



# **Mid Year Review of Performance 2015/16**

**November 2015**



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

**Anyone wanting to comment can contact the Council at:**

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# Introduction

Overall performance, financial health and resilience of Cheshire East Council is strong. It is the third largest Council in the Northwest of England, supporting over 370,000 local people with annual spending of over £750m. The Council continues to strive for further improvements, putting residents first in the provision of over 500 services delivering more for less.

A commitment across the public sector to contribute to reducing the high levels of national debt has meant local government is going through a period of unprecedented change and financial challenge. Cheshire East Council's response continues to be based on innovation and creativity. The Council continues to be relentless in its pursuit of greater efficiency and productivity, and minimising bureaucracy to enable it to deliver a high level of sustainable, quality services for a lower overall cost.

Our commissioning intentions to develop better ways to achieve the Council's five stated outcomes by using a mix of delivery mechanisms is continuing to gain momentum. The Council's philosophy is about much more than simply reducing costs through arranging cheaper provision or about traditional outsourcing. In 2013/14 the Council completed significant reviews of management structures to divert spending to front line services.

At Mid Year, the Council's reserves strategy remains effective, with a modest forecast overspend of £0.5m (0.2%) against a budget of £246.6m. This is the nearest forecast position to budget ever reported for the Council at this stage in the financial year.

To support openness and transparency the report has three main sections, to provide background and context, and then twelve supporting appendices with detailed information about allocation and management of public money during 2015/16:

**Section 1** provides a summary of Council performance and brings together service achievement highlights against the 5 Residents First Outcomes in the Council's three year plan.

**Section 2** provides information on the overall financial stability and resilience of the Council. It demonstrates how spending in 2015/16 is being funded, including the positions on overall service budgets, grants, council tax and business rates, treasury management, centrally held budgets and the management of the Council's reserves.

**Section 3** provides a summary of the issues relating to the Council's workforce development plan.

- **Appendix 1** shows the Three Year Council Plan.
- **Appendix 2** explains Budget changes since First Quarter Review.
- **Appendix 3** shows the latest position for Corporate Grants.
- **Appendix 4** shows the revised Capital Programme expenditure.
- **Appendix 5** lists approved Supplementary Capital Estimates and Virements up to £250,000.
- **Appendix 6** lists requests for Supplementary Capital Estimates and Virements over £250,000 for Cabinet approval.
- **Appendix 7** lists requests for Supplementary Capital Estimates and Virements over £1,000,000 for Council approval.
- **Appendix 8** lists Capital Budget reductions.
- **Appendix 9** provides details of Treasury Management investments.
- **Appendix 10** lists requests for allocation of additional Grant funding.
- **Appendix 11** analyses the position on Outstanding Debt.
- **Appendix 12** lists details of Earmarked Reserves.

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Chief Operating Officer (Section 151 Officer)

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# 2015/16 Outturn Forecast at Mid Year Review – Financial Position

2015/16 Mid Year Review (GROSS Revenue Budget £611.0m)	Revised Budget (NET)  £m	Emerging Pressures  £m	Remedial Actions Identified to Date £m	Current Forecast Over / (Underspend) £m	For further information please see the following sections
Children & Families	43.4	1.9	-1.5	0.4	Section 1 - Paragraphs 108 - 111
Adult Social Care & Independent Living	95.3	7.3	-6.5	0.8	Section 1 - Paragraphs 139 - 141
Public Health	0.0	0.0	0.0	0.0	Section 1 - Paragraphs 152 - 153
Economic Growth & Prosperity	6.2	0.0	0.0	0.0	Section 1 - Paragraphs 54, 83-85, 114
Chief Operating Officer:					
Commissioning Services:					
Building Control etc	1.7	0.0	0.0	0.0	
Environmental (incl Bereavement)	27.4	0.5	-0.3	0.2	Section 1 - Paragraphs 124 - 126
Highways	11.2	0.0	0.0	0.0	Section 1 - Paragraphs 73 - 75
Leisure	2.1	0.0	0.0	0.0	Section 1 - Paragraph 142
Transport	14.6	0.3	0.0	0.3	Section 1 - Paragraphs 70 - 72
Communities	9.2	0.8	-0.6	0.2	Section 1 - Paragraphs 39 - 43
Other (e.g Finance, ICT, Legal, Facilities)	39.2	-1.4	0.0	-1.4	Section 1 - Paragraphs 164 - 165
<b>Total Services Net Budget</b>	<b>250.3</b>	<b>9.4</b>	<b>-8.9</b>	<b>0.5</b>	
<b>CENTRAL BUDGETS</b>					
Specific Grants	-18.9	0.0		0.0	Section 2 - Paragraphs 172 - 175
Capital Financing	14.0	0.0		0.0	Section 2 - Paragraphs 209 - 217
Transfer to Earmarked Reserve	0.2	0.0		0.0	Section 2 - Paragraph 229
Corporate Contributions	1.0	0.0		0.0	Section 2 - Paragraph 218
<b>Total Central Budgets</b>	<b>-3.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	
<b>TOTAL NET BUDGET</b>	<b>246.6</b>	<b>9.4</b>	<b>-8.9</b>	<b>0.5</b>	
	Planned Contribution	Forecast Variance	Impact on reserves		
	2015/16	Quarter 2	Quarter 2 Forecast		
	£m	£m	£m		
Impact on Reserves	-2.2 *	-0.5	-2.7		
*Increased from £1.7m by in-year transfers to earmarked reserves					
General Reserves Balance	2015/16 Budget		Quarter 2 Forecast		
	(estimated) £m		£m		
Opening Balance April 2015	14.2	Actual	14.7		
2015/16 Impact on Reserves (see above)	-1.7	Forecast	-2.7		Section 2 - Paragraphs 223 - 228
Closing Balance March 2016	12.5	Forecast	12.0		

# Overview of Performance ~ Putting Residents First

## ACHIEVING THE COUNCIL'S FIVE OUTCOMES

Cheshire East Council provides more than 500 services, supporting over 370,000 residents, and over 17,500 businesses.

Cheshire East has again been recognised as the Best Place to Live in the Northwest

### 1 ~ Our local communities are strong and supportive

- Working with the community and multi-agency groups following the July explosion in Bosley
- Presenting to 25 schools and 796 children on the importance of doorstep safety
- Working with partners to significantly reduce incidences of antisocial behaviour at a number of locations
- Re-opening Nantwich and Poynton libraries following refurbishment work to improve their role as community hubs
- Awarding a total of £77,661 in Community Grants to 61 organisations
- Launching the 'Report it Track it' tool, allowing the public to report highway faults and track what the Council is doing to respond

### 2 ~ Cheshire East has a strong and resilient economy

- Being named the best county in the country to set up a rural business
- Increasing the number of apprenticeship starts
- Reducing highway insurance claims by 67%
- Launching Phase 2 of the Connecting Cheshire project with an aim of achieving 98% fibre broadband by the end of 2017
- Completing the Superfast Business programme early, providing support to a total of 935 businesses
- Making strong progress on major highway and transport infrastructure schemes, and developing an ambitious pipeline of future schemes

### 3 ~ People have the life skills and education they need in order to thrive

- Maintaining a significantly high number of schools judged as good or outstanding; 93.5% of primaries, 90% of secondaries and 100% of special schools
- Achieving a provisional A-Level results pass rate of 99%, above the national average of 98%
- Further reducing number of NEETs; best in the North West at 2.8%
- Responding to residents' feedback regarding the Local Offer for those with special educational needs and disabilities
- Working with providers to develop supported internship programmes designed to lead to employment for young people with special educational needs

### 4 ~ Cheshire East is a green and sustainable place

- Retaining consistently high recycling figures
- Working with the charitable sector and household waste recycling centres to reuse around 100 tonnes of materials per month
- Commencing the LED upgrade to 9,000 high wattage traffic route lanterns, for completion in early 2016
- Obtaining 7 Green Flag Awards

### 5 ~ People live well and for longer

- Managing a 4-week unannounced inspection of Children's Services
- Preparing a mental health paper outlining business cases for projects aiming to improve emotional health and wellbeing
- Improving public satisfaction with countryside events to 98%
- Progressing Public Health Transformation Fund projects
- Continuing strategies to ensure recruitment of local foster carers

## FINANCIAL STABILITY

Cheshire East Council is achieving outcomes based on sound financial management. In 2015/16 the Council will operate on an annual budget of more than £750m.

- At **Quarter 2** a potential **overspend of just £0.5m** is being reported compared to budget.
- The **potential** overspend represents only 0.2% of the Council's **net revenue budget of £246.6m**. This is the nearest forecast to budget ever reported for the Council at the Mid Year stage, and forecasts have tended to be reduced as the year progresses from robust management action to mitigate the pressures before year end.
- **Service Budgets** – a forecast overspend of £0.5m is reported.
- **Central Budgets** – are currently forecast to be balanced at year end.
- The Council is among the top third of Unitary Councils in terms of **Council Tax collection**. Over 99% of Council Tax and Business Rates are collected within three years.
- **Council Tax has been frozen** for the fifth consecutive year in 2015/16.

- **Investment income** is £179,000 higher than budget at Quarter 2. The average rate earned on investments (1.01%) is higher than the London Inter Bank 3 month rate.
- **General Reserves** - the robust reserves strategy assesses risk at the beginning of the year, and protects the Council against potential overspending. At this stage in the year, the potential overspend of £0.5m is less than the original forecast risks. Further mitigation of the forecast overspend is expected to be achieved.
- At the Mid year review stage the Council is forecasting **Capital Budget** expenditure of £139.3m in 2015/16, which is a decrease of £15.3m from the First Quarter Review following a review of in-year forecasts.
- For monitoring purposes, **the in-year capital budget** for schemes committed or in progress is £96.1m, against which an underspend of £4.5m is currently forecast. Again the Council has forecast that there will be no requirement for additional external borrowing this financial year.
- Outstanding **Debt** (excluding local taxation) is £10.1m. Debt over 6 months old is £2.4m (around 4% of total debt raised annually) and this is covered by provisions to meet potential write-offs.

# 1. Summary of Council Performance

## Introduction

1. Cheshire East Council is responsible for delivering more than 500 local public services across an area of over 1,100km<sup>2</sup> for over 370,000 residents. The budget to deliver these services in the period April 2015 to March 2016 is over £750m, which is raised from a combination of local taxes, national taxes (in the form of Government Grants) and payments direct from service users. In terms of spending power per head, Government figures highlight the impact of different levels and sources of funding on total Council spending:

### Spending Power per Head Comparisons 2015/16

	Cheshire East £	Rural East Riding of York £	Urban Liverpool £
Grants	335	391	838
Council Tax	453	387	252
<b>Total</b>	<b>788</b>	<b>778</b>	<b>1,090</b>

2. The Council's Three Year plan, which was agreed by Council on 28th February 2013, has five Residents First Outcomes that will focus service delivery in the medium term (see **Appendix 1**). This section of the report highlights progress towards achieving each of the five outcomes, in addition to inward-facing work undertaken during 2015/16 to support the delivery of a responsible, effective and efficient organisation.

3. This report reflects activity that has taken place mostly in the period July 2015 to September 2015 including progress against the Council's change programme. Commentary is also provided on the financial impacts (both revenue and capital) of this activity.

## 1 ~ Our local communities are strong and supportive

### Mutual Respect & Personal Responsibility

4. Work in Cheshire East has been completed to launch a 'Divert' scheme targeting out of court disposals with the aim of further reducing the number of first time entrants (FTE) to the youth justice system. This will involve:
  - Police notifying the Youth Engagement Service (YES) of all young people who are eligible for an out of court disposal
  - YES Prevention Team will assess each young person within ten days and make an outcome recommendation to the police
  - Dependant on the identified needs/outcome, then the Prevention Team, Youth Offending Team or a partner agency may deliver an intervention

All of this will be done within the relevant national standard and timescales and cases will be tracked against these.



5. The CCTV team dealt with an average 18 drug-related incidents giving Police the necessary information to be able to pursue the offenders, resulting in arrests and convictions. CCTV has proved instrumental in both drug crime prevention and detection. An example of success is recent work around the underpass at the foot of Brunswick Hill in Macclesfield to improve the visibility in an area associated with drug related crime.
6. The Multi Agency Action Groups (North and South) have implemented multi-agency work which has resulted in, for example:
  - Significantly reduced levels of incidence of antisocial behaviour (ASB) at a number of locations such as Brunswick Hill and Jasmine Park in Macclesfield, West Street and the Town Centre in Crewe.
  - Joint work with Cheshire Probation to clean up alleyways in Crewe.
  - Provision of crime prevention advice to over 150 new students at the Freshers Fair at Reaseheath College.
  - Identification of four (so far) locations which are hotspots for legal high wrappers or nitrous oxide canisters and introduction of measures to prevent the issue and warn of their dangers.
  - Implementation of Operation Shield involving 300 homes in Crewe West. This aimed at preventing and detecting domestic burglaries in identified burglary “hot-spots”.
  - Currently active Multi-Agency Action Group cases as at 30th September include 16 cases of ASB and/or environmental nuisance and nine involving vulnerable individuals impacting on their local communities.
7. Two Anti-Social Behaviour Orders (ASBOs) were converted into Criminal Behaviour Orders (CBOs) in Quarter 2, the first such conversions in Cheshire East.
8. We have actively promoted the banned use of sky lanterns at events that required a licence from the Council and on our own land. This will support our rural communities in particular as the lanterns pose a risk to livestock.
9. We are consulting on a range of new powers that have come into force to tackle ASB and legal highs. These include Public Space Protection Orders and issuing on-the-spot fines to individuals who breach an order.
10. As an Enforcing Council we want to bring relief to long-suffering neighbourhoods where residents have had to put up with car racing in car parks, open drug taking, loud music and intimidating behaviour by gangs. Five parts of the Borough have been identified in Poynton, Macclesfield, Crewe and Alsager to implement these new powers.
11. We have continued to successfully prosecute those that claim benefit that they are not entitled to. A recent case saw a benefit cheat face a bill for £15,000.
12. The Benefit Fraud team investigate Benefit fraud, Blue Badge fraud and work with colleagues from the Department for Work and Pensions (DWP) on other welfare benefit investigations. The team have increased the number of overpayments detected and offenders sanctioned in 2015/16, with 89 sanctions in the first half of the year compared with 143 in total in 2014/15.
13. Effective verification is in place when new claims are received but a lot of fraud and error arises due to claimants failing to report

changes in circumstances. The improved performance is the result of innovative and improved methods of enquiry, joint working with the Police targeting criminals across the Cheshire East area, and encouraging referrals from residents by publicising successful prosecutions in the local press to demonstrate that the Council does enforce and that allegations are acted upon. From December 2015 the Fraud Team will be transferring to the Department for Work and Pensions as part of the new Single Fraud Investigation Service.

14. In terms of parking enforcement, July exceeded the monthly deployed hour's target (95.2%). However, some vacancies in the team reduced the deployed hours figure below the target in August. The focus on keeping traffic moving safely and preventing dangerous and selfish parking continues.
15. Proactive work to move on unauthorised gypsy and traveller encampments continues and numbers of encampments have decreased from last year. Work is ongoing to create a transit site which will greatly help in ensuring that minimum disruption is caused to residents and businesses.
16. In July the licensing enforcement team took part in Operation Crossbow – a joint initiative with Cheshire Police and other enforcement agencies. Over 700 vehicles were stopped across Cheshire with a total of 23 arrests. Although not a high proportion of licensed vehicles were stopped, all of those that were demonstrated offences and relevant action was taken. In a further focussed licensed vehicle stop at the end of the same month, 30 vehicles were stopped including several licensed outside of Cheshire East but operating under private hire work. A number of offences were identified with appropriate action and advice issued by officers.
17. The animal health team undertook an investigation into a local farm following an anonymous tip-off. Although anonymous complaints are not encouraged, in this case the information provided was so specific that officers felt investigation was necessary. Work involved the identification of an animal burial pit on site which is contrary to Animal By-Products legislation and also the falsification of records. The farmer had no choice but to organise for the removal and licensed disposal of the animal remains.
18. In response to Scams Awareness Month we issued a press release encouraging individuals who feel they have been subject to a scam to contact the service for help and advice. This has followed on from our direct work with vulnerable individuals within Cheshire East who have been identified as potential victims from national database information.
19. We obtained a £900 refund on behalf of a local consumer who had requested the option to cancel a contract but had been refused. Following officer involvement the money was duly refunded. A further £200 refund was gained for a local resident in relation to unsuccessful boiler repairs.
20. Officers from Regulatory Services and Health attended the Manchester Metropolitan University Freshers Fayre to provide advice and guidance to new students. Particular topic areas included taxi safety, food hygiene and pest control, counterfeit products (especially alcohol and tobacco) and also their responsibilities as new members of the community in terms of noise disturbance and respect for their new neighbours.
21. This year, 25 schools took part in the 'Knock Knock' campaign, aimed to inform children of the types of people that may come knocking at their door, the importance of doorstep safety

(including keeping doors and windows locked), making the necessary checks before opening the door, and what to do if they don't know who is calling. A total of 796 children received our presentation and we received 244 entries for our 'Knock Knock' poster campaign, with judging ongoing at the end of Quarter 2.

