

1. Executive Summary and Approval

- 1.1. Each year the Council produces an Annual Governance Statement that explains how it operates its corporate governance arrangements, makes decisions, manages its resources, and promotes values and high standards of conduct and behaviour.
- 1.2. The Annual Governance Statement reports on:
- How the Council complies with its own governance arrangements
 - How the Council monitors the effectiveness of the governance arrangements
 - Improvements or changes in governance arrangements proposed for the forthcoming year.
- 1.3. The Council's Section 151 Officer, has reviewed this statement together with the more detailed assessments that support its conclusions and endorses the Internal Auditor's opinion on the Council's control environment:

The Council's framework of risk management, control and governance is assessed as "Limited" for 2024/25

- 1.4. We, as Chief Executive and Leader of the Council, have been advised on the implications of the result of the review of the effectiveness of the governance framework by the Audit and Governance Committee, and that the arrangements, to the best of our knowledge, continue to be regarded as fit for purpose in accordance with the governance framework.
- 1.5. The Annual Governance Statement is required to reflect the arrangements in place for 2024/25 and up to the time of its approval.
- 1.6. To date, our assessment of the effectiveness of our governance arrangements for 2024/25 has identified one further significant governance issue; Delivering Improvement. This is detailed in Section 8.
- 1.7. External assessments of the council that have taken place since the previous Statement further support our assessment including the CIPFA review (August 2024) and LGA Peer Challenge revisit (February 2025). In addition, the council was issued with a non-statutory Best Value Notice in May 2025 which also echoes the areas of significance identified in the 2024/25 Annual Governance Statement.
- 1.8. The following issues from the 2023/24 Statement have progressed, but remain as areas of significance in 2024/25:
- Council Funding
 - Health and Social Care Integration
 - Planning
 - Executive and Wider Leadership Team Capacity
 - Children's Response to Ofsted Inspection

- Governance and Internal Control
- Partnership Working

1.9. The previously included issue of ASDV Governance is proposed for removal as significant progress has been made in this area.

1.10. We propose over the coming year to take all appropriate action to address the matters outlined in this Statement and any other issues to further enhance our overall governance and stewardship arrangements. We are satisfied that our plans will address the improvement areas identified in our review of effectiveness. We will monitor their implementation and operation as part of our next annual review.

Rob Polkinghorne Chief Executive	Cllr Nick Mannion Leader	Cllr Michael Gorman Deputy Leader

This section will be signed by after the final AGS is agreed.

2. Introduction

- 2.1. The Accounts and Audit Regulations 2015 require that:
- The Council must conduct a review, at least once a year, of the effectiveness of its system of internal control
 - Findings of this review should be considered by the Council
 - The Council must approve an Annual Governance Statement; and
 - The Annual Governance Statement must accompany the Statement of Accounts
- 2.2. For Cheshire East Council, the Audit and Governance Committee has delegated authority to undertake these duties on behalf of Council.
- 2.3. The Accounts and Audit Regulations legislation prescribes the format and timescale of the production of the Annual Governance Statement and the Statement of Accounts for local authorities. The Accounts and Audit (Amendment) Regulations 2024 came into force on 30 September 2024 to set the timescales for the publication of accountability statements. For the financial year beginning in 2024, after approving the statement of accounts, the authority must publish its accountability statements on or before 27 February 2026.
- 2.4. The Audit and Governance Committee reviewed the proposed final AGS 2023/24 at the meeting held on 24 February 2025. The 2023/24 AGS effectively remains as draft pending the External Auditor's conclusion on the 2023/24 accountability statements. Matters in the scope of the Annual Governance Statement will be updated and ongoing reporting will move on through the draft and final 2024/25 statements.

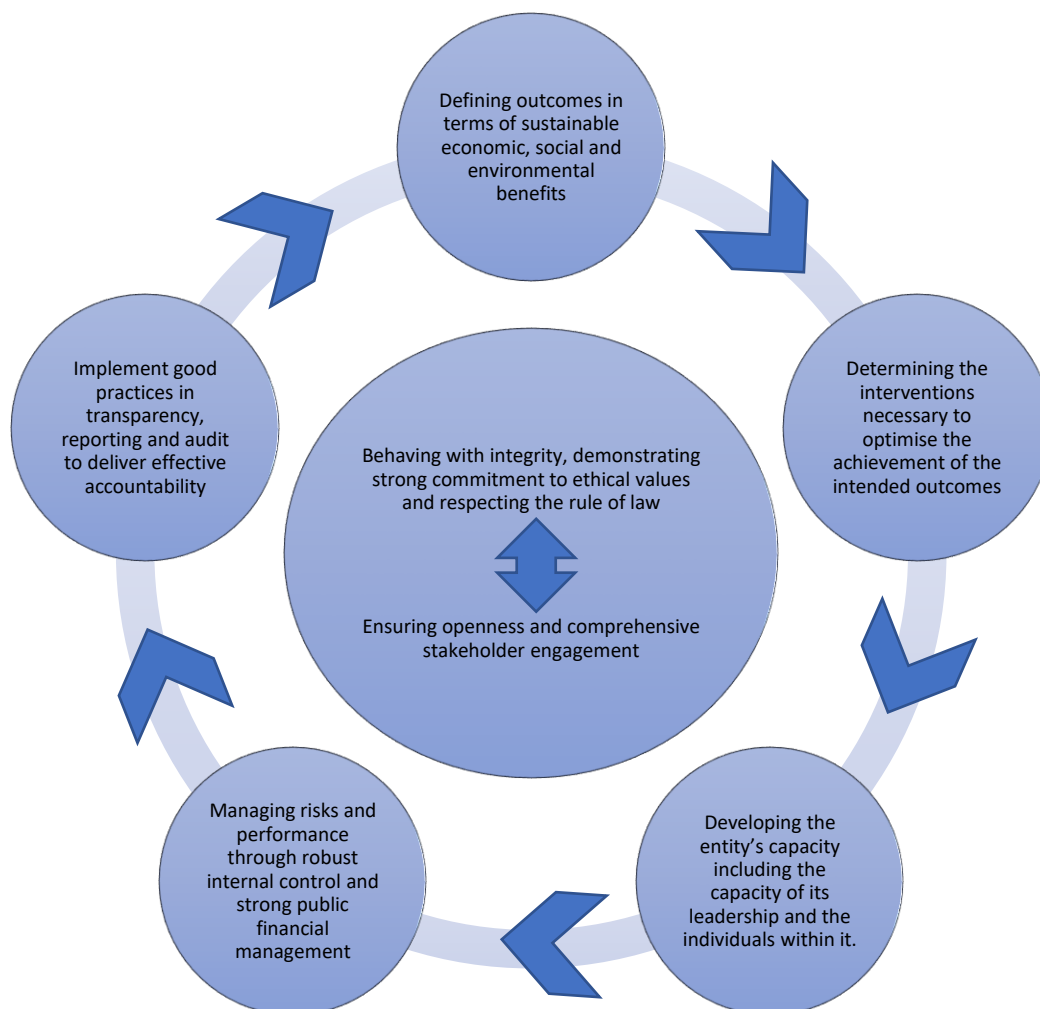
3. Scope of Responsibility

- 3.1. The Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for and used economically, efficiently, and effectively. The Local Government Act 1999 also places a Best Value duty on all councils to secure continuous improvement and to demonstrate economy, efficiency, and effectiveness.
- 3.2. In discharging this overall responsibility, the Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and arrangements for the management of risk.
- 3.3. In January 2017, Cabinet approved and adopted a Code of Corporate Governance that is consistent with the principles and requirements of the Chartered Institute of Public Finance and Accountancy (CIPFA) and Society of

Local Authority Chief Executives (SOLACE) Framework Delivering Good Governance in Local Government (2016). These are outlined below and summarised in Figure 1.

