



Second Financial Review 2023/24

November 2023

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

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

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Introduction

Cheshire East Council is the third largest Council in the Northwest of England, supporting over 398,000 local people with annual spending of over £750m.

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

Demand for Council services is increasing, with more individuals and families needing support and services than ever before. This reflects an increase in population but also reflects changes in demographics and the national cost of living increases. This demand is resulting in a forecast outturn of £18.7m against a net revenue budget of £353.1m. The most significant impact is within the rising costs of Children's Social Care. Further activity is required to identify other mitigating measures.

When the 2023/24 budget was set, in February 2023, it was highlighted that the use of reserves was not sustainable in the medium term. Net spending therefore needs to be contained within the estimates of expenditure that form the budget. The forecasts at first review highlight pressures due to demand, inflation, interest rates and pay negotiations. These will almost certainly affect the medium term finances of the Council. This situation must be addressed now and as part of the MTFS process for 2024 to 2028.

To support openness and transparency, and provide evidence of strong governance, the report has a main section, to provide background and context, and then nine supporting appendices with detailed information about allocation and management of public money during 2023/24.

The **Financial Stability** section provides information on the overall financial stability and resilience of the Council. It demonstrates how spending in 2023/24 is being funded, including the positions on overall service budgets, centrally held budgets, Council Tax and Business Rates. Further details are contained in the appendices.

- **Appendix 1** Adults and Health Committee.
- **Appendix 2** Children and Families Committee.
- **Appendix 3** Corporate Policy Committee.
- **Appendix 4** Economy and Growth Committee.
- **Appendix 5** Environment and Communities Committee.
- **Appendix 6** Highways and Transport Committee.
- **Appendix 7** Finance Sub-Committee.
- **Appendix 7a** Update to the Treasury Management Strategy.
- **Appendix 7b** Update to the Investment Strategy.

Alex Thompson

Director of Finance and Customer Services
(Section 151 Officer)

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2023/24 Outturn Forecast - Financial Position

2023/24	Revised Budget (NET) £m	Forecast Outturn £m	Forecast Variance £m	For further information please see the following sections
SERVICE DIRECTORATES				
Adults, Health and Integration	136.5	141.2	4.7	Appendix 1
Children's Services	80.3	91.0	10.8	Appendix 2
Place - Directorate/Growth & Enterprise	24.8	22.9	(1.9)	Appendix 4
Place - Environment & Neighbourhood Services	48.7	52.3	3.5	Appendix 5
Place - Highways & Infrastructure	11.2	12.4	1.2	Appendix 6
Corporate Services	41.2	40.7	(0.5)	Appendix 3
Total Services Net Expenditure	342.7	360.5	17.8	
CENTRAL BUDGETS				
Capital Financing	19.0	19.4	0.4	Appendix 7 Section 5
Transfer to/(from) Earmarked Reserves	(7.4)	(7.4)	-	Appendix 7 Section 6
Transfer from MTFES Earmarked Reserve	-	-	-	Appendix 7 Section 6
Corporate Contributions / Central Budgets	(1.2)	(0.7)	0.5	Appendix 7
TOTAL NET EXPENDITURE	353.1	371.9	18.7	
Business Rates Retention Scheme	(55.3)	(55.3)	-	Appendix 7 Section 2
Specific Grants	(26.8)	(26.8)	-	Appendix 7 Section 3
Council Tax	(271.1)	(271.1)	-	Appendix 7 Section 2
Net Funding	(353.1)	(353.1)	-	
NET (SURPLUS) / DEFICIT	-	18.7	18.7	