## **Communities**

22. On Friday 17th July 2015 an explosion took place at Wood Treatment Limited in Bosley. The explosion and subsequent fire at the site resulted in a number of fatalities and casualties, and caused damage to property and infrastructure. This disaster has had a major impact on the local community both in Cheshire East and in the neighbouring county of Staffordshire and affected people living in other parts of the country.
23. Bosley is demonstrating a strong and resilient community in action. The response from the community was, and continues to be, incredible with many people impulsively running towards the explosion to help people, offering accommodation, food, jobs and much more to those affected.
24. Lots of local businesses including the Council, its alternative service delivery vehicles (ASDVs) including Ansa and Ringway Jacobs (who deliver our Highways contract) offered employment opportunities. Community fundraising efforts have now exceeded £167,000. There is a well-coordinated, ongoing multi-agency approach, which is developing a new method of recovery planning based upon a community impact assessment, clearly reflecting the needs of those affected and developing actions around these.
25. Cheshire East Reflects (CER) is launching the education programme and education element of the CER website. Schools' interest in the programme has been high with many visits planned to engage with

teachers and an INSET day planned too. Schools will be offered a programme of activities including the opportunity for pupils to gain an Arts Award. Support is being given to volunteers in Crewe who are staging a display of knitted poppies in Memorial Square in November.

26. Nantwich and Poynton libraries have re-opened following refurbishment work to improve their role as community hubs. The Citizens Advice Bureau and Department for Work and Pensions are now delivering their local community services from Nantwich Library. A new shared entrance for the Civic Hall and Library has been created at Poynton to enable more joined up delivery of community services. Visitor numbers at these libraries have increased compared with previous years as a result of the improved facilities and wider range of community services now available.
27. This year's Summer Reading Challenge in libraries was another record breaker, with 5,788 children starting the annual challenge. The children were challenged to visit their local library four times and to read six books. Over 60% of the children who started the challenge completed it and received a medal and certificate at a special ceremony where many Councillors and local VIPs helped them to celebrate their achievement. The summer began with library staff recruiting 80 volunteers to assist with the scheme. Importantly the scheme helped to reach children who were not already members of their local library, with 300 children given their first library card when they signed up to the challenge.
28. The range of activities provided from community venues across the Borough continue to develop as part of our community hub network. Examples include:

- Four new IT and Chat groups formed within the rural communities – Worleston Village Hall, Elworth Methodist Community Church, Church Minshall Ladies Group, and Hankelow Village Hall;
  - Two of five to ten week IT tuition/workclubs delivered from the Light House Centre, Crewe;
  - Summer Street sports sessions delivered across Crewe for five weeks in ten locations;
  - BASE Brunch clubs delivered in three locations across Crewe;
  - Consultations undertaken regarding the development of rural hubs in Barbridge and Ravensmoor;
  - Community cafés launched in Barnies and What's On in North Street Centre, Crewe;
  - Coffee and Stop sessions (multi-agency) running at Wrenbury Primary School;
  - Let's Get Cooking course for people with disabilities running in Middlewich.
29. Mentoring Programmes have been extended, including Twista Connect Programmes and graduations at Eaton Bank High School Congleton and Sir William Stanier Academy, Crewe.
30. Community Training has included: 20 Volunteers Level 2 Food Hygiene; 12 Volunteers Level 1 Food Hygiene; 15 Volunteers Basic First Aid Course; and nine Volunteers Mental Health Awareness.
31. Wilmslow Town Partnership has recently been established with the ambition to bring additional investment into the town. The new partnership will be driven by a management team made up of local volunteers, together with a part-time project officer funded by Cheshire East Council. The partnership will canvass for projects to promote the economic, social, environmental and cultural health of the town and then source funds to bring selected projects into being.
32. The Council invested in a Sports Barn on Longridge Estate, Knutsford, and the summer sports programme attracted 85 young people.
33. Congleton Community Hub attracted over 170 residents to a consultation event resulting in implementation of an allotment project for the elderly on Bromley Farm estate.
34. A successful 'WREN' bid secured £48,000 to upgrade sports and recreation facilities in South Park, Macclesfield.
35. Community Hub development in Knutsford resulted in an increase in service use following the relocation of Citizens Advice Bureau services in the town supported by Cheshire East.
36. The community grant scheme has so far awarded a total of £77,500 to 61 organisations across two rounds. This has enabled £565,000 worth of projects to take place across the Borough. Through people attending clubs, activities, events and performances, the grant money has benefitted nearly 200,000 members of the community. The following organisations received a grant in this round:
- St Mary's Church, Nantwich - the church successfully applied for a community grant of £5,000 towards its £126,000 project to install new toilets and disabled access to provide better facilities for a wide range of local community users and visitors. The grant is conditional on securing funding for the total project costs.
  - Congleton Musical Theatre - the group successfully applied for a community grant of £1,000 towards the cost of sound and lighting for their production being rehearsed for an October performance. The majority of the costs are being

funded by ticket sales and there is also a contribution from Congleton Town Council;

- Macclesfield Academy Learning Community - the organisation successfully applied for a community grant of £1,000 to fund a summer school with the aim of reducing anti-social behaviour locally. The costs include music tutors and coach fees.

37. We know that community grants provide a lifeline for many local groups who simply wouldn't be able to survive, let alone thrive, without this support. We recognise the tremendous community work that can be unlocked and enabled by the provision of relatively small amounts of public money. It shows what good work can be achieved by the Council working closely with community groups and partners. Cheshire East recognises the valuable input that the voluntary and community sector brings to the quality of life in the community.
38. 590 volunteer days have been worked with the Countryside Rangers between 1st April and 30th September 2015, which is on track for the year against a target of 1,100 days. From mid-July to the end of September 2015 there have been 1,130 volunteer days worked across all sites at Tatton Park.
39. There is an overall budget pressure forecast for Communities of £0.2m which is an improvement on the position at First Quarter.
40. £0.1m of the pressure relates to 2015/16 business planning proposals for Pest Control and Trading Standards Investigations. These cannot be met fully in-year due to the one-off cost of redundancies and a delay in implementing the pest control proposal.

41. There is a further pressure of £0.1m on the costs of vehicle testing for taxi licensing. There is ongoing work during 2015/16 to overhaul the policy surrounding taxi licensing and to review the budgets in this area.
42. These pressures have been partially offset by other savings in Regulatory Services and Health and Consumer Protection, mainly due to delays in filling vacancies.
43. Pressures on car parking income of £0.1m continue mainly due to reduced levels of fines income. There is also an anticipated cost pressure of £0.1m resulting from unbudgeted gritting costs.

#### **Civic Pride**

44. Following delivery of local and national elections in May 2015, further work is being carried out in response to new legislation, which has introduced Individual Electoral Registration. This is the biggest change in electoral law and practice in a century, and it is hoped that this will result in increased public participation in elections.
45. Migration of the website [cheshireeasthighways.org](http://cheshireeasthighways.org) to the Cheshire East site, [cheshireeast.gov.uk/highways](http://cheshireeast.gov.uk/highways), is complete with a significant update to the content. The changes reflect those areas where website hits were greatest, and the initial feedback has been very positive with increased visits.
46. As part of the Business Improvement Programme, the Highways team launched the 'Report it Track it' tool on 19th August. The tool allows the public to report highway faults and track what the Council is doing to respond to their issue. The tool is due to be further developed to include street lighting, and a media campaign has been developed to coincide with the upgrade.

47. A strong focus has been placed on the Highways Twitter account to make it more proactive and positive. We are now tweeting information regarding maintenance activities, improvement works and street lighting upgrades. We have also introduced our hashtag #workingforyou as one of our key messages. The effect is generating more public interest with 2,151 followers.

## **2 ~ Cheshire East has a strong and resilient economy**

### **Business and Visitor Economy**

48. Latest figures for the value of the visitor economy have been released and these show a £70m increase from 2013 to 2014. The new figure stands at £807m and is an increase of 48.3% on 2009 figures. Tourist days also increased by 5.2% on 2013 figures with 16.2m visitors now enjoying their visit to Cheshire East. These figures are obtained from the STEAM model (Scarborough Tourism Economic Analysis Model).
49. Consultants working with the Silk Heritage Trust are due to present their interim report in October. Work is ongoing with the Trust to consider future options for business development and future sustainability including consideration of the future of Paradise Mill in Macclesfield.
50. A public art scheme is being developed for Waters Green in Macclesfield. Artists will be appointed by the end of October with final art works due to be installed by the end of the calendar year.
51. Cheshire has been named the best county in the country to set up a rural business. The finding emerged from a new study by the Country Land and Business Association (CLA) – an organisation that represents farmers and rural businesses across the UK. The CLA scored each county on its ability to support rural businesses, such as the amount of broadband coverage available, planning policies and business support – and Cheshire came out top.
52. The Tatton Vision programme of investment is ongoing and will result in a continued increase in a sustainable income base. In Quarter two, work has been ongoing in the Stableyard retail and catering area, completion of the Tenants Hall refurbishment work as well as preparing a strategy to deal with Phase 2 of the Tatton Vision through consultants due to deliver a report by November 2015.
53. The bid to the Heritage Lottery Fund for second round funding of Tatton Dale farm's 'Field to Fork' project has now been submitted. A decision is due at the end of November 2015. If successful this three-year, £1.4m project will start early 2016, with the new proposition opening to the public in 2017.
54. Visitor Economy and Tatton Park are working towards a balanced budget, with any potential shortfall in car park income arising in 2015/16 being offset by the use of earmarked reserves.
55. Progress continues on securing the sustainable regeneration of Cheshire East's major town centres. Cabinet approved the draft Crewe Town Centre Regeneration Delivery Framework as the basis for consultation at their meeting in April, which sets out plans for the regeneration of a number of key sites across the town centre. Informed by the Regeneration Delivery Framework, the Council also completed on the acquisition of the Royal Arcade site and have received a number of Expressions of Interest from interested developers for the redevelopment of all or part of the Royal Arcade site to further support the regeneration of the town centre and will be seeking a development partner for all or part of the site in the near future. The Council also embarked on a major consultation with local residents and businesses seeking views on the future of

Crewe Town Centre. Six consultation events/meetings were held and two surveys were published for consultation using social media and the local newspaper as media partner and almost 1,200 responses were received which support the Vision and Objectives of the Regeneration Delivery Framework.

56. The Council also remains committed to regenerating Macclesfield to ensure it is an exciting and vibrant place, which celebrates its heritage and is an attractive place to shop, live, visit, work and do business. Key to this is working with local residents and businesses to achieve the right outcomes and the Council has set up the Macclesfield Town Vision Stakeholder Panel to consider views from a wide range of people and perspectives to help shape and influence the way forward for the town centre. A major town centre Council-owned site in Macclesfield is currently being marketed to attract a developer to deliver a flagship leisure-led development to boost footfall and revitalise the town centre. In addition, smarter shop fronts supported by the Council are boosting trade for dozens of Macclesfield businesses, and the Council is now planning to initiate Phase 2 of the successful Shop Front Improvement Scheme, to concentrate on Lower Mill Street and Park Green area properties, as part of a wider programme of public realm improvements that will be progressed across the town centre.

### **Workforce**

57. With regards to apprenticeships, comparative data (SFA Datacube) for the same period (Quarter 2 - Nov through to Jan) for each of the academic years 2013/14 and 2014/15 show that:
  - 16-18 year-old apprenticeship starts have increased from 530 to 579;

- 19-24 year-old apprenticeship starts have increased from 518 to 580; and
  - 25+ apprenticeship starts have increased from 278 to 531
- The significant increase in 25+ starts is likely to have been influenced by Cheshire & Warrington Local Enterprise Partnership's (C&WLEP) prioritising higher level skills.

58. Latest data for the period from January 2014 to December 2014 show the percentage of the resident population (16-64) with an NVQ3 and above in Cheshire East was 57.3% (NOMIS Labour market Profile).
59. Cheshire East Highways has successfully completed its apprentice recruitment for 2015; ten new apprentices commenced on 14th September, and are employed in a mixture of office-based and operational roles.

### **Infrastructure**

60. The Council's additional £6.5m Highway Investment Programme for 2015/16 is underway and will see over 75km of roads improved across the borough. All schemes will be completed by the end of October 2015.
61. The positive news story on the reduction in highway insurance claims continues with only 116 claims submitted to date. This represents a 67% reduction on the same point in 2012/13 and a year-on-year reduction. Of those claims submitted, only £127 has been paid to date maintaining a 99% repudiation rate.
62. The £28.5m Connecting Cheshire project has already provided fibre broadband to more than 82,000 homes and businesses. This builds on BT's commercial investment so that 96 percent of Cheshire – around 400,000 premises – will have access to speeds of up to

80Mbps by the end of 2015. A £6m phase two roll-out aims to increase this coverage to 98 per cent by end of 2017.

63. The Connecting Cheshire Partnership has won almost £90,000 from the government's Equalities Office towards a second phase project to help female entrepreneurs exploit Superfast broadband and digital technology. Building on the success of the Phase 1 project which saw over 300 female-led business benefit from support, the second phase will see Cheshire partner with the Greater Manchester Business Growth Hub to deliver an inspirational programme to support entrepreneurs and businesses via a range of free workshops, masterclasses, 1-2-1 support and e-learning. The project will run from this autumn through to March 2016.
64. The Superfast Business programme successfully completed delivery in June, having exceeded its target by 13% and providing 12 hours support to a total of 935 businesses. As a result of the programme, 416 businesses are targeted to experience improved Gross Value Added (GVA) performance, equating to a £19.5m GVA uplift, and 161 jobs are to be created or safeguarded. To date the programme has already directly contributed to growth in over 130 businesses, adding £8.8m to the local economy, and over 30 new jobs have been created.
65. Strong progress continues to be made on the Council's major transport schemes. The Strategic Highways Infrastructure Team continues to plan, develop and deliver major highway and transport infrastructure improvements, in conjunction with partner organisations.
66. Current Delivery Schemes include:
  - Poynton Relief Road - Work is now progressing to work up to a planning application which is on track to be submitted in

February 2016. The public consultation is now underway and will be taking place throughout October 2015. Exhibitions have been arranged for a number of dates throughout the month at various locations and times across the Poynton area.

- Congleton Link Road – Work has continued to be pushed in order for our planning application date of September 2015 to be met. The planning application was successfully made on the 30th September 2015.
- Sydney Road Bridge – Approval of the Development Service Agreement with Network Rail has now been agreed, which will firm up the delivery programme and scheme costs.
- Crewe Green Link Road - Problems around the bridge structure are now coming to a conclusion and works on site are taking place with the contractor still showing planned completion of December 2015.
- The A6 SEMMMS scheme is currently under construction with main works starting on the two bridge locations shortly and mainline works currently underway. The technical approvals process and detailed design checks are ongoing. There is a requirement to discharge Cheshire East Council planning conditions in Disley and Handforth, sketch designs are now complete in regards to this. These will require public consultation in early 2016.
- A500 J16 Pinch Point Scheme – This scheme has been implemented to alleviate congestion on the A500 at J16 of the M6 through the addition of a lane to make the section a dual carriageway. Works are now complete at J16 and work continues to close this project out and address final payments.
- Basford West Spine Road – Work is now complete on a new road to provide access to Basford East and West development areas. The new road was opened in July 2015 and housing developments have commenced.