- 3.4. The annual review of effectiveness has been carried out against the Code of Corporate Governance. The draft Annual Governance Statement will be published on 30 June 2025 and updated as necessary to ensure it remains current for when the Audit and Governance Committee considers it as final alongside the final Statement of Accounts.
- 3.5. Once approved by the Audit and Governance Committee it will be signed by the Leader and the Chief Executive. It will then be published as final alongside the Statement of Accounts.

Figure 1: Principles in the Council's Code of Corporate Governance



- 3.6. The Annual Governance Statement provides assurance that governance arrangements are adequate and operating effectively in practice; or that where

reviews of the governance arrangements have revealed improvements are required, action is planned to ensure effective governance in future.

4. The Purpose of the Governance Framework

- 4.1. The governance framework comprises the systems, processes, cultures, and values by which the Council is directed and controlled. It also includes the activities through which it is accountable to, engages with and leads the community. This covers services provided and managed directly by the Council, and arrangements delivered through external partners, including the Council's wholly owned companies.
- 4.2. The framework enables the Council to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.
- 4.3. The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure and can therefore only provide reasonable and not absolute assurance of effectiveness. It is based on an ongoing process designed to:
 - Identify and prioritise the risks to the achievement of the Council's policies, aims and objectives
 - To evaluate the likelihood of those risks being realised and the impact should they be realised, and
 - To manage them efficiently, effectively, and economically

5. The Governance Framework

- 5.1. The Council's Code of Corporate Governance includes examples of how the Council demonstrates the principles in practice and operation. Therefore, to minimise duplication, it is only supplementary examples and features of the Council's governance framework, specific to 2024/25 which are set out below.
- 5.2. The governance framework described below and shown in Appendix 2 has been in place since 4 May 2021, when the committee system model of governance took effect. A diagram explaining the committee system can be found at Appendix 3.

Defining outcomes in terms of sustainable economic, social and environmental benefits

- 5.3. Cheshire East Council's vision and priorities are outlined in the Council's Corporate Plan. In June 2024, Corporate Policy Committee approved the development of a new strategic plan for Cheshire East for 2025 onwards. The

Committee also recommended an update to the current Corporate Plan 2021-25 for the final year (2024/25) which was put to and approved by Council on 17 July 2024.

- 5.4. Development of a new multi-year Corporate Plan was a recommendation from the LGA Corporate Peer Challenge. On 26 February 2025, full Council adopted the Cheshire East Plan 2025-29 which sets out the purpose and strategic direction for the organisation, residents and partners, and is aligned to the Council's financial strategy. The Plan is reviewed by the Corporate Policy Committee as part of the Council's performance management accountability framework with delivery against the commitments in the new plan and key performance indicators (KPIs) reported quarterly. The final report related to the previous Corporate Plan and Quarter 4 performance for 2024/25 was considered at the 12 June 2025 meeting.
- 5.5. The Medium-Term Financial Strategy (MTFS) 2024-2028 was agreed at the 27 February 2024 meeting of Council. The report sets out the Council's plan and required funding to ensure Cheshire East remains one of the best places to live in the Northwest. The MTFS 2025-2029 was agreed by Council on 26 February 2025.
- 5.6. The final outturn 2023/24 was reported to the Finance Sub Committee on 25 June 2024. The draft Statement of Accounts 2023/24 was reported to the Audit and Governance Committee on 29 July 2024. The External Auditor provided an interim report on the Council's accounts for 2023/24 to the Audit and Governance Committee on 24 February 2025, when the Committee also received an update on the draft Annual Governance Statement 2023/24.
- 5.7. The External Auditor's report confirmed that they had not been in a position to obtain sufficient evidence to be able to conclude that the financial statements were free from material and pervasive misstatement before the backstop date of 28 February 2025. The External Auditor had also received a number of objections to the 2023/24 financial statements which remain under consideration.
- 5.8. The Council delivered and progressed several infrastructure improvements and developments across the Cheshire East area. These major schemes are critical elements in delivering the ambitions of the Council. This includes the completion of the Northwest Crewe Package highways improvements, which completed mid-2024.
- 5.9. As recognised in previous AGS', the sustained and increasing financial pressures on services continue to present challenges to the Council. These are recognised as high scoring risks in the Council's Strategic Risk Register.

Determining the interventions necessary to optimise the achievement of the intended outcomes

- 5.10. The Council's Constitution sets out the rules for conducting business undertaken by the Council, including executive arrangements, committee structures, finance and contract procedure rules and schemes of delegation.
- 5.11. The Council undertook extensive pre-budget consultation, setting out change proposals for consideration over the period 2024/25 to 2027/28. Stakeholders were invited to comment on the Council's pre-budget report using an online survey during January 2024 and a summary of the responses formed part of the consideration of the MTFS 2024-28 by Council at the meeting held 27 February 2024.
- 5.12. The MTFS clearly identifies how resources will be matched against the delivery of Council's corporate priorities. The Strategy also provides information on delivering financial stability, the budget setting process, and the Council's Capital, Investment and Reserves Strategies.

Developing the entity's capacity including the capacity of its leadership and the individuals within it.

- 5.13. The Chief Executive, Executive Directors and Statutory Officers met regularly during 2024/25 as the Corporate Leadership Team (CLT), receiving assurance reports and updates from across the Council. CLT is underpinned and supported by service/departmental management team meetings, and several cross functional officer, and officer/member groups. The reporting lines between these and relevant Committees are shown in the Governance Framework diagram in Appendix 2.
- 5.14. In March 2024, Corporate Policy Committee received a paper setting out three preliminary activities required to allow the development of the Council's future transformation and improvement programme. The activities considered and approved by the Committee relate to:
- The creation and implementation of Council-wide officer boards
 - A Local Government Association (LGA) review of decision-making accountability (DMA)
 - LGA Corporate Peer Challenge
- 5.15. The Corporate Peer Challenge report with 18 recommendations and draft action plan were presented to Council on 17 July 2024 where the report was noted, and the action plan agreed in principle. Council delegated authority to the Chief Executive to finalise the action plan and arrange for its publication by the LGA deadline of 28 August 2024.

