



Third Quarter Review of Performance 2018/19

February 2019

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:

shapingourservices@cheshireeast.gov.uk

Introduction

Cheshire East Council is the third largest Council in the Northwest of England, supporting over 375,000 local people with annual spending of over £740m.

Local government is going through a period of unprecedented change and financial challenge. A combination of increasing demand for services, rising costs and reduced Government grant is creating significant pressures on the Council's revenue budget. The Council's response continues to focus on increasing efficiency and productivity to enable us to deliver a high level of sustainable, quality services.

Demand for Council services is high however, with more individuals and families needing support than ever before. This reflects an increase in population but also reflects changes in demographics. This demand is resulting in revenue pressures of £4.8m (1.8%) against a budget of £269.7m. Robust action is being taken to mitigate this position and deliver a balanced outturn position and protect General Reserves.

To support openness and transparency the report has three main sections, to provide background and context, and then thirteen supporting appendices with detailed information about allocation and management of public money during 2018/19:

Section 1 provides a summary of Council performance and brings together service achievement highlights against the six Outcomes in the Council's four year Corporate plan.

Section 2 provides information on the overall financial stability and resilience of the Council. It demonstrates how spending in 2018/19 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 Council's six Outcomes.
- **Appendix 2** explains budget changes since the mid year review.
- **Appendix 3** shows the latest position for Corporate Grants.
- **Appendix 4** shows the revised Capital Programme expenditure.
- **Appendix 5** lists transfers from and to the Capital Addendum.
- **Appendix 6** lists approved Supplementary Capital Estimates up to £500,000 and Capital Virements up to £1,000,000.
- **Appendix 7** lists requests for Supplementary Capital Estimates over £500,000 and Capital Virements over £1,000,000 for Cabinet approval.
- **Appendix 8** lists requests for Supplementary Capital Estimates over £1,000,000 and Virements over £5,000,000 for Council approval.
- **Appendix 9** lists Capital Budget reductions.
- **Appendix 10** provides details of Treasury Management investments.
- **Appendix 11** lists requests for allocation of additional Grant funding.
- **Appendix 12** analyses the position on Outstanding Debt.
- **Appendix 13** lists details of Earmarked Reserves.

Alex Thompson

Head of Finance and Performance (Acting Section 151 Officer)

Contents

Introduction	1
2018/19 Revenue Forecast – Third Quarter Review Summary	3
Overview	4
Section 1 – Summary of Council Performance	6
Section 2 – Financial Stability	25
Section 3 – Workforce Development	38
Appendices	
Appendix 1 – Cheshire East Council Strategic Outcomes	45
Appendix 2 – Changes to Revenue Budget 2018/19 since the Mid Year Review	46
Appendix 3 – Corporate Grants Register	49
Appendix 4 – Summary Capital Programme and Funding	52
Appendix 5 – Transfers from and to the Capital Addendum	55
Appendix 6 – Approved Supplementary Capital Estimates up to £500,000 and Capital Virements up to £1,000,000	56
Appendix 7 – Request for Supplementary Capital Estimates over £500,000 and Capital Virements over £1,000,000	58
Appendix 8 – Request for Supplementary Capital Estimates over £1,000,000 and Virements over £5,000,000	59
Appendix 9 – Capital Budget Reductions	60
Appendix 10 – Treasury Management	61
Appendix 11 – Requests for Allocation of Additional Grant Funding	63
Appendix 12 – Debt Management	64
Appendix 13 – Earmarked Reserves	65