- M6 junction improvements (Highways England scheme) – Work is now complete on improvements at Junction 17 to ease access to and from the motorway. Currently we are awaiting final safety audit alterations.
  - A556 Knutsford to Bowden (Highways England scheme) – This scheme allows for the construction of a new 4.5 mile dual carriageway between M6 junction 19 (near Knutsford) and the M56 junction 7 (near Bowdon). Construction started in November 2014, is progressing well and the scheme is due to complete in 2017.
  - Crewe Green Roundabout – Work has started with option studies currently underway. Crewe Green Roundabout is a five-arm signalised roundabout, forming a major confluence of roads to the east of Crewe. Peak period congestion is severe and traffic modelling shows the opening of Crewe Green Link Road (South) will add approximately 15% more traffic to the junction. A scheme has been developed to manage the revised traffic flows by remodelling the junction and the diversion of one arm of the roundabout.
  - Leighton West Spine Road - Due to the development of Leighton West, new infrastructure is required to enable the additional demands on the network to be handled. Therefore there is a need for the Leighton West Spine Road to be developed and built. Currently work is underway to assess the options around the proposed site.
  - Middlewich Eastern Bypass – Work is underway on the scheme. A route options report has been completed. Currently options are being developed specifically around the Midpoint 18 site.
  - King Street Public Realm Scheme (Knutsford) – Post public consultation any form of scheme surrounding King Street Public Realm is being considered as part of Knutsford Town Council's neighbourhood plan.
67. In addition to the major schemes currently being delivered, the Council is developing an ambitious pipeline of highway and transport infrastructure schemes for future delivery. The schemes under development include Crewe Bus Station, Congleton Public Realm Scheme, M6 Junction 16-19 SMART Motorway (Highways England scheme), and A500 Dualling.
  68. A decision on whether HS2 comes via Crewe is expected on or after 26th November 2015. A wider Growth partnership is being developed with neighbouring authorities and in the Council; plans are being developed to assess growth and regeneration changes linked to a Hub station in Crewe. A decision on HS2 coming to Crewe will increase work requirements across the Economic Growth and Prosperity directorate.
  69. Cheshire East have had input to the Cheshire and Warrington Sub Regional Transport Strategy (Phase 1) documents, beginning a refresh of the Cheshire East Local Transport Plan, as well as continuing the drafting of more detailed documents including a Cycling Strategy and Rail Strategy.
  70. The Transport commissioning service is currently reporting a potential budget pressure of £0.3m. This relates to pressures in a number of areas and additional funding requested by Transport Services Solutions Limited, the Council's wholly owned company.
  71. The pressures arise from non achievement of commissioner-led savings of £150,000 related to Available Walking Routes, and from increased demand in Special Education Needs (SEN) of £131,000.
  72. Following discussions between the S151 Officer, Transport commissioner and the company, it has been agreed that the Council will underwrite the pressures subject to progress during

the year (Available Walking Routes) and evidenced demand information (SEN), respectively.

73. The Highways service is reporting a balanced position against a £11.2m net budget. The Highways commissioning team continue to manage and monitor the Cheshire East Highways contract and no pressures are currently identified.
74. The recent Cabinet-approved decision to outsource the procurement of a replacement winter service fleet comes at a cost that can be part funded and part mitigated within the existing approved annual budget.
75. The accurate prediction of Winter Service costs is challenging due to the unpredictability of the conditions faced. The forthcoming Winter Service has been target costed based on average circumstances with a modest contingency to cover the possibility of worse than average conditions occurring. Highways and Finance will continually monitor expenditure in this area over the coming months to minimise the possibility of potential pressures developing.
76. The Strategic Infrastructure service area now incorporates two new strategic roles in respect of the Crewe High Growth business case. This will be offset by the provision of some external funding and an increase in the level of Section 38 income expected in 2015/16.

### **Inward Investment**

77. Alderley Park Development Framework was approved by Cabinet in February following revisions as a result of a public consultation. The document will now be given material consideration in the planning process. A planning application for the site is anticipated in October 2015.

78. The Chancellor recently announced a £5m Medicine Technologies Catapult Centre for Alderley Park which will create a national centre of excellence for Research & Development and commercialisation of new therapies, based on the existing high quality facilities and activity on site.
79. The Business Engagement Service has met with 130 companies (against a target of 40) to support their growth and investment plans. The Service has identified growth opportunities with 23 of Cheshire East's top 100 accounts. Should all convert this would lead to the creation of over 994 new skilled jobs and a capital investment in plant, machinery and equipment of approximately £45m. A significant proportion is expected to contract before year end.
80. The Service also has an intensive programme of support with high growth Small and Medium-sized Enterprises (SMEs). To date the Service has helped secure £398,000 of grant funding. In addition, 39 companies have received referrals to high growth business support programmes to improve their productivity. The Service has also coordinated a series of events for small businesses to help companies understand the public sector procurement process and to improve access to finance for the digital and creative sector.
81. To date, the Inward Investment service has responded to 82 enquiries against a target of 200. The Service has supported the creation of 103 new jobs with a pipeline of investment opportunities that could lead to a further 300 new jobs. Recently a US-owned payment and processing company has committed to consolidating their back office functions in Cheshire East, which will lead to the creation of 25 new jobs.
82. The Service is responsible for increasing income generated from Business Rates through enabling development, and has secured an in principal offer of £3.2m for Cheshire Green Employment to

secure finance to fund the infrastructure phase of the development.

- 83. At First Quarter Review the Economic Growth and Prosperity Directorate were anticipating a broadly balanced Budget position at the year end which remains the position at Mid Year.
- 84. Within the Growth and Regeneration service area, additional Strategic Asset management and Asset disposals work is being undertaken this year. This will be part funded by the Investment & Sustainability reserve.
- 85. Within the Investment Service a number of vacancies within Strategic Housing & Business Engagement are anticipated to be filled this year. £250,000 of the Investment reserve has been earmarked for the Manchester Growth Fund – this is included in this service area for 2015/16 and is expected to be fully utilised by the year end.

### **Responsible Business**

- 86. A food business operator was fined £1,100 for obstructing an officer undertaking an investigation under food hygiene offences.
- 87. The Licensing team have had two successful court cases where our decision to refuse to issue driver licences has been upheld in both the Magistrates Court and the Crown Court. In both cases we have been awarded costs.

### **3 ~ People have the life skills & education they need in order to thrive Securing the Best Start in Life**

- 88. Persistent absenteeism in Cheshire East primary schools has fallen significantly since 2011 from 4.3% to 2.8% in 2015 and is better than the national figure. In secondary schools, persistent

absenteeism is 5.7%, which is also better than the national figure. Data from September 2015 will not be comparable to previous years as the government has changed the threshold from 85% to 90% as the indicator for persistent absenteeism. All schools have been informed of these changes.

- 89. The number of children achieving a good level of development at the Early Years Foundation Stage (EYFS) is 68.4% for the academic year 2014/15; an improvement of 6.4% on last year. In addition there has been an increase of 4.5% in the number of children eligible for free school meals achieving a good level of development. Of the 164 children who had received 2 year old funding, 69.6% achieved a good level of development.
- 90. The focus continues to be supporting children in areas with the highest deprivation to narrow the gap between their achievement and that of their peers. The achievement gap in relation to the lowest 20% and the rest has narrowed in all areas apart from free school meals eligible children (which has stayed the same). The overall figure is a reduction of 1.3%.
- 91. In the summer term 869 children accessed the two year old offer. This equates to 70% of eligible two year olds, compared with the national average of 63%. The higher than average take up in Cheshire East reflects the intensive support provided to parents and childcare providers.

### **Highest Achievements for All Learners**

- 92. Cheshire East continues to have a significantly high number of schools judged as good or outstanding. In Quarter 2 this stood at 93.5% of primaries, 90% of secondaries and 100% of special schools. Work by the monitoring and intervention team has continued to focus on reducing the number of schools judged as

‘requiring improvement’ or ‘inadequate’. This continues to be at a three-year low, reducing from 15.4% of schools in October 2013, to 6.7% in July 2015. Cheshire East is currently third in the national league table of schools with the highest proportion of schools that are good or better.

93. Analysis of the pupils’ achievement and progress given by Key Stage 2 tests shows that in reading, writing and maths there has been a dip in the number of children achieving Level 4+ in all three subjects. From 84% in 2014 to 81% in 2015, however Cheshire East is still above the national figure.
94. Validated data for A-Level results are expected in January 2016. Provisional A-Level results indicate that the students achieved a pass rate of 99%, above the national average of 98%.
95. Around 10% of students in Cheshire East got an A\* compared to 8% nationally. 28% of all students achieved grades A\* to A and 57% achieved an A\* to B grade. Both of these figures are an improvement on last year and above the national average. Based on average point scores per A-Level entry, the average Cheshire East student now achieves a high B grade, up from a high C grade last year.

### **Achieve Aspirations**

96. Cheshire East continues to be the best in the North West for the lowest number of young people not in education, employment and training (NEET). This currently stands at 2.8% or 315 young people. Intensive support is provided for young people by the Youth Support Service through one-to-one or targeted, project based work. Cheshire East also has a very low number of young people whose destination is not known (currently 0.4% or 45 young people) - the best in the North West.

97. New projects currently being developed include a new multi-agency NEET project, and plans are in place to deliver tailored career advice for Cheshire East cared for young people.
98. A partnership between Cheshire East Youth Theatre, Total People and Lyceum Theatre has begun delivery of training sessions for young people at risk of becoming NEET. There are 15 young people currently signed up with more expected to join over the coming weeks.
99. Not Knowns (NCCIS): The number of young people who are not known continues to improve and the percentage of not knowns at the end of July 2015 was 0.4% (49 young people). This is a drop from the same period (July) in 2014 when the not known level was 1.3% (152 young people).
100. Figures from the Department for Education (DfE) show that 98.8% of Year 11 leavers in 2015 had an offer of education or training. This is an improvement on the same time last year when 97.9% of Year 11 leavers in 2014 had an offer.

### **Inclusion**

101. In line with legislative requirements, feedback received from local residents during the period September 2014 to August 2015 regarding Cheshire East’s Local Offer for those with special educational needs and disabilities was published at the end of August, along with the Council’s responses. This can be viewed on the Council’s website at:  
<https://ice.cheshireeast.gov.uk/Information/LOComments>
102. In many areas, steps have already been taken to respond to feedback, for example, following engagement exercises with local parent/carers about our short break and respite offer, steps were

taken to improve the search function of the directory. Further information pages have also been added to the directory to describe how the Local Offer was co-produced by residents and professionals, along with more information to describe how residents and professionals can “tell us what they think”.

103. In order to reduce the reliance on ‘out of area’ provision, an ‘invest to save’ business case to expand the number of places at Cheshire East special schools is currently being developed.
104. The Council is working with a number of further education and training providers to develop supported internship programmes that are designed to lead to employment for our young people with complex SEN. This is part of a grant-funded DfE programme to develop supported employment. We are also working closely to ensure that cared for children and care leavers aged 16 to 18 are supported in education, employment and training.
105. Excluding individuals not available to the market place because of illness, disability or pregnancy/parenting, there are currently 39 care leavers who are not in education, employment and training. Council staff are working closely with these individuals. The ‘care to be different’ project was established in Quarter 2 and is focussing on 16 to 24 year old care leavers who are in poor health or struggling in education. The aim is to provide targeted and specialist support with individuals who can move on to the Cygnet Project if required. The Cygnet Project is currently supporting six individuals in work placements.
106. Based upon provisional data, 25% of cared for children that took their GCSE’s achieved five A\* to C grades, including English and Maths. This is an increase on the performance in the previous year. In addition, three young people taking A-Levels all achieved the

grades they required to access their first choice university and course.

107. The analysis of disadvantaged gaps and overall five A\*- C rates at the end of Key Stage 4 is currently being amended by schools and will be available in Quarter 3.
108. Children and Families is projecting an overspend of £0.4m. The department’s financial position in 2015/16 has been dominated by two main factors, firstly the numbers of Children in Care and secondly, the cost involved in delivering the improvement required by Ofsted.
109. In terms of Children in Care the budget for 2015/16 anticipated further reductions to this cohort (based on the reduction experienced during both 2013/14 and 2014/15) whereas the actual numbers being experienced tell a different story. Numbers have risen over the past twelve months by over 10% to their current level of 390. In addition, complexity has on occasion increased which directly correlates with the costs being incurred by the service. Nevertheless progress continues to be made towards alleviating the financial pressure created by an increase of this size by consistently seeking better value for money placements that both provide the necessary support for vulnerable children but also reducing cost on an individual by individual basis. Moves of this nature are inevitably resource intensive and time consuming and follow on from more intensive packages of care that are needed at the outset.
110. The department is now post Ofsted inspection reviewing all its commitments and is already paring down the level of additional temporary support that was put in place to deliver the requirements of the Improvement Plan.

111. The aim remains a balanced outturn by year end which will be a major achievement bearing in mind not only the above factors but also the level of budget reductions applied to the base this year. This in turn will create the financial stability in order to provide the further efficiencies required as part of the budget setting process for next year.

#### 4 ~ Cheshire East is a green and sustainable place

##### Development Management

112. Civicance (the Council's wholly owned company providing professional services for Building Control, Structural Appraisal, Fire Risk Assessment, Local Land Charges, Address Management, Planning Support and Liaison) are still seeking to improve market share for Building Control under stiff competition from Approved Inspectors which is putting pressure on budgets. However, Land Charges continues to operate very strongly to balance shortfalls. Improvements are now coming forward from the support team with significant benefits on registration of applications and process changes for the Development Management service.
113. Planning application performance has remained strong with an emphasis being maintained on major applications. Challenging conditions remain with high numbers of appeals and applications, which have stretched resources. Additional resource should enable positive progress across all applications to be made over the coming period, while the introduction of a new Priority Application Team and new pre-application processes will strengthen the ability to deliver in a timely manner.
114. Strategic and Economic Planning Service continue to undertake significant additional work with respect to the Local Plan and the need to respond to an increase in the number of planning appeals.

Additional costs of £1m are expected to be incurred this year with respect to this activity, and are largely anticipated to be offset by use of the Planning reserve. This is due to the need to engage the services of a number of external consultants, particularly legal advisors, coupled with the requirement to increase staffing levels within the service.

##### Waste Management

115. **Reduce** – A waste prevention program is delivered through Ansa and their volunteers. Highlights include the Nantwich agricultural show, engaging with primary schools at the Junior Recycling Officer (JRO) final in Styal Mill, working with young students at primary college. Ansa and our waste reduction volunteers continue to promote home composting and 'love food hate waste' at events across the Borough supplying home compost bins through leaflets at events and our website.
116. **Reuse** – the amount of materials that we reuse continues to be around 100 tonnes per month working with the charitable sector and our household waste recycling centres.
117. **Recycle** – figures remain consistently high. An information campaign to all households in the authority is underway to ensure that we maintain clean, loose recycle within the silver bin.
118. **Disposal** – the Council has begun the process of reducing its reliance on landfill and continues to divert a third of its black bin waste to an energy from waste plant in Stoke-on-Trent. At present the remainder is disposed to landfill within Cheshire East. The Council is investing in the infrastructure through the Environmental Hub project to reduce the use of landfill from 2016/17.

119. The Environmental Hub project was granted planning permission at the September strategic planning board and will now move into the construction phase of the new facility.

### **Carbon Management**

120. The 2,500 street lighting column replacement programme started in June, with all new columns being fitted with energy efficient LED lanterns. The LED upgrade to the 9,000 high wattage traffic route lanterns commenced in September and is expected to be completed by the end of February 2016.

### **Environmental Management**

121. The Council has obtained seven Green Flag Awards (a scheme recognising and rewarding the very best green spaces) this year. Awards were announced in July 2015, and were achieved by Bollington Recreation Ground, Brereton Heath, Congleton Park, Sandbach Park, The Moor in Knutsford, Tatton Park and Tegg's Nose. In addition Tatton Park has been awarded Green Heritage accreditation. Satisfaction with Cheshire East Country Parks is currently at 93.4%.
122. The Cheshire East Contaminated Land Strategy has been updated in line with new statutory guidance and has been published on our website.
123. Our Fast Charge electric vehicle (EV) points are up and running and we are starting to receive usage data. Staff usage is subject to reasonable use terms and users are required to register with the authority so that this can be monitored. Data so far indicates that our Macclesfield and Westfields points are reasonably well used and we are hoping that the grant-funded project to update our pool fleet with electric vehicles will see even further use and

reduced vehicle running costs to the authority. Our Rapid Charger project is currently moving through an asset transfer process to our sub-contractor and should be in place by early November making it an accessible resource for local and national EV drivers.

124. The construction of the Environmental Hub has led to a re-profiling of the savings associated with the re-letting of the waste disposal contract that was to be delivered in 2015/16 through the existing Crewe Depot. The reprofiling of savings has been fully mitigated by improvements on the household waste recycling centre contract, including reducing the bonus element. Overall, Environmental Operations (including Bereavement) is projecting a potential budget pressure of £0.2m against a net budget of £27.4m, which is a relatively small variance.
125. Approximately £0.1m of the potential pressure relates to a forecast shortfall in Markets income. This continues the trend of a gradual decline in income over the last few years, specifically in Macclesfield, where low rents of vacant shops and a major trader leaving have contributed to the shortfall. Negotiations over the projected transfer of Crewe Markets to Crewe Town Council are continuing.
126. Bereavement Services are currently projecting a potential budget pressure of £0.1m based on the mid-year income forecast against a net income budget of £1.3m. This relates to a realignment of the original proposed income growth over a period of five years to gradually build market share. The core bereavement income budget, including first year growth is forecast to be achieved.

