0.000	0.000	0.000	0.056	0.000	0.000	0.000	0.000	0.056	0.056
Total Committed Schemes	683.171	428.486	64.245	64.629	32.495	93.317	254.686	191.877	44.917	0.000	1.325	16.566	254.686

Highways & Transport

CAPITAL

CAPITAL PROGRAMME 2025/26 - 2028/29													
	Forecast Expenditure							Forecast Funding					
	Total Approved Budget £m	Prior Years £m	Forecast Budget 2025/26 £m	Forecast Budget 2026/27 £m	Forecast Budget 2027/28 £m	Forecast Budget 2028/29 £m	Total Forecast Budget 2025-29 £m	Grants £m	External Contributions £m	Revenue Contributions £m	Capital Receipts £m	Prudential Borrowing £m	
Scheme Description													
New Schemes													
Highways													
Highways Maintenance Capital	41.846	0.000	7.340	11.502	11.502	11.502	41.846	27.773	0.000	0.000	0.000	14.073	41.846
Highways: Depots (Macclesfield)	2.386	0.000	0.411	0.750	1.225	0.000	2.386	0.000	0.000	0.000	0.000	2.386	2.386
Highways: Depots (Wardle)	0.696	0.000	0.146	0.458	0.092	0.000	0.696	0.000	0.000	0.000	0.060	0.636	0.696
Strategic Transport & Parking Services													
Strategic Transport Model	0.750	0.000	0.250	0.250	0.250	0.000	0.750	0.000	0.000	0.000	0.000	0.750	0.750
Total New Schemes	45.678	0.000	8.147	12.960	13.069	11.502	45.678	27.773	0.000	0.000	0.060	17.845	45.678
Total Highways & Transport	728.849	428.486	72.392	77.589	45.564	104.819	300.363	219.650	44.917	0.000	1.385	34.411	300.363

Corporate Policy Committee Date: 02 October 2025**Report: Financial Review Quarter 1****Annex 3****Transformation Plan Update****Executive Summary**

- 1 This report is an appendix to the First Financial Review 2025/26. It provides an update on the Council's Transformation Plan progress including financial and non-financial benefits for quarter 1 2025/26.
- 2 The report demonstrates where good progress has been made on the Transformation programmes and where further work is underway to ensure delivery. It includes an update on the financial savings for each programme, aligned to that in the overarching FR1 report. The narrative provides further insight into each programme and the actions being taken to assure delivery.
- 3 The overall position on the transformation savings based on the FR1 outturn shows a potential under achievement of savings against the cross cutting programmes as part of the Corporate Core and Access to Services programmes. If delivery continues in line with the current trajectory, savings across the Workforce, Digital and Third Party Spend projects for the remainder of the financial year are forecast at £3.0m against the budget saving of £12.702m. Due to delays with the detailed business cases there will not be full achievement of the target savings. However, these programmes have been discussed at the Transformation and Improvement Board chaired by the Chief Executive and further actions have been put in place to move them forward.
- 4 Adults' transformation is progressing well and is expected to deliver service improvements and the savings. There is a shortfall of savings in this financial year of £2.650m which have been offset by in year mitigations. Full financial savings are expected in 2026/27. Due to the need to focus on improving services for children and young people, Children's Services will underachieve on the £3.788m target for 2025/26. At present the forecast saving is £0.500m with one off mitigations of £0.868m. The shortfall is currently £2.420m. The Children's transformation programme is being reviewed in line with the improvement plans, this is due for completion in the autumn this year.
- 5 To provide confidence in the programmes a refresh of the business cases for each programme is underway and due to complete in October 2025 in parallel to the development of the Corporate Delivery and Improvement Plan. The Plan, also being considered by Corporate Policy Committee on

2 October, has resulted in a review of transformation programme priorities. The proposed changes will be reflected in the next progress update.

Background

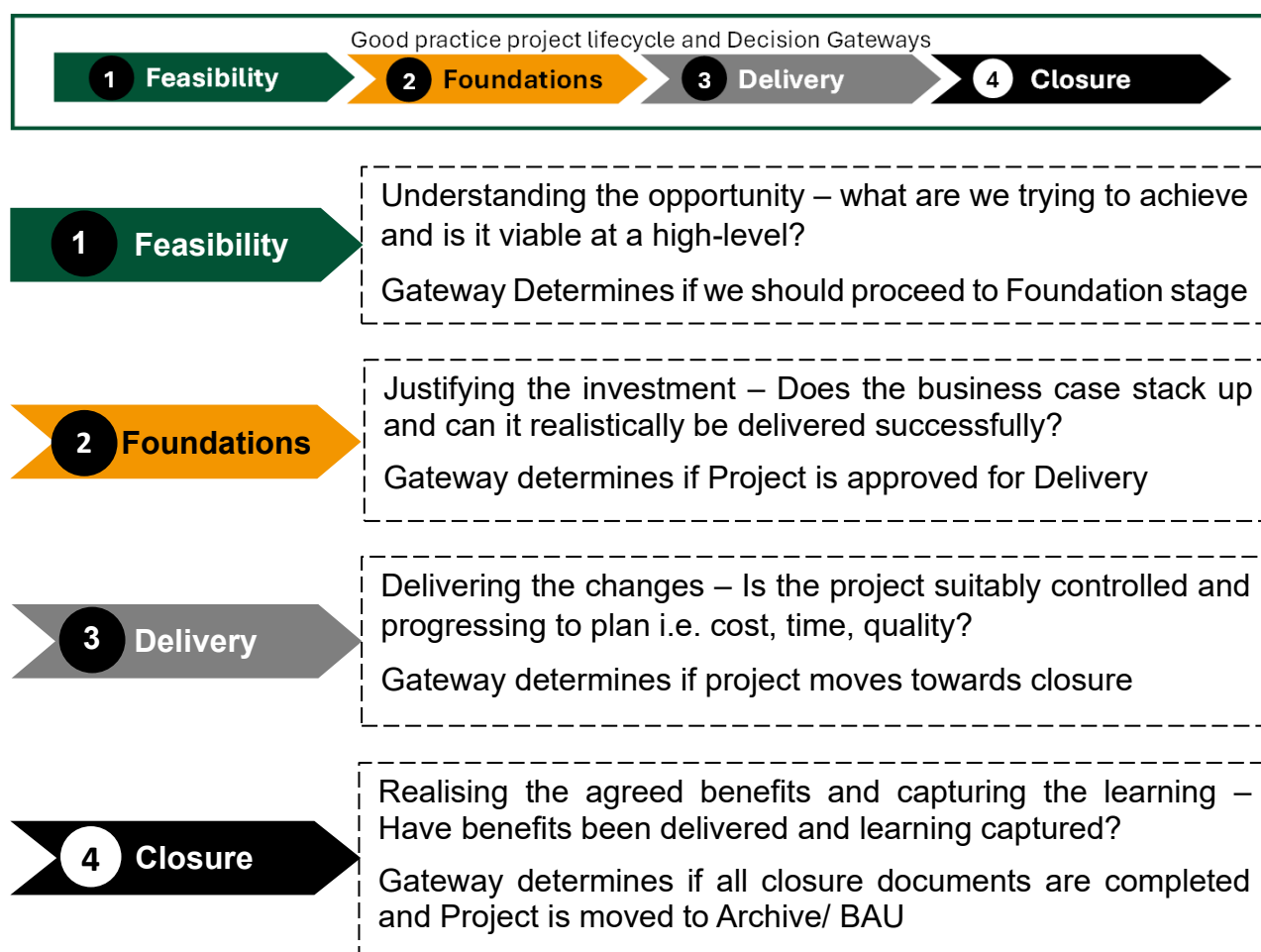
- 6 Inner Circle Consulting (ICC) were appointed following a competitive process in April 2024 to provide additional capacity and expertise to progress the development of the Transformation Plan, and to support delivery of the transformation programme.
- 7 The opportunities identified during the transformation planning process were then reflected in the Medium-Term Financial Strategy and budget for 2025/26.
- 8 ICC, alongside additional and existing Council capacity, at strategic and practical levels, supported the Council to progress Phase 1, developing the Transformation Plan, and Phase 2, to support delivery of aspects of the transformation programme, including some resource to support the creation of a Programme Management Office (PMO).
- 9 Table 1 (table 6 in the main report) provides an overview of the position at the end of the first quarter and the projected position should delivery continue along the existing trajectory.

Table 1 - Transformation Budget Saving	Saving included in Council's 2025/26 budget £m	Forecast Outturn position at FR1 £m	(Under)/Over £m
Access to Services & Corporate Core (Cross cutters including Digital/Workforce/3 rd Party Spend/Fees & Charges)	-13.452	-3.821	-9.631
Service Delivery – Adults Social Care	-7.000	-7.000	0.000
Service Delivery – Children's	-3.788	-1.368	-2.420
Service Delivery – Place	-0.175	-0.175	0.00
Total	-24.415	-12.364	-12.051

- 10 Table 2 (table 7 in the main report) provides a further breakdown of savings.

Table 2 - Transformation Budget Savings	2025/26 budget £m	Forecast Outturn position at FR1	(Under)/ Over
		£m	£m
Digital Customer Enablement Invest to Save	0.750	0.000	-0.750
Digital Acceleration Invest to Save	0.600	0.200	-0.400
Digital Blueprint - Invest to Save	4.000	1.000	-3.000
Fees and Charges	0.750	0.821	0.071
Third Party Spend	3.000	0.625	-2.375
Target Operating Model (TOM)	3.000	0.999	-2.001
Agency Staffing	0.352	0.176	-0.176
Workforce Productivity	1.000	0.000	-1.000
Total	13.452	3.821	-9.631
Total	-24.415	-12.364	-12.051

- 11 It should be noted that the trajected outturn is also impacted by the stage in the lifecycle a particular programme or project is at. The following illustration provides an overview of the four stages: Feasibility, Foundation, Delivery and Closure.