2018/19 Outturn Forecast at Third Quarter Review - Financial Position

2018/19 Third Quarter Review (GROSS Revenue Budget £616.0m)	Revised Budget (NET) £m	Forecast Actual Outturn £m	Forecast Over / Over / (Underspend) (Underspend) £m	Change in Over / (Underspend) from MYR £m	For further information please see the following sections
SERVICE DIRECTORATES					
People	164.3	166.6	2.3	(0.6)	Section 1 - Paragraphs 116-134
Place	75.0	76.9	1.9	0.3	Section 1 - Paragraphs 135-140
Corporate	22.3	22.8	0.5	(0.3)	Section 1 - Paragraphs 141-147
Total Services Net Budget	261.6	266.3	4.7	(0.6)	
CENTRAL BUDGETS					
Capital Financing	10.0	10.0	-	-	Section 2 - Paragraphs 185-194
Transfer to/(from) Earmarked Reserves	(1.2)	(6.8)	(5.6)	(5.6)	Section 2 - Paragraph 195
Corporate Contributions / Central Budgets	(0.7)	0.6	1.3	1.3	Section 2 - Paragraph 195
Total Central Budgets	8.1	3.8	(4.3)	(4.3)	
TOTAL NET BUDGET	269.7	270.1	0.4	(4.9)	
Business Rates Retention Scheme	(43.0)	(43.0)	-	-	Section 2 - Paragraphs 168-172
Revenue Support Grant	(5.4)	(5.4)	-	-	Section 2 - Paragraph 155
Specific Grants	(13.9)	(14.3)	(0.4)	(0.4)	Section 2 - Paragraphs 148-155
Council Tax	(206.4)	(206.4)	-	-	Section 2 - Paragraphs 157-167
Sourced from Collection Fund	(1.0)	(1.0)	-	-	
CENTRAL BUDGETS FUNDING	(269.7)	(270.1)	(0.4)	(0.4)	
FUNDING POSITION	-	-	-	(5.3)	
	Planned Contribution 2018/19 £m	Forecast Variance Third Quarter £m	Forecast Impact on Reserves Third Quarter £m		
Impact on Reserves	-	-	-		
General Reserves Balance	2018/19 Budget (estimated) £m	Third Quarter Forecast £m			
Opening Balance April 2018	10.3	Actual	10.3		
2018/19 Impact on Reserves (see above)	-	Forecast	-		Section 2 - Paragraphs 197-198
Closing Balance March 2019	10.3	Forecast	10.3		

Overview of Performance

ACHIEVING THE COUNCIL'S SIX OUTCOMES

Cheshire East Council provides in the region of 500 services, supporting over 375,000 residents, and over 18,500 businesses.

1 ~ Our local communities are strong and supportive

- The first Cheshire East Pride in the Park event took place
- Communications were prepared around Winter Wellbeing and resources distributed to frontline teams
- Seven more venues became Connected Communities Centres
- A street safe event took place to gather local intelligence to form an action plan to reduce incidents of anti-social behaviour

2 ~ Cheshire East has a strong and resilient economy

- The Council has continued to focus on the delivery of the Crewe Town Centre Regeneration Programme
- A team was commissioned to produce a Strategic Regeneration Framework for Macclesfield town centre
- The Crewe Green Roundabout scheme was completed on time with an official opening event in November

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

- The written statement of action for SEND was signed off by Ofsted in October, reporting robust and positive progress and much more evident sense of partnership working
- The successful bid for Strategic School Improvement Funds led by Cheshire East is progressing well, showing impact in the majority of 20 schools across Cheshire East
- Lollipop lady Pam Pearson collected her British Empire Medal, awarded for 40 years of helping children get to school safely

4 ~ Cheshire East is a green and sustainable place

- Performance remains strong with the turnaround of both major and non-major planning applications within target timescales
- Work has begun on the new composting plant that will enable residents to recycle food waste in their garden waste bins
- We have been successful in securing £697,000 of grant funding to promote affordable warmth and reduce fuel poverty

5 ~ People live well and for longer

- Attendances at the Council's leisure facilities continued to increase
- The new Substance Misuse Service went live in November
- Seasonal influenza planning resulted in an uptake in vaccinations
- The Adult Safeguarding & Dignity Award Ceremony was held
- The Council has a new Corporate Parenting Strategy
- Ofsted carried out a 'focussed visit' in October, and praised the progress made in planning for cared for children

6 ~ A Responsible, Effective and Efficient Organisation

- The 'Time to Change' initiative was launched in October with a 'Pledge' signing by the Acting Chief Executive and Deputy Leader
- The Council is commencing a review of town and parish council governance across the Borough
- ICT Services are managing a joint transformational investment programme to deliver high quality services to residents

FINANCIAL STABILITY

Cheshire East Council has a strong track record of sound financial management. Nevertheless, pressures on our revenue budget are intensifying.