### **Sustainable Energy**

127. Levels of landfill disposal and energy production are in line with the targets of 16% this year. In the longer term the Council is investing

in the infrastructure through the proposed Environmental Hub project to dramatically change levels of landfill diversion and energy production from 2016/17.

128. In September, Cabinet endorsed market engagement and a procurement process to enable the recycling of food waste with garden waste in the green bin. The Council will now work with industry to procure a preferred bidder and proposal returning to Cabinet in autumn 2016.
129. The Fairerpower scheme is now in its second quarter and has reached over 2,300 customers. The average saving for customers is £250 per annum. A marketing plan has been created to continue to pursue a co-ordinated and proactive approach to promote Fairerpower, including a targeted campaign to staff at Cheshire East Council. Several partner organisations have come forward in expressing interest in the Fairerpower scheme.
130. The Solar Panel installation project for Westfields has now been costed for a 30 Kw system to be installed.
131. The Deep Geothermal bidders day attracted 44 attendees. An open procurement process to secure a 30-year Joint Venture Agreement commenced on 17th August 2015.
132. The Anaerobic digestion facility site longlist has been completed and the business case updated. A paper has been submitted to Cabinet to seek authority for market engagement activity and a Joint Venture partner procurement.

## **5 ~ People live well and for longer**

**Facilitating people to live independent, healthier and more fulfilled lives**

133. The Walking to Wellbeing scheme has been well received with over two-thirds of attendees being 51 years or over, and two-thirds being repeat attendees. The led-walks programme is attracting a contingent of people from the local community who really value and appreciate the opportunity to walk with others. These participants would not necessarily have the confidence to go walking on their own, and are enjoying the themed nature of the walks too. The level of support and requests for more walks has led to consideration to continue ranger support for a longer period throughout the autumn.
134. At the end of Quarter 2, public satisfaction with countryside events stood at 98%, having improved from 85% in March 2014.
135. Cheshire and Wirral Partnership NHS Foundation Trust (CWP) are the lead provider for the Cheshire East Substance Misuse Service 'Stepping Stones' for which the contract was awarded in November 2014 by Public Health. Stepping Stones takes a life-course approach, supporting adults and young people. CWP have also subcontracted Catch 22, a voluntary sector organisation who provide individual level case support, group work and information, advice and guidance for young people, as well as working with schools to deliver training and group sessions. Catch 22 are in the process of developing arrangements to be part of the Emotionally Healthy Schools programme, which will enable their support within schools to be delivered through a more targeted and focused approach. The aim of Stepping Stones and the partnership arrangement with Catch 22 is to prevent and reduce alcohol harm amongst young people, therefore reducing the admissions for alcohol-specific conditions among under 18 year-olds. Updated performance data for under 18 admissions will be available by March 2016.



136. During the consultation process in developing the Council's 'Vulnerable and Older Persons' Housing Strategy/ Homelessness Strategy' (VOPHS) and the Commissioning Intentions for our Substance Misuse Service Tender (both in 2014), we identified a need to respond to the needs of people who continue to use alcohol despite losing access to rented accommodation. The VOPHS specifically identified the need to respond to the following:
- People with complex needs (including substance misuse) and not appropriately catered for within the current supply of supported accommodation and may therefore be sofa surfing/rough sleeping
  - People who need support to use abstinence housing provision
  - People engaged in multiple presentations to Council and partner services.
137. In response to this local need, Public Health are therefore working in partnership with Housing colleagues to commission a 'Recovery Based Accommodation' model which provides a safe temporary home to enable Cheshire East residents without accommodation and currently using alcohol or other substances in an uncontrolled manner. The project will aim to support individuals to the point where they can start to work towards maintaining an independent tenancy.
138. A mental health paper has been prepared for Management Group Board and Cabinet. This includes outline business cases for projects that aim to improve emotional health and wellbeing across the lifecourse including: Increased Family Nurse Partnership (FNP) capacity, improving postnatal depression pathways, improving pathways that support school readiness, emotionally healthy schools programme, self-harm and suicide prevention and empowerment. The funding for these business cases is the Public Health budget. However, there is uncertainty over the availability of the budget due to national and local budget decisions.
139. Adult Social Care is forecasting an overspend of £0.7m. The latest projection shows an improvement on that reported at First Quarter Review as the service continues to make progress towards achieving a balanced budget by year end. It is pleasing to report that Care costs remain broadly stable now that the first care periods of 2015/16 have been accounted for and also, that income levels remain buoyant. Both of these are positive given demand levels the service are facing as a result of the demographics within the Borough and provide assurance overall that the existing and new early intervention and preventative measures being introduced are contributing towards this position.
140. The service continues to progress negotiations with Health colleagues around the funding of service users with complex needs, this is being worked through on a detailed client by client basis. The outcome of these negotiations will, given the sums of money involved, prove crucial to the final outturn position of both this (the Council's largest service) and the wider Council position. Progress is now being made in relation to Care Fund Calculator budget savings for 2015/16 that were previously delayed due to a lack of social worker capacity.
141. In addition to moving towards a balanced position for the third successive year the service is actively seeking to create a solid platform from which to deliver the challenging Medium Term Financial Strategy for next year and beyond. Work in progress includes preparing for the introduction of a Resource Allocation System (RAS), detailed review of the usage of respite care and deep examination of the ongoing performance of all external contract expenditure.

142. The Leisure commissioning service is currently forecasting a net nil position, in respect of base budget spend on client and management fee costs, against a net £2.1m budget.

### **Early Intervention, Help and Prevention**

143. There continues to be an increase in multi-agency early help assessments. There has been a 14% increase in the number of Common Assessment Frameworks (CAF's) since the start of the financial year; this is currently standing at 119 per 10,000 of the 0-17 year old population. The majority of these continue to be led by the Cheshire East Family Service or schools, along with Health.
144. There is a comprehensive and free multi-agency CAF training programme aimed at improving engagement with early help; so far there have been three sessions this year, with a further one planned for November 2015. 78 professionals have attended this training and feedback has been extremely positive. In addition to this, bespoke training has been offered to several teams within Cheshire East, Catch 22, Cheshire East Early Years team and a planned session with the SEN team in December.
145. There have been three meetings of the multi-agency CAF audit group which has met to consider the quality of CAF assessments and consider themes and learning points for CAF authors. In total, around 30 CAF assessments have been audited by this group. Added to this, there has been an increase in the amount of CAF's agreed and recommended as an outcome of contacts into Cheshire East Consultation Service (ChECS) over the past few months. ChECS staff are working hard to ensure callers engage parents in CAF at an earlier level of need. The integrated nature of the ChECS front door service (with health, education, and commissioned service representatives) also ensures better communication, co-operation and commitment to CAF.

146. Public Health are developing a project which will introduce a single integrated assessment for lifestyle and wellness services. This will provide access to services that increase physical activity, improve diet, reduce alcohol usage and stop smoking etc thereby improving the health outcomes of local people in the Borough. This will also have the effect of increasing value for money and choice, with services focussed at a community level. This will introduce the new support system by the end of March 2016, and was agreed by Cabinet in September.
147. Progress is continuing to be monitored against Public Health Transformation Fund projects. These are:

- Catch 22 (MyChoice - Holistic Sexual Health Education, Advice and Guidance) – Project continuing to proceed to plan although outreach service being used instead of a drop-in service.
- Cheshire East CAB (Advice on Prescription) – Action plan has been put in place to tackle disappointing lack of referrals by GPs in Macclesfield although figures are more encouraging from Waters Green (Crewe).
- Cheshire East Council Public Rights of Way and Countryside Management Service (Walking to Wellbeing) – Project continuing to plan. A programme of walks has been running from July-September which has seen good attendance by members of the public.
- Cheshire Without Abuse (Safer and Healthier Families) - Project continuing to plan, 16 families in Crewe and Macclesfield are currently being worked with (including two families where fostering would have been initiated without the intervention).
- End of Life Partnership (Cheshire Living Well, Dying Well) - Currently asset mapping available resources for End of Life

planning in the local community. A project monitoring meeting will be held to verify project progress.

- Food Dudes (Food Dudes in our Schools) - project completed, with an evaluation report now produced.
- NHS SCCCH (Diagnose Cancer Early – campaign) – Project proceeding to plan with strong performance in several areas.
- Peaks and Plains Housing Trust (Keeping Warm, Living Well) – Referrals continue to be strong. Marketing work has been conducted including advertisements in the local press and on the internet.
- Royal Voluntary Service (Staying Home Community Support) – Project proceeding to plan, all milestones achieved.
- St. Luke’s Hospice (Volunteer Befriending in Crewe and Nantwich) – Volunteer recruitment slow at first but building now and producing linked increase in individuals helped (currently 9). Work is ongoing to meet targets. Marketing action plan put in place. Follow up to take place on this.
- The Reader Organisation (Reader in Residence Project) – Project began later than most others in April but significant work required to increase number of members of the public attending reading groups. Series of meetings to be held to work on performance.
- CVS (social prescribing project) – four practices have agreed to take part in scheme, however, number of referrals low at present in comparison to targets. Project monitoring meeting to be held where action plan to be drawn up.
- YMCA (healthy conversation project) – 7 learners signed up to programme since project began in June. Progress fair against targets so far given intensive nature of intervention.

148. The new Sexual Health service will commence on 1st October 2015 and provide a change of emphasis in the delivery of services, providing the majority of Sexual Health, genitourinary medicine (GUM) services and health promotion and prevention advice in

local settings, whilst continuing to ensure access to specialist GUM care for those who need it. These will complement other primary care commissioned services with GP practices and pharmacies. This approach is consistent with the direction of travel of both local integration programmes, and is what the public and other stakeholders asked for in the extensive pre-tender consultation work that was undertaken.

149. These plans have also been informed by research conducted for the Joint Strategic Needs Assessment. This identified that:

- The rate of sexually transmitted infections in Cheshire East is low compared to England, but attendances in our GUM commissioned services is high.
- There is a rising trend in the use of open access GUM services for sexual health screening in people without any symptoms of an STI (at both Leighton and East Cheshire Trust sites). In 2013 there were over 5,000 attendances that required no treatment. This is much higher than the regional norm across Cheshire and Merseyside.
- Our specialist hospital-based GUM services are being used to meet the general sexual and reproductive health needs of residents that could be met more appropriately in other settings such as community sexual health clinics.
- There has been a significant rise in the number of patients attending GUM services for contraceptive advice (2,636 in 2013). Some of this activity could be delivered more cost-effectively and appropriately in family planning clinics or primary care in line with patient choice.

150. As a result of the contract change, expectations are to see:

- Continued low levels of sexually transmitted diseases in Cheshire East

- Reduced rate of teenage pregnancy
- Greater access to contraception and sexual health advice for priority groups (in particular young people and men)
- An increase in chlamydia screening and HIV testing for 15-24 year old age group
- Wider sexual health services that are commissioned by others working well with our new services (as explained within a Public Health England publication 'Making it Work – a guide for commissioners', September 2014)

151. Cheshire East Council and East Cheshire Trust will update stakeholders about the changes in services as the contract mobilisation phase progresses towards the launch of the service on the 1st October 2015. Current services remain the same until this point.
152. The current projection is that Public Health will be able to deliver a balanced outturn position from within its grant funded allocation from central government. It should be recognised that this achievement includes delivering an in-year grant reduction of £1m following the summer announcement from the Chancellor of the Exchequer.
153. The Public Health team have now worked through an intensive investment plan that targets their resources on areas of evidenced need, right down to individual ward level. This plan will guide where Public Health resources go in the future as part of the Council's Medium Term Financial Strategy. This plan represents a major stepping stone for future investment and builds on the work undertaken to date, including embedding the service within the Council and working through major contracts inherited from Health partners as part of the transfer across.

## **Public Protection and Safeguarding**

154. In Quarter 2, Ofsted carried out an unannounced inspection of Children's Services. The inspection covered services for children in need of help and protection, children looked after and care leavers in Cheshire East and a review of the effectiveness of the Local Safeguarding Children Board (LSCB). The Inspection, which was carried out by ten Ofsted Inspectors, took place over a four-week period and included looking in-depth at casework, observing practice and interviewing staff from the Council and partner agencies.
155. Ofsted's judgement was that Cheshire East 'requires improvement' to ensure it is providing good services in the above areas; however, Inspectors were impressed with the Council's adoption services, which they judged to be 'good'. Inspectors found that planning for permanence is improving with a good focus on adoption and children are well supported in their new families. They also stated that support for adopters is a strength.
156. To date, 67 local authority areas have been inspected under the single inspection framework. Almost a quarter of those inspected have been judged as inadequate, over half have been judged as 'requires improvement', less than a quarter are good and none have been judged outstanding.
157. There continues to be an improving picture in the percentage of cases taking 45 days or less from the start of the combined assessment, averaging 95% in Quarter 2. This continues to remain a focus of fortnightly challenge sessions with teams.
158. The three year average adoption scorecard targets are likely to be achieved by 2017; this is due to a number of children being adopted who have been looked after for a significant period of

time. This has resulted in a positive outcome for the young people involved, but reflects negatively on the overall scorecard. For children who have entered care since 2012 the timeliness threshold is below the government threshold. Over 80% of Cheshire East children are placed for adoption in timescales significantly below the government thresholds.

159. Strategies to ensure recruitment of local foster carers continue and there is currently an evaluation underway to determine local in-house residential requirements.
160. Cheshire East continues to monitor the participation of children and young people in their child protection conference through either clear articulation of their wishes and feelings in collective reports or through discussions at visits, as well as direct involvement through a range of options. During Quarter 2 there was evidence of child participation in 95% of cases. However, the intention is to make the participation meaningful and so work has been taking place on different models both in relation to advocacy for those children and the development of a new framework for delivering the child protection conference process intended to promote better planning and engagement. This will help to ensure that this good level of participation is of a good quality.

## **6 ~ A Responsible, Effective and Efficient Organisation**

161. In September, the Council received its annual report from external auditors providing findings for the year ending 31 March 2015. The auditors reported that, “based on our review of the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources, we propose to give an unqualified Value for Money conclusion.” The report went on to state that, “The Council continues to demonstrate good financial performance...”

162. In July, the Council announced its aim to make savings from empty buildings and unneeded sites by selling off surplus assets, for reinvestment in frontline services. The new Strategic Asset Management and Delivery Plan was backed by Cabinet, and called for the creation of a Corporate Property Board to test whether assets should be retained or sold off as surplus to requirements. The Plan sets out a target of raising £25m from asset sales in 2015/16.
163. The Council has significantly reduced the average age of debt invoices at mid-year for the fourth consecutive year following targeted work by its Finance team, achieving a reduction of nearly 40% year-on-year, and 65% since 2012.
164. At the mid-point of the year, the overall budget for Chief Operating Officer Services is forecast to be underspent by £1.4m. Corporate Resources & Stewardship is forecasting an underspend of £1.2m (£1.3m at FQR), with the majority of the underspend (£1.0m) within the energy budget in Facilities Management. The remaining underspend of £0.2m is due to predicted savings from staff vacancies across the service.
165. Underspends against budget are being reported by Organisational Development (£0.1m); Strategic Commissioning (£0.1m); and Communications (£27,000). Balanced positions are being reported by Governance & Democratic, and Monitoring Officer and Head of Legal Services.

## 2. Financial Stability

### Introduction

166. Financial performance has continued to improve compared to previous financial years. Improvements in financial planning, governance and stewardship are having a clear impact on the Council's ability to manage its budget and create greater confidence in the medium term plans.
167. Applying the best fit approach towards commissioning means the Council now wholly owns several supplier companies as well as maintaining relationships with private sector suppliers, charitable trusts and voluntary sector organisations. The financial position of the wholly owned companies will have a direct effect on the financial performance of the Council over time, but to date no forecast profit or loss is being factored in to the outturn position for the Council.
168. **Table 1** provides a service summary of financial performance at Quarter Two. For further details please see Section 1 and the notes below the table. Changes to service net budgets since First Quarter Review are analysed in **Appendix 2**.