Financial Stability

Introduction

1. The Council has a track record of sound financial management. Nevertheless, in common with all UK local authorities the Council finds itself in a position where pressures on the revenue budget are intensifying as a result of inflation, the legacy impact of the Coronavirus pandemic on people and on the economy and increasing cost of living pressure on households. These issues have the effect of increasing the demand for services and increasing costs of services.
2. Complexity and market sustainability in Adults' and Children's Social Care remains the most significant financial pressure for the Council in the medium term. The affects of inflation on contracts, utilities and wage levels are affecting costs across all services.
3. **Table 1** provides a service summary of financial performance. The current forecast is that services will be £18.7m over budget in the current year which includes mitigating actions identified to date. The 2023/24 Approved Budget Policy Changes and Forecast Variances provide further details and changes to service net budgets since the Medium-Term Financial Strategy (Section 2 in the **Appendices 1-6**).
4. It also shows that central budgets are forecast to be £0.9m over budget resulting in an overall forecast outturn of £18.7m against a net revenue budget of £353.1m.
5. Further items impacting on the level of the Council's balances are detailed in **Appendix 7**.

Table 1 - Service Revenue Outturn Forecasts

2023/24	Revised Budget (NET) £m	Forecast Outturn £m	Forecast Variance £m	Forecast Variance FR1 £000	Movement from FR1 to FR2 £000
SERVICE DIRECTORATES					
Adult Social Care - Operations	137.9	142.6	4.7	0.2	4.4
Commissioning	(1.4)	(1.4)	0.1	0.1	-
Public Health	-	-	-	-	-
Adults and Health Committee	136.5	141.2	4.7	0.3	4.4
Directorate	0.2	0.4	0.1	0.7	(0.6)
Children's Social Care	49.4	58.8	9.4	4.8	4.6
Strong Start, Family Help and Integration	7.4	6.8	(0.6)	(0.6)	0.0
Education & 14-19 Skills	23.2	25.0	1.8	2.1	(0.3)
Children and Families Committee	80.3	91.0	10.8	7.0	3.8
Directorate	0.2	(0.0)	(0.2)	(0.2)	-
Growth & Enterprise	24.6	22.9	(1.7)	(1.7)	0.0
Economy and Growth Committee	24.8	22.9	(1.9)	(1.9)	0.0
Environment & Neighbourhood Services	48.7	52.3	3.5	4.2	(0.7)
Environment and Communities Committee	48.7	52.3	3.5	4.2	(0.7)
Highways & Infrastructure	11.2	12.4	1.2	1.2	0.1
Highways and Transport Committee	11.2	12.4	1.2	1.2	0.1
Directorate	0.6	0.5	(0.1)	0.2	(0.3)
Finance & Customer Services	12.8	12.9	0.2	0.5	(0.3)
Governance & Compliance Services	10.8	10.3	(0.4)	0.1	(0.5)
Communications	0.7	0.7	0.0	(0.0)	0.0
HR	2.6	2.4	(0.2)	-	(0.2)
ICT	11.8	12.0	0.2	0.3	(0.2)
Policy & Change	2.0	1.9	(0.1)	(0.1)	0.0
Corporate Policy Committee	41.2	40.7	(0.5)	0.9	(1.4)
TOTAL SERVICES NET EXPENDITURE	342.7	360.5	17.8	11.7	6.2
CENTRAL BUDGETS					
Capital Financing	19.0	19.4	0.4	0.4	0.0
Transfer to/(from) Earmarked Reserves	(7.4)	(7.4)	-	-	-
Corporate Contributions / Central Budgets	(1.2)	(0.7)	0.5	0.7	(0.2)
Finance Sub-Committee - Central Budgets	10.4	11.3	0.9	1.1	(0.2)
TOTAL NET EXPENDITURE	353.1	371.9	18.7	12.8	5.9
Business Rates Retention Scheme	(55.3)	(55.3)	-	-	-
Specific Grants	(26.8)	(26.8)	-	-	-
Council Tax	(271.1)	(271.1)	-	-	-
Finance Sub-Committee - Net Funding	(353.1)	(353.1)	-	-	-
NET (SURPLUS) / DEFICIT	-	18.7	18.7	12.8	5.9
General Reserves Balance 2023/24 Budget					
	£m				
Opening Balance April 2023	14.1	Actual			
2023/24 Impact on Reserves (see above)	(18.7)	Forecast			
Closing Balance March 2024	(4.6)	Forecast			