- At third quarter there is a potential forecast overspend of £4.8m against a revenue budget of £269.7m (1.8%).
- A full mitigation plan is in progress to ensure delivery of a balanced outturn position by the year end.
- **Service Budgets** – a forecast overspend of £4.7m is reported.
- **Central Budgets** – are currently forecast to be under budget by £4.7m.
- 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** increased by 5.99% in 2018/19 which includes a 3% increase relating to the Adult Social Care precept.
- **Investment income** is £228,000 which is lower than budget at third quarter. The average rate earned on investments (1.67%) is higher than the London Inter Bank seven day rate.
- **General Reserves** - a potential overspend of £4.8m is within the original forecast risks parameters. Further action during the year is expected to maintain general reserves at expected levels by year end.
- **Capital Programme** – total capital expenditure of £121m is forecast in 2018/19, which is a reduction of £16m since the revised mid year budget.
- For monitoring purposes, the in-year capital budget for schemes committed or in progress is £124.1m. The in-year forecast has been revised to £102.0m.
- Outstanding **Debt** (excluding local taxation) is £8.5m, an increase of £0.5m since mid year. Debt over 6 months old stands at £4.7m (around 6.7% 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 in the region of 500 local public services across an area of over 1,100km² for over 375,000 residents. The budget to deliver these services in the period April 2018 to March 2019 is £616m, 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 core spending power per head, Government figures highlight the impact of different levels and sources of funding on total Council spending:

Funding per Head Comparisons 2018/19			
	Cheshire East £	Rural East Riding of Yorkshire £	Urban Liverpool £
Grants (budgeted grants including schools)	691	896	1,429
Council Tax (excluding Parish Precepts)	545	479	340
Retained Business Rates	113	208	560
Total	1,349	1,583	2,329

2. The Council's Corporate Plan 2018-2021, which was agreed by Council on 23rd February 2018, has six 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 six outcomes.
3. This report reflects activity that has taken place mostly in the period September 2018 to December 2018. Commentary is also provided on the financial impacts (both revenue and capital) of this activity.

1 ~ Our local communities are strong and supportive

Active, Resilient and Connected Communities where people want to live

4. The first Cheshire East Pride in the Park event took place in September, in the beautiful grounds of Tatton Park in Knutsford. Despite the rain, the event was attended by approximately 700 guests throughout the day and was supported by over 150 performers and 67 volunteers. Pride in the Park was promoted as an inclusive family-friendly day with performers, entertainment and a dedicated health, wellbeing and lifestyle market hall providing support, guidance and advice. The range of support services in attendance included: Body Positive, Barnardo's Utopia, Silver Rainbows, Cheshire East adoption and fostering services, Belong Ltd and Go Sexual Health. The event is a positive example of partnership working and the progress being made on the delivery of the Council's Equality and Diversity Strategy. Recognising the great work that local communities are doing

in developing their own Pride initiatives, we are now planning a Cheshire East Pride Festival for 2019 which will run from the 29th June to 20th July 2019. Pride in the Park will be held at Queens Park on 29th June 2019.