**Table 1 - Service Revenue Outturn Forecasts**

	Revised Net Budget	Emerging Pressures	Remedial Actions	Current Forecast Over / (Underspend)	Outcome Number 1 - 5
	£000	£000	£000	£000	
Children & Families	43,449	1,909	-1,471	438	3,5
Adult Social Care & Independent Living	95,297	7,302	-6,558	744	5
Public Health	0	0	0	0	5
Economic Growth & Prosperity	6,143	0	0	0	2
Chief Operating Officer					
Commissioning Services:					
Bldg Control, Land Chges & Planning Support	1,693	0	0	0	2,4,5
Environmental (incl Bereavement)	27,395	462	-283	179	2,4,5
Highways	11,190	0	0	0	2,4,5
Leisure	2,040	30	0	30	2,4,5
Transport	14,601	281	0	281	2,4,5
Communities	9,205	786	-545	241	1,2
Other (e.g Finance, ICT, Legal, Facilities)	39,240	-1,391	0	-1,391	
<b>TOTAL SERVICE OUTTURN</b>	<b>250,253</b>	<b>9,379</b>	<b>-8,857</b>	<b>523</b>	

169. The impact of the projected service outturn position at this stage of the financial year is to decrease balances by £0.5m. Further items impacting on the level of the Council's balances are detailed in the paragraphs below on centrally held budgets.
170. The Council has made considerable improvements in the way it manages its major change programmes. This has included extensive training, a refreshed methodology, the setting up of new monitoring and reporting arrangements and monthly reporting. In April 2013 the Council launched a corporate project and

programme management framework to support achievement of the Three Year Plan. The framework focuses on capital or revenue projects or programmes where the total value exceeds £250,000, or poses significant risk to the Council. Progress is reviewed by a Member-led governance group, called the Executive Monitoring Board, which is supported by a Technical Enabler Group and the Programme Management Office.

171. Monitoring of the current projects and programmes focuses on whether projects are expected to achieve the benefits set out in each business case within the timescales and budget initially agreed. Where progress on a specific project or programme is impacting on the outcomes contained in the Council's Three Year Plan details will be provided in Section 1 of this report. Where projects are not meeting time, quality or cost standards these will be considered by Cabinet as part of a monthly summary report.

### Government Grant Funding of Local Expenditure

172. Cheshire East Council receives two main types of Government grants; specific use grants and general purpose grants. The overall total of Government grant budgeted for in 2015/16 was £366.8m.
173. In 2015/16 Cheshire East Council's specific use grants held within the services was budgeted to be £270.6m based on Government announcements to February 2015. This figure was revised at the first quarter stage to £263.9m and this remains unchanged for mid year review as no further schools have converted to academy status. Spending in relation to specific use grants must be in line with the purpose for which it is provided. General purpose grants were budgeted to be £96.2m, but further in-year grant announcements have increased this figure to £96.7m at mid year stage.

174. An additional general purpose grant of £0.35m for Neighbourhood Planning has been received during the second quarter of 2015/16. A request for the allocation of this additional grant is detailed in **Appendix 10**.
175. **Table 2** provides a summary of the updated budget position for all grants in 2015/16. A full list is provided at **Appendix 3**.

**Table 2 – Summary of Grants to date**

	2015/16 Revised Forecast FQR £m	2015/16 Revised Forecast MYR £m	2015/16 Change £m
<b>SPECIFIC USE</b>			
Held within Services	263.9	263.9	0
<b>GENERAL PURPOSE</b>			
Central Funding	77.8	77.8	0
Service Funding:			
Children and Families	1.0	1.0	0
Adult Social Care and Independent Living	3.3	3.3	0
Economic Growth and Prosperity	0.8	0.8	0
Chief Operating Officer	13.9	13.9	0
Total Service Funding	18.9	18.9	0
TOTAL GENERAL PURPOSE	96.7	96.7	0
<b>Total Grant Funding</b>	<b>360.6</b>	<b>360.6</b>	<b>0</b>

## Collecting Local Taxes for Local Expenditure

176. Cheshire East Council collects Council Tax and Non Domestic Rates for use locally and nationally.

### Council Tax

177. Council Tax is set locally and retained for spending locally. Council Tax was frozen for 2015/16 at £1,216.34 for a Band D property. This is applied to the taxbase.
178. The taxbase for Cheshire East reflects the equivalent number of domestic properties in Band D that the Council is able to collect Council Tax from (after adjustments for relevant discounts, exemptions and an element of non-collection). The taxbase for 2015/16 was agreed at 138,764.49 which, when multiplied by the Band D charge, means that the expected income for the year is £168.8m.
179. In addition to this, Cheshire East Council collects Council Tax on behalf of the Cheshire Police and Crime Commissioner, the Cheshire Fire Authority and Parish Councils. **Table 3** shows these amounts separately, giving a total budgeted collectable amount of £205.8m.

**Table 3 – Cheshire East Council collects Council Tax on behalf of other precepting authorities**

	£m
Cheshire East Council	168.8
Cheshire Police and Crime Commissioner	21.7
Cheshire Fire Authority	9.8
Town and Parish Councils	5.5
<b>Total</b>	<b>205.8</b>

180. This figure is based on the assumption that the Council will collect at least 98.75% of the amount billed. The Council will always pursue 100% collection, however, to allow for non-collection the actual amount billed will therefore be more than the budget.
181. This figure may also vary during the year to take account of changes to Council Tax Support payments, the granting of discounts and exemptions, and changes in numbers and value of properties. The amount billed to date is £210.4m.
182. **Table 4** shows collection rates for the last three years, and demonstrates that 99% collection is on target to be achieved within this period.



**Table 4 – Over 99% of Council Tax is collected within three years**

Financial Year	CEC Cumulative		
	2012/13	2013/14	2014/15
	%	%	%
After 1 year	98.2	98.1	97.9
After 2 years	99.3	99.0	*98.3
After 3 years	99.5	*99.1	**

\* year to date

\*\*data not yet available

183. The Council Tax in-year collection rate for 2015/16 shows a small increase at 48.7% compared to 48.6% for the same period in 2014/15.
184. Council Tax support payments (including Police and Fire) were budgeted at £18.6m for 2015/16 and at the end of the second quarter the total council tax support awarded was £15.6m. The Council Tax Support caseload has reduced since April 2014 and there have been more reductions in the Council Tax Support awards in the year than increased or new awards.
185. Consultation on proposed changes to the Council Tax Support Scheme for 2016/17 was launched in August 2015, with the final scheme to be agreed by full Council later in the year when the results have been reviewed.
186. Council Tax discounts awarded are £18.8m which is broadly in line with the same period in 2014/15.
187. Council Tax exemptions currently awarded total £3.2m which is broadly in line with the same period in 2014/15.

## Non-Domestic Rates (NDR)

188. NDR is collected from businesses in Cheshire East based on commercial rateable property values and a nationally set multiplier. The multiplier changes annually in line with inflation and takes account of the costs of small business rate relief. This is the second year that the multiplier increase was capped by the Government at 2%.
189. The small business multiplier applied to businesses which qualify for the small business relief was set at 48.0p in 2015/16. The non-domestic multiplier was set at 49.3p in the pound for 2015/16.
190. Cheshire East Council has entered into a pooling arrangement with the Greater Manchester (GM) Authorities for the purposes of Business Rates Retention. The purpose of the pool is to maximise the retention of locally generated business rates to further support the economic regeneration of Greater Manchester and Cheshire East Councils. As a pool the members will be entitled to retain the levy charge on growth that would normally be paid over to Central Government. Cheshire East will retain 50% of this levy charge locally before paying the remainder over to the pool.
191. The Cheshire East and GM Pool are also taking part in a pilot scheme where the pool is now able to retain locally the 50% of “additional growth” in business rates which in the usual Business Rates Retention Scheme would be paid directly to DCLG.
192. Part of this arrangement means that the baseline for which growth in rates is set against has been reset to match the estimated rates to be collected as reported in January 2015. This level is £139.5m.
193. Mid year analysis has shown successful appeals have been awarded at a higher level than have currently been provided for.

This issue will be resolved at year end with the business rates retention earmarked reserve being utilised to cover this increased pressure.

194. **Table 5** demonstrates how collection continues to improve even after year end. The table shows how over 99% of non-domestic rates are collected within three years.

**Table 5 – Over 99% of Business Rates are collected within three years**

Financial Year	CEC Cumulative		
	2012/13	2013/14	2014/15
	%	%	%
After 1 year	98.0	98.2	98.1
After 2 years	98.8	99.2	*98.7
After 3 years	99.4	*99.3	**

\* year to date

\*\*data not yet available

195. The business rates in-year collection rate for 2015/16 is currently 46.5% compared to 47.6% for the same period in 2014/15. The reduction is largely due to significant rateable value decreases which have required refunds relating to previous years.

## Capital Programme 2016/19

196. Since the reporting the Capital Programme at the First Quarter Review the overall forecast expenditure for the next three years has increased by £6.1m as shown in **Table 6**.

**Table 6 – Summary Capital Programme**

	Revised Total Forecast Budget FQR 2015/19 £m	Amendments to MYR Forecast Budget 2015/19 £m	Amended MYR Forecast Budget 2015/19 £m	Budget Reductions £m	SCE's £m	Revised Total Forecast Budget 2015/19 £m
Children & Families	62.4	0.0	62.4	-0.1	1.3	63.6
Adult Social Care & Independent Living	3.5	0.0	3.5	0.0	0.0	3.5
Economic Growth & Prosperity	258.8	-11.6	247.2	-1.4	7.9	253.7
Chief Operating Officer - Commissioning	108.4	11.8	120.2	0.0	-0.5	119.7
Chief Operating Officer - Other	37.9	0.0	37.9	0.0	-1.3	36.6
	<b>471.0</b>	<b>0.2</b>	<b>471.2</b>	<b>-1.5</b>	<b>7.4</b>	<b>477.1</b>

197. One of the main changes since the figures were reported at First Quarter Review is due to a proposed Supplementary Capital Estimate for the Crewe Green Roundabout scheme. This will be a five arm signalised roundabout, forming a major confluence of roads to the east of Crewe. Peak period congestion is severe and traffic modelling shows the opening of Crewe Green Link Road (South) will add approximately 15% more traffic to the junction. The scheme will remove a key congestion 'Pinch Point' on the main distributor network in Crewe and will improve access to strategic areas within Crewe. The scheme is fully funded by Local Growth Fund Grant and Section 106 contributions.

198. There is also a further notable Supplementary Capital Estimate request for the Crewe Lifestyle project of £0.4m which relates to an increase in the contingency budget from 2.4% to 5%, which is normal for a project of this size. It is required to ensure the project has the flexibility to conclude the construction phase and draw

down against the contingency for reasonable and necessary client changes. No direct works have been assigned to this amount at this stage and should it not be required the additional budget will be removed at the conclusion of the scheme and the funding returned to the capital programme. This will enable the project to complete without delay should the need to action contingency materialise. This decision was endorsed at the Executive Monitoring Board Meeting on the 23<sup>rd</sup> September 2015.

199. There is a Virement request of £1.8m from the Strategic Pot (£1.3m) and the Macclesfield Town Centre Renewal Project (£0.5m) to the Regeneration and Development programme. This will bring all the budgets available under a single pot to deliver the Macclesfield Town Centre Redevelopment scheme as well as the other town regeneration projects within the borough of Cheshire East.
200. There is a Supplementary Capital Estimate request of £1.2m in respect of the preliminary work required for the proposed Middlewich Eastern By-pass. This project aims to reduce the traffic pressure at the pinch point of Junction 18 of the M6 and Midpoint 18. This project is fully funded from Government Grants.
201. The programme has also been revised to reflect Budget reductions of £1.5m and other Supplementary Capital Estimates of £0.7m contained in **Appendices 5 to 7**.
202. The revised programme is funded from both direct income (grants, external contributions) and the Council's own resources (prudential borrowing, revenue contributions, capital reserve). A funding summary is shown in **Table 7**.

**Table 7 – Capital Funding Sources**

	FQR Total Forecast Budget £m	MYR Total Forecast Budget £m	Variance £m
Grants	210.7	203.2	-7.5
External Contributions	57.7	50.8	-6.9
Cheshire East Resources	202.5	223.1	20.6
	471.0	477.1	6.1

### Capital Budget 2015/16

203. At the Mid year review stage the Council is forecasting expenditure of £139.3m in 2015/16, which is a reduction of £15.3m from the First Quarter Review. This is because project managers have been asked to review their in-year forecast and slip to future years if still required to present a realistic expenditure forecast in 2015/16.
204. The capital programme is to be reported by the stages in the approval process and schemes that are noted as committed and in progress will have slippage monitored against during the year as these schemes should have commenced prior to or during 2015/16 and a detailed forecast expenditure plan should be in place. This equates to £91.6m of forecast expenditure in 2015/16. Schemes will be monitored on their progress during the year and re-categorised quarterly. This includes the net impact in 2015/16 of supplementary capital estimates, virements and budget reductions listed in **Appendices 5 to 8**.

**Table 8 – Changes to the 2015/16 Capital Budget**

Committed Schemes	Revised FQR Budget	Revised MYR Budget	Forecast Expenditure	Current Forecast (Over/ Underspend)
	£m	£m	£m	£m
Children & Families	9.8	10.3	9.6	-0.7
Adult Social Care & Independent Living	0.8	0.5	0.5	0.0
Economic Growth & Prosperity	22.0	27.7	24.3	-3.4
Chief Operating Officer - Commissioning	41.4	43.0	42.5	-0.5
Chief Operating Officer - Other	15.3	14.6	14.7	0.1
<b>Total Committed Schemes</b>	<b>89.3</b>	<b>96.1</b>	<b>91.6</b>	<b>-4.5</b>

205. **Appendix 5** lists approved supplementary capital estimates and virements up to and including £250,000 approved by delegated decision which are included for noting purposes only.
206. **Appendix 6** lists requests for supplementary capital estimates and virements above £250,000 up to £1,000,000 to be approved by Cabinet.
207. **Appendix 7** lists two requests for a supplementary capital estimate. The first is for £5.0m in respect of Crewe Green Roundabout which is fully funded by Government Grants and External Contributions. The second is a request for £1.2m in respect of Middlewich Eastern By-pass which is also fully funded by government grants. A virement has also been requested for £1.8m in respect of the Regeneration and Development Programme and is funded by Cheshire East Resources.
208. **Appendix 8** lists details of reductions of £1.5m in Approved Budgets where schemes are completed, will not be monitored as part of the Council's capital programme and can now be removed. These are for noting purposes only.

## Central Adjustments

### Capital Financing Costs and Treasury Management

209. The capital financing budget includes the amount charged in respect of the repayment of outstanding debt and the amount of interest payable on the Council's portfolio of long term loans. These costs are partly offset by the interest the Council earns from temporary investment of its cash balances during the year. The capital financing budget of £14m accounts for 6% of the Council's net revenue budget.
210. Investment income to September 2015 is £279,000 which is higher than the budgeted income of £100,000 for the period. The level of cash balances has remained high although market interest rates have remained relatively flat. However, investments in the CCLA Investment Management Ltd property fund, longer dated covered bonds and increasing use of corporate bonds has contributed to higher rates of interest earned on investments.
- The average lend position (the 'cash balance') including managed funds up to the end of September 2015 is £71.4m.
  - The average annualised interest rate received on in house investments up to the end of September 2015 is 0.64%.
  - The average annualised interest rate received on the externally managed property fund up to the end of September 2015 is 4.78%.
211. The Council's total average interest rate for 2015/16 up to the end of September is 1.01%. The returns continue to exceed our benchmark, the London Inter-bank Bid Rate for 7 days at 0.46%,

and is consistent with our own performance target of 1.00% (Base Rate + 0.50%).

**Table 9 – Interest Rate Comparison**

Comparator	Average Rate to 30/09/2015
Cheshire East	1.01%
LIBID 7 Day Rate	0.46%
LIBID 3 Month Rate	0.53%
Base Rate	0.50%
Target Rate	1.00%

212. The capital financing budget for interest charges and debt repayment remains on target.
213. All investments are made in accordance with the parameters set out in the Treasury Management Strategy Statement approved by Council on 26th February 2015. Further details of counterparty limits and current investments are given in **Appendix 9**.
214. At the end of the first quarter, a further investment of £2.5m was made in the CCLA managed property fund bringing our total investment to £7.5m. This property fund continues to grow and has demonstrated consistently high returns over the last few years with underlying capital growth being maintained. However, this fund should be judged over a five to six year period as returns and the underlying capital value of the fund can be volatile.
215. Over the last year, regulations concerning the security of funds at banks and financial institutions have changed. The effect is that although Government support has been removed, the risk of

failure has decreased due to increased capital requirements but the effects of failure to Local Authority investments are more serious due to bail-in requirements. The Council is therefore actively seeking to place more investments which are outside of the bail-in requirements. This is being achieved through the use of Covered Bonds and Corporate Bonds with maturity dates no longer than two years to tie in with our cash flow forecasts.

216. Covered Bonds provide security as they are backed up by collateral and still provide a good level of return. The Council has three investments in covered bonds totalling £7.5m due to mature between March 2016 and November 2016.
217. Corporate Bonds are not protected by collateral but are generally exempt from any bail-in requirements. Investment in Corporate Bonds are only made on advice from our Treasury Management advisors who review the company, the market and country in which they operate, the ranking of the bond and the credit worthiness assigned to it. As at 30th September the Council had investments in five Corporate bonds totalling £12.8m. Full details are shown in **Appendix 9**.