- 5.16. One of the recommendations from the Peer Challenge was to establish an independently chaired Assurance Panel. This was also agreed at Council on 17 July 2024 and the Panel held its first meeting in August 2024. The Panel provides support, guidance and challenge through Members and officer peers, working collaboratively to help the council to improve in the areas identified from the Peer Challenge including financial sustainability, governance and decision making, and leadership and culture.
- 5.17. The Corporate Policy Committee at its meeting on 3 October 2024 considered a report which set out the proposed new senior management structure that had been created following a period of formal consultation with staff over the summer. The proposed structure was designed to respond to the recommendations within the peer challenge and meet the requirements to achieve financial stability, deliver the Children's Services Improvement Plan and the Council's Transformation Programme. The Committee agreed the senior management structure to be presented at Council for approval.
- 5.18. On 16 October 2024, Council approved the senior management structure to take effect from 1 November 2024. A recruitment partner was appointed and supported the proactive recruitment to 15 senior roles throughout the winter, with successful candidates having taken up their roles in recent months including Executive Director roles, significantly reducing the reliance on interim and acting up arrangements, improving stability and capacity.
- 5.19. On 6 February 2025, Corporate Policy Committee received a report in response to the recommendations of the LGA Peer Challenge Report and to a Notice of Motion submitted to Full Council on 16 October 2024. The report presented the options in respect of the Council's decision-making and governance arrangements. The Committee resolved that a politically proportionate Member Task and Finish Group be established to drive forward the Council's review of its decision-making and governance arrangements and that updates and improvements be reported to the Committee. The government has since set out the intention to legislate that all councils move to a Leader and Cabinet model.
- 5.20. On 8 May 2025, the Council received a letter from Jim McMahon OBE MP, Minister of State for Local Government and Devolution issuing a non-statutory Best Value Notice. The Council responded to the Notice on 20 May 2025 confirming that the actions set out wholly align with the Council's improvement plans and significant progress against these has already been made, while recognising there is more to do. Formal quarterly updates with MHCLG will be used to demonstrate progress against the areas for improvement identified in the Notice.
- 5.21. As reported to the Corporate Policy Committee on 12 June 2025, an overarching Corporate Improvement Plan is being developed, to introduce a single point of

oversight for all significant improvement plans and activity, providing assurance on progress and pace for delivery. The plan will be developed in collaboration with the Council's Assurance Panel and MHCLG, Members, and staff engagement, and be presented for agreement at a meeting of Corporate Policy Committee in October 2025. It is proposed that the overarching Plan includes all transformation and improvement activity as well as the council's focus on progressing devolution in Cheshire and Warrington and a timeline for responding to the government's abolition of the Committee system.

- 5.22. The Council's Constitution defines the standards of conduct and personal behaviour expected of, and between, members, staff, and the community, defined and communicated through Codes of Conduct and protocols. The Constitution includes a Member/Officer Relations Protocol, which was established to encourage effective communication between members and officers.
- 5.23. The member induction programme includes subjects which are of key importance to a members' role and attendance is mandatory. It includes subjects such as, an introduction to Cheshire East Council, the Councillor's code of conduct and working effectively as a Cheshire East Councillor. Furthermore, to promote the importance of members' core skills, a supplementary online induction programme also includes mandatory modules on Safeguarding Children and Adults, Equality, Diversity and Inclusion and General Data Protection Regulations (GDPR).
- 5.24. The member training strategy and program is being considered by the Audit and Governance Committee in July 2025, with joint sessions for members and officers to be developed.
- 5.25. At its meeting on 27 February 2024, Council resolved that "each Service Committee, including the Finance Sub-Committee, arrange one twilight meeting over the course of its scheduled cycle of meetings during 2024/25". Furthermore, the Corporate Policy Committee at its meeting on 6 February 2025 received a report recommending that each committee determines whether their meetings during the 2025/26 municipal year should include twilight meetings.
- 5.26. The statutory roles of the Head of Paid Service, Monitoring Officer and Chief Finance Officer are described in the Constitution, as are their responsibilities for providing robust assurance on governance, ensuring lawful expenditure in line with approved budgets and procurement processes.
- 5.27. At the start of 2024/25, interim arrangements remained in place to cover the Executive Director - Corporate Services and the Executive Director - Place. A permanent Executive Director of Place was appointed and joined the Council in December 2024.

- 5.28. In February 2024, it was announced that the Section 151 Officer would be leaving the Council in May 2024. Subsequently, an Interim Section 151 Officer was appointed, and this arrangement continued during 2024/25, with a permanent Executive Director of Resources (Section 151) joining the Council in June 2025.
- 5.29. In August 2024, the Director of Governance and Compliance (Monitoring Officer) left the Council. The Head of Legal (and Deputy Monitoring Officer) was appointed as the Acting Director of Governance and Compliance (now Governance, Compliance and Monitoring Officer) to cover this role, pending appointment to the role on a permanent basis.
- 5.30. From June 2024, interim arrangements were in place to cover the role of Director of Family Help and Children's Social Care. In July 2024, the Executive Director for Children's Services left the Council, and an Interim Executive Director for Children's Services joined the Council in October 2024 along with an Interim Director of Improvement for Children's Services. The permanent Executive Director for Children's Services joined in May 2025, with the permanent Director of Family Help and Children's Social Care also joining then.
- 5.31. The Council publishes a Pay Policy Statement by 31 March on an annual basis. This provides transparency about the Council's approach to setting the pay of its employees and is in accordance with Section 38 of the Localism Act 2011. The 2024/25 Pay Policy Statement was put to the Corporate Policy Committee on 18 January 2024 and approved by Council on 27 February 2024. The Pay Policy Statement 2025/26 was put to Corporate Policy Committee on 6 February 2025 and approved by Council on 26 February 2025.
- 5.32. All staff are required to undertake mandatory training on protecting and managing information, dignity at work and equality in the workplace. Completion and compliance are monitored and reported to Heads of Service and Directors. Managers are also supported with training on the Council's Dignity at Work and Grievance procedures.

Managing risks and performance through robust internal control and strong public financial management

- 5.33. During 2024/25, the Corporate Policy Committee received regular updates on the Council's Strategic Risk Register, alongside reports on the financial position of the organisation, and the performance management. The co-ordinated delivery of these updates supports a cohesive commentary to the Committee. The risk update reports also include the identification of emerging risks and horizon scanning across global and local risk updates to provide useful context and background to the Council's register.

- 5.34. Operational risk registers are included in the directorate and service business plans. These are reviewed by the team plan owners, and risks are considered for escalation to the Strategic Risk Register as necessary.
- 5.35. The Audit and Governance Committee received regular risk management updates during 2024/25, and the 2023/24 Annual Risk Management Report was received at the 29 July 2024 meeting. The 2024/25 Annual Risk Management Report will be received by the Committee at the 28 July 2025 meeting.
- 5.36. Reports to all decision-making committees are produced in line with a reporting protocol which involves clearance of reports through the relevant directorate management team, legal and financial review and the identification and mitigation of risks associated with the report content.
- 5.37. Scrutiny powers under Section 21 of the Local Government Act 2000 are fulfilled through the Children and Families, Adults and Health, Environment and Communities and Corporate Policy Committees.
- 5.38. Each of the service committees scrutinised quarterly performance scorecards and budget proposals for the 2024/25 period relevant to their area of focus.
- 5.39. The Strategic Information Governance Group (SIGG) met regularly throughout 2024/25, managing a programme of proactive improvement and ongoing compliance with the requirements of the Data Protection Act 2018. The Group also managed responses to reported data related incidents, providing updates via the SIRO (Senior Information Risk Owner), to the Corporate Leadership Team.
- 5.40. Procurement reports are regularly provided to Finance Sub-Committee which include pipeline, contracts, waivers, and relevant procurement updates.
- 5.41. Cabinet Office Contract Management and Procurement Act 2023 training is live and available on learning lounge. Modification, extension, and Contract Procedure Rules training is also available as eLearning packages which provide an overview of what is required from contract managers and the wider procurement community. Regular updates are provided in the procurement bulletin to ensure services are kept up to date with the latest information. New processes and procedures have been developed and are available on the CEntranet.
- 5.42. The Audit and Governance Committee plays a key role in the Council's review of the effectiveness of its governance framework. It seeks assurance on the adequacy of the Council's risk management, control and governance arrangements and it monitors the implementation of the AGS action plan.
- 5.43. During 2024/25, the Audit and Governance Committee received or approved a broad range of reports and assurances, including:

- Approval of the Internal Audit Plan, subsequent progress reports and the Annual Internal Audit Opinion
- The Committee's Annual Report
- The External Audit Plan and progress reports, and a summary of the key findings identified during the External Auditors certification process
- The Annual Risk Management Report and updates on Risk Management
- The Annual Governance Statement and associated progress update reports
- Information Governance Reports
- The Annual Monitoring Officer Report which includes Maladministration Decision Notices from Local Governance and Social Care Ombudsman

5.44. The *Audit Committees – Practical Guidance for Local Authorities and Police* was released by CIPFA in September 2022. Furthermore, CIPFA were engaged to undertake an independent review of the effectiveness of the Audit and Governance Committee during 2022/23. The Committee received a progress report on 9 March 2023 and attended a workshop in April 2023 to receive the CIPFA report findings and to propose actions back to the Committee. The CIPFA review findings report, and proposed action plan was subsequently taken to the Audit and Governance Committee on 8 June 2023. An update on progress against the action plan was reported to the Committee on 7 December 2023 and 29 July 2024.