Appendices to Second Financial Review 2023/24

November 2023

Appendix 3 : Corporate Policy Committee

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Appendix 3

Corporate Policy Committee

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

	First Review Revised Net Budget	Adjustments to FR1 Budget	Second Review Revised Net Budget
	£000	£000	£000
CORPORATE			
Directorate	580	(10)	570
Finance & Customer Services	13,351	(587)	12,764
Governance and Compliance Services	10,768	(2)	10,766
HR	2,588	-	2,588
ICT	11,588	216	11,804
Communications	696	-	696
Policy and Change	2,004	10	2,014
Corporate Policy Committee	41,575	(373)	41,202

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

Corporate Policy Committee

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

Forecast Outturn Commentary:

The Corporate Policy Committee has responsibilities across the Corporate Directorate. Services cover support functions such as Finance, Legal, HR and ICT as well as front line services such as Customer Services, Revenues and Benefits, Registrations and Consultation Services. Services across the directorate are important in enabling activities, for example providing ICT Systems, project management, legal advice and HR support.

Taking the recruitment freeze into consideration, a review of vacancies has reduced forecast spend on staffing meaning that budget pressure relating to higher than forecast pay inflation can be met from in-year vacancies underspending. The main pressure is from a large reduction in commissioned shared ICT services that reduces the ability to charge costs to capital. Most of the financial changes identified within the 2023/24 budget are on track, although further work is required to achieve the cost of democracy savings. Mitigation for high spending will be achieved through reviewing non-staffing spend, and further vacancy and contract management.

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
	Corporate Policy Committee	2.551		
46	Pay inflation	2.587	0	The total cost of pay inflation may exceed 5% based on national pay negotiations. Figures produced at FR2 suggest that this will be mitigated in-year through management of vacancies. A budget pressure remains though.
47	Shared Services Review – move to hybrid model	0.39	-	Project has mobilised and identified appropriate resources. Financial profile is being analysed. NOTE: these costs are being funded from Capital Receipts which are shown outside of Corporate Services.
48	Revenue implications of capital: IT Procurements and Application Lifecycle Management	0.511	-	On track, subject to ongoing monitoring.

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
49	Infrastructure Investment Programme	0.239	-	On track, subject to ongoing monitoring.
50	Accelerate digital transformation / robotics and related Digital Savings	0.15	-	Structure of digital transformation is being reviewed. No growth incurred to date whilst plans are being developed.
51	Mitigation of reduction in the Dedicated Schools Grant	0.122	-	On track, subject to ongoing monitoring.
52	Remove Commercial Workstream Income Target	0.1	-	Action complete – budget adjusted.
53	Coroners Restructure Costs	0.06	-	Action complete – budget adjusted.
54	Improved Debt Recovery and correcting budgeted court costs income targets to reflect actual levels	0.013	-	On track, subject to ongoing monitoring.
55	Pension Costs Adjustment	-0.996	-	On track, subject to ongoing monitoring, dependent on in-year staffing costs.
56	ICT Operational Efficiencies	-0.31	-	Reduction in end user licence costs achieved. Further review of resources and third party contracts. Subject to ongoing monitoring.
57	Reduce cost of Democracy	-0.135	0.085	Report to Corporate Policy Committee on 15 June 2023 provided latest position.
58	Elections Act 2022 additional costs (funded by New Burdens grant funding)	-0.132	-	Action complete – budget adjusted.
59	Elections Act 2022 additional costs (funded by New Burdens grant funding)	0.132	-	Action complete – budget adjusted.
60	Revenue implications of capital: Vendor Management Phase 3 to drive improvements in procurement	-0.089	-	On track, subject to ongoing monitoring.