### **Central Contingencies and Contributions**

218. A budget of £1.0m is held centrally to meet past service Employer Pension contributions relating to staff transferred to the new supplier companies. It is forecast that spending will be in line with the budget.

### **Allocation of Additional Grant Funding**

219. The Council's budget provides for the receipt of known specific grants. However, where additional non-ringfenced grant funding is received, services wishing to increase their expenditure budgets

are required by Finance Procedure Rules to seek approval to use this additional funding. This report seeks approval to services' requests to incur additional expenditure in 2015/16 fully funded by additional grant. Details of the allocations are contained in **Appendix 10**.

## Debt Management

220. The balance of outstanding debt has increased by £1.9m since First Quarter review. Balances remain within forecast levels and adequate provisions have been made. A summary of outstanding invoiced debt by Service is contained in **Appendix 11**.

## Outturn Impact

221. The impact of the projected service outturn position could reduce balances by up to £0.5m as reported above (**para 169**).
222. Taken into account with the central budget items detailed above and the approved use of general reserves below (**paras 225-226**), the financial impact described in this report could decrease balances by £2.7m as summarised in **Table 10**.

**Table 10 – Impact on Balances**

	£m
Service Net Budget Outturn	-0.5
Central Budgets Outturn	0.0
Use of Reserves approved by Council	-2.2
<b>Total</b>	<b>-2.7</b>

## Management of Council Reserves

223. The Council's Reserves Strategy 2015/18 states that the Council will maintain reserves to protect against risk and support investment. The Strategy forecasts that the risk assessed level of reserves is likely to remain at £12.5m throughout the medium term.
224. The opening balance at 1st April 2015 in the Council's General Reserves is £14.7m as published in the Council's Statement of Accounts for 2014/15.
225. At the February 2015 meeting, Council approved the use of £1.7m of general reserves in 2015/16, to be transferred to earmarked reserves to meet additional planning costs, potential increased insurance claims, and to support investment in sustainability.
226. At First Quarter Review, Council approved that £0.5m be transferred from balances to an earmarked reserve for Early Intervention initiatives.
227. The overall impact of service budgets, central budgets and Council decisions is identified in **Table 10** above. **Table 11** shows how this impacts on the forecast closing balance of general reserves.

**Table 11 – Change in Reserves Position**

	£m
Opening Balance at 1 <sup>st</sup> April 2015	14.7
Impact on Balances at Quarter 2	-2.7
<b>Forecast Closing Balance at March 2016</b>	<b>12.0</b>

228. The projected balance of £12.0m reflects the current forecast that risks associated with budget achievement in 2015/16 may not actually materialise and this is slightly below the level planned in the 2015/18 Reserves Strategy. Actions to continue managing current risk will continue to be explored in the remaining months of the financial year. Overall the Council remains in a strong financial position given the major challenges across the public sector.
229. The Council also maintains Earmarked Revenue reserves for specific purposes. At 31st March 2015 balances on these reserves stood at £49.1m, excluding balances held by Schools. A contribution of £0.2m to the Emergency Assistance earmarked reserve was approved as part of the 2015/16 budget. Council also approved the transfer of a further £1.7m from general reserves into earmarked reserves in 2015/16 to provide for additional costs in Planning, and on Insurances, and to support investment in sustainability. These items brought the earmarked reserves balance available in 2015/16 to £51.0m. At First Quarter Review, Council approved the transfer of £0.5m to an earmarked reserve for Early Intervention Initiatives.
230. During 2015/16, an estimated £25.8m will be drawn down and applied to fund service expenditure specifically provided for. Service outturn forecasts take account of this expenditure and funding.
231. A full list of earmarked reserves at 1<sup>st</sup> April 2015, and estimated movement in 2015/16 is contained in **Appendix 12**.

## 3. Workforce Development

232. This section sets out the Council's activities and progress in relation to HR, Organisational Development, Health and Safety, Workforce Development plans and changes to staffing levels.
233. The Council has continued to offer a range of staff benefits such as green car scheme, bike to work scheme, childcare vouchers and additional annual leave. These salary sacrifice schemes offer a saving to both the employee and Council by allowing a portion of an employee's salary to be exchanged to purchase an accredited scheme. Work is underway to establish an online platform through which colleagues can more easily access a wider range of benefits.
234. Work is continuing to implement the Living Wage for directly employed staff with effect from 1<sup>st</sup> November 2015. This involves amending the Council's pay structure to add a scale point which equates to the Living Wage (£7.85 per hour). As this change could affect the benefits payable to some people, the Council's Benefits team have offered to run confidential surgeries around the time of implementation to help individual staff understand the potential impact on their household.
235. The learning, development and staff improvement training programme, in conjunction with all Directorates continues to grow its offering for all employees comprising of statutory, mandatory, vocational and professional themes and topics. This ensures that the Council creates a workforce which is safe, knowledgeable and competent in performing their duties to the highest possible standard, providing the best quality services to the residents and businesses. We have offered 42 courses on the training programme between July and September 2015, with percentage take up of places slightly ahead of expectation.
236. The delivery of 19 different City and Guilds accredited vocational courses through Cheshire East Council Virtual College, in Health and Social Care, Business Administration and ATE (Adult Teaching), continues to support teams across the organisation with Level 2, 3, 4 and 5 qualifications, with the addition this year of an Advocacy, Information and Advice NVQ. We currently have 468 employees from across the organisation registered on these courses.
237. The Management Development Programme continues with the delivery of ILM levels 3 & 5 in Leadership and Management. There are currently 85 registered on these qualifications. A new 'Aspiring Managers' programme has also started with the new academic year. Offered to those identified through the PDP process as future managers, there are 11 candidates in the first cohort.
238. Workforce development has continued to support the development of staff and their teams. 6 applications for individual funding support have been approved through the CPD virtual panel and four teams have started team development programmes.
239. Services continue to request apprentices, with the current cohort being 44. The majority of this cohort is working towards a Business Admin NVQ, followed by five studying for a finance qualification, one for a customer service qualification and one for an agricultural qualification. The Chief Operating Officer's service employs 19,



Economic Growth and Prosperity 13, Adult Social Care 5, Children & Families 6 and one is employed by Public Health. During the last quarter 4 apprentices secured a position with the Council.

- 240. An awards ceremony was held in July to recognise and celebrate the learning and qualifications achievements of colleagues across the Council over the last academic year. A range of nationally accredited qualifications were represented from all 5 directorate areas. The award for the A\* Apprentice of the Year 2015 was also made at the event.
- 241. In August a new traineeship /pilot work readiness programme, entitled the Cygnet Pathway was launched to help prepare cared-for young people into work. Six young people are on the six month programme.
- 242. Cheshire East Council continues to offer a Graduate Programme, which includes Graduate Internships and a Graduate Development Programme. In this quarter, one Graduate Internship appointment has been made, bringing the total internships across the Council to 6 (including Education, Legal, HR, C&F). One further position is currently advertised (Business Intelligence) and one is awaiting paperwork (Regeneration). One intern (Legal) has been extended and one intern (Education) has passed their 6 month probation review with high praise. In terms of the Graduate Development Programme, 18 graduates from across the Council have taken part in development events.
- 243. Other important developments since April to note which have had a significant impact on workforce development are the introduction of the Care Certificate, the closure of the College of Social Work and the introduction of the Care Act.

244. The Wellbeing and Resilience Group continues to develop interventions to help the organisation and staff become more resilient. Training sessions have been run for managers and staff, and short lunch time and team resilience sessions have also been well received. Three clinics for male staff were run during men's health promotion week.

245. The HR consultancy offer to schools and academies has been extended to include one and three year contracts from September 2015. The service still offers a Gold or Silver Package and the Gold package now includes Mediation Support and one place on the Headteacher Workshop. The Three Year Gold Package has been popular with sixty three schools and academies signing up.

246. The Health & Safety buy-back period for schools remains open until 30<sup>th</sup> September 2015 - currently 92% of schools have purchased a service for the 2015/16 academic year.

### **Staffing Changes**

247. The employee headcount at the end of September 2015 was 3,799, a 0.29% decrease from June 2015.

**Table 12 - Corporate core CEC employee headcount and FTE figures for July, August and September 2015**

Directorate/Service (excludes ASDVs and Schools)	Jul-15		Aug-15		Sep-15	
	Headcount	FTE	Headcount	FTE	Headcount	FTE
Public Health	23	20.4	26	23.4	26	23.4
Media (Communications and PR)	8	7.9	8	7.9	8	7.9
Strategic Commissioning	2827	2075.7	2847	2095.0	2827	2081.2
Adults Social Care & Independent Living	1134	862.8	1148	875.3	1137	867.8
Children's Services	1170	776.0	1178	785.7	1171	781.3
Commissioning and Client Support	25	24.2	25	23.8	25	23.8
Communities	498	412.7	496	410.2	494	408.3
Chief Operating Officer	589	479.1	593	484.0	595	487.0
Commissioning	48	44.5	47	44.0	46	43.0
Corporate Resources & Stewardship	316	253.2	315	252.6	316	253.4
Democratic Services & Governance	90	58.1	88	56.1	87	56.1
Legal Services	35	30.9	35	30.9	36	31.9
People and OD	60	53.4	60	53.4	59	52.6
Apprentices	39	38.0	46	45.0	50	49.0
Economic Growth & Prosperity	355	282.6	360	282.4	355	282.3
Assets	25	24.0	24	23.0	24	23.0
Crewe – High Growth City	3	3.0	3	3.0	3	3.0
Investment	87	78.8	87	78.6	86	77.4
Strategic and Economic Planning	63	61.0	66	64.0	66	64.0
Strategic Infrastructure	8	7.5	9	7.5	9	8.5
Visitor Economy, Culture & Tatton Park	164	103.6	166	101.6	162	101.9
<b>Cheshire East Council Total</b>	<b>3790</b>	<b>2866.6</b>	<b>3821</b>	<b>2893.6</b>	<b>3799</b>	<b>2882.7</b>

248. **Table 13** demonstrates that throughout the second quarter in 2015/16 the cumulative average days lost to sickness was lower than the same period in 2014/15.

**Table 13 - Comparison of average days lost to sickness in the second Quarter of 2015/16 to the same period in 2014/15 (whole Council excluding Schools – year to date cumulative effect)**

	Jul	Aug	Sep
Q2 2015/16	3.46	4.24	5.19
Q2 2014/15	3.79	4.63	5.58

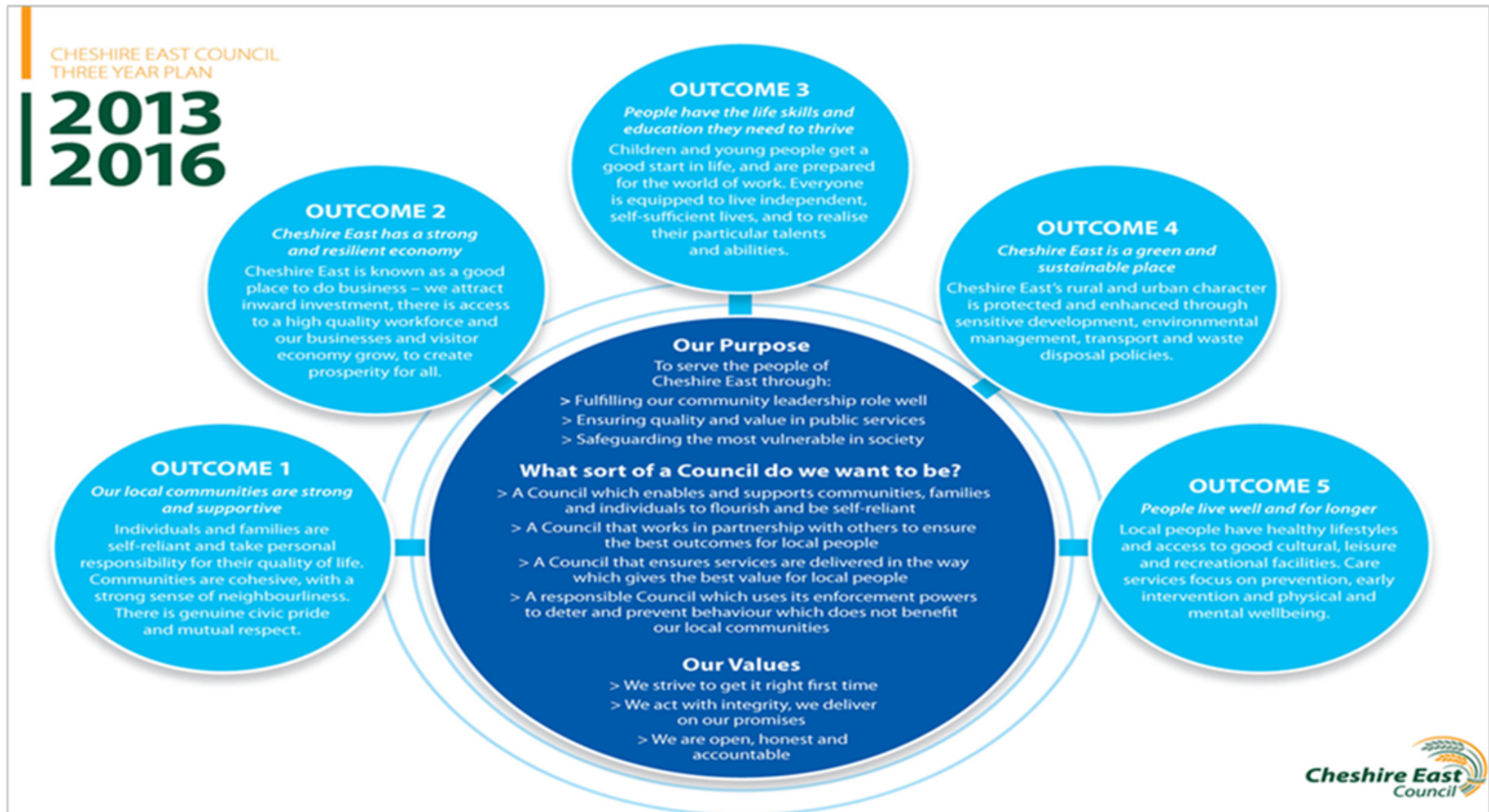
## **Voluntary Redundancies**

249. The Council's voluntary redundancy scheme continues to support organisational change and the delivery of the planned programme of change in the Council Plan. The effective use of voluntary redundancy in this way enables the Council to achieve its planned savings and efficiencies and also helps to maintain good employee relations within the Authority and minimises the prospect of compulsory redundancy.
250. Four people have left the Council under voluntary redundancy terms in quarter 2, two of whom held posts within the management grades (Grade 10 or above). The total severance cost, for all four employees was £144,228, inclusive of redundancy and actuarial costs. Over the next five years, these reductions are estimated to save the Council over £627,800 (which is the combined accumulated costs of the deleted posts).

# **Appendices to the Mid Year Review of Performance 2015/16**

**November 2015**

# Appendix 1 Cheshire East Council Three Year Plan



To assist with reading this page a PDF version is has been made available at: [www.cheshireeast.gov.uk/budget](http://www.cheshireeast.gov.uk/budget)

# Appendix 2 Changes to Revenue Budget 2015/16 since First Quarter Review

	Quarter 1 Net Budget £000	Additional Grant Funding £000	Restructuring & Realignments £000	Other Virements £000	Quarter 2 Net Budget £000
Children & Families	43,366			83	43,449
Adult Social Care & Independent Living	95,080			217	95,297
Public Health	0				0
Economic Growth & Prosperity * see note	6,290	35		-182	6,143
Chief Operating Officer:					
Commissioning Services:					
Building Control, Land Charges and Planning Support * see note	1,715			-22	1,693
Bereavement	-1,292				-1,292
Environmental	28,769			-82	28,687
Highways	11,108			82	11,190
Leisure	2,130			-90	2,040
Transport * see note	14,683			-82	14,601
	57,113	0	0	-194	56,919
Communities	9,187			18	9,205
Other (e.g Finance, ICT, Legal, Facilities)	39,182			58	39,240
<b>TOTAL SERVICE BUDGET</b>	<b>250,218</b>	<b>35</b>	<b>0</b>	<b>0</b>	<b>250,253</b>
Central Budgets					
Specific Grants	-18,894	-35			-18,929
Capital Financing	14,000				14,000
Corporate Contributions	1,008				1,008
Contribution to / from Reserves	241				241
	-3,645	-35	0	0	-3,680
<b>TOTAL BUDGET</b>	<b>246,573</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>246,573</b>

\* Since February Council, the budgets for Transport, and for Building Control, Land Charges & Planning Support have been moved from Economic Growth and Prosperity to Commissioning Services.