5.45. The draft 2023/24 Audit and Governance Committee Annual Report was presented to the 30 September 2024 Committee where it was agreed that the final report would be deferred to the December 2024 Committee to consider the comments raised by Members. The updated Annual Report was put to and agreed by the Committee at the December 2024 meeting and subsequently presented to Council in February 2025.

5.46. The draft AGS for 2023/24 was received by the Audit and Governance Committee at the 29 July 2024 meeting, with a further update on the significant issues provided at the 5 December 2024 and 24 February 2025 meetings.

Implement good practices in transparency, reporting and audit to deliver effective accountability.

5.47. The Council's internal and external auditors are key sources of assurance. The Internal Audit opinion on the Council's control environment is set out in the Internal Audit Annual Report for 2024/25 which was received by the Audit and Governance Committee on 28 July 2025 and is as follows:

Internal Audit Opinion

The Council's framework of risk management, control and governance is assessed as Limited for 2024/25

- 5.48. The Head of Audit and Risk Management's opinion as the Chief Audit Executive on the Council's framework for governance, risk management and internal control for 2024/25 has been given as "limited".
- 5.49. This reflects a number of factors, including the outcome of the 2024/25 internal audit programme, where a significant number of the overall findings related to a failure to apply existing controls, or the design of the controls could be improved/strengthened.
- 5.50. Despite the challenges highlighted above, Internal Audit are satisfied that there has been appropriate engagement for Internal Audit across the organisation, through assurance work, consultancy and advice, and the understanding of the assurance taken from other sources to assess the framework of risk management, control, and governance as Limited for 2024/25. The delivery of the "Limited" opinion for 2024/25 contributes to the "Governance and Internal Control" significant governance issue which is described in Section 7.
- 5.51. Counter Fraud activity is reported to the Audit and Governance Committee through the regular Internal Audit progress reports. The latest updates were provided to the February and May 2025 meetings.
- 5.52. The Council has a number of wholly owned companies. Several changes were made following an independent review of these Alternative Service Delivery Vehicles (ASDVs).
- 5.53. The following ASDVs were in operation during 2024/25:
- Orbitas Bereavement Services Limited
 - ANSA
 - Tatton Park Enterprises Limited
- 5.54. The Finance Sub-Committee is responsible for the management of the Council's involvement in ASDV's. In September 2023, the Sub-Committee considered a report setting out the key findings and recommendations of the Shareholder Working Group in relation to the governance of the Council's wholly owned companies.
- 5.55. In March 2024, the Sub-Committee received a presentation on the progress made in relation to the Ansa review, followed in June 2024, by the Finance Sub-Committee considering the Wholly Owned Companies Strategic Options Review – Outcomes report and the decision taken that the services delivered by both Ansa and Orbitas were to be brought back in house to be directly delivered by

the Council by the end of March 2025. In November 2024, the Committee received an update on the review of Alliance Environmental Services.

- 5.56. On 1 February 2025, bereavement services colleagues returned to the Council to form the newly named Cheshire East Bereavement Services. On 1 April 2025, Ansa colleagues and services, including recycling and waste collection, green spaces and Ansa transport transferred back into the Council.
- 5.57. Everybody Health and Leisure (Everybody) is an independent charitable trust which delivers recreation and leisure facilities. The Council retains ownership of significant assets such as buildings. Everybody deliver services for the Council as set out in the operating contract, which is monitored through client commissioning arrangements, including contract management meetings and monitoring visits. The current operating agreement between the Council and Everybody runs to 30 April 2029.
- 5.58. The Shared Services Joint Committee oversees the management of the services provided on behalf of Cheshire East and Cheshire West and Chester Councils, to ensure effective delivery of services and strategic direction. Regular reports on performance and progress have been received during the year by the Committee on all 8 shared services including ICT Services, the Transactional Service Centre. They have also overseen the review of the shared services.
- 5.59. The Shared Services Joint Committee also received regular progress reports during 2024/25 on the Hybrid ICT Programme – Project Gemini. A new model for ICT Services was agreed by both Councils in February 2023. The new model involves the retention of a shared network and data centre and separation of the other ICT functions that are currently shared.
- 5.60. In preparing the AGS we have examined reports, feedback and action plans from other agencies and inspectorates, which review the services provided by the Council.

Behaving with integrity, demonstrating strong commitment to ethical values and respecting the rule of law

- 5.61. The Audit and Governance Committee promotes high standards of ethical behaviour by developing, maintaining, and monitoring a Code of Conduct for Members of the Council. Complaints are considered by the Monitoring Officer and an Independent Person. Complaints can be received about Cheshire East Councillors, co-opted members and Town and Parish Councillors.
- 5.62. The promotion of high standards of conduct, and of strong ethical governance among elected members, co-opted Members, and Town and Parish Council Members within the Borough, is critical to the corporate governance of the authority and to the Council's decision-making process across the organisation.

- 5.63. On 5 December 2024, the Audit and Governance Committee received the Monitoring Officer Annual Report 2023/24 which provided background and an overview on the Monitoring Officer's statutory duties. The report also advised on the number of complaints received under the Code against each category, the paragraph(s) of the Code alleged to have been breached, and the outcome of each complaint, once completed.
- 5.64. As described in detail earlier in the draft Statement, the Statutory Officer roles of Section 151 Officer and Monitoring Officer have been undertaken by permanent and interim arrangements during 2024/25, whilst permanent recruitment has been undertaken. For the Section 151 Officer, these arrangements complied with the arrangements set out in CIPFA's Statement on the Role of the Chief Financial Officer in Local Government (2010).

Ensuring openness and comprehensive stakeholder engagement

- 5.65. The Council's open data portal 'Insight Cheshire East' holds most of our transparency information and open data together in one place. The site is designed to make inspecting, accessing, and downloading our data easier for everyone, including developers, who may wish to use our data in their own applications or websites.
- 5.66. As required by the Transparency Code 2015, the Council published the current number of Council employees with basic salaries of £50,000 or over on the Insight Cheshire East Portal.
- 5.67. Committee meetings continued to be audio cast throughout 2024/25. Recordings can be found on the relevant Committee pages. Meetings are held in public, and agendas, reports, and minutes are published via the Council's website.
- 5.68. The Council publishes delegated officer decisions on its website, demonstrating how the provisions of the Constitution have been exercised.
- 5.69. Engaging with our communities is essential to ensure that we are a resident led Council. Consultation exercises are carried out as appropriate, including statutory consultation processes for areas such as Planning and Licensing. Information is available on the Council's website in relation to current consultations and the feedback received on previous consultations and the subsequent decisions are also available.
- 5.70. A more strategic approach to community engagement and the use of a community (citizens) panel and other opportunities to effectively engage different communities across Cheshire East is being developed in line with the commitment within the Cheshire East Plan 2025-29 to be an effective and enabling council.