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
61	Brighter Futures Together Programme Customer Experience	-0.081	0.081	Savings relate to staffing reductions. These may not be appropriate in 2023/24 due to significant change projects requiring support to customers.
62	Across the board efficiencies, including procurement and income generation etc	-0.01	-	On track, subject to ongoing monitoring.
63	Review of leadership and management, including MARS and redefine 'core offer'	-	-	On track, subject to ongoing monitoring.
	In-year Directorate		-0.081	Underspend mainly due to vacant Executive Director post.
	In-year pressure Finance & Customer Services		0.07	TSC forecast to overspend by £190,000, Finance overspending by £73,000 mainly as a result of staffing costs. Customer Services reporting £130,000 overspend on staffing including the customer experience savings above. R&B - Pressure in Systems Development & small pressure in BIDs offset by underspends in HB Admin and Revenues Service = £79,000 underspend. Pressure in Systems Development & small pressure in BIDs offset by underspends in HB Admin and Revenues Service and £17,000 underspend in Procurement.
	Rent Allowances Under-recovery (Included in F&CS Team Plan)		-	Rent allowances under-recovery of £1.018m to be funded by Collection Fund Reserve

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
	In-year Governance & Compliance		-0.514	Registration Services forecast to over-recover the income budget by £235K due to increased number of ceremonies at approved premises. Elections overspent the budget/reserve available by £22K due primarily to increased costs of printing and postage. Members budget underspent on transport, communications and SRAs. £85K overspend due to inability of service to achieve MTFS savings on costs of democracy. Legal overspent by £137k due to counsel fees £72k, income shortfall of approx £88k, partially offset by staffing which is now forecast to underspend by approx £22k. A&R underspent by £263k Impact of majority of vacant posts remaining unfilled.
	In-year Policy & Change		-0.294	PMO improvement due to use of capital receipts, and use of reserves, Business Intelligence People balanced, Business Intel Research & Consultation underspent by £72,000, Subscriptions overspent by £50,000 partially offset by equality and diversity underspend £21,000. Further underspend of £88,000 due to vacant management post, restructure planned to go out to Consultation in 2023/24.
	In-year pressure Communications		0.001	Overspending on salaries - potentially increased due to return of fostering budget to Children's Services
	In-year HR		-0.23	Underspending on central training and organisational development budgets is predicted at £103K with the remainder primarily due to part and full year vacancies.

MTFS Ref No	Detailed List of Service Budget Changes	2023/24 £m	2023/24 Variance £m	Commentary
	In-year Pressure ICT		0.372	CEC 50% share of ICT Shared Service overspend position £572k. Forecast currently assumes 70,000 commissioned hours which is felt to be the worst expected position. Work packages for the hybrid model are being finalised and once this has been completed a firmer view will available for the planned commissioned hours in the current year. Partially offset by ICT Strategy anticipating fully utilising the funding given for ALM due to dependencies on the hybrid programme and cyber security risk. Further mitigations: £30k transformational work being undertaken within ICT at management level which could potentially be supported by Capital Flexible Receipts, £200k forecast underspend on ICT Strategy due to Gemini project.
	REVISED FORECAST VARIANCE		-0.51	

Corporate Policy Committee

3. Corporate Grants Register

- 3.1 Cheshire East Council receives two main types of Government grants; specific purpose grants and general use grants. Specific purpose grants are held within the relevant service with a corresponding expenditure budget. Whereas general use grants are held in central budgets with a corresponding expenditure budget within the allocated service area.
- 3.2 Spending in relation to specific purpose grants must be in line with the purpose for which it is provided.
- 3.3 The increase in specific purpose grants relates mainly to a forecast increase in Housing Benefit which is being offset by a reduction in the Energy Bills Support Scheme Alternative Funding grant. Other additional specific purpose grants have

also been received, reflecting the latest allocations, and are detailed in **Table 2** and Table 3.

