

OPEN

Council

16 July 2025

Assurance Panel Progress Update Letter

Report of: Karen Wheeler, Interim Assistant Chief Executive

Report Reference No: C/8/25-26

Ward(s) Affected: All

For Decision

Purpose of Report

- 1 This report provides Members with a progress update letter from the Assurance Panel on the Council's progress since the LGA Corporate Peer Challenge in March 2024 and establishment of the Panel in August 2024. The report also includes the LGA Corporate Peer Challenge revisit report following an onsite visit in February 2025.

Executive Summary

- 2 In March 2024, the LGA Corporate Peer Challenge took place and the report, published in July 2024, made 18 recommendations focused on financial sustainability, transformation, culture, governance and getting the basics right.
- 3 Recommendation 3 was to *Engage with external challenge, support, and oversight through an externally chaired Assurance Panel*. Full Council approved the setting up of the Assurance Panel in July 2024 and the first meeting took place in August 2024.
- 4 The terms of reference agreed by Council state that written update letters to Full Council will be submitted by the Panel twice a year. The progress update letter can be found at Appendix 1.

LGA Corporate Peer Challenge Revisit

- 5 As part of the LGA's Corporate Peer Challenge process, a one-day revisit took place with a small team of Peers in mid-February 2025. The team met

with Group Leaders, Corporate Leadership Team including the Chief Executive, a small group of staff from across the council and the Chair of Assurance Panel.

- 6 The feedback report at Appendix 2 has informed the progress update letter from the Panel and recognises progress in key areas including improvements to financial reporting, development of the transformation plan and new Cheshire East Plan but a mixed picture of pace of delivery. The report was positive about staff engagement, Member collaboration, self-awareness and the council's commitment to improvement stating - *"...it is clear that there is a significant appetite and energy for reform from senior political and managerial leaders in the organisation, and that this is linked to a wider ambition for improvement."*
- 7 The report also reflects areas for increased focus and a need for the council to prioritise, sequence improvement and measure impact. The areas of focus identified align to the Best Value Notice – delivery of the transformation plan and savings, the governance and decision-making review, and culture change.

Best Value Notice

- 8 While acknowledging the steps the council is already taking, the government is seeking assurance of improvement and has issued a non-statutory [Best Value Notice](#) formalising the oversight they would like to see including through an overarching improvement plan and quarterly progress review. The Best Value Notice is informed by both the LGA Corporate Peer Challenge and CIPFA reviews.
- 9 The government expects the council to continue leading its own improvement and to work with the independent assurance panel, making full use of its expertise and responding to its recommendations. The Best Value Notice said that MHCLG will also look to the Assurance Panel for regular updates on the council's improvement and expects its role to be strengthened and embedded into day-to-day operations.
- 10 The Chief Executive has decided to change the Chair of the Assurance Panel. Gavin Jones CBE will become the new Chair from the next meeting of the Panel on 24 July 2025. Gavin has extensive experience as a Commissioner and improvement board chair. His insight, along with the expertise across the Panel membership, will further support and challenge the council to deliver the necessary improvements.
- 11 The Council thanks Angie Ridgwell for her support as Chair since August 2024 and recognises the invaluable role the Panel has played under her leadership, particularly through the deep dives focussed on financial sustainability and governance and decision-making.

RECOMMENDATION

The Council is recommended to:

1. Note the progress update letter from the Assurance Panel at Appendix 1 and LGA Corporate Peer Challenge revisit report at Appendix 2.

Background

- 12 In March 2024, the LGA Corporate Peer Challenge took place and made 18 recommendations focused on financial sustainability, transformation, culture, governance and getting the basics right, and creation of the Assurance Panel. A detailed action plan was developed in response and progress towards the action plan was reported to Corporate Policy Committee in June 2025.
- 13 The Council's establishment of an independent Assurance Panel in August 2024 has been valuable in providing advice, challenge and support to the officer and political leadership in delivering improvement particularly in relation to the financial position and governance. The Panel has received updates on progress in delivering the Corporate Peer Challenge action plan, Transformation Plan, had deep dives focussed on the themes within the plan particularly financial sustainability and more recently governance and decision making.
- 14 In light of the Best Value Notice, there is now an opportunity for the Council to reset its improvement through the development of new overarching Corporate Improvement Plan which supersedes the Corporate Peer Challenge action plan and provides oversight of all significant improvement plans and activity, and assurance of progress and pace of delivery. Its development will help the council plan, prioritise and resource improvement effectively as well as measure progress and impact. The plan would address all the areas identified for improvement in the Best Value notice and reflect best practice from other councils.

Consultation and Engagement

- 15 The themes from the progress update letter were shared verbally with the council at the Assurance Panel meeting on 5 June 2025.

Reasons for Recommendations

- 16 The terms of reference for the Assurance Panel includes written update letters to Full Council submitted by the Panel twice a year.

Other Options Considered

N/A

Implications and Comments

Monitoring Officer/Legal/Governance

- 17 Participating in sector led improvement through the LGA Corporate Peer Challenge is considered best practice for local authorities.
- 18 The Best Value notice was issued outside the statutory powers held by the Secretary of State under the Local Government Act 1999 to inspect or intervene in local authorities where there is evidence of best value failure and, separately, under section 230 of the Local Government Act 1972 to request information from local authorities. However, a failure to demonstrate continuous improvement may be judged to contribute to best value failure and the Secretary of State may consider using these powers as appropriate.
- 19 Under the Local Government Act 1999, all councils have a general Duty of Best Value to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.”.

Section 151 Officer/Finance

- 20 There are no direct financial implications arising from this report.

Human Resources

- 21 There are no direct human resources implications arising from this report.

Risk Management

- 22 The council must further drive its own improvement, ensure effective strategic oversight and comply with the expectations of the non-statutory Best Value Notice. The risk of a lack of progress and delivery at the required pace could result in further measures and an escalation from MHCLG which is identified as a risk and will be added to the Strategic Risk Register.

Impact on other communities

- 23 There are no direct impacts on other communities.

Policy

- 24 The Cheshire East Plan 2025-29 includes a commitment to be an effective and enabling council with an emphasis on being financially sustainable,

aided by council-wide service transformation and improvement. The council understands the improvements it needs to make and has made progress in addressing the challenges with a focus on delivering value for money, continuous improvement and better outcomes for Cheshire East's residents.

Equality, Diversity and Inclusion

25 There are no direct impacts from this report.

Other implications

26 None.

Consultation

Name of Consultee	Post held	Date sent	Date returned
<i>Statutory officer or deputy:</i>			
Rob Polkinghorne	Chief Executive	4 July 2025	4 July 2025
Sal Khan	Director of Finance/Deputy S151	4 July 2025	5 July 2025
Julie Gregory	Acting Head of Legal	4 July 2025	7 July 2025
<i>Other consultees: Executive Directors/Directors</i>			
Ashley Hughes	Executive Director of Resources/s151	4 July 2025	7 July 2025

Access to Information	
Contact Officer:	Karen Wheeler – Interim Assistant Chief Executive karen.wheeler@cheshireeast.gov.uk
Appendices:	Appendix 1 – Progress Update from Assurance Panel Appendix 2 – LGA Corporate Peer Challenge Revisit Report
Background Papers:	Agenda for Council on Wednesday, 17th July, 2024, 11.00 am Cheshire East Council (Corporate Peer Challenge report, Assurance Panel) Agenda for Corporate Policy Committee on Thursday, 12th June, 2025, 10.30 am Cheshire East Council (Corporate Peer Challenge Action Plan and Improvement Update)