- 12 During the Feasibility stage of the programme or project work is undertaken to explore the opportunity identified and make sure we are clear on the problem we are trying to solve. If it looks like the opportunity is worth pursuing we proceed to Foundations and develop the business case and do the more detailed work to see if the outcome of the work is worth the investment of time and money. If it is, then the project goes into the Delivery stage. When the project has delivered the expected outcomes and benefits it comes to a close. At this point a closure report covers the handover to business as usual operations and lessons are learnt to apply to other projects.
- 13 Programmes and projects in the Feasibility and Foundations stage will not yet be delivering service improvements or savings. Nor will they have the plans in place to demonstrate how savings will be delivered. Once they move towards the end of the Foundation stage a business case will have been developed to include the expected benefits and options to deliver them, including the cost of change and the high-level timescales for delivery. Programmes and projects reaching the end of the Foundation stage and move to Delivery during FR1 will be reflected in FR2 figures.
- 14 The Corporate Policy Committee agreed that one overarching Delivery and Improvement Plan would be developed, incorporating transformation and improvement activity and delivery would be reported on a quarterly basis.
- 15 The improvement planning process has resulted in a review of the transformation programme priorities alongside the rest of the plan. This also coincides with some of the initial projects drawing to a close. A number of the projects coming to an end are in the Corporate Core programme. Having reviewed the remaining projects within the programme it is proposed that we realign the digital projects to the Access to Services programme and customer experience project. Fleet Management will move into Workforce and Culture as the next phase of the project relates to staff travel. When the projects due to handover to 'business as usual' shortly finish, the Corporate Core programme will be formally closed.
- 16 This report provides an update on progress against the existing programmes projects structure. The proposed changes will be reflected in the next progress update.

Access to services – current RAG is **Amber** (there are some issues and mitigations in place)

- 17 The purpose of the Access to Services programme is to make it quicker and easier for residents, businesses, and visitors to get things done with us - especially for everyday services like payments, applications, and requests. We aim to achieve financial savings whilst improving customer and user experience. Part of the answer is through improving digital access to our services where appropriate. We know that putting people at the heart of what we do is the way to design more effective and efficient services. For many, ease of access is through digital channels so that is an important focus for us. However, we know that is not true for all our services and therefore we will continue to provide services in the most appropriate way for the service and the people using the services.
- 18 Customer Experience project is at the Foundations stage. We've already made good progress by developing a draft Customer Experience Strategy. Our transformation partner, ICC, are supporting the development of the business case for the Customer project which will utilise digital technology and artificial intelligence to make it easier for our residents to interact with us while also unlocking savings and embedding our customer experience strategy. The project is amber as some digital elements have been slightly delayed. It is expected to move to green when the business case is completed, costs and savings are confirmed, and delivery can commence.
- 19 Digital Adoption and Digital Acceleration projects are in the Foundation stage and business cases are the process of being developed and validated. Meanwhile some of the sub projects are being delivered.
- 20 We have just launched traCE which will improve the delivery of high-demand services by using digital technology to improve the experience for people reporting issues, help us respond more efficiently and reduce long-term costs by moving away from third-party systems (i.e. FixMyStreet). In the main, the launch went well though there were some teething problems in the first week. The ICS Chatbot, CeCe, has also launched in August, and its effectiveness will be monitored over the coming weeks/months.

Adult Social Care - current RAG is **Amber** (there are some issues and mitigations in place)

- 21 In Adults we have initiated projects to:
 - Make sure residents get the right support from the right organisation.
 - Help people stay independent and healthy for longer, reducing the need for formal care.
 - Improve services and support for residents with learning disabilities.
 - Use smart tools to help people live safely at home

- Make sure care services offer good value for money.

Partnership Case Reviews Project:

22 Focused on:

- How Cheshire East is discharging its responsibilities in line with Continuing Health Care National Framework guidance
- Ensure people who require services are supported by the appropriate organisation based on their needs with clinical supervision and case management where required

Prevent, Reduce, Enable Project:

23 Focused on how the council can put in measures to enable residents to maintain their independence and consequently prevent or delay users needing commissioned care, reduce the numbers of referrals into commissioned care and enable residents to live life's that do not require commissioned care for as long as is appropriate.

Learning Disabilities and Autism Project:

24 Focused on three elements of work across Learning Disability Services:

1. Supported Living Provision
2. Care4CE Modernisation
3. Shared Lives

Commissioning and Brokerage Project:

25 Focused on facilitating a more cost-effective placements by the implementation of a guide price policy and supporting decision rights, as well as, focusing on assessing the relative maturity of the commissioning service.

Health and social care partnership review

25 This project has assessed how the council is discharging its responsibilities in line with Continuing Health Care (CHC) National Framework guidance and that people requiring support are managed by the appropriate organisation based on their needs. The remaining recommendations are now being implemented and the project is coming to a successful conclusion.

26 The projects are all progressing to deliver these outcomes for our residents. We're also keeping a close eye on risks—like staff being stretched between new projects and day-to-day work, and wider changes across the system. We're working with partners to manage these

challenges and make sure everything stays on track. The programme is currently rated as amber due to these resource pressures and risks.

- 27 The Adults Social Care Transformation Programme has established clear governance with defined roles and responsibilities. The Prevent, Reduce, Enable (PRE) pilot is operational, with processes in place to develop the new care model. The Learning Disabilities and Autism (LDA) programme is progressing well, with an agreed approach for the supported living review and the development of standard operating procedures (SOPs). The Care4CE business case is in the process of being finalised.
- 28 ICC has been supported the development of the business cases and delivery for PRE and LDA projects.
- 29 In terms of savings the Adults' transformation programme is progressing well and is expected to deliver service improvements and the savings. There is a shortfall of savings in this financial year of £2.650m which have been offset by in year mitigations. Full financial savings are expected in 2026/27.

Table 3	2025/26 Budget	2025/26 FR1	Variance
Adults	£m	£m	£m
Health and Social Care Partnership Case Review	2.500	2.500	0.000
Commissioning and Brokerage Transformation	0.500	0.500	0.000
Prevent, Reduce, Enable - Older People	1.500	1.500	0.000
Learning Disability service transformation	2.500	2.500	0.000
Total	7.000	7.000	0.000

Enabling Communities – current RAG is **Amber** (there are some issues and mitigations in place)

- 30 Our Enabling Communities work will help deliver better outcomes for our residents and reduce costs in both Adult and Children's Social Care. We are developing an approach where we work with local partners to support people earlier through a holistic approach to improve their lives and prevent them needing statutory intervention (social care provision) in the next 2 years. This is a piece of work that is really important to the future of residents of Cheshire East being supported in, or close to, home is what we all want. This programme of work is focused on just that and it will enable us to be more efficient in how we use taxpayers' money too.
- 31 The Enabling Communities programme has planned the next phase of work, which has been approved in principle. Before the programme can move to the next phase, resourcing to deliver the programme needs to be confirmed. This is being considered as part of the review of priorities and

resources within the programme. Once approvals are given, the programme will proceed to the implementation stage

Children's Social Care - current RAG is **Red** (this has been escalated to Transformation & Improvement Board and action agreed. Once the action takes effect the RAG status will improve).

- 32 We're running six projects aimed at improving the lives of children and families in Cheshire East. These focus on key areas like support for care leavers, early help services, complex needs, and how families access support. We're also looking at how we plan placements and commission services. The goal is to improve quality, make sure we meet our responsibilities, and save over £7 million by 2028/29.
- 33 We're taking a close look at the programme to make sure it's set up to succeed. This includes checking what resources are needed, and how different services and teams will work together. A review of the projects and how they fit with our Improvement Plan is underway and will be complete by the Autumn. Work on Families First the national reform initiative aimed at improving children's social care in England is in delivery, focusing on early help and multi-agency collaboration to support families before issues escalate and will be implemented for 1 April 2026.
- 34 To support Children's transformation and improvement moving from red to amber Transformation and Improvement Board has agreed to provide additional support in the 2025/26 financial; this includes resources from support services and ICC.
- 35 Due the need to focus on improving services for children and young people, Children's Services will underachieve on the £3.788m target for 2025/26. At present the forecast saving is £0.500m with one off mitigations of £0.868m. The shortfall is currently £2.420m.

Table 4	2025/26 Budget	2025/26 FR1	Variance
Children's	£m	£m	£m
Preparing for Adulthood	0.868	0.868	0.000
New Accommodation with Support Offer for 16-25 Young People	1.100	0.000	-1.100
Right Child, Right Home	1.320	0.000	-1.320
Birth to Thrive	0.500	0.500	0.000
Sub-Total	3.788	1.368	-2.420

Place – current RAG is **Amber** (there are some issues and mitigations in place)

- 36 The purpose of the Place programme is to grow our local economy and create more opportunities for everyone who lives and works here. To help make this happen, we're developing a new Growth Strategy, improving how we manage council-owned buildings and land, and updating our Asset Strategy. These changes are part of a wider transformation programme that will help us work more efficiently, make better use of public resources, and deliver even better value for our residents.
- 37 The Place programme is making good progress across several key projects. Work is underway to develop a draft Asset Strategy, and changes to Library services have been implemented and gone live. The Alternative Service Delivery Vehicles (ASDV) Review is now coming to completion with staff returning from ANSA Environmental Services and will close in the next month.
- 38 Automatic Number Plate Recognition (ANPR) Enforcement project was initiated in January 2025 to explore how Cheshire East Council might use ANPR to generate surplus revenue and align with best practice. The opportunity was explored and the business case was developed but it provided there was no viable option to take this forward. The project was formally closed at Transformation and Improvement Board on 13 August.
- 39 Weekly food waste collection implementation project is being refreshed due to external factors, as reported through the Transformation reporting. Implementation of waste savings measures, including a public launch for the silver bin recycling service, are progressing well and can be rolled out in advance of weekly food waste collection to achieve required savings. A revised plan is now in place to address these challenges, and overall, the programme remains on track to deliver the intended benefits for the Place transformation programme.
- 40 Latest forecasts show £100,000 of savings from the Asset Strategy Refresh project and £5,000 from Corporate Landlord. The shortfalls of £45,000 from Corporate Landlord and £25,000 from Advertising will be mitigated by the services in year leaving no overall pressure for the council.

