

## **COUNCIL MEETING – 14 MAY 2025**

### **RECOMMENDATION FROM FINANCE SUB COMMITTEE: APPROVAL OF VIREMENT**

#### **RECOMMENDATION**

**That Council approve the virement of up to £8m from the central Contingency budget to the Adults and Health budget to cover inflationary pressures in 2025-26.**

---

**Extract from the minutes of the meeting of Finance Sub Committee held on 10 March 2025.**

#### **51 SERVICE BUDGETS 2025/26**

The committee considered the report which set out the proposed allocation of approved budgets to each service committee, following approval of the Medium-Term Financial Strategy (MTFS) at Full Council on 26 February 2025.

The committee noted the recommendation to approve the virement of up to £0.7m from the central contingency budget to the children and families budget to cover inflationary pressures in 2025/26 however queried the proposal to recommend to full council the approval of the virement of up to £8m from the central contingency budget to the Adults and Health budget to cover inflationary pressures in 2025/26. The committee felt this was a significant amount and sought assurance that this was a reasonable sum to transfer at present. It was confirmed that the majority of the £8m related to people costs within contracts and packages of care and reflected the nature of the adult social care workforce.

The committee noted that the transformation programme budget lines that were held centrally by the Corporate Policy Committee, however it was anticipated that during 2025-26 these would be transferred to the services which would be responsible for delivery of the savings. It was anticipated that there would be significant savings made during 2025-26 and the committee asked at which point further detail on the proposals under transformation would be shared. It was confirmed that there would be more detailed monitoring around transformation throughout the financial reporting year to all committees as part of the usual budget management reports. It was requested that the financial timetable also included graphics, as done in previous years.

The committee took the opportunity to thank the Interim Executive Director of Resources and S151 for all her hard work during her time with Cheshire East.

#### **RESOLVED (unanimously):**

That the Finance Sub Committee:

1. Approve allocation of the revenue and capital budgets, approved budget change items and earmarked reserves to the following committees in accordance with the approved MTFS 2025-29, as set out in Annex A.
  - Adults and Health Committee
  - Children and Families Committee
  - Corporate Policy Committee
  - Economy and Growth Committee
  - Environment and Communities Committee
  - Finance Sub Committee
  - Highways and Transport Committee
2. Approve the virement of up to £0.7m from the central Contingency budget to the Children and Families budget to cover inflationary pressures in 2025/26.
3. **Recommend to Full Council to approve the virement of up to £8m from the central Contingency budget to the Adults and Health budget to cover inflationary pressures in 2025-26.**
4. Note the draft financial reporting timetable for 2025-26 set out in Annex B.