- 3.4 **Table 1** provides a detailed listing of all Corporate Policy related grants, their movements between the reporting period and the treatment of the grant.
- 3.5 **Table 2** shows additional specific purpose grant allocations that have been received which are £500,000 or less and are for noting only.
- 3.6 **Table 3** shows delegated decisions for additional specific purpose grants previously named within the MTFS.

Table 1 – Corporate Grants Register

Grants 2023/24	Original Budget	Revised Forecast FR1	Revised Forecast Mid-Year	Change from FR1	Treatment of Grant
	2023/24 £000	2023/24 £000	2023/24 £000	2023/24 £000	Notes 2 - 5
CORPORATE POLICY					
Specific Purpose (Held within Services)					
Revenues and Housing Benefits:					
Housing Benefit Subsidy	46,652	49,599	52,633	3,035	SRE
Discretionary Housing Payments Grant	314	349	349	0	
Housing Benefit (HB) Award Accuracy Initiative	29	21	30	1	SRE
LADS - VEP (RTI) funding	24	2	22	(2)	
New Burdens: Universal Credit, maintenance & natural migration	8	8	8	0	
LADS - New Burdens - Discretionary Housing Payments (DHP)	0	60	60	0	
LADS - New Burdens - Benefit Cap	0	1	1	0	
LADS - New Burdens - Welfare Reform Changes (S4/2022)	62	1	1	0	
LADS - New Burdens - Supported & Temporary Accommodation Change Request	2	0	0	0	
LADS - New Burdens - Supported & Temporary Accommodation	5	0	0	0	
LADS - New Burdens - Single Housing Benefit Extract Automation	5	0	10	5	SRE
Specified Accommodation (S3/2022)	0	0	0	0	
Incapacity Benefit Reassessment (S5/2022)	2	0	0	0	
Council Tax Rebate Scheme - New Burdens on Account Payment	0	0	94	94	SRE
Energy Bills Support Scheme Alternative Funding	0	2,089	325	(1,764)	
Democratic Services:					
Police and Crime Commissioner's Panel grant	65	65	65	0	
Electoral Integrity Programme - New Burdens (Voter ID)	132	132	132	0	
Electoral Integrity Programme - New Burdens (Postal Votes)	0	0	8	8	SRE
Total Corporate Policy - Specific Purposes	47,300	52,326	53,739	1,414	

Grants 2023/24	Original Budget	Revised Forecast FR1	Revised Forecast Mid-Year	Change from FR1	Treatment of Grant
	2023/24 £000	2023/24 £000	2023/24 £000	2023/24 £000	Notes 2 - 5
CORPORATE POLICY					
General Use (Held Corporately)					
Revenue Support Grant	388	388	388	0	
Housing Benefit Administration Subsidy	626	626	626	0	
NNDR Administration Allowance	587	578	578	0	
Council Tax Family Annex Discount	0	0	0	0	
New Homes Bonus	3,794	3,794	3,794	0	
Lower Tier Services Grant	0	0	0	0	
Services Grant	1,720	1,720	1,720	0	
Council Tax Support Fund	0	521	521	0	
Council Tax Support New Burdens	0	25	25	0	
Business Rates Reliefs Grant 2023/24	0	21,039	21,039	0	
Total Corporate Policy - General Use	7,115	28,692	28,692	0	
TOTAL CORPORATE POLICY	54,415	81,018	82,431	1,414	

Notes

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

Table 2 – DECISION DELEGATED TO OFFICERS

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

Committee	Year	Type of Grant	£000	Details
Corporate Policy	2023/24	Council Tax Rebate Scheme - New Burdens on Account Payment (Specific Purpose)	94	This grant is from the Department for Levelling-Up, Housing and Communities (DLUHC). The funding covers the costs of a range of tasks associated with the delivery of the council tax rebate core and discretionary scheme, including: staff time in processing and making payments, training, software costs, printing, reporting, assurance, and clawing back ineligible payments.
Corporate Policy	2023/24	Electoral Integrity Programme - New Burdens (Postal Votes) (Specific Purpose)	8	This grant is from the Department for Levelling-Up, Housing and Communities (DLUHC). The funding has been made available by Central Government and is intended to assist the Electoral Registration Officer for the purpose of introducing the next new measures resulting from the implementation of the Elections Act 2022. Specifically, this grant covers the Postal and Proxy, Overseas Electors portions of the act.
Total Specific Purpose Allocations less than £500,000			102	