5. The Communications team published and distributed Issue four of 'the VoiCE' residents' newsletter. This edition included information on a wide range of Council services, including connected communities centres, staying healthy in winter and young people's mental health. The team has also supported a number of key events including the official opening of the Crewe Green Roundabout and the final events in the Cheshire East Reflects programme of commemoration.
6. The Communities Team have supported a further eight volunteers in setting up new projects including event support, dementia training, provision for young people, information and advice around sexual health, mental health provision and a project to tackle social isolation. This brings the total to 86 volunteers who have been (or continue to be) inspired by the team this financial year to get involved in community projects.
7. The Community Grant Scheme has been under review and was re-launched as the Early Help and Community Grant Scheme, encouraging community groups to apply for a grant of up to £5,000 to invest in support, training and equipment which will help to improve quality of life for the local community. 16 applicants received funding totalling £25,600, contributing to £823,245 of project costs providing a return of investment of £32.15 for every £1 allocated. Some of the projects included Good Neighbour schemes to reduce isolation and keep people well in their own homes, wellbeing sessions to increase independence and park improvements to encourage young people to be more active. The launch of Cheshire East £2m allocated New Homes Bonus has been a great success with many from the health, voluntary, community and faith sectors, along with town and parish councils, proposing creative ideas to tackle the priorities for the area.
8. To draw attention to hypertension during 'Know Your Numbers' week, working in collaboration with district nurses and community leaders, there were 24 stations set up across our communities taking well over 250 residents' blood pressure readings, which resulted in 40 GP referrals and over 50 referrals to the OneYou service.
9. Ten Health and Wellbeing events have taken place, which in total brought together over 50 organisations linked to health, social care and the third sector providing essential information, free winter warmth materials (warm clothing / bedding / slow cookers), flu jabs, workshops and access to further support. The events have engaged with over 750 of our most vulnerable residents to inform them of the risks to health that self-neglect can bring, in particular during the winter months, and give them the necessary information or details of preventative services to support them to remain well.
10. Further communications around Winter Wellbeing have been disseminated via our communication channels, including a [media release around how to be a good winter neighbour](#). The release outlines a series of tips and warning signs, as well as useful contact details. Resources have been distributed to frontline teams for use in emergency situations with vulnerable people who may have lost their heating or hot water.
11. Two art and craft groups have been developed with local people to provide extra community activities to combat social isolation and loneliness. And a newly formed self support mental health service has been developed in Macclesfield

with a local resident to provide ongoing support for when people have completed their Cognitive Behavioural Therapy.

12. Working with local colleges and health colleagues, eight information technology workshops have supported people to get online and to look at training and employment opportunities. Alongside this considerable work, community services are supporting people through the difficulties associated with the rollout of Universal Credit.
13. A further seven community venues have celebrated becoming Connected Communities Centres which brings the total to 23. To ensure we have the facilities to bring in Health and Social care professionals and third sector providers to deliver a range of initiatives, this social franchise model provides a two year grant funding arrangement with these venues in return for allocated hours. Although they are not owned by the Council, they are recognised as our community outreach points to house services and to engage with and empower residents before they need medical interventions or costly health and social care packages. Additional services now being delivered from these centres include:
 - Young Carers & Carers Hub drop-in sessions
 - One You health sessions
 - Meet & Greet, English conversational classes
 - Befriending groups
 - Dementia Carers support group
 - Talking therapies, psychological therapies service
 - Change Grow Live, substance misuse services
14. The community development model, primarily in our key towns and areas of deprivation, ensures we have a multi-agency approach to tackling Health and Wellbeing through

intervention and prevention. Through this there are now 18 active neighbourhood partnerships across the Borough. All have working action plans that set out local priorities, and outline how the partnerships are going to impact on them through an asset based community development approach.

15. The draft Integration Strategy has been consulted on with the Equality, Diversity and Inclusion board, Safer Cheshire East Partnership, Cheshire East Youth Council, faith sector representatives and the community at the Diversity and Integration Conference in September. The feedback has been considered in the redrafted document. Key areas were identified that were central to addressing the barriers to community cohesion and building stronger communities. This strategic document will now be incorporated into the Equality, Diversity and Inclusion strategy which is currently under review.
16. This year the Communities team secured £123,000 of external funding from the Ministry of Housing, Communities and Local Government to support schools in Crewe to accommodate children who don't speak English as their first language. With over 100 languages spoken in Cheshire East and a significant majority of new migrant residents in the Crewe area, schools need additional staff members that are multilingual in order to help integrate children and their families both within schools and communities. The key initiatives that support that work are: four Community Liaison Officers to be recruited (three bilingual officers employed to date; one to be recruited in January); Information packs were developed containing information on services, what they deliver and how to access them. The packs were translated into five main minority languages in South Cheshire and disseminated to all schools, with 1,000 distributed to date. Further outcomes to be achieved during the two year project

include a range of projects linking the families to community support outside of school.