Table 5 Place	2025/26 Budget £m	2025/26 FR1 £m	Variance £m
Tatton Park ticketing and EPOS upgrade	0.001	0.001	0.000
Corporate Landlord Model Refresh	0.050	0.050	0.000
Asset Strategy Refresh	0.100	0.100	0.000
Libraries Strategy - Stage 1	0.000	0.000	0.000

Advertising Income. Initial project scoping work being undertaken to understand scale/complexity and resourcing needs	0.025	0.025	0.000
Sub-Total	0.175	0.175	0.000

Corporate Core – current RAG is **Amber** (there are some issues and mitigations in place)

- 41 The Corporate Core programme covers a range of projects to improve how the council operates and manages resources. These include:
- Reviewing paid-for services to help bring in more income. Getting better value from suppliers and contracts.
 - Improving how we manage grants to support council priorities.
 - Reducing travel costs and carbon emissions by reviewing how we use council vehicles.
 - Upgrading internal systems to better support staff and services.
 - Creating a standalone CEC digital service to better meet council needs and using digital tools to work smarter and improve services.
- 42 Our Grants review recognised good practice in using grants to deliver better outcomes for residents. We have identified potential savings from third party contracts and are exploring those.
- 43 The Fees and Charges project will deliver savings of £0.821m, in excess of the £0.750m budget target. We have also agreed revisions to our fees and charge's which will bring in more income. The project is nearing completion and changes to how we review and revise our fees and charges will be embedded in business as usual operations.
- 44 We're currently separating our ICT service from Cheshire West and making improvements to our digital systems. These changes aim to reduce costs across departments and explore new technologies – like AI – to boost efficiency and improve services for residents. The programme is currently rated amber due to delays in approving and starting some of the work needed to deliver cross-cutting savings. These issues are being actively addressed.

Workforce and Culture – current RAG is **Amber** (there are some issues and mitigations in place)

- 45 The Workforce and Culture programme is focused on:
- How we're organised: We're improving how teams are structured, how staff are paid, and how we support and measure the impact our people have on delivering excellent services to our residents.

- What we're gaining: These changes will help us save money, bring in income, and work more effectively in delivering services.
- How it feels to work here: We're building a positive, inclusive, values led culture with better policies, clearer expectations, and more development and training opportunities for staff at all stages of their career.

- 46 We've completed a detailed review of the staffing budget, including vacancies and agency spend, to ensure accurate savings and support future workforce planning. This will mean we can deliver the right people at the right time at the right place to deliver great services.
- 47 As part of developing a stronger leadership culture, the new Cheshire Leaders programme has been shared with Corporate Leadership Team and will go to the Wider Leadership Community (WLC) next. All WLC members will take part, with a focus on improving leadership and service delivery. We will roll out a Cheshire Manager programme in due course.
- 48 We're reviewing our values-based framework and planning a staff survey for September 2025 to track staff engagement that will enable us to track culture change work.
- 49 Recruitment is underway for six new roles to support the Workforce transformation programme, and we're aligning workforce plans with the Council's improvement plan. We have been able to offer development opportunities for existing staff and will supplement this with new recruits from outside the council.
- 50 We've also received the HR Health Check from ICC and recognise we need to transform our service. This work will be added to our programme.
- 51 ICC has also worked with the council to develop a service design methodology. Service design puts the user (resident, business etc) at the centre of designing an efficient service. The first cohort of staff have been trained over the summer through the Service Design mini academy and feedback has been very positive. These staff will go on to support the redesign of services in their area.

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Corporate Policy Committee

2 October 2025

Medium Term Financial Planning Assumptions Update 2025/26 - 2028/29 (Corporate Policy Committee)

**Report of: Ashley Hughes, Executive Director of Resources
(Section 151 Officer)**

Report Reference No: CPC/05/25-26

Ward(s) Affected: Not applicable

For Decision or Scrutiny: Both

Purpose of Report

- 1 This report is an update paper, following the Finance Sub Committee Working Group session in August and September meeting of the Finance Sub Committee, to further assist with development of the Medium-Term Financial Strategy (MTFS) 2026 to 2030.
- 2 The paper sets out the updated funding position since that time, including some sensitivity analysis on potential funding and spend scenarios and has been received by the Finance Sub Committee on 10 September 2025.

Executive Summary

- 3 The current Medium-Term Financial Strategy (MTFS) for Cheshire East Council for the four years 2025/26 to 2028/29 was approved by full Council on 26 February 2025.
- 4 The MTFS is underpinned by a set of assumptions around income, expenditure and core funding that result in a 4-year position. The budget could only be balanced for the 2025/26 financial year by use of Exceptional Financial Support (EFS) by way of a capitalisation direction. This is not sustainable in the medium to long term and needs to be addressed urgently for the Council to be financially sustainable. The gaps forecast in later years must be addressed as part of the business

planning process this year, as well as the Council learning to live within its means by delivering all savings and containing approved growth within 2025/26, otherwise there will be increased pressures in future years and preparing a balanced budget/ MTFS will continue to be challenging.

- 5 The budget gap, without mitigations, is currently £33.3m on the General Fund Revenue budget for 2026/27. This is the year, by law, that elected members must set a legal budget by no later than the 11 March 2026.
- 6 Since the Finance Sub-Committee received the last budget assumptions report in June 2025 there have been further changes identified, and details are set out in the main section of the report. These have been presented in a sensitivity analysis format to allow members to see the impact of these forecast changes from an optimistic, base and pessimistic viewpoint.
- 7 These revised budget assumptions were reviewed by a Sub-Committee Working Group on 19 August 2025.
- 8 Also on the agenda for this Committee meeting is the First Financial Review 2025/26 report, which has also been scrutinised by Finance Sub Committee. There have been a range of possible budget shortfalls noted in this report and work is ongoing to check for possible recurring pressures that will also need to be factored into the medium term budget process.

RECOMMENDATIONS

The Corporate Policy Committee is asked to:

1. Note the updated budget assumptions for the period 2026/27 to 2029/30 including sensitivity analysis.
2. Note the Finance Sub-Committee's recommendation that it work with officers and members to bring forward further budget change proposals to assist with presenting a balanced budget for 2026/27 (making use of Exceptional Financial Support) to the Corporate Policy Committee for consultation in November 2025.
3. To delegate to the S151 Officer the permission to continue dialogue with MHCLG on the continued use of Exceptional Financial Support over the life of this MTFS (2029/30). Regular updates to be provided to Chair and Vice Chair of both Corporate Policy Committee and Finance-Sub Committee on progress made.
4. Approve the approach to consultation and engagement:
 - To engage immediately from during October through a high level prioritisation survey.

- To undertake a full consultation on potential detailed budget change proposals from the beginning of November through to the end of January 2026.

Background

- 9 The Medium-Term Financial Strategy (MTFS) for Cheshire East Council for the four years 2025/26 to 2028/29 was approved by full Council on 26 February 2025.
- 10 As a reminder, Table 1 below sets out the revenue budget estimates for the four years from 2025/26 to 2028/29 as at February 2025.

Table 1: Summary position for 2025/26 to 2028/29	Approved Net Budget 2025/26 £m	Estimated Net Budget 2026/27 £m	Estimated Net Budget 2027/28 £m	Estimated Net Budget 2028/29 £m
Adults & Health	159.4	157.2	158.8	160.2
Children & Families	97.3	97.2	97.0	96.8
Corporate Policy	42.8	47.2	49.1	50.6
Economy & Growth	28.4	29.1	29.6	29.9
Environment & Communities	45.7	49.0	50.0	56.7
Highways and Transport	16.9	17.1	17.1	17.2
Council Wide Transformation savings	-13.5	-34.2	-45.2	-45.2
Total Service Budgets	377.1	362.6	356.3	366.1
<i>CENTRAL BUDGETS:</i>				
Capital Financing	35.0	38.8	41.9	43.2
Flexible use of Capital Receipts	-1.0	-1.0	-1.0	-1.0
Bad Debt Provision (change)	-0.1	-0.1	-0.1	-0.1
Contingency Budget	16.0	30.9	42.8	55.7
Risk Budget	0.0	3.8	2.0	0.8
Pension adjustment	-0.7	-0.7	-0.7	-0.7
Use of (-) / Top up (+) Reserves	1.3	5.0	8.9	8.9
Total Central Budgets	50.5	76.6	93.7	106.8
TOTAL: SERVICE + CENTRAL BUDGETS	427.6	439.3	450.0	473.0
<i>FUNDED BY:</i>				
Council Tax	-307.3	-325.6	-345.0	-365.5
Business Rate Retention Scheme	-57.1	-57.1	-57.1	-57.1
Revenue Support Grant	-0.8	-0.8	-0.8	-0.8
Specific Unring-fenced Grants	-37.1	-34.1	-34.1	-34.1
TOTAL: FUNDED BY	-402.4	-417.7	-437.1	-457.6
Exceptional Financial Support - Capitalisation Directi	-25.3			
Funding Position (+shortfall)	0.0	21.6	13.0	15.4

- 11 The table above highlights the fact that the Council continued to face a significant four-year funding gap at this time and was only able to balance in 2025/26 with the use of EFS. There continues to be the requirement to increase general reserves to more appropriate levels, to

support the future financial sustainability of the Council and the above four-year budget built this level to £20m.