Table 3 – DECISION DELEGATED TO OFFICERS

Supplementary Revenue Estimate Requests for Allocation of Additional Grant Funding (Specific Purpose) previously named in the MTFS.

Committee	Year	Type of Grant	£000	Details
				On 22 nd February 2023 Council delegated authority to the Chief Finance Officer, to approve supplementary estimates if the value of any named grant changes from the figures contained within Appendix C, Annex 7 of the MTFS.
Corporate Policy	2023/24	Housing Benefit Subsidy (Specific Purpose)	3,035	Increase on MTFS 2023-27 estimate. This grant is from the Department for Work and Pensions. Payment of claims administration within Housing Benefits.
Corporate Policy	2023/24	Housing Benefit (HB) Award Accuracy Initiative (Specific Purpose)	1	Increase on MTFS 2023-27 estimate. This grant is from the Department for Work and Pensions. Housing Benefit Award Accuracy Initiative (HBAAI) allows local authorities to receive an allocation of funding from the Department of Work and Pensions (DWP) to undertake specific activities to identify unreported changes and to ensure the correct amount of Housing Benefit is being paid.
Corporate Policy	2023/24	LADS - New Burdens - Single Housing Benefit Extract Automation (Specific Purpose)	5	Increase on MTFS 2023-27 estimate. This grant is from the Department for Work and Pensions. Additional New Burdens funding to meet the costs of implementing the Improvements to supported accommodation and temporary accommodation Single Housing Benefit Extract management information.
Total Delegated Decision Specific Purpose Allocations previously named in the MTFS			3,041	

Corporate Policy Committee

4. Debt Management

	Outstanding Debt £000			Over 6 months old £000		
	Jun-23	Sep-23	Increase / (Decrease)	Jun-23	Sep-23	Increase / (Decrease)
Corporate Policy Committee						
Finance and Customer Services	187	95	(92)	56	53	(3)
Governance and Compliance	3	13	10	2	-	(2)
Human Resources	18	9	(9)	-	-	-
ICT	350	8	(342)	1	1	-
	558	125	(433)	59	54	(5)

Note: Finance and Customer Services invoices tend to be paid in installments, 45 invoices out of 70 are currently part paid.

Governance and Compliance outstanding debt has increased, 1 invoice is overdue from last quarter, and 14 invoices from July & August are now 1-3 months overdue.

Human Resources - 6 invoices are now overdue, 2 invoices from last quarter are now 3-6 months overdue (£16,000 invoice partially paid, only £2,000 remaining)

ICT - Reduction in outstanding debt mainly due to 3 local authority (£349,000 total) being paid. 2 invoices now 9-12 months overdue.

Corporate Policy Committee

5. Capital Strategy

Corporate Policy								CAPITAL					
CAPITAL PROGRAMME 2023/24 - 2026/27													
Scheme Description	Forecast Expenditure							Forecast Funding					
	Total Approved Budget £000	Prior Years £000	Forecast Budget 2023/24 £000	Forecast Budget 2024/25 £000	Forecast Budget 2025/26 £000	Forecast Budget 2026/27 £000	Total Forecast Budget 2023-27 £000	Grants £000	External Contributions £000	Revenue Contributions £000	Capital Receipts £000	Prudential Borrowing £000	Total Funding £000
Committed Schemes in progress													
ICT Services													
Care Act Phase 2	6,314	4,130	826	1,358	0	0	2,184	0	0	0	0	2,184	2,184
Digital Customer - Delivery Programme Phase 1	250	129	121	0	0	0	121	0	0	0	0	121	121
Digital Customer Enablement	2,874	1,010	1,390	474	0	0	1,864	0	0	0	0	1,864	1,864
ICT Device Replacement	912	453	459	0	0	0	459	0	0	459	0	0	459
IADM (Information Assurance and Data Management)	19,465	15,183	1,600	1,200	1,100	382	4,282	0	0	0	0	4,282	4,282
Infrastructure Investment Programme (IIP)	36,371	30,068	2,396	2,094	1,814	0	6,303	0	0	0	0	6,303	6,303
Unified Communications Project	1,206	1,008	198	0	0	0	198	0	0	0	0	198	198
Vendor Management	1,006	743	263	0	0	0	263	0	0	0	0	263	263
Finance & Customer Services													
Core Financials	11,318	8,813	700	808	698	299	2,505	0	0	0	0	2,505	2,505
Strategic Capital Projects	18,858	8,578	3,193	4,000	3,087	0	10,280	0	0	0	0	10,280	10,280
Vendor Management - Phase 2	320	19	0	0	301	0	301	0	0	0	0	301	301
Total Committed Schemes	98,893	70,134	11,145	9,934	7,000	681	28,759	0	0	459	0	28,300	28,759
New Schemes													
ICT Services													
ICT Hybrid Model	1,556	0	510	1,046	0	0	1,556	0	0	0	0	1,553	1,553
Total New Schemes	0	0	510	1,046	0	0	1,556	0	0	0	0	1,553	1,553
Total Corporate Policy	98,893	70,134	11,655	10,979	7,000	681	30,315	0	0	459	0	29,852	30,312

Corporate Policy Committee

6. Reserves Strategy

Corporate Policy Committee

Name of Reserve	Opening Balance 1 April 2023 £000	Forecast Movement in Reserves 2023/24 £000	Forecast Closing Balance 31 March 2024 £000	Notes
<u>Directorate</u>				
Corporate Directorate	1,356	(365)	991	To support a number of widespread projects within the Corporate Directorate.
<u>Finance and Customer Services</u>				
Collection Fund Management	17,819	(7,216)	10,603	To manage cash flow implications as part of the Business Rates Retention Scheme. Includes liabilities that will not be paid until future years.
Capital Financing Reserve	12,886	(6,241)	6,645	To provide for financing of capital schemes, other projects and initiatives.
MTFS Reserve	5,147	(4,761)	386	To support the financial strategy and risk management.
Section 151 Revenue Grants	558	(558)	0	Unspent specific use grant carried forward into 2023/24.
<u>Governance and Compliance</u>				
Insurance Reserve - Cheshire County Fund	(647)	0	(647)	To settle insurance claims and manage excess costs - to be reviewed.
Insurance Reserve - Cheshire East Fund	5,623	0	5,623	To settle insurance claims and manage excess costs - to be reviewed.
Elections General	640	(640)	0	To provide funds for Election costs every 4 years.
Brexit Funding	13	0	13	
<u>Human Resources</u>				
HR (CARE4CE Review, Culture Change, Pay realignment, Learning Mgt System)	59	(59)	0	To fund HR expenditure in relation to the Care4CE review, culture change programme, pay realignment and the Learning Management System.
Pay Structure (M Grade Review)	306	(306)	0	This scheme has now come to an end and the balance can be returned to General Fund.
<u>Policy and Change</u>				
Brighter Future Transformation Programme	1,789	(1,271)	518	To fund the Council's four year transformation programme and its five outcomes of Culture; Estates and ICT systems; Customer Experience, Commercial Approach and Governance. £1.271m drawn down to date as per MTFS budget. However, there is some uncertainty regarding who controls this reserve and cannot get details of committed spend. To be reviewed.
CORPORATE POLICY TOTAL	45,549	(21,417)	24,132	