- 5.71. Council employees receive a weekly internal newsletter (Team Voice) and a monthly Core Brief covering key information and news. These are addition to service specific communication and briefings.
- 5.72. Weekly Manager Share and Support sessions were provided throughout 2024/25. These sessions cover a wide variety of topics and provide an opportunity for managers to interact, raise any issues and concerns that they may have, and receive briefings and training on new developments. Furthermore, monthly “in the know” sessions are held to keep staff updated with what’s going on around the Council and to allow feedback from staff.
- 5.73. Wider Leadership Team and Wider Leadership Community sessions were held during the year which facilitated briefing, networking, and development opportunities across the senior officer leadership cohort. Key messages from these sessions are cascaded through department and team management sessions. Solace have also supported leadership development sessions with CLT and WLC colleagues.
- 5.74. Members of staff are encouraged to participate in the “Making a Difference” recognition scheme, nominating colleagues for an instant recognition “Made my Day” message, or for nomination in the annual New Year’s Honours awards which was held in February 2025. The recognition panel itself includes volunteers from across the organisation.
- 5.75. The Council’s Corporate Leadership Team has continued to meet with staff groups from across the organisation and offer regular opportunities for staff to raise any questions or issues they have directly with their Senior Managers. Quarterly all staff events have been hosted throughout the year, offering the opportunity for staff to collaborate and share with each other, senior officers and the Leader and Deputy Leader.
- 5.76. Council services use various forms of social media, to engage and inform communities and stakeholders. The main Council website has a Media Hub page, where a variety of information about the Council is published. The Communications team also provide related media releases, where appropriate. Statutory public notices are also shared online.

6. Review of Effectiveness

- 6.1. The Council undertakes an annual review of its governance arrangements. This process is informed by a range of sources. The various sources of assurance which inform the annual review are described below and referenced in the Governance Framework in Appendix 2.
- 6.2. Examples of the sources of assurance considered in preparing the Annual Governance Statement include:

- **Line Management** - Assurance on individual line managers' areas of responsibility are provided by Disclosure Statements and informed by the acceptance and implementation of recommendations from internal and external audit.
- **Management Review** - Assurance on the effective management of core function activities is provided by reviewing compliance with policies, including how this information is used to drive improvement, and how relevant risk management information is escalated up or cascaded down through the Council.
- **Internal Review** - The performance of Internal Audit and the Audit and Governance Committee, along with their assessments of the performance of individual service areas, and cross function service areas informs the preparation of the Statement.
- **External Review** - The findings and feedback from external inspections, assessments and peer reviews of the Council also provide assurance which is considered in preparing the Statement.
- **Reference and review of existing reports and assessments**

6.3. For the purposes of the Annual Governance Statement "significant" is defined as an issue which has had or has the potential to have a noticeable impact on the Service's and/or Council's ability to achieve its objectives.

6.4. Examples might include:

- Legal action against the Council for failing to fulfil a statutory duty (resulting in a substantial financial penalty and/or loss of reputation)
- An instance of fraud or corruption involving financial loss, a noticeable impact on service delivery and/or loss of reputation.
- An unexpected occurrence resulting in substantial financial loss, disruption to service delivery and/or loss of reputation (including significant media coverage/interest)
- Failure of a major project to meet stated objectives; or
- A serious breach of the Code of Conduct having a noticeable effect on service delivery and/or reputation.

6.5. The review has considered the effectiveness of the Council's governance arrangements against the principles set out in the Code of Corporate Governance.

- 6.6. Whilst the Council generally has appropriate systems and processes in place to ensure effective governance is maintained, some existing areas of concern, whilst progressed during 2024/25 remain as areas of significance in 2024/25:
- 6.7. Recognising that a number of the significant governance issues have been included in statements for a number of years, the background to these and a summary of previous updates has been included in Appendix 4.
- 6.8. The following issues are included again as continuing areas of concern for 2024/25 in the updates in Section 7. This recognises the continuing significance of these specific areas, at national, regional and local levels:
- Council Funding
 - Health and Social Care Integration
 - Planning
 - Executive and Wider Leadership Team Capacity
 - Children's Services Response to Ofsted Inspection
 - Governance and Internal Control
 - Partnership Working
- 6.9. The previously included issue, ASDV Governance has now been addressed, and it is therefore proposed that it is removed. At the Finance Sub Committee in June 2024, the committee received the outcomes of the wholly owned companies' strategic options review and determined that the services provided by Ansa and Orbitas were to be brought back in house and delivered directly by the Council.
- 6.10. Orbitas Bereavement Services staff and services transferred back to the Council on 1 February 2025. The majority of the services provided by ANSA transferred back under Council control as planned on the 1 April 2025 and are integrated back into the Council's wider governance process.
- 6.11. Transport Services Solutions will transfer back to the council on the 1 August 2025. Following this, the companies will be formally closed down. As a result of these actions, the only remaining external operations will be:
- Tatton Park Enterprises
 - Alliance Environmental Services – partnership with High Peak and Staffordshire Moorlands
 - Engine of the North – dormant company
 - Everybody Health & Leisure – independent trust

- 6.12. These companies are not considered to constitute a significant governance issue for the Council, and it is therefore recommended that this is removed from the Annual Governance Statement.
- 6.13. The Council's assessment of its governance arrangements has identified further significant governance issues arising during 2024/25; Delivering Improvement. This is detailed in section 8.

7. Progress against ongoing issues identified in previous Annual Governance Statements

Council Funding

Responsible Officer: Executive Director of Resources, Section 151 Officer

- 7.1. The Council, like all councils, is dealing with significant uncertainty around its funding levels for future years at the same time as dealing with growing demand for services due to demographic changes.
- 7.2. The Council has set a legally balanced budget each February, although in February 2024 this included having to use one-off sources of funding to achieve this position including an in-principle capitalisation directive as part of exceptional financial support. General level of reserves has been decreasing due to over-spends within financial years, partly driven by the uncertainty of future funding aligned with growth in demand lead services.
- 7.3. Material funding issues remain within the High Needs funding block in the DSG, and Cheshire East Council took part in the Delivering Better Value Scheme, although it is clear this will not resolve the material deficits in this area.
- 7.4. In May 2025, the Council was issued with a non-statutory Best Value Notice which requires the Council to provide the Government with further assurance of its ongoing improvement and work towards financial sustainability.
- 7.5. The outturn figures for 2024/25 showed an improvement on the Third Financial Review position of £8.5m, however the service overspend of £9.8m remains a significant financial challenge for the Council.
- 7.6. The outturn position, net of proposed transfers to useable reserves of £7.8m, is an overspend of £17.6m. This includes the setting up of a reserve to set aside sufficient one-off resources to be able to respond to the steps that will be necessary to support the delivery of our transformation, change and improvement activity especially in light of the recent publication of the non-statutory Best Value notice.
- 7.7. The Council has also developed a thematic Financial Leadership Improvement Plan (FLIP) covering financial management and sustainability, capital, debt, assets and investments, governance, service delivery, and leadership and culture. It contains the corporate responses to the CIPFA Assurance Review, relevant recommendations from the Corporate Peer Challenge and External Audit recommendations.
- 7.8. This overarching approach to improving "all things finance related" will be overseen by the Finance Sub Committee. Furthermore, assurance on progress with the FLIP can be sought by the Audit and Governance Committee at any point as the Committee charged with governance.

- 7.9. Funding estimates are transparent and reported to the Finance Sub-Committee. Working Groups from the Sub-Committee have also reviewed estimates in detail. This includes estimates within all financial strategies that make up the overarching Medium Term Financial Strategy.
- 7.10. The Council is also continuing to progress its transformation plan, which was submitted to MHCLG by 27 August 2024 as part of the criteria for final approval of Exceptional Financial Support, and implementation of the actions from the Corporate Peer Challenge.
- 7.11. Further action is also ongoing to mitigate cost pressures led by the Strategic Finance Management Board, which include:
- The cessation of any non-essential spend
 - Management of vacancies, particularly agency usage
 - Identification of any other areas of discretionary spend including grants awarded, where spend can be reduced or stopped
 - Review Debt management / overall level of bad debt provision
- 7.12. In February 2025, the Council again set a legally balanced budget which combined income, use of resources, robust savings plans and the proposals for the use of Exceptional Financial Support (EFS) and increase in Council Tax, to ensure that income will cover ongoing costs and future commitments in a sustainable and manageable way for 2025/26.
- 7.13. As we progress through 2025/26, it is important that steps are taken to develop a sustainable MTFS post EFS to ensure the ongoing financial sustainability of the Council.

Health and Social Care Intergration

Responsible Officer: Executive Director, Adults Health and Intergration

- 7.14. 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 £170 million.
- 7.15. Since their creation in July 2022, Integrated Care Systems (ICS) have been the primary vehicle for partnership working between the NHS and local authorities and the integration of health and care commissioning and service delivery for adults and children. ICBs are responsible for the management of health and care partnerships and are the statutory NHS representative on the Health and Wellbeing Board.

- 7.16. ICB Place directors have been responsible for the facilitation of partnership and collaborative working at a borough level, which in Cheshire East has included a number of jointly funded positions and shared management arrangements.
- 7.17. The immediate governance risk is the loss of the Place Director, who retired in June 2025. The council has yet to be engaged in arrangements to recruit a replacement.
- 7.18. Over the medium-term, the appropriate operation of partnerships will be impaired by uncertainty. Specifically in respect of decision-making arrangements, staffing capacity, management over-sight, and quality and safeguarding arrangements.
- 7.19. In addition, funding constraints are likely to have a disproportionate impact on people supported jointly by the local authority and the NHS. Most of the ICB's budget is spent on NHS hospitals and NHS staffing. Therefore, the ICB's requirement for cashable savings is disproportionately focused on those areas of service not provided directly by the NHS.
- 7.20. This includes Continuing Health Care, an NHS service provided directly to residents with long-term health needs, and services provided jointly with the local authority such as Section 117 aftercare, SEND, and those services provided through the Better Care Fund. The key risk is that the NHS will seek to reduce its expenditure in the expectation that the local authority will meet costs of services to vulnerable adults and children to prevent harm.
- 7.21. The Council is engaged in several courses of action around this area;
- Joint working with the eight local authorities that are also part of the Cheshire and Merseyside ICB.
 - Weekly oversight and review of all cases being considered by the ICB for funding arrangements.
 - Recording and monitoring of all activity to identify issues and trends.
 - Re-statement of all policy, protocols and procedure to ensure compliance with statutory responsibilities; and
 - Informing MHCLG and DHSC of impact and consequences, especially in relation to the Best Value Notice and ongoing financial stability.

Planning

Responsible Officer: Executive Director, Place

- 7.22. A review of the Planning Service began in 2021/22, with a modernisation plan identifying findings and recommendations reported to the Environment and Communities Committee in October 2022. Progress on implementation, delivery,

and the impact of the changes has subsequently been regularly reported to the Committee.

7.23. A number of the high priority workstreams have now been completed and closed with others close to completion against their key objectives following implementation and/or completed actions. It is also evident that some of the remaining objectives are no longer appropriate and have been superseded by the passage of time, changes in legislation or revised corporate priorities/actions.

- Customer Experience and Communications – Completed and closed.
- IT Systems and Processes – Completed and closed.
- Performance and governance - Performance scorecard for Service in place to monitor key performance indicators and 'health' of service. To be reviewed and aligned with new corporate templates / monitoring.
- Training and development - Various identified training needs completed but will be part of an on-going programme for both Members and staff which will be progressed through business as usual.
- Service Restructure – Completed and closed.
- Culture and Leadership – Completed and closed.
- Section 106 – Recommendations and actions have been completed. Future checks to ensure processes are embedded and updated in line with procedures will be carried out during 2025/26.
- Tree Risk Management Strategy – Completed and closed.
- Building Control – HSE Inspection – Completed and closed.

7.24. A final report will be presented back to Environment and Communities Committee (Q2 2025/26) to effectively close down the Service Improvement Board. Any existing and future matters to be picked up through business as usual and/or separate focus – such as the Local Plan Board.

Executive and Wider Leadership Team Capacity

Responsible Officer: Chief Executive

7.25. The Council's Corporate Leadership Team (CLT) comprises the Chief Executive as Head of Paid Service, with the most senior officers of the organisation; Executive Directors for each of the Council's four Directorates and the Council's Statutory Officers, S151 Officer and Monitoring Officer, plus the Assistant Chief Executive and the Director of People and Customer Experience.

- 7.26. Since 2022/23 the Council experienced significant turnover amongst CLT. Ensuring that there are sufficient and stable senior management arrangements for an organisation the size and complexity of Cheshire East Council must always be balanced against ensuring the arrangements are proportionate and offer effective and efficient use of resources.
- 7.27. The Local Government Association (LGA) undertook a Decision-Making Accountability (DMA) review to examine current senior management roles to help ensure a stable senior management structure is in place. This provided recommendations informing a revised organisational structure to ensure effective decision making, with clear accountabilities and roles, and efficient use of management resources. This was agreed by Corporate Policy Committee in August 2024.
- 7.28. The new structure was implemented on 1 November 2024. The recruitment to the new senior management structure has increased leadership capacity across the organisation. Senior management roles were advertised in phases from December 2024 – March 2025. By the end of March 2025, we had successfully recruited to the following roles:
- Executive Director of Resources (S151) – started June 2025
 - Executive Director of Children’s Services – started May 2025
 - Assistant Chief Executive – started March 2025
 - Director of People and Customer Experience – started April 2025
 - Director of Commissioning and Integration (Adults) - starts July 2025
 - Director of Family Help and Children’s Social Care – started May 2025
 - Director of Planning and Environment – started April 2025
 - Director of Finance (Deputy S151) – starts August 2025
 - Head of Organisational Development and Culture - started June 2025
 - Head of Strategy, Policy and Performance – started July 2025
 - Head of Customer Experience – started May 2025
- 7.29. The Workforce Programme Board is considering options for the next phase of the organisation, and is currently undertaking preparatory work for DMA, and a timeline.
- 7.30. The successful delivery of the Council’s Transformation Plan is reliant upon having the right skills and capacity in place, and the completion of this considerable recruitment exercise in the early stages of 2025 will see a key milestone achieved.
- 7.31. Recruitment to the permanent Monitoring Officer and Director of Public Health roles has been challenging as is the picture nationally with interim arrangements remaining in place while further recruitment progresses.

Whole Council Response to Ofsted Inspection

Responsible Officer: Executive Director of Children's Services, supported by CLT

- 7.32. Cheshire East Council received an Ofsted inspection of local authority children's services (ILACS) between 19 February and 8 March 2024. The inspection findings are set out in a report which was published on 16 May 2024. The inspection found that despite improvements identified in some areas of practice, services required improvement as the quality of services children experienced was too variable, and for care leavers services were inadequate. When an authority receives a judgement of inadequate in any area, they can only receive an overall judgement of inadequate. As care leavers was judged inadequate, the overall rating is therefore inadequate.
- 7.33. As a result of the inadequate rating, Cheshire East was required to submit an action plan (to be referred to as an improvement plan thereafter) to Ofsted 70 working days after publication of the report, and will be subject to monitoring from Ofsted, with monitoring visits focussing on where improvement is needed the most. The first monitoring visit took place in February 2025, with a further visit taking place in June 2025. Both visits recognised continuing progress being made but that areas of improvement are required to achieve consistency of good practice. The findings from the second monitoring visit were published on 10 July.
- 7.34. The DfE issued an Improvement Notice after the initial visit, which required an independently chaired Improvement Board. A DfE improvement advisor has been appointed to work with Cheshire East to support us to improve outcomes for children and young people and will chair the Improvement Board.
- 7.35. Draft terms of reference for an Improvement Board were agreed by Children and Families Committee on 3 June 2024 with the board established in July 2024.
- 7.36. The leadership team developed a draft of a new improvement plan, in response to the inspection findings, and this was discussed at the Improvement Board held on 30 May 2024. This has been further discussed and developed with Ofsted and the DfE, and subsequently endorsed by these partners, and ultimately approved at full Council on 17 July 2024.
- 7.37. A DfE progress review in March as part of the Improvement Notice arrangements has also acknowledged the progress of improvement in Children's services. It did note the need for the corporate centre to improve the pace to support Children's Services and therefore corporate colleagues are fully embedded in our transformation work of Families First.
- 7.38. Children and Families Committee continues to offer scrutiny to the Children's Improvement Plan and are now also provided with the Vital Signs performance

data to support this further. A paper has also been approved to facilitate Cllrs having more direct contact with front line practitioners through regular team visits.

- 7.39. Funding has been secured, and support has been given from the DfE to appoint North Tyneside as our sector led improvement partner and work has already progressed with a test of assurance around the improvement actions undertaken in relation to Care Leavers and a diagnostic piece of work regarding LADO.
- 7.40. Findings have been presented to the Improvement Board and demonstrated the impact for Care Leavers has delivered significant improvement since the ILACS inspection in 2024 which provides assurance to the Improvement plan success. LADO has a number of areas requiring strengthening and so an action plan is in place and new recruitment underway.
- 7.41. The headline findings from the second Ofsted monitoring visit, as published on 10 July 2025 recognises that the pace of progress has accelerated, and that improvements are being made in specific areas of practice, such as regularity of supervision and frequency of visits to children. There are still areas of inconsistency in the quality of practice for children in need of help and protection, including disabled children.
- 7.42. Ofsted also recognises that there have been recent and significant changes in the senior leadership team, from the experience interim senior leadership team, through to the recent permanent appointments, including the Executive Director and Director of Children's. Appropriate transition arrangements are in place to mitigate the potential impact of change on the wider workforce, and the continued pace of change.

Governance and Internal Control

Responsible Officer: Chief Executive

- 7.43. There are clear drivers for this organisation to transform to improve financial sustainability and improve efficiency and effectiveness in decision making. Other areas recognised in our significant governance issues are critical to ensuring we have the capability and capacity, as an organisation to transform, without losing focus on delivering key services for our residents.
- 7.44. The Annual Internal Audit Opinion for 2023/24 was, for the first time, given as "Limited". This is the first time since 2009 that there has been a limitation on this opinion. Whilst recognising significant progress, the Annual Internal Audit Opinion for 2024/25 is also "limited". This reflects that, whilst improvements are being implemented, and progressing, they are not consistently achieving the impacts required.

- 7.45. Engagement with, and delivery of internal audit actions has improved considerably during 2024/25. There have been no “No Assurance” reports issued during the year. “Good” assurance report numbers, have increased, albeit issued on a number of micro level reports. The content of the 2025/26 Internal Audit plan will be reviewed to ensure that there is sufficient focus to give ongoing assurance on the delivery of transformation projects.
- 7.46. As approved by the Corporate Policy Committee in June 2025, an overarching and cohesive Corporate Improvement Plan is being developed, to introduce a single point of oversight for all significant improvement plans and activity, providing assurance on progress and pace for delivery. The plan will be developed in collaboration with the Council’s Assurance Panel and MHCLG, Members, and staff engagement, and be presented for agreement at a meeting of Corporate Policy Committee in October 2025. This will be underpinned by a corporate Performance Management Framework and reporting aligning finance, risk and performance.
- 7.47. In June 2025, the Corporate Policy Committee also recommended to full Council the approval and adoption of the new officer Schemes of Delegation to be incorporated into the Constitution, replacing the existing schemes of delegation. The proposed schemes have been considered and approved by the Council’s Constitution Working Group. The adoption of the Schemes addresses a number of the findings and recommendations arising from the LGA Corporate Peer Challenge report.

Partnership Working

Responsible Officer: Executive Director, Adults Health and Intergration, Assistant Chief Executive.

- 7.48. The Council has a number of important partnerships which, whilst long established, continue to develop. These partnerships exist at local and neighbourhood level, with town and parish councils, schools, housing providers and care communities and at regional and supra-regional level with the neighbouring boroughs, the Cheshire and Merseyside Integrated Care System, Enterprise Cheshire and Warrington, and Cheshire Police.
- 7.49. These partnerships will become increasingly important as part of the Council’s transformation programme and improvement journey, for its long-term economic stability and to ensure success in addressing strategic ambitions. They will be a pre-requisite for ensuring the Council is able to fully engage with and benefit from the opportunities presented by devolution. Additional partnerships could emerge through new legislative requirements and national policy direction.
- 7.50. As part of the transformation plan, the Council is developing its aspirations for the type of organisation it wants to be and the new operating framework it will

adopt, which was developed collaboratively with staff and Members in 2024/25. This includes a focus on being more collaborative and working in partnership.

- 7.51. In this context it is timely to ensure that the Council's governance arrangements for partnership working are robust, transparent and appropriately led with sufficient scrutiny and over-sight, as well as facilitating co-production and joined up delivery of outcomes for the benefit of Cheshire East residents.
- 7.52. There is an opportunity to consider the approach to partnerships and engagement with key stakeholders as we develop a new Cheshire East Plan for 2025 and beyond.
- 7.53. Mapping of formal partnership arrangements has been completed with capacity supported through the LGA, and this exercise informed the Cheshire East Plan 2025-29. Existing partnership arrangements continue to function in line with current governance. As noted in the Health and Social Care Integration update, this will require reconsideration of governance arrangements in 2026/27.

8. Significant Governance Issues 2024/25

- 8.1. To date, our assessment of the effectiveness of our governance arrangements for 2024/25 has identified one further significant governance issue; Delivering Improvement. The Chief Executive is the responsible officer for this issue, supported by CLT.
- 8.2. Beginning with the LGA Corporate Peer Challenge in March 2024, there have been several external inspections, peer reviews and assessments for the Council. These have included the CIPFA Review following the request for Exceptional Financial Support, and the Ofsted Inspection of Local Authority Childrens Services. The Council's response to the Ofsted Inspection has previously been recognised as a significant governance issue.
- 8.3. The report from the LGA Corporate Peer Challenge in July 2024, made 18 recommendations focused on financial sustainability, transformation, culture, governance and getting the basics right. In response to the report, the Council established an Assurance Panel in July 2024, to give advice, challenge and support to the council's leadership in delivering improvement and agreed an action plan in August 2024. As reported to Corporate Policy Committee in June, 70% of the actions have been completed.
- 8.4. CIPFA undertook a review during July and August 2024, commissioned by MHCLG with recommendations published in March 2025. A Financial Leadership Improvement Plan, an improvement plan for all finance-related matters was developed and progress on this was reported recently to the Finance Sub Committee. The Plan also covers relevant recommendations from the Corporate Peer Challenge and External Audit 2023/24 accounts.

- 8.5. In August 2024, the Corporate Policy Committee considered and approved the submission of the Transformation Plan, which was also a requirement for the Council to access Exceptional Financial Support. Further updates on the Transformation Plan were given to the Corporate Policy Committee in October 2024. Progress on the Transformation Plan is reported on a monthly basis to the Transformation and Improvement Board, and the Corporate Leadership Team.
- 8.6. In May 2025, the Council received a non-statutory Best Value Notice. The Council responded to the Notice on 20 May 2025 confirming that the actions set out wholly align with the Council's improvement plans and significant progress against these has already been made, while recognising there is more to do. Formal quarterly updates with MHCLG will be used to demonstrate progress against the areas for improvement identified in the Notice.
- 8.7. The Assurance Panel provide a written update to full Council twice a year, and the first of these letters has now been published and discussed at the meeting of full Council on 16 July. The panel has recognised the council's commitment to improvement and positive collaboration between political leadership and senior officers to drive change, and that we have bolstered leadership capacity through senior management recruitment.
- 8.8. The panel also recognised the challenges the council is facing and the work we are doing to meet these challenges. They highlight the pace required, the need to coordinate our wide-ranging improvement work through a single outcome-focused plan, and to build on our established relationships with the panel and government departments to provide clear assurance around our progress.
- 8.9. A change to the chair of the assurance panel has also been agreed. Gavin Jones CBE becomes the chair from the 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.
- 8.10. There is now an opportunity for the Council to reset its improvement journey through the development of an overarching Corporate Improvement Plan. This will supersede the previous Corporate Peer Challenge action plan, and provide significant improvement plans and activity, and assurance on the progress and pace of delivery. The plan will address all areas identified for improvement in the Best Value notice and reflect best practice from other councils.

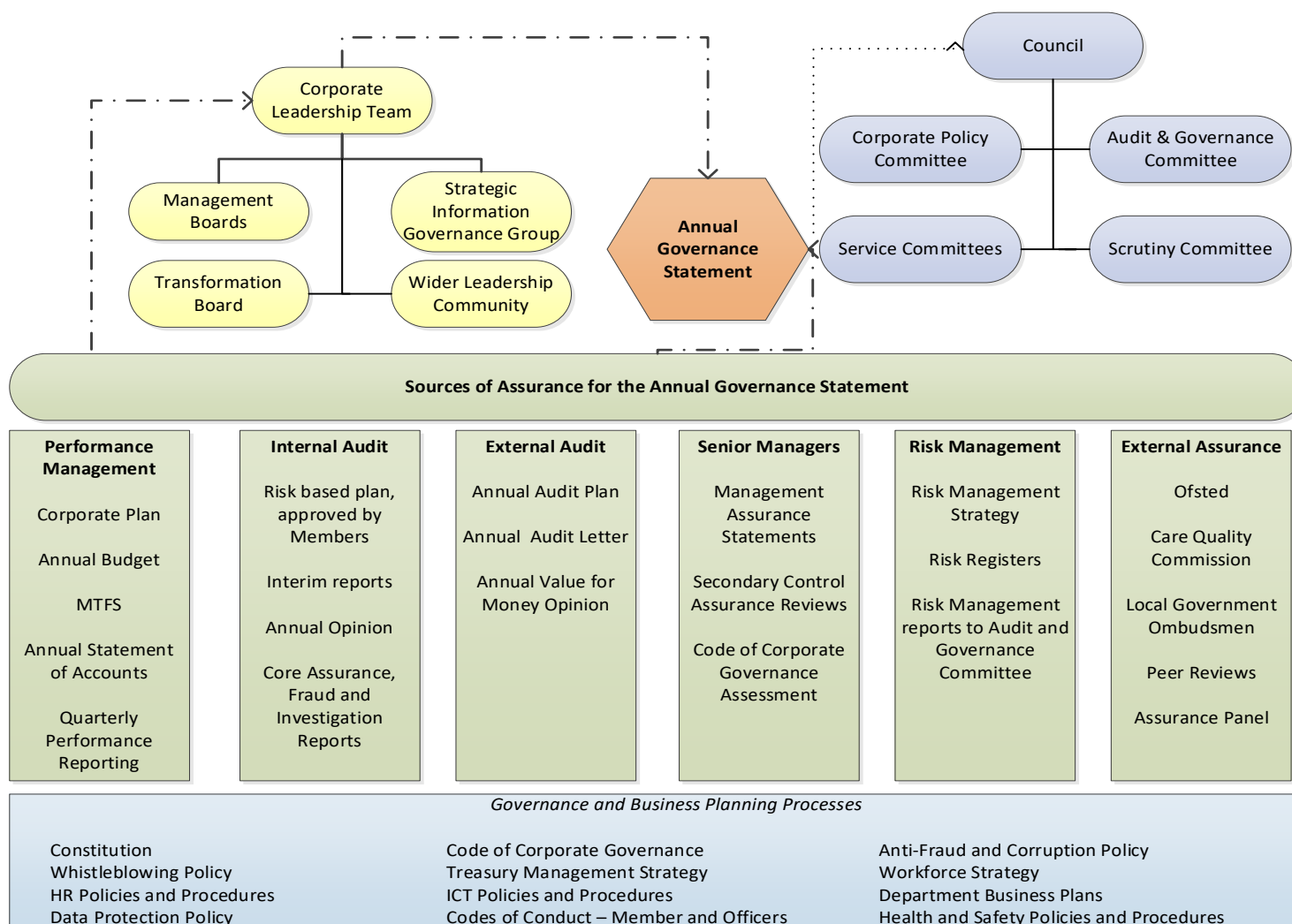
9. Governance Developments – looking ahead

- 9.1. There are a number of key priorities for the Council to deliver against in 2025/26 and beyond, as both an individual Council, and as a partner. Having the right governance frameworks in place for these is essential for success, and the Devolution agenda will drive a number of significant changes for the authority.

Devolution

- 9.2. The Government published its English Devolution White Paper in December 2024, and following a submission in January 2025, the Government confirmed that Cheshire and Warrington would be included in the priority programme. The Cheshire and Warrington Joint Committee has been established with political representation of each of the three Councils to facilitate the initial progress of the devolution agenda. Once the formal consent pursuant to s.110 of Local Democracy, Economic Development and Construction Act 2009 has been given by each of the Councils, the Combined Authority arrangements will progress, including shadow arrangements.
- 9.3. The Council will need to be ready to understand the detailed requirements, once confirmed to ensure it can support the ongoing devolution workstream, and to set out the ways of working with the new Combined Authority.
- 9.4. The Council recognises the need to review existing governance arrangements and is considering the options and implications of moving to a Leader and Cabinet model with the government recently setting out its intention to abolish the committee system of decision making.

Appendix 2: The Governance Framework 2024/25



Appendix 3: The Committee Structure