Indicative budget envelope for 2026/27 – Fair Funding Reforms

- 12 The Fair Funding Review 2.0 is a major government consultation launched in June 2025 to reform how funding is allocated to local authorities in England. It aims to replace the outdated and opaque system with a more transparent, needs-based approach starting from the 2026/27 financial year, covering the 2026–2029 Spending Review period. Core components of the reform include:
- Relative Needs Formula (RNF):
 - Assesses local demand for services.
 - Includes service-specific formulas for adult social care, children’s services, highways, fire services, etc.
 - Resource adjustment:
 - Evaluates council tax revenue-raising capacity using a notional average tax rate.
 - Business Rates Retention:
 - Long-term reforms to improve alignment with local needs.
 - Grant simplification:
 - Moves toward fewer, more consolidated grants.
 - Reduces competitive bidding and reporting burdens.
- 13 Funding changes will be introduced gradually over three years (2026–2029). Funding floors will limit losses for councils facing reductions and it is anticipated that by 2028/29, allocations will fully reflect the new needs-based formula.
- 14 The latest consultation ran from 20 June to 15 August 2025 and the Cheshire East response can be found [here](#).
- 15 Final funding allocations will be confirmed in the Local Government Finance Settlement which is due to be received in November or December 2025.
- 16 The estimated impact for Cheshire East is shown in Table 2 below and has been calculated in conjunction with our financial advisors, Pixel Financial Management. The estimated increase in the net funding envelope is £16.9m but this is tempered by a reduction in ringfenced grants for Adult Social Care of c.£6.3m resulting in a net betterment of £10.6m for 2026/27 compared to 2025/26 funding envelope levels (excluding council tax increases).
- 17 The government assumes councils will increase Council Tax by up to 3% annually under the core referendum principle and an additional 2%
-

precept for adult social care is also assumed. This totals a 4.99% annual increase in council tax for most authorities. To assess councils' revenue-raising capacity, the government uses a modelled "notional" council tax rate based on the average rate across all councils. This is used to calculate how much funding councils could raise if they set their tax rate at the national average. This approach supports "full equalisation", meaning funding is adjusted so that councils with lower tax bases receive more central government support.

- 18 The government plans to account for projected increases in council tax rates over the three-year period. However, it will not adjust for changes in council tax bases (i.e. the number of properties), which could disadvantage fast-growing areas
- 19 The current assumption in the last MTFS for Cheshire East Council is that council tax is increased by the maximum 4.99% and this assumption is unchanged in the scenarios set out below.

Finance Sub Committee Working Group

- 20 The working group met on 19 August 2025 and covered the following items –
 - MTFS set at full Council – Review of Best Value Notice and LGA Assurance Panel implications
 - Updated assumptions and revised MTFS (see Table 2 below)
 - "What the Commissioners might do?"
 - Timeline for business cases
- 21 All Committee chairs have also been presented with this information at a separate session.
- 22 Members of the working group and chairs of each committee have been tasked with working with their corresponding political groups to formulate further budget change proposals that could be put forward for consideration to assist with the overall position over the medium term and specifically with a view to balancing the budget for 2026/27.

Budget assumption updates – base scenario

- 23 There has been further refinement to some of the assumptions and resulting values since the MTFS approved in February 2025 (Table 1). These change the overall funding position for 2026/27 onwards as per Table 2 below. Updates include:
 - Adding transformation pump priming budget for 2026/27 of £15m (plus a further £5m in 2027/28, totalling £20m over 2 years) to deliver
-

the remaining transformation programme planned savings, both service specific and cross council, over the medium term.

- Adding Children's transformation pump priming to the contingency budget for 2026/27 of £10m (plus a further £5m in 2027/28 and 2028/29, totalling £20m over 3 years). This is required as a result of the Ofsted inspection on Children's services to move from a rating of Inadequate to Good.
- Additional £5m for Children's and Adult Social Care demographic growth added incrementally every year.
- The inclusion of the Fair funding review initial estimates including increased growth in the Adults budget to offset the forecast reduction in ringfenced grant now rolled into the core funding envelope total.
- Pay inflation has been moved out of committee budgets until the pay increase agreed for future years. Plus the rate of inflation for pay has been increased to 3.5% pa from 2.5% pa to reflect current trends.
- New homes forecast estimate increased from the MTFS value of 1,800 up to 1,950 in line with Planning assumptions.
- A further year of top up to General Fund at £5m has been added to 2029/30 to reach a £25m General Fund balance by the end of medium term.
- Capital programme review to reduce the borrowing associated with the current MTFS planned programme by a third.
- Reduction in the bad debt provision by a targeted £1m for 2026/27.
- The risk central budget planned from 2026/27 as shown in Table 1 has been consumed within the contingency budget to create one fund.

- 24 The additional growth figures added for Adults, Children and cross council transformation are still under review and will be refined before the final budget in February 2026. The assumptions have been made to recognise that social care front line services cannot be cash flat over the medium term, nor can necessary improvements be made without substantial pump priming to adequately resource any cost of change.
- 25 Over time the aspiration is to have mature demand management strategies within Adult and Children's social care through early help and prevention services for example to help manage future growth.
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Table 2: Base Scenario position for 2026/27 to 2029/30	Approved Budget 2025/26 £m	Estimated Net Budget 2026/27 £m	Estimated Net Budget 2027/28 £m	Estimated Net Budget 2028/29 £m	Estimated Net Budget 2029/30 £m
Adults & Health	159.4	167.4	172.8	178.1	188.1
Children & Families	97.3	101.1	104.8	108.3	118.3
Corporate Policy	42.8	45.8	46.1	46.0	46.0
Economy & Growth	28.4	28.7	28.7	28.6	28.6
Environment & Communities	45.7	47.6	47.2	52.5	52.5
Highways and Transport	16.9	16.9	16.9	16.8	16.8
Council Wide Transformation savings	-13.5	-34.2	-45.2	-45.2	-45.2
Transformation pump priming	0.0	15.0	5.0	0.0	0.0
Total Service Budgets	377.1	388.4	376.2	385.1	405.1
<i>CENTRAL BUDGETS:</i>					
Capital Financing	35.0	35.0	37.6	38.9	38.7
Flexible use of Capital Receipts	-1.0	-10.0	-5.0	-1.0	-1.0
Bad Debt Provision (change)	-0.1	-1.0	-0.1	-0.1	-0.1
Contingency Budget	16.0	44.7	49.7	61.5	69.5
Pay inflation	0.0	10.2	18.4	26.7	35.1
Pension adjustment	-0.7	-0.7	-0.7	-0.7	-0.7
Use of (-) / Top up (+) Reserves	1.3	5.0	8.9	8.9	5.0
Total Central Budgets	50.5	83.1	108.9	134.3	146.5
TOTAL: SERVICE + CENTRAL BUDGETS	427.6	471.5	485.1	519.4	551.6
<i>FUNDED BY:</i>					
Council Tax	-307.3	-326.3	-345.8	-366.3	-388.1
Business Rate Retention Scheme	-57.1	-47.1	-46.8	-46.9	-47.0
Revenue Support Grant	-0.8	-63.9	-79.8	-85.3	-86.2
Specific Unring-fenced Grants + DAMPING	-37.1	-0.9	2.3	3.9	-0.9
TOTAL: FUNDED BY	-402.4	-438.2	-470.1	-494.6	-522.2
Exceptional Financial Support - Capitalisation Directi	-25.3				
Funding Position (+shortfall)	0.0	33.3	15.0	24.8	29.4

26 There are various other potential changes that may improve or worsen this position further and two further optimistic/pessimistic case scenarios are set out in Tables 3 and 4 below.

Budget assumption updates – optimistic scenario

27 The optimistic scenario uses the base scenario in Table 2 and then includes the following additional assumptions:

- Reduced transformation pump prime funding to +£10m in 2026/27 in line with the budgeted use of capital receipts.
- Increase new homes predication to +1.2% taxbase growth for 2026/27. This would equate to a total of 2,350 new homes which is an increase of 400 homes compared to the base scenario position of 1,950.
- Further capital review to reduce the borrowing associated with the current MTFS planned programme by 50% rather than the reduction of a third as included in the base scenario in Table 2.
- A standard vacancy factor of 5% has been deducted from base service budgets.

Table 3: Optimistic Scenario position for 2026/27 to 2029/30	Revised Budget 2025/26 £m	Estimated Net Budget 2026/27 £m	Estimated Net Budget 2027/28 £m	Estimated Net Budget 2028/29 £m	Estimated Net Budget 2029/30 £m
Adults & Health	159.4	165.1	170.4	175.7	185.7
Children & Families	97.3	99.3	102.9	106.5	116.5
Corporate Policy	42.8	44.3	44.7	44.5	44.5
Economy & Growth	28.4	28.0	27.9	27.8	27.8
Environment & Communities	45.7	46.0	45.5	50.9	50.9
Highways and Transport	16.9	16.7	16.7	16.6	16.6
Council Wide Transformation savings	-13.5	-34.2	-45.2	-45.2	-45.2
Transformation pump priming	0.0	10.0	5.0	0.0	0.0
Total Service Budgets	377.1	375.1	368.0	376.9	396.9
<i>CENTRAL BUDGETS:</i>					
Capital Financing	35.0	34.5	36.7	37.8	37.5
Flexible use of Capital Receipts	-1.0	-10.0	-5.0	-1.0	-1.0
Bad Debt Provision (change)	-0.1	-1.0	-0.1	-0.1	-0.1
Contingency Budget	16.0	44.7	49.7	61.5	69.5
Pay inflation	0.0	10.2	18.4	26.7	35.1
Pension adjustment	-0.7	-0.7	-0.7	-0.7	-0.7
Use of (-) / Top up (+) Reserves	1.3	5.0	8.9	8.9	5.0
Total Central Budgets	50.5	82.6	108.0	133.1	145.3
TOTAL: SERVICE + CENTRAL BUDGETS	427.6	457.7	476.0	510.0	542.1
<i>FUNDED BY:</i>					
Council Tax	-307.3	-327.0	-347.5	-369.2	-392.4
Business Rate Retention Scheme	-57.1	-47.1	-46.8	-46.9	-47.0
Revenue Support Grant	-0.8	-63.9	-79.8	-85.3	-86.2
Specific Unring-fenced Grants + DAMPING	-37.1	-0.9	2.3	3.9	-0.9
TOTAL: FUNDED BY	-402.4	-438.9	-471.8	-497.5	-526.5
Exceptional Financial Support - Capitalisation Directi	-25.3				
Funding Position (+shortfall)	0.0	18.9	4.2	12.5	15.6

- 28 Exceptional Financial Support was used to support the balancing of the budget for 2025/26. Finance Sub Committee recommend to Corporate Policy Committee that delegation be approved to allow the S151 Officer permission to continue dialogue with MHCLG on the continued use of Exceptional Financial Support over the medium term of the MTFS to 2030 on a reducing basis to allow the transformation programme time to deliver on scaling down the budget to enable the authority to live within the future forecast funding envelopes.

Budget assumption updates – pessimistic scenario

- 29 The pessimistic scenario uses the base scenario in Table 2 and then includes the following additional assumptions:
- As part of this scenario modelling we have taken a “what if” approach to the delivery of the transformation programme savings by reducing the savings deliverable by 50% and rephasing the over the final year of the MTFS.
 - Additional pay inflation added to increase the rate to 5% per annum (up from 3.5%).
 - Remove all top ups to General Fund reserves currently forecast.

- Increase to the budgets set aside to manage potential National Living Wage increases within provider costs. This moves towards a Real Living Wage value for these costs.
- Non-pay budgets increased by 0.5% to factor in further inflationary pressures specifically within premises, transport and supplies and service budgets.
- The current year net forecast over-spend of £3.1m is assumed to continue as a base pressure into 2026/27.

Table 4: Pessimistic Scenario position for 2026/27 to 2029/30	Revised Budget 2025/26 £m	Estimated Net Budget 2026/27 £m	Estimated Net Budget 2027/28 £m	Estimated Net Budget 2028/29 £m	Estimated Net Budget 2029/30 £m
Adults & Health	159.4	171.5	178.1	185.0	194.1
Children & Families	97.3	102.4	106.4	110.3	120.1
Corporate Policy	42.8	45.8	46.1	46.0	46.0
Economy & Growth	28.4	28.8	28.8	28.6	28.6
Environment & Communities	45.7	47.6	47.2	52.5	52.5
Highways and Transport	16.9	17.0	17.0	16.9	16.9
Council Wide Transformation savings	-13.5	-16.7	-20.7	-23.9	-26.2
Transformation pump priming	0.0	15.0	5.0	0.0	0.0
Total Service Budgets	377.1	411.3	407.9	415.6	432.0
<i>CENTRAL BUDGETS:</i>					
Capital Financing	35.0	35.0	37.6	38.9	38.7
Flexible use of Capital Receipts	-1.0	-10.0	-5.0	-1.0	-1.0
Bad Debt Provision (change)	-0.1	-1.0	-0.1	-0.1	-0.1
Contingency Budget	16.0	52.1	57.3	69.0	77.0
Pay inflation	0.0	13.8	25.6	37.5	49.5
Pension adjustment	-0.7	-0.7	-0.7	-0.7	-0.7
Use of (-) / Top up (+) Reserves	1.3	0.0	3.9	3.9	0.0
Total Central Budgets	50.5	89.2	118.6	147.6	163.4
TOTAL: SERVICE + CENTRAL BUDGETS	427.6	500.5	526.5	563.2	595.4
<i>FUNDED BY:</i>					
Council Tax	-307.3	-326.3	-345.8	-366.3	-388.1
Business Rate Retention Scheme	-57.1	-47.1	-46.8	-46.9	-47.0
Revenue Support Grant	-0.8	-63.9	-79.8	-85.3	-86.2
Specific Unring-fenced Grants + DAMPING	-37.1	-0.9	2.3	3.9	-0.9
TOTAL: FUNDED BY	-402.4	-438.2	-470.1	-494.6	-522.2
Exceptional Financial Support - Capitalisation Directi	-25.3				
Funding Position (+shortfall)	0.0	62.3	56.4	68.6	73.2

Budget assumption - Devolution

- 30 In an announcement made on 17 July 2025, the government confirmed that Cheshire and Warrington have passed the necessary statutory tests and can continue work on securing a devolution agreement for the area.
- 31 The government also confirmed that, subject to the consent of all three councils, Cheshire and Warrington are able to establish a Mayoral Combined Authority early in 2026 and move the Mayoral election from May 2026 to May 2027.
- 32 At an extraordinary meeting of Full Council on 17 September 2025, Cheshire East voted to approve devolution in Cheshire and Warrington

region. Given the authority is still in the early stage of development plans there are no financial implications as a result of devolution included in the budget assumptions within this paper.

Next steps and planned approach

- 33 The Council will continue to review its MTFS and budget reductions programme going forward. The assumptions included within this report will be refreshed through October to take account of available information on Government funding decisions as well as the macro-economic environment, and reported as part of the budget consultation in November. These impacts will again be profiled into optimistic and pessimistic scenarios, to create a range of potential budget gaps to ensure prudence in budget setting.
 - 34 For 2026/27, work has been undertaken to create a longlist of options for budget reduction identification. In the approach taken, the Council will identify shorter-term horizon options to support 2026/27 alongside the longer-term transformational options for later years.
 - 35 Business cases and delivery plans are being presented to an additional Corporate Policy Committee on 30 October 2025. This additional meeting provides for further oversight of the budget process by elected members before moving into scrutiny, consultation and engagement with Service Committees in November 2025.
 - 36 Over the period October to January, these proposals will be further developed to ensure robust delivery plans are in place and work will commence, with a view to maximising the full year effect of delivery in 2026/27. Priority will be placed on income maximisation across all service areas to reduce the burden on expenditure reductions, however there will be a need for efficiencies in costs alongside a genuine requirement to invest in transformation where the return on investment delivers long-term improvements in outcomes for residents in line with the Cheshire East Plan alongside recurrent reductions in costs that support the MTFS.
 - 37 The draft budget proposals will then be presented to Corporate Policy Committee at the end of October for consultation and engagement both online and in person sessions with various stakeholders. This will likely be prior to the Provisional Local Government Finance Settlement so would be updated with changes as a result of those announcements.
 - 38 Appendix 1 contains a reminder of the budget setting and transformation combined timeline as presented to Finance Sub Committee in June 2025.
-

- 39 This report asks the Committee to approve the approach to consultation and engagement, including:
- To engage immediately during October through a high level prioritisation survey.
 - To undertake a full consultation on potential detailed budget change proposals from the beginning of November through to the end of January 2026. The form of consultation will be wider than just an online survey and will aim to include for example; Youth Council, Citizens Panel, Adult Social Care Reference Group, Town and Parish Council's and Schools.

Consultation and Engagement

- 40 The annual business planning process involves engagement with local people and organisations. Local authorities have a duty to consult on their budget with certain stakeholder groups and in Cheshire East we include the Schools Forum as well as business rate payers (with whom we must consult statutorily). In addition, the Council chooses to consult with other stakeholder groups. The Council continues to carry out stakeholder analysis to identify the different groups involved in the budget setting process, what information they need from us, the information we currently provide these groups with, and where we can improve our engagement process.

Reasons for Recommendations

- 41 The Corporate Policy Committee receive recommendations from the Finance-Sub Committee regarding management and oversight of the Council's finances, performance, corporate risk management and development of the Medium-Term Financial Strategy. This includes the setting and monitoring of the capital and revenue budgets in accordance with the Cheshire East Plan and the Policy Framework.
- 42 This report enables the Committee to understand the assumptions underpinning the current MTFS and changes since that time. The Working Group will continue to review the detail behind the assumptions and the Committee will be informed of any changes required to accurately develop a robust budget for the MTFS for 2026/27 and over the medium term.

Other Options Considered

- 43 Not applicable.
-

Option	Impact	Risk
Do nothing	Not an option as the council must legally set a balanced budget for the coming financial year	The Council would be acting unlawfully if budgets are not aligned to available resources

Implications and Comments

Monitoring Officer/Legal/Governance

- 44 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.
 - 45 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.
 - 46 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.
 - 47 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.

- 48 This report provides an update on progress towards the setting of the 2026/27 budget.
- 49 It also provides updates and comments regarding the Council's use of 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

- 50 The current financial assumptions and timescales within this report provide up to date information on the Council's MTFS progress for the period 2026/27 to 2029/30, specifically aimed at setting the budget for 2026/27 which legally has to be completed by 11 March 2026. Further details are contained within the body of this report.

Human Resources

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

Risk Management

- 52 Financial risks are assessed and reported on a regular basis, and remedial action taken if required. Risks associated with the achievement of the 2025/26 budget and the level of general reserves were factored into the 2025/26 financial scenario, budget, and reserves strategy.

Impact on other Committees

- 53 All committees will work towards bringing forward budget change proposals to assist with the medium term financial strategy.