# Appendix 3 Corporate Grants Register

Corporate Grants Register 2015/16 Mid Year Review		Revised Forecast FQR 2015/16 £000	Revised Forecast MYR 2015/16 £000	Change 2015/16 £000	SRE / Balances (Note 2)
	Note				
<b>SPECIFIC USE (Held within Services)</b>					
<b>Schools</b>					
Dedicated Schools Grant	1	154,136	154,136	0	
Pupil Premium Grant	1	6,795	6,795	0	
Sixth Forms Grant	1	4,164	4,164	0	
<b>Total Schools Grant</b>		<b>165,095</b>	<b>165,095</b>	<b>0</b>	
Housing Benefit Subsidy		84,518	84,518	0	
Public Health Funding		14,274	14,274	0	
Restorative Justice Development Grant		8	8	0	
<b>TOTAL SPECIFIC USE</b>		<b>263,894</b>	<b>263,894</b>	<b>0</b>	
<b>GENERAL PURPOSE (Held Corporately)</b>					
<b>Central Funding</b>					
Revenue Support Grant		39,182	39,182	0	
Business Rates Retention Scheme		38,607	38,607	0	
<b>Total Central Funding</b>		<b>77,789</b>	<b>77,789</b>	<b>0</b>	

Corporate Grants Register 2015/16 Mid Year Review		Revised Forecast FQR 2015/16 £000	Revised Forecast MYR 2015/16 £000	Change 2015/16 £000	SRE / Balances (Note 2)
	Note				
<b>GENERAL PURPOSE (Held Corporately)</b>					
<b>Children &amp; Families</b>					
Troubled Families		332	332	0	
Troubled Families - Co-ordinator		200	200	0	
Youth Justice Grant		326	326	0	
Youth Rehabilitation Order - Junior Attendance Centre		33	33	0	
Extended Rights to Free Transport		128	128	0	
Staying Put Grant		73	73	0	
<b>Adult Social Care &amp; Independent Living</b>					
Local Reform and Community Voices Grant		195	195	0	
Independent Living Fund		749	749	0	
Adult Social Care New Burdens		2,272	2,272	0	
Social Care in Prison Grant		70	70	0	
<b>Economic Growth &amp; Prosperity</b>					
Skills Funding Agency		628	628	0	
Neighbourhood Planning Grant		20	55	35 SRE	
Right to Move		3	3	0	
Property Searches New Burdens - Tinklers		5	5	0	
<b>Chief Operating Officer - Commissioning Services:</b>					
<b>Environment</b>					
Lead Local Flood Authorities		35	35	0	
Lead Local Flood Authorities - technical advice on surface water proposals		82	82	0	



Corporate Grants Register 2015/16 Mid Year Review		Revised Forecast FQR 2015/16 £000	Revised Forecast MYR 2015/16 £000	Change 2015/16 £000	SRE / Balances (Note 2)
	Note				
<b>GENERAL PURPOSE (Held Corporately)</b>					
<b>Communities</b>					
Housing Benefit and Council Tax Administration		1,549	1,549	0	
NNDR Administration Grant		559	559	0	
Implementing Welfare Reform Changes		53	53	0	
<b>Chief Operating Officer - Other:</b>					
Education Services Grant		3,000	3,000	0	
Council Tax Freeze Grant 2015/16		1,840	1,840	0	
New Homes Bonus 2011/12		870	870	0	
New Homes Bonus 2012/13		1,844	1,844	0	
New Homes Bonus 2013/14		1,037	1,037	0	
New Homes Bonus 2014/15		1,356	1,356	0	
New Homes Bonus 2015/16		1,200	1,200	0	
Affordable Homes 2012/13		85	85	0	
Affordable Homes 2013/14		82	82	0	
Affordable Homes 2015/16		63	63	0	
New Homes Bonus 2015/16 - return of topslice		126	126	0	
Individual Electoral Registration		101	101	0	
<b>Total Service Funding</b>		<b>18,915</b>	<b>18,950</b>	<b>35</b>	
<b>TOTAL GENERAL PURPOSE</b>		<b>96,704</b>	<b>96,739</b>	<b>35</b>	
<b>TOTAL GRANT FUNDING</b>		<b>360,598</b>	<b>360,633</b>	<b>35</b>	

#### Notes

1 The Dedicated Schools Grant, Pupil Premium Grant and Sixth Form Grant (Education Funding Agency) 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.

# Appendix 4 Summary Capital Programme and Funding

Service	In-Year	SCE's	SCE's	Revised	Forecast Expenditure		
	Budget	Virements	Virements	In-Year			
	MYR	Reductions	Reductions	Budget	2015/16	2016/17	2017/18 and
	2015/16	2015/16	2015/16	2015/16	2015/16	2016/17	Future Years
	£000	£000	£000	£000	£000	£000	£000
<b>Children and Families</b>							
Committed Schemes - In Progress	10,065	0	202	10,267	9,577	1,707	948
Committed Schemes at Gate 1 Stage	2,663	0	9	2,672	2,672	1,028	0
Medium Term and Rolling Programme	5,154	0	-79	5,075	5,076	5,481	5,944
Longer Term Proposals	100	0	0	100	100	0	30,975
<b>Adult Social Care and Independent Living</b>							
Committed Schemes - In Progress	484	0	0	484	484	0	0
Committed Schemes at Gate 1 Stage	280	0	60	340	340	0	0
Medium Term and Rolling Programme	1,128	0	0	1,128	1,128	800	800
<b>Commissioning Services:</b>							
<b>Leisure</b>							
Committed Schemes - In Progress	10,332	0	400	10,732	9,732	1,000	0
Committed Schemes at Gate 1 Stage	500	0	0	500	500	3,150	5,065
Longer Term Proposals	0	0	0	0	0	250	0
<b>Environment</b>							
Committed Schemes - In Progress	3,099	32	0	3,131	3,131	0	0
Medium Term and Rolling Programme	9,077	0	0	9,077	8,887	7,346	0
Longer Term Proposals	470	4,000	0	4,470	2,470	10,303	0
<b>Highways</b>							
Committed Schemes - In Progress	27,681	30	51	27,762	28,409	7,414	5,000
Medium Term and Rolling Programme	500	-500	0	0	0	12,927	12,637

Service	In-Year	SCE's	SCE's	Revised	Forecast Expenditure		
	Budget	Virements	Virements	In-Year			
	MYR	Reductions	Reductions	Budget	2015/16	2016/17	2017/18 and
	2015/16	2015/16	2015/16	2015/16	2015/16	2016/17	Future Years
	£000	£000	£000	£000	£000	£000	£000
<b>Communities</b>							
Committed Schemes - In Progress	1,415	0	0	1,415	1,225	229	0
<b>Economic Growth and Prosperity</b>							
Committed Schemes - In Progress	28,011	0	-350	27,661	24,312	5,748	2,127
Committed Schemes at Gate 1 Stage	150	500	1,659	2,309	2,159	720	4,650
Medium Term and Rolling Programme	6,295	0	857	7,152	3,494	6,724	2,275
Longer Term Proposals	32,143	-4,000	-200	27,943	15,398	30,768	155,337
<b>Chief Operating Officer</b>							
Committed Schemes - In Progress	15,311	0	-660	14,651	14,698	200	5,997
Committed Schemes at Gate 1 Stage	0	0	660	660	660	300	0
Medium Term and Rolling Programme	608	0	0	608	608	9,903	0
Longer Term Proposals	5,550	0	-1,292	4,258	4,258	0	0
<b>Committed Schemes - In Progress</b>	<b>96,398</b>	<b>62</b>	<b>-357</b>	<b>96,103</b>	<b>91,568</b>	<b>16,298</b>	<b>14,072</b>
<b>Committed Schemes at Gate 1 Stage</b>	<b>3,593</b>	<b>500</b>	<b>2,388</b>	<b>6,481</b>	<b>6,331</b>	<b>5,198</b>	<b>9,715</b>
<b>Medium Term and Rolling Programme</b>	<b>22,762</b>	<b>-500</b>	<b>778</b>	<b>23,040</b>	<b>19,193</b>	<b>43,181</b>	<b>21,656</b>
<b>Longer Term Proposals</b>	<b>38,263</b>	<b>0</b>	<b>-1,492</b>	<b>36,771</b>	<b>22,226</b>	<b>41,321</b>	<b>186,312</b>
<b>Total Net Position</b>	<b>161,016</b>	<b>62</b>	<b>1,317</b>	<b>162,395</b>	<b>139,318</b>	<b>105,998</b>	<b>231,755</b>

Funding Sources	2015/16	2016/17	2017/18 and
	£000	£000	Future Years
Grants	41,369	37,904	123,963
External Contributions	14,836	14,616	21,348
Cheshire East Council Resources	83,113	53,478	86,444
<b>Total</b>	<b>139,318</b>	<b>105,998</b>	<b>231,755</b>

# Appendix 5 Approved Supplementary Capital Estimates and Virements up to £250,000

Capital Scheme	Amount Requested £	Reason and Funding Source
<b>Summary of Supplementary Capital Estimates and Capital Virements that have been made up to £250,000</b>		
<b>Supplementary Capital Estimates</b>		
<b>Children and Families</b>		
Kitchens block (Gas interlock)	43,845	Contributions from schools delegated budgets towards works being undertaken to improve kitchen facilities
Suitability/Minor Works/Accessibility Block Provision - Lindow Primary School	20,784	Works to be undertaken at Lindow Primary School , funded from contributions from the school and the SEN Support budget, to adapt the school to better enable the one to one support of children with special needs
CyPad Tablets	180,000	To introduce CyPad Tablets within Catering services at schools, funded from a revenue contribution
<b>Adult Social Care and Independent Living</b>		
Adults Case Management	60,000	Additional Grant funding has been secured to fund the ongoing development of the Adults Case Management System.
<b>Leisure</b>		
Squash Court Refurbishment - Macclesfield	6,117	The budget has been re-instated to cover the final stages of the project
<b>Highways</b>		
Capacity enhancement - A534 Nantwich Rd	51,000	Demolition costs of 22 South Street to assist with the traffic management amendments to Pedley Street and Gresty Road, to be funded by S106 contributions

Capital Scheme	Amount Requested £	Reason and Funding Source
<b>Summary of Supplementary Capital Estimates and Capital Virements that have been made up to £250,000</b>		
<b>Supplementary Capital Estimates</b>		
<b>Economic Growth &amp; Prosperity</b>		
Central Heating Fund	180,340	Fully funded by a specific grant for an energy efficiency project, to be spent by 30 June 2016
NEA Technical Innovation Fund	198,822	Funding has been secured from National Energy Action for energy innovation in domestic properties, to trial the use of energy storage devices with solar panels and for full insulation of park homes.
Regeneration & Development Prog	5,000	Police Crime Commissioner Funding of £5,000 for Macclesfield regeneration
<b>Chief Operating Officer</b>		
Asset Management Maintenance Programme	25,000	Insurance settlement for wall repairs at Tatton Park following an accident
<b>Total Supplementary Capital Estimates</b>	<b>770,908</b>	

Capital Scheme	Amount Requested £	Reason and Funding Source
<b>Capital Budget Virements</b>		
<b>Children and Families</b>		
Lacey Green PS - Basic Need	6,585	Virements of Capital Maintenance grant to meet the cost of feasibility works incurred on this project
Kitchens block (Gas interlock)	76,806	Contributions from schools Devolved Formula Capital Allocations towards works being undertaken to improve kitchen facilities
Manor Park - Basic Needs	7,201	Virement to merge projects relating to Manor Park Primary School
Ngage Provision - Alternative Pupil Referral Unit	1,524	Virement to reallocate residual grant from Suitability/Minor Works/Accessibility Block Provision
Suitability/Minor Works/Accessibility Block Provision - Shavington Primary School	41,000	Virement to merge projects relating to Shavington Primary School
Universal free school meals	2,800	Contributions from schools Devolved Formula Capital Allocations towards works being undertaken to improve kitchen facilities
Children's Financials	10,000	Virement to meet the costs of integration between between the Liquidlogic and ContrOCC systems for case management and finances
Capital Maintenance Central Allocation	27,267	Residual grant from the completed schemes at Buglawton and Mossley CofE Primary Schools and Ruskin High School
<b>Total Capital Budget Virements Approved</b>	<b>173,183</b>	
<b>Total Supplementary Capital Estimates and Virements</b>	<b>944,091</b>	

# Appendix 6 Request for Supplementary Capital Estimates and Virements above £250,000

Capital Scheme	Amount Requested £	Reason and Funding Source
Cabinet are asked to approve the Supplementary Capital Estimates and Virements above £250,000 up to and including £1,000,000		
<b>Supplementary Capital Estimates</b>		
<b>Leisure</b>		
Lifestyle Centre Crewe	5,400	Transfer of budget from Adults for the Sensory Room at Crewe Lifestyle Centre, this is grant funded.
	10,000	Revenue contribution from Adults for the Medical Room changes.
	379,000	Additional budget required as part of the contingency costs. If the budget is not required at the end of the project it will be returned to the capital programme. This decision was endorsed at the Executive Monitoring Board meeting on the 23rd September 2015.
<b>Total Supplementary Capital Estimates Requested</b>	<b>394,400</b>	

Capital Scheme	Amount Requested £	Reason and Funding Source
<b>Cabinet are asked to approve the Supplementary Capital Estimates and Virements above £250,000 up to and including £1,000,000</b>		
<b>Capital Budget Virements</b>		
<b>Children and Families</b>		
Hollinhey Primary School	250,766	This virement is for the condition works at Hollinhey Primary School, approved at Gateway 1 and will be fully funded by Grant.
<b>Economic Growth &amp; Prosperity</b>		
Handforth Mitigation Package	400,000	The Handforth Mitigation Package and A6 Corridor Improvements projects both relate to the same project. This virement from the A6 Corridor Improvements project will bring the Handforth Mitigation Package project upto the level of grant funding available from Stockport MBC. The scheme will be renamed "SEMMMS Mitigation (Disley/Handforth)".
<b>Chief Operating Officer</b>		
Schools Capital Maintenance	960,176	Children's Services allocate, to Facilities Management, a sum of money each year from the Capital Maintenance Grant for essential schools maintenance works. Historically this has been incorporated into the block allocation for non schools buildings. For reasons of future transparency, a separate project has been set up for the schools works afunded by the grant allocation.
<b>Total Capital Budget Virements Requested</b>	<b>1,610,942</b>	
<b>Total Supplementary Capital Estimates and Virements</b>	<b>2,005,342</b>	



# Appendix 7 Request for Supplementary Capital Estimates and Virements above £1m

Capital Scheme	Amount Requested £	Reason and Funding Source
<b>Cabinet are asked to request Council to approve the Capital Virements and SCEs over £1,000,000</b>		
<b>Supplementary Capital Estimates</b>		
<b>Economic Growth &amp; Prosperity</b>		
Crewe Green Roundabout	5,000,000	This is a new scheme for a five armed roundabout that will ensure that once the new Crewe Green Link Road opens in early 2016 the increased traffic flow will not cause additional congestion at this junction. The scheme is fully funded by Local Growth Grant funding and S106 contributions
Middlewich Eastern By-pass	1,200,000	This project will utilise the Local Growth Funding already received by the Council to start preliminary work on the proposed by-pass in Middlewich to ease the pinchpoint areas from Junction 18, via Midpoint 18 through to the surrounding routes out of Middlewich.
<b>Total Supplementary Capital Estimates Requested</b>	<b>6,200,000</b>	

Capital Scheme	Amount Requested £	Reason and Funding Source
<b>Cabinet are asked to request Council to approve the Capital Virements and SCEs over £1,000,000</b>		
<b>Capital Budget Virements</b>		
<b>Economic Growth &amp; Prosperity</b>		
Regeneration & Development Programme	1,792,123	The Council's regeneration programme is focussed on realising the potential of Cheshire East. This budget virement aligns the budget for both the Macclesfield Town Redevelopment and the existing regeneration and development programme in to one budget. This scheme is funded by Cheshire East Resources
<b>Total Capital Budget Virements Requested</b>	<b>1,792,123</b>	
<b>Total Supplementary Capital Estimates and Virements</b>	<b>7,992,123</b>	