Communities where you are Safe, and feel Safe

17. Following a high number of incidents in Crewe and Macclesfield of anti-social behaviour (ASB), a street safe event took place in Crewe to gather local intelligence from residents and form an action plan to reduce incidents. A range of diversionary initiatives have been implemented in Macclesfield to reduce ASB in young people, including local sports events and family discos. A young person's mental health event in Crewe engaged with 250 young people which resulted in a reduction in ASB with 70 self care plans undertaken.
18. We have exceeded in our approach to enforcement, prosecuting for fly tipping, and through successful prosecution Cheshire East are seen to be serving the community. In pursuing listed building offenders and raising the profile of our heritage assets and the role Cheshire East plays in protecting these buildings, the success of the team has been recognised across the country and referrals are being made by Historic England to Cheshire East for assistance and direction for this work in other authorities. The legal team are working in close partnership with officers across the Council to bring offenders to justice and publicise the seriousness of harm to listed assets. We continue to prosecute litter offences across the Borough and keep our streets and parklands clean.

2 ~ Cheshire East has a strong and resilient economy

Business Growth and Inward Investment

19. The Council has continued to focus on the delivery of the **Crewe Town Centre Regeneration** Programme, which includes the Royal Arcade redevelopment scheme and Crewe Market Hall redevelopment. Dialogue has continued with the Council's preferred development partner, Peveril Securities, in relation to the detailed terms of the proposed development agreement, as well as the specifications for a new bus station, car park and public realm improvements. In line with the plans, almost all premises have been secured in readiness for redevelopment, with support to affected tenants provided through Crewe Town Council and South Cheshire Chamber of Commerce. Peveril Securities has now agreed terms with Empire Cinemas to be the anchor leisure occupier in the scheme; this will provide a new state-of-the art, eight-screen, 800 seat multiplex. Peveril also launched a dedicated website for the Royal Arcade scheme, providing further information for residents and potential tenants: www.royalarcadecrewe.co.uk, and are in negotiations with a number of other prospective leisure and retail occupiers.
20. Additional progress has been made with plans for the redevelopment of Crewe Market Hall. An announcement will be made shortly in relation to the start date for redevelopment works to commence and, similarly, the Council will shortly be in a position to commence the procurement of a new markets operator for Crewe, who will take over when the Market Hall works are complete.
21. The Council has also worked alongside Crewe Town Council, ANSA and others, in addressing more immediate issues and opportunities in the town centre, including matters relating to public realm, signage, security, event planning and promotion.

It has also co-ordinated inputs into wider strategic issues for Crewe including plans relating to the new HS2 station and other developments which have a significant bearing on the economic future of Crewe and South Cheshire.

22. **Macclesfield Town Centre Regeneration** - Ongoing projects within the town centre progressed in quarter three. Following consultation with local stakeholders, proposals for the redesign of Castle Street have moved forward with approval of the planned work package to include widened footways, tree planting, amenity lighting and bespoke text in paving referencing local heritage and culture. Cabinet approval was secured in December for the letting of a contract to carry out the works, which are scheduled for a start on site in Spring 2019. Further to the Heritage Asset Regeneration Plan produced earlier this year, initial expressions of interest were sought in commercial end uses of the Butter Market and Old Police Station in the Town Hall complex. As a result a more formal marketing exercise is being carried out alongside work to establish the scope for and potential costs of internal modelling to provide fit for purposes spaces. Further grants were issued under the Macclesfield Shop Front Grant Scheme supporting independent businesses in the Lower Mill Street/Park Green area to enhance the principle elevations of properties in this part of the town centre.
23. In quarter three, a multi-disciplinary consultant team was commissioned to produce a Strategic Regeneration Framework for the town centre. This will set out a fresh vision, major opportunities and high level objectives for the town centre alongside a set of priority next steps to translate the vision into tangible action. The initial stage of work in developing this framework commenced with a review of background policy documents and feedback from previous public consultations together with initial engagement with local stakeholders.

Highways and Infrastructure

24. **Crewe Green Roundabout** – This scheme is now complete. It was finished on time in November with an official opening event on the 29th. The new roundabout is now fully operational and all landscaping has been completed. The pedestrian and cycle links and crossing points are also complete. The Crewe Green