Policy

- 54 The Cheshire East Plan sets the policy context for the MTFS and the two documents are aligned. Any policy implications that arise from activities funded by the budgets that this report deals with will be dealt with in the individual reports to Members or Officer Decision Records to which they relate. This contributes to Commitment 3: An effective and enabling Council.
-

Equality, Diversity and Inclusion

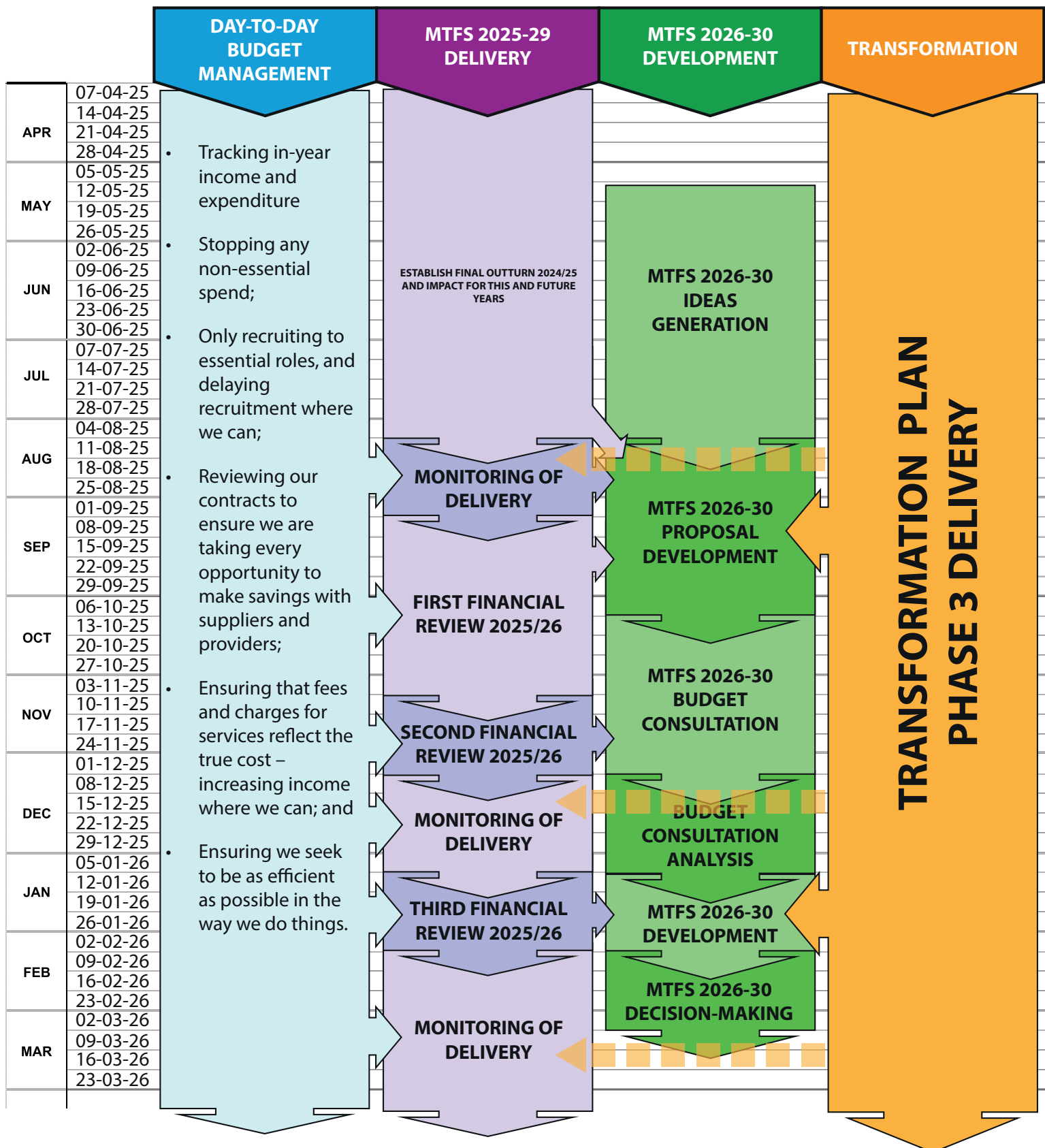
- 55 Any equality implications that arise from activities funded by the budgets that this report deals with will be dealt within the individual reports to Members or Officer Decision Records to which they relate.

Consultation

Name of Consultee	Post held	Date sent	Date returned
Statutory Officer (or deputy):			
Ashley Hughes	S151 Officer	12/9/2025	18/9/2025
Kevin O'Keefe	Interim Monitoring Officer	12/9/2025	16/9/2025
Legal and Finance			
Chris Benham	Director of Finance	12/9/2025	17/9/2025
Julie Gregory	Legal Manager	12/9/2025	16/9/2025

Access to Information	
Contact Officer:	Chris Benham – Director of Finance Chris.benham@cheshireeast.gov.uk
Appendices:	Appendix 1 - Budget setting and transformation - combined timeline
Background Papers:	The following are links to key background documents: MTFS 2025-2029 Financial Review 1 2025/26

Budget setting and transformation - combined timeline



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OPEN

Corporate Policy Committee

2 October 2025

Violence and Aggression - Health and Safety Policy

**Report of: Kevin O'Keefe, Interim Director of Law and Governance
(Monitoring Officer)**

Report Reference No: CPC/40/25-26

Ward(s) Affected: All

For Decision

Purpose of Report

- 1 The purpose of this report is to outline and seek approval of the Council's Violence and Aggression Health and Safety Policy, attached at Appendix 1, in line with the Committee's responsibilities for Health and Safety matters affecting the Council and the adoption of policies in relation to staffing matters.

Executive Summary

- 2 Whilst there are occasions when clients and members of the public may be anxious and distressed, the Council does not accept that violence and aggression towards those working for it is acceptable and therefore takes a zero-tolerance approach towards violent or aggressive behaviour directed towards staff.
- 3 The Violence and Aggression Health and Safety Policy complements other existing Health and Safety and HR policies and provides a framework for the recognition of, response to and management of aggression and violence so that employees have better knowledge of how to deal with potential scenarios, or to respond to situations when they arise.

RECOMMENDATIONS

The Corporate Policy Committee is recommended to:

1. Approve the adoption of the Violence and Aggression Health and Safety Policy.

Background

- 4 The Council **does not accept** that violence and aggression should be part of any working situation, whether that is in a physical or virtual/cyber space, and does not accept that employees should have to work in fear of physical or verbal abuse or threats. The policy is intended to support a working environment and culture in which aggressive or violent behaviour towards those working on behalf of the Council **is unacceptable**.
- 5 Whilst this is a new Health and Safety Policy, much of the content has previously been available through previous policy, guidance and support from the Health and Safety team. Following an officer working group on lone working and aggression towards staff, the opportunity has been taken to introduce this as a separate policy, ensuring a shared, clear and consistent guidance and approach is in place.
- 6 The policy complements the existing policy and guidance notes on lone working, risk assessment and social media use and identifies the roles and responsibilities of the Council's senior management, line managers and individual employees. The policy encourages proactive assessment of situations where employees may anticipate a risk of violence and aggression and provides suggestions on actions that can be introduced to manage the risk. Support and advice on individual scenarios can always be provided by the Council's Health and Safety advisors.
- 7 We encourage information about incidents of violence and aggression experienced by staff members to be reported internally and escalated to the police where appropriate.
- 8 Table 1 provides details of the incidents towards staff from members of the public, recorded from 2022/23 onwards. Table 2 provides details of the incidents analysed by directorate and service areas.

Table 1

	2022/23	2023/24	2024/25	2025/26 to date
Physical assault, aggressive behaviour and threatening behaviour	62	22	57	18
Verbal abuse / offensive language	45	39	14	3
	107	61	71	21

Table 2

	2022 /23	2023 /24	2024 /25	2025 /26 to date
Adults Health & Integration	16	7	6	4
Care4CE	3	2	1	0
Safeguarding & Social Care	13	5	5	4
Children's Services	6	3	4	2
Children in Need and Child Protection	4	1	2	1
Education, Strong Start and Integration (Family Hub)	1	1	2	1
Family Help and Childrens Social Care	1	1	0	0
Place	78	44	49	12
Environmental and Neighbourhood Services (Libraries)	12	12	19	6
Environmental and Neighbourhood Services (Environment Operations) ANSA to be added in	4	5	13	3
Planning	0	0	1	0
Growth and Enterprise (Housing)	0	1	1	0
Growth and Enterprise (Rural & Cultural Economy)	0	0	1	2
Strategic Transport and Parking (Enforcement)	65	31	23	4
Resources - People and Customer Experience (Customer Services)	3	2	3	0
Chief Executives Office -Governance and Compliance	1	0	0	0
Total incidents recorded	107	61	71	21

- 9 Whilst not welcome, it is not unexpected that some staff areas receive more threats and aggression than others, and that these are the areas where staff work more closely with residents and service users, often in difficult and sensitive situations. Proactively considering the potential challenges and risks to individual safety, and ensuring that appropriate, proportionate measures are in place is a key responsibility of the employer.
- 10 Whilst the recorded incidents provide insight, the data will likely be an “underreported” overall position; individual perceptions of an incident, and whether to report it or not will vary based on personal tolerances. Verbal abuse, bad language or derogatory comments are an example of where staff tolerance will vary greatly. Encouragement to report and record incidents is important and the working group concluded that steps need to be taken to empower and support staff to report incidents and take action.
- 11 Subject to approval, awareness of the policy and the advice and guidance it sets out will be raised through reference in staff communications, engagement sessions with managers, and attendance at staff meetings as requested. Adoption of the policy provides reassurance to staff that they will be supported by the senior leaders of the organisation in dealing with incidents if they arise.

Consultation and Engagement

- 12 The policy has been reviewed through the Corporate Health and Safety Forum which includes management and staff representatives from across the organisation and representatives of the Council's recognised Trade Union representatives.

Reasons for Recommendations

- 13 The adoption of the Violence and Aggression Health and Safety policy ensures that there is shared understanding of the Council's responsibilities as an employer towards this area of risk, that employees understand their respective roles and responsibilities and the resources available to them to minimise and mitigate risks from violence and aggression directed towards them.

Other Options Considered

- 14 Arrangements could have remained informal, but this would not demonstrate the Council's commitment to the health, safety and wellbeing of those who work for it or provided effective arrangements to ensure colleagues understand how to assess and minimise the risks of violence and aggression towards them, nor does it ensure a consistent view across the organisation.

Implications and Comments

Monitoring Officer/Legal/Governance

- 15 Under the Council's Constitution, Chapter 2, Part 5, the Corporate Policy Committee has responsibility for 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
- 16 The adoption of the policy supports the Council's responsibilities under the Health and Safety at Work etc. Act 1974 to provide safe systems of work and a safe workplace, and the Council's responsibilities under the Management of Health and Safety at Work Regulations 1999, which require that a suitable and sufficient assessment be undertaken of the risks to the health and safety of employees whilst at work and this would include the risks of violence and aggression that employees may be subjected to.

Section 151 Officer/Finance

- 17 There are no direct financial implications associated with approving the Policy and there is no impact on the council's Medium Term Financial Strategy (MTFS). Individual services are responsible for the resource

implications of any additional resources which would be required to support safer working conditions for employees.

Human Resources

- 18 The adoption of the policy supports safer working conditions for those working on behalf of the Council, which should in turn, ensure a working environment which staff should expect to work within, reducing the risk of absences arising from incidents and stress. It provides a mandate for staff to feel confident that the Council supports a zero tolerance attitude in dealing with incidents of violence and aggression towards its staff.

Risk Management

- 19 The policy has been drafted in line with current legislation and best practice, following an officer working group on the risks of lone working and aggression. It provides support to reduce the likelihood and impact of violence and aggression being directed towards staff, improving our working environment and wellbeing, demonstrating the Council's understanding of its employment responsibilities under the relevant Health and Safety legislation.

Impact on other Committees

- 20 The recommendations of this report do not directly impact any other committees.

Policy

- 21 The adoption of this policy contributes to the Council's delivery of its responsibilities as an employer, supporting and promoting a safe working environment for colleagues. This directly supports the commitment of being an effective and enabling council and directly supports all aspects of Corporate Plan commitments.

Commitment 1: Unlocking prosperity for all	Commitment 2: Improving health and wellbeing	Commitment 3: An effective and enabling council
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Equality, Diversity and Inclusion

- 22 There are no direct implications arising from this report in respect of equality, diversity and inclusion.

Other Implications

- 23 There are no direct implications for Rural Communities, Children and Young People, Public Health or Climate Change arising from the recommendations of this report.

Consultation

Name of Consultee	Post held	Date sent	Date returned
<i>Statutory Officer (or deputy) :</i>			
Ashley Hughes	S151 Officer	16/09/25	19/09/25
Kevin O'Keefe	Acting Monitoring Officer	10/09/25	10/09/25
<i>Legal and Finance</i>			
Paul Davies	Senior Employment Lawyer	09/09/25	12/09/25
Steve Reading	Finance Manager (Place & Corporate)	09/09/25	11/09/25

Access to Information	
Contact Officer:	Josie Griffiths Head of Audit Risk and Assurance josie.griffiths@cheshireeast.gov.uk
Appendices:	Appendix 1 – Violence and Aggression Health and Safety policy and Guidance Note.
Background Papers:	n/a

HEALTH AND SAFETY

Policy & Guidance Note



Document No: 1	Issue No: 1	Issue Date: October 2025 Review Date October 2027	Responsibility / Owner: Corporate Health & Safety Service
Violence and Aggression			

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Contact: Corporate Health & Safety Team

REVISION TABLE

Issue Number	Date issued	Revision / Change
1	October 2025	New Policy

1. INTRODUCTION

As an employer Cheshire East Council must ensure, so far as is reasonably practical, the health, safety and welfare of all its employees and others working on its behalf such as agency workers, apprentices and volunteers. The Council accepts that there are occasions when employees are required to work with clients and members of the public who are anxious or distressed and so may be more inclined to direct aggressive or violent behaviour towards them.

The Council **does not accept** that violence and aggression should be part of any working situation, whether that happens in a physical or virtual space, and does not accept that employees should have to work in fear of physical or verbal abuse or threats and intimidation. The Council therefore takes a zero-tolerance approach to violent or aggressive behaviour directed towards its employees and will fully support anyone who is faced with such behaviour.

The Council is committed to developing strategies to deal with problems of violence towards its employees. This document is intended to support a working environment and culture in which aggressive or violent behaviour **is unacceptable**. It provides a framework for the recognition of, response to and management of aggression and violence so that employees have better knowledge of how to deal with potential or actual cases as they arise.

This Guidance Note should be read in conjunction with the Council Guidance Note on Lone Working, Risk Assessment Guidance Note and the Council's Social Media Policy, all of which can be found on the Centranet.

2. LEGAL REQUIREMENTS

Under Section 2 of the Health and Safety at Work etc. Act 1974, the Council has a general duty to provide safe systems of work, a safe workplace and safe plant and equipment.

The Management of Health and Safety at Work Regulations 1999 require that a suitable and sufficient assessment be undertaken of the risks to the health and safety of employees whilst at work and this would include the risks of violence and aggression that employees may be subjected to.

3. RESPONSIBILITIES

3.1. Chief Executive

The Chief Executive has the overall responsibility for ensuring that the Council has robust policies and procedures in place for dealing with aggressive and violent behaviour towards employees. The requirements of this policy will be implemented through the Executive Directors, Directors, Heads of Service, Departmental Managers and Supervisory Management.

3.2. Executive Directors, Directors, Heads of Service

Executive Directors, Directors and Heads of Service will ensure that, within their areas of responsibility, the necessary resources are made available to implement this policy, these including those required for security systems and equipment, training and managerial support.

3.3. Line Managers

Line Managers must ensure that:

- Employees are made aware of this policy and guidance note and of the measures taken by the Council to reduce the risks of violence and aggression towards employees.
- Risk assessments are prepared for the risks that employees may encounter whilst carrying out their duties. These should include assessments of current working practices, the working environment, existing measures implemented in order to prevent and manage violent incidents and the identification of training needs. They should be reviewed on a regular basis to ensure that they remain suitable and sufficient.
- The Council Policy and Guidance Note on Risk Assessment and the associated risk assessment template can be found in the Health and Safety Section of the Centranet by visiting the Intranet site, clicking onto 'Document Finder' then 'Documents by Topic' and then 'Health and Safety'.
- The findings of the risk assessments should be communicated to employees who may be affected by them and a register of completed risk assessment forms should be accessible to all employees and a copy kept in work areas.
- Safe systems of work are established and maintained.
- Employees receive appropriate training in the handling of aggressive and violent behaviour.
- Employees are aware of where to request assistance in the event of a potential incident involving violence and aggression or after such an event has occurred.
- Employees report all incidents involving violence and aggression to their manager and that these are recorded on the Accident Management System.
- Following an incident, undertake a full investigation, in order to determine what occurred and whether any changes in procedure or other preventative actions are required in order to reduce the risk of a reoccurrence. Any employees involved in the incident should be de-briefed and where required offered support and counselling.

- All equipment, such as personal protection alarms, which is related to dealing with violent or aggressive incidents is readily available and in good working order.

3.4. Employees

Employees are responsible for:

- Complying with this policy and guidance note.
- Not undertaking any activities that may cause themselves or others harm.
- Adhering to any instruction, information and training that they have received.
- Ensuring that incidents are reported on the Accident Management System using the correct reporting procedure.
- Reporting any concerns to their line manager or Trade Union Official.

4. POTENTIAL HAZARDS

Employees could encounter any of the following:

- Verbal or physical assault.
- Sexual or racial harassment.
- Robbery or attack (especially employees who are thought to be carrying money, mobile phones or other valuable items).
- Illness or psychological trauma (e.g. arising from being forcibly/physically detained).
- Problems with communication (e.g. inadequate mobile phone signal).
- Being attacked or bitten by an animal.
- Receiving abusive and intimidating communications

The risks can be greater for employees when they are:

- Visiting peoples' homes.
- Working alone 'out of hours' in vulnerable areas e.g. town centres, carparks etc. where there might be danger from people affected by alcohol or drugs.
- Travelling alone either at night, in extreme weather conditions or along seldom used roads.
- Meeting with people previously unknown to them.
- Carrying out specific roles including enforcement (civil and planning), regulatory inspections, social working, care working etc. or handling cash.
- Working in remote, rural or isolated workplaces.

5. DEFINITION OF VIOLENCE AND AGGRESSION

The EU definition of work-related violence and aggression is 'Any incident where staff are abused, threatened or assaulted in circumstances related to their work involving an explicit challenge to their safety, well-being or health.'

6. RISK ASSESSMENT

Line Managers should prepare risk assessments for all situations or activities where it is anticipated that employees may be at risk of being subjected to violence and aggression. These risk assessments should be undertaken in consultation with relevant employees and safety representatives to ensure that all relevant hazards have been identified and appropriate controls chosen. Low risk activities occurring on an infrequent basis can be included in the team activity risk assessment instead of having a specific risk assessment. High risk activities will need specific risk assessments to be undertaken, and, in some circumstances, dynamic risk assessments will need to be undertaken whilst the activity is underway.

When undertaking the risk assessment, the following should be considered:

- Have employees received adequate training to deal with the risks that they may encounter e.g. service users who may pose a high risk of causing violence or be aggressive?
- Have employees been provided with all necessary equipment (e.g. mobile phones, personal attack alarms, body cameras, radios, personal protective equipment) etc.
- Are the employees' lone workers capable of undertaking lone working duties and able to adequately control the risks of the job. See Lone Working Guidance Note.
- Is there a means of summoning help and agreeing a response procedure.

7. SAFE WORKING ARRANGEMENTS

Managers should ensure that in all areas where there is a risk of violence and aggression there is a means of communication with a manned back office or some other contact point (e.g. panic buttons at reception desks, and in interview rooms). These arrangements should be checked on a regular basis to ensure that they are operational. Safe-working arrangements for lone workers are discussed in the Corporate Guidance Note on Lone working.

A word or phrase should be decided on which the employee/s can use to alert the contact point that assistance is required.

Employees must be aware of signs that could indicate that they may be at risk of violence and aggression. These could include changes in the behaviour or speech (e.g. a change in tone) of the person that they are dealing with, or that person may be showing signs of being under the influence of alcohol or drugs.

When using areas such as interview rooms, employees should ensure that they remain between the exit door and the person in the room so that they can effect a rapid escape if necessary.

8. ACTION TO BE TAKEN IN THE EVENT OF IMMINENT OR ACTUAL VIOLENCE

Employees should:

- Seek immediate assistance from anyone available including their Line Manager or Supervisor (Shout for help if necessary). Retreat if physical violence is used.
- Assess the situation to decide if the incident can be contained or if additional assistance is required. Where appropriate use verbal techniques to de-escalate behaviour.
- Where an individual considers that the presence of the police is required then they should dial 999. The Police should be called if employees feel threatened or have been harmed or there is an immediate risk of harm to others.
- Employees involved in an incident should take all necessary steps to ensure the safety of:
 - Themselves and people in close proximity
 - Those involved in the incident (including seeking medical assistance or first aid assistance where required)

The conservation of property should not be seen as having a high priority.

9. TRAINING

Training available via the Workforce Development Team includes de-escalation techniques and personal safety (these must be included in each service area's team training plan and agreed with Workforce Development prior to submitting a request for corporate funding to be provided).

Introduction to the Accident Management System/refresher sessions and generic risk assessment training are arranged via the Corporate Health and Safety Admin Officer.

10. INCIDENT REPORTING

All accidents, incidents and near misses which occur during working activities must be investigated by the line manager and reported on the Accident Management System as soon as possible.

11. INVESTIGATION

An investigation will be conducted as soon as possible after receiving a report of violence or aggression at work. The relevant manager will write to the victim confirming that they are conducting an investigation along with the time scales for completion. The investigator will meet with the victim to gather as much detail as possible about the incident, including who the alleged perpetrator is; the nature of the incident; the time and date of the alleged act of violence or aggression and the details of any potential witnesses. All physical attacks that result in injury will be reported to the Police, unless the victim objects. For physical attacks that do not result in injury, the Council will involve the police only if the victim requests this.

If the Police are involved, the investigator will need to ensure that their investigation does not prejudice or disrupt the Police proceedings. In these circumstances, the investigator will pursue the investigation as far as possible in the normal way while ensuring that they cooperate with any requests made by the Police including any instructions that they give about what matters can be pursued.

12. ADDITIONAL SUPPORT FOR EMPLOYEES

Following being involved in an incident, employees may require additional support, and this can be provided via:

- The Occupational Health Service (e.g. for counselling – where the employee is referred by their manager)
- Employee Assistance Programme – which is available 365 days throughout the year and provides free and confidential access to information and advice and support to all CEC employees and their families. Access is via 0800 111 6387 and www.my-eap.com/login.
- Mental Health first aiders

External sources of help and support are also available for individuals who experience violence or aggression at work, these including:

- Victim Support NI – Supporting People Affected by Crime
- Information and support for victims and witnesses – The Crown Prosecution Service
- Get support as a victim of crime – GOV.UK

13. FURTHER ACTION FOLLOWING THE INCIDENT/INVESTIGATION

This may include:

- A discussion with the perpetrator to attempt to find agreement on ways of preventing a recurrence.
- A letter to the aggressor explaining why their behaviour was unacceptable and setting out criteria for future conduct.
- Liaising with the Police to provide them with any necessary information
- Formal communication requiring the perpetrator not to enter any or all of the Council's premises or make use of its services.
- Wider steps to reduce the risk of work-related violence or aggression e.g. changing the workplace design, providing information and training, amending agreed communication channels, or amending working procedures.

In all cases, the relevant manager will write to the employee informing them of the outcome and of what further actions are being taken

Employees should be encouraged to use the criminal justice system to prevent occurrences of violence and aggression, whether it is physical assaults or verbal abuse.

There are numerous offences within the Public Order Act to cater for violence and aggression where no physical assault has taken place.

Where employees have actually been physically assaulted then these offences fall within the Offences Against the Persons Act and attract a higher sentence from the courts.

14. POLICE POWERS

Breach of the Peace – The Police can arrest and take away an offender only if they are still committing the breach or if it is likely that the breach will occur again.

Actual Bodily Harm, Theft, Damage – The Police can arrest if the offence has been committed, the offence is in progress, or the police believe the offence is about to be committed.

Arrest – If an arrest is made, the Police will expect employees who have witnessed that event to be prepared to make statements and to appear in court as witnesses, for which employees will receive support from their line manager and the Legal Services team.

15. DATA PROTECTION

The Council will ensure that individuals personal data, including information about their health, collected when preventing and dealing with violence at work (for example during risk assessments and accident investigations) is handles in accordance with the Council's policies on data protection.

16. REFERENCES

- Health and Safety at Work etc. Act 1974
- Management of Health and Safety at Work Regulations 1999
- Worker Protection (Amendment of Equality Act 2010) Act 2023
- The Protection from Harassment Act 1997
- Corporate Policy on Lone Working
- Social Media Policy

17. GUIDANCE NOTE REVIEW

This document will be reviewed on a biennial basis or earlier if required.

Corporate Policy Committee Work Programme 2025-26

Report Reference	Corporate Policy Committee	Title	Purpose of Report	Lead Officer	Consultation	Equality Impact Assessment	Part of Budget and Policy Framework	Exempt Item	Decision or Scrutiny
October 2025									
CPC/50/25-26	30 October 2025	MTFS Planning Consultation	To receive an update on the progress of the budget setting for 2026-30 and approve the Budget Consultation and engagement process and material for the four years 2026-2030.	Executive Director of Resources and S151 Officer	No	No	No	No	Decision
November 2025									
CPC/06/25-26	27/11/25	Council Tax Base 2026/27 (Corporate Policy Committee)	The report notifies of the Council Tax Base for Cheshire East and identifies any changes to the calculation of the tax base for 2026/27, so they can recommend the amount calculated to Council in accordance with the Local Authorities (Calculation of Tax Base) Regulations 1992. Cheshire East Council is required to agree the tax base before 31st January 2026	Executive Director of Resources and S151 Officer	No	No	Yes	No	Decision
CPC/26/25-26	27/11/25	Second Financial Review of 2025/26	To note and comment on the Second Financial Review and Performance position of 2025/26, including progress on policy proposals and material variances from the MTFS and (if necessary) approve Supplementary Estimates and Virements	Executive Director of Resources and S151 Officer	No	No	Yes	No	Scrutiny

Corporate Policy Committee Work Programme 2025-26

CPC/13//25-26	27/11/25	Medium Term Financial Strategy Consultation 2026/27 - 2029/30	All committees are being asked to provide feedback in relation to their financial responsibilities as identified within the Constitution and linked to the budgets approved by the Finance Sub-Committee in 2025. Responses to the consultation would be reported to the Corporate Policy Committee to support that Committee in making recommendation to Council on changes to the current financial strategy	Executive Director of Resources and S151 Officer	No	No	Yes	No	Scrutiny
CPC/18/25-26	27/11/25	Q2 Strategic Risk Update	This report provides an update on the activity of the Council's strategic risk register for Q1.	Director of Law and Governance (Monitoring Officer)	No	No	No	Yes in part	Scrutiny
CPC/44/25-26	27/11/25	Corporate Improvement and Delivery Plan including Q2 progress	An overarching Corporate Improvement Plan which supersedes the Corporate Peer Challenge Action Plan.	Director of Law and Governance (Monitoring Officer)	No	No	No	No	Scrutiny
CPC/47/25-26	27/11/25	Retained ICT Shared Service & Gemini Phase 2 Update	Update on Phase 2 Update	Executive Director of Resources and S151 Officer	No	No	No	TBC	Scrutiny
February 2026									

Corporate Policy Committee Work Programme 2025-26

CPC/19/25-26	12/02/26	Medium term Financial Strategy 2026/27 - 2029/30 (Corporate Policy Committee)	To recommend the Medium-Term Financial Strategy for 2026 to 2030 to Council for approval. The report will incorporate the Council's priorities, budget, Policy Proposals and Capital Programme. The report will also include the Capital, Treasury Management, Investment and Reserves Strategy	Executive Director of Resources and S151 Officer	No	No	Yes	No	Decision / Scrutiny
CPC/27/25-26	12/02/26	Third Financial Review of 2025/26	To note and comment on the Third Financial Review and Performance position of 2025/26, including progress on policy proposals and material variances from the MTFS and (if necessary) approve Supplementary Estimates and Virements	Executive Director of Resources and S151 Officer	No	No	Yes	No	Scrutiny
CPC/28/25-26	12/02/26	Medium Term Financial Strategy Consultation 2026/27 - 2029/30 Provisional Settlement Update	All Committees are being asked to provide feedback in relation to their financial responsibilities as identified in the Constitution and linked to the budgets approved by the Finance Sub Committee in 2025. Responses to the consultation would be reported to the Corporate Policy Committee in making recommendations to Council on changes to the current financial strategy. Finance Sub Committee will also receive an update on the Local Government Financial Provisional Settlement	Executive Director of Resources and S151 Officer	Yes	No	Yes	No	Scrutiny / Decision
CPC/08/25-25	12/02/26	Calendar of Meetings 2026-27	To consider the proposed calendar of meetings for the 2026-27 municipal year.	Director of Law and Governance (Monitoring Officer)	No	No	No	No	Decision

Corporate Policy Committee Work Programme 2025-26

March 2026									
CPC/29/25-26	19/03/26	Service Budgets 2026/2027	The purpose of the report is to set out the allocation of budgets for 2026/27, for all Committees, following Council's approval of the Medium Term Financial Strategy in February 2024, as determined by Finance Sub	Executive Director of Resources and S151 Officer	No	No	Yes	No	Scrutiny
CPC/21/25-26	19/03/26	Q3 Strategic Risk Update	This report provides an update on the activity of the council's strategic risk register for Q3.	Director of Law and Governance (Monitoring Officer)	No	No	No	Yes in part	Scrutiny