# Appendix 8 Capital Budget Reductions

Capital Scheme	Approved Budget £	Revised Approval £	Reduction £	Reason and Funding Source
<b>Cabinet are asked to note the reductions in Approved Budgets</b>				
<b>Education Strategy</b>				
Springfield Special School (School Funded Project)	1,252,000	1,146,903	-105,097	Reduction of schools contribution as the budget is no longer required
Suitability/Minor Works/Accessibility Block Provision - Buglawton and Mossley CofE Primary Schools	1,470,827	1,462,151	-8,676	Reduction in budget is required as the project is now complete
<b>Economic Growth &amp; Prosperity</b>				
Crewe Rail Exchange	6,963,838	6,614,129	-349,709	This project is now complete and has been handed over. This residual budget was to be funded by external funding and will no longer be received
A6 Corridor Improvements	1,600,000	600,000	-1,000,000	The full budget approval is no longer required due to the revised SEMMMs Mitigation scheme
<b>Total Capital Budget Reductions</b>	<b>11,286,665</b>	<b>9,823,183</b>	<b>-1,463,482</b>	

# Appendix 9 Treasury Management

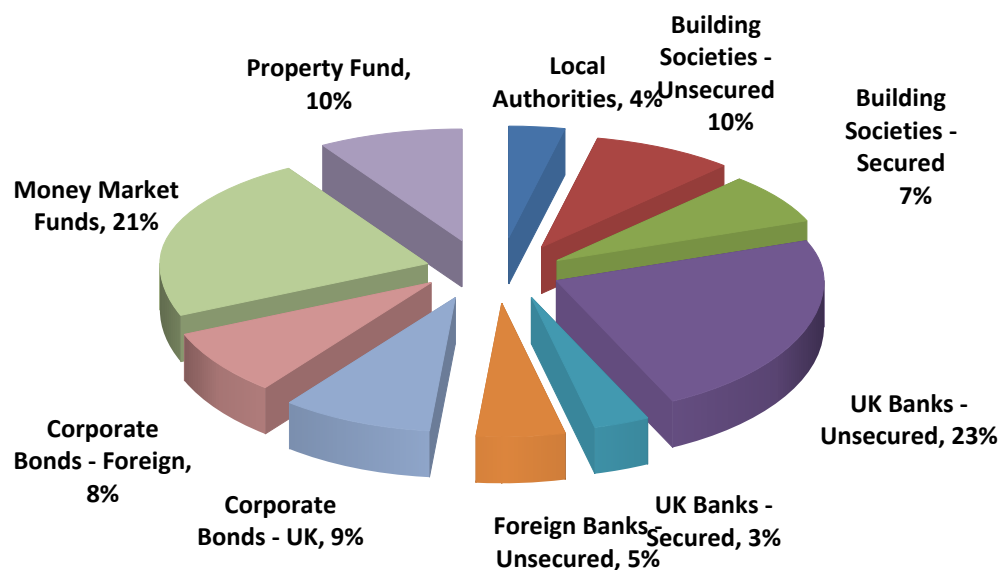
## Counterparty Limits and Investment Strategy

1. The maximum amount that can be invested with any one organisation is set in the Treasury Management Strategy Report. The maximum amount and duration of investments with any institution depends on the organisations credit rating, the type of investment and for banks and building societies, the security of the investment. Generally credit rated banks and building societies have been set at a maximum value of £5m for unsecured investments and £10m for secured investments. Any limits apply to the banking group that each bank belongs to. Limits for each Money Market fund have been set at a maximum value of £10m per fund with a limit of 50% of total investments per fund although operationally this is limited to 10% in line with updated guidance. There is also a maximum that can be invested in all Money Market Funds at any one time of 50% of the value of all investments. Due to their smaller size, unrated Building Societies have a limit of £1m each.
2. The limits in the Treasury Management strategy also apply to investments in foreign banks subject to an overall limit of 40% of our total investments in foreign countries and a limit of £10m per country. Foreign investments held at 30th September 2015 total £10m over four countries.
3. To maintain diversification of investments over a broader range of counterparties, the Council is also investing with other Local Authorities and some unrated Building Societies on advice from our treasury advisors who are monitoring their financial standing in the absence of any normal credit rating.
4. Banks' credit ratings are kept under continual review. There have been some changes in 2015/16 following the regulatory changes and withdrawal of Government support although these changes have not been as severe as expected. Government support has generally been replaced by greater loss absorbency capability. However, as the impact of any bank failure on Council investments is now greater, the following measures are being taken to reduce the risk of being bailed in:
  - a. Invest in more secure financial instruments such as Covered Bonds and Repurchase Agreements (REPO's)
  - b. Invest in highly rated Corporate Bonds which will not be subject to any 'bail-in risk'
5. Covered Bonds are fixed period investments (typically three to ten years) which are tradeable and where the investment is backed by collateral. These bonds are exempt from any 'Bail-in' requirements and gives the Council protection in the event the Counterparty gets into difficulties. Bonds are rated depending on their collateral so it is possible that a bond is acceptable to the Council where an unsecured deposit would not be.
6. REPO's are where the Council purchases assets from a counterparty with an agreement that the counterparty repurchases those assets on an agreed future date and at an agreed price. The future price will include interest on the investment. The assets purchased will vary in value over the term of the trade so a third party is used (at the cost of the other party, not the Council) to hold those assets on our behalf and obtain additional assets if the value falls below the level of the investment at any time. It is the quality of the purchased assets that governs

the credit quality of the investment rather than the actual counterparty. The Council is making arrangements with Clearstream who can provide the third party facilities and are internationally regarded.

7. **Chart 1** shows an analysis of the investments by counterparty type. A full analysis of the types of investment and current interest rates achieved is given in **Table 1** with the maturity profile in **Chart 2** which also shows the value of investments potentially subject to bail-in in the event of counterparty failure and those which are exempt from bail in requirements.

**Chart 1 – Current Investments by Counterparty Type**



**Table 1 – Types of Investments and Current Interest Rates**

Instant Access Accounts	Average Rate %	£m
Instant Access Accounts	0.45	2.5
Money Market Funds	0.43	15.4

Notice Accounts	Notice Period	Average Rate %	£m
Lloyds Bank	180 days	0.75	3.0

Fixed Term Deposits (Unsecured)	Start	Maturity	Rate %	£m
Standard Chartered CD	01/04/2015	01/10/2015	0.82	5.0
Lancashire County Council	25/06/2015	18/12/2015	0.47	3.0
Nationwide Building Society	31/07/2015	18/01/2016	0.64	2.0
Landesbank Hessen-Thuringen CD	31/07/2015	29/01/2016	0.70	2.0
Nationwide Building Society	03/08/2015	18/01/2016	0.62	1.0
Lloyds Bank	03/08/2015	18/03/2016	0.77	2.0
National Counties Building Society	05/08/2015	13/11/2015	0.54	1.0
Santander UK	05/08/2015	29/01/2016	0.72	2.8
Cumberland Building Society	13/08/2015	18/11/2015	0.53	1.0
Vernon Building Society	28/08/2015	04/12/2015	0.53	1.0
Close Bros	11/09/2015	11/03/2016	0.60	2.0
Santander UK	22/09/2015	18/03/2016	0.67	1.0
Mansfield Building Society	25/09/2015	18/03/2016	0.72	1.0
Santander UK	28/09/2015	24/03/2016	0.67	1.3

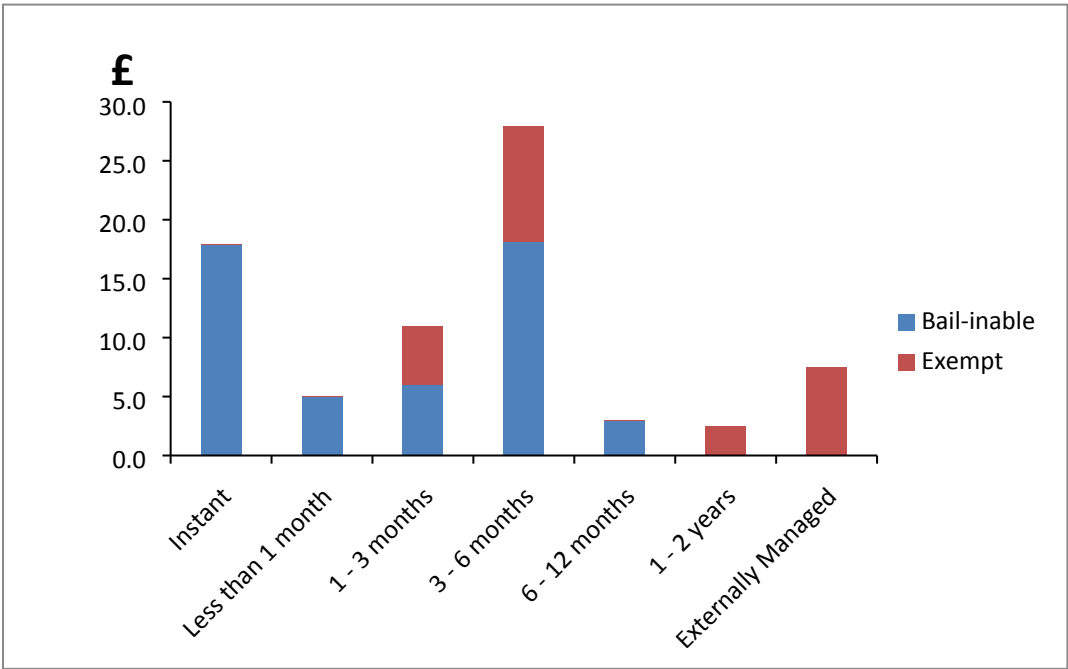
Secured Deposits	Start	Maturity	Rate %	£m
Yorkshire Building Society	05/11/2014	16/03/2016	0.73	3.0
Yorkshire Building Society	16/12/2014	16/03/2016	0.73	2.0
Bank of Scotland	17/06/2015	08/11/2016	0.84	2.5

Corporate Bonds	Start	Maturity	Rate %	£m
Volkswagen Financial Services	27/04/2015	23/05/2016	0.90	3.0
Heathrow Funding Ltd	08/05/2015	31/03/2016	0.90	2.8
Daimler International Finance	21/07/2015	10/12/2015	0.88	2.0
United Utilities	22/07/2015	29/12/2015	1.02	3.0
GE Capital UK Funding	28/08/2015	18/01/2016	1.08	1.0
Heathrow Funding Ltd	01/09/2015	31/03/2016	1.02	1.0

Externally Managed Funds	£m
Property Fund	7.5

Summary of Current Investments	£m
<b>TOTAL</b>	<b>74.8</b>

Chart 2 – Maturity Profile of Investments





# Appendix 10 Requests for Allocation of Additional Grant Funding

Service	Type of Grant	£000	Details
Economic Growth and Prosperity	Neighbourhood Planning Grant  (General Purpose)	35	A grant of £35,000 is to be provided to the Council by the Department for Communities and Local Government for four designated Neighbourhood Areas. This is to support these local communities to prepare a neighbourhood plan. This is the first designation this financial year. The grant is not ring fenced to Neighbourhood Planning so can be used to support the wider Spatial Planning function.
<b>Total</b>		<b>35</b>	

# Appendix 11 Debt Management

1. In addition to the collection of Council Tax and National Non-Domestic Rates the Council also issues invoices to organisations or individuals for certain key services. Performance related to Council Tax and Non-Domestic Rates is contained in Section 2 of this report.
2. Annually, the Council raises invoices with a total value of around £50m. This includes around £25m in Adult Social Care relating to client contributions towards care packages and income from Health on pooled budget and partnership arrangements.
3. Total Invoiced Debt at the end of September 2015 was £12.8m. After allowing for £2.7m of debt still within the payment terms, outstanding debt stood at £10.1m. This is £1.9m higher than at the end of the first quarter and is largely within the Adult Social Care area.
4. The total amount of service debt over six months old is £2.4m which is broadly in line with the end of the first quarter.
5. Services have created debt provisions of £2.7m to cover this debt in the event that it needs to be written off.
6. The Council uses a combination of methods to ensure prompt payment of invoices. Recovery action against unpaid invoices may result in the use of debt collectors, court action or the securing of debts against property.

	Outstanding Debt £000	Over 6 months old £000	Debt Provision £000
Children & Families	268	13	13
Adult Social Care & Independent Living	8,291	1,807	2,133
Public Health & Wellbeing	4	0	0
Economic Growth & Prosperity	425	154	113
Chief Operating Officer: Commissioning Services:			
Environmental	362	116	116
Highways	403	291	291
Leisure	11	0	0
Communities	36	17	17
Other	257	38	62
	<b>10,057</b>	<b>2,436</b>	<b>2,745</b>

# Appendix 12 Earmarked Reserves

Name of Reserve	Opening Balance 1 <sup>st</sup> April 2015 £000	Forecast Movement in 2015/16 £000	Estimated Balance 31st March 2016 £000	Notes
<b>Children &amp; Families</b>				
Long Term Sickness	350	0	350	Carried forward surplus of contributions paid by schools ~ operated as a trading account.
Education All Risks (EARS)	343	0	343	Carried forward surplus of contributions paid by schools ~ operated as a trading account.
Children's Social Care	377	-277	100	To support implementation of Children's Social Care bill.
Early Intervention Initiatives	0	150	150	A recommendation to set up this reserve at £500,000 will be considered by Council on 22 October. Planned use in year of £350,000 to develop and implement a plan to improve the emotional health and wellbeing of young people.
<b>Adult Social Care &amp; Independent Living</b>				
Extra Care Housing PFI	1,681	198	1,879	Surplus grant set aside to meet future payments on existing PFI contract which commenced in January 2009.
Individual Commissioning	309	-309	0	To provide capacity to perform Deprivation of Liberties and Best Interest reviews of care customers following recent case law.
NHS Section 256	3,535	-3,535	0	To support adult social care which also has a health benefit, as agreed with Eastern Cheshire and South Cheshire Clinical Commissioning Groups and governed by Cheshire East Health and Wellbeing Board.
<b>Public Health</b>	1,972	-1,172	800	Ring-fenced underspend to be invested in areas to improve performance against key targets. Including the creation of an innovation fund to support partners to deliver initiatives that tackle key health issues.
<b>Environmental</b>				
Crematoria	160	-160	0	Mercury abatement income set aside to fund potential replacement cremators as per the capital programme.

Name of Reserve	Opening Balance 1 <sup>st</sup> April 2015 £000	Forecast Movement in 2015/16 £000	Estimated Balance 31st March 2016 £000	Notes
<b>Highways</b>				
Winter Weather	240	120	360	To provide for future adverse winter weather expenditure.
<b>Communities</b>				
Communities Investment	1,788	-1,363	425	Amalgamation of promoting local delivery; grant support; new initiatives and additional funding from outturn to support community investment.
Emergency Assistance	845	-400	445	Carry forward of underspend on previous years' schemes to provide for future hardship payments.
<b>Economic Growth &amp; Prosperity</b>				
Building Control	168	0	168	Ring-fenced surplus (could be used to offset service deficit, if applicable)
Tatton Park	222	0	222	Ring-fenced surplus on Tatton Park trading account.
Economic Development	141	0	141	Support for town centres and economic development initiatives.
Planning Costs and Investment Service Structure	1,000	-1,000	0	To meet potential costs within the Planning Service and Investment Service Structure.
<b>Chief Operating Officer</b>				
Elections	604	-604	0	To provide funds for Election costs every 4 years.
Climate Change	67	-67	0	Renewable Energy project.
Insurance & Risk	2,695	305	3,000	To settle insurance claims and manage excess costs.
Investment (Sustainability)	8,681	-7,622	1,059	To support investment that can increase longer term financial independence and stability of the Council.
Pension Contributions	173	-173	0	To meet impact of reduced workforce on fixed contribution to Past Service Pensions deficit.
Business Rates Retention Scheme	4,648	3,552	8,200	To manage cash flow implications as part of the Business Rates Retention Scheme. Includes liabilities that will not be paid until 2016/17.
Financing	4,820	0	4,820	To provide for financing of capital schemes, feasibility studies, and other projects and initiatives.

Name of Reserve	Opening Balance 1 <sup>st</sup> April 2015 £000	Forecast Movement in 2015/16 £000	Estimated Balance 31st March 2016 £000	Notes
<b>Cross Service</b>				
Trading Reserve	36	-36	0	The Authority's share of ASDVs net surplus to be spent in furtherance of the ASDV's objectives.
Service Manager carry forward	5,244	-3,615	1,629	Allocations for Cost of Investment or grant funded expenditure.
Revenue Grants - Dedicated Schools Grant	8,184	-8,184	0	Unspent specific use grant carried forward into 2015/16.
Revenue Grants - Other	2,733	-1,570	1,163	Unspent specific use grant carried forward into 2015/16.
<b>TOTAL</b>	<b>51,016</b>	<b>-25,762</b>	<b>25,254</b>	

Note 1

#### Notes:

1. Figures exclude Schools balances of £7.499m at 1st April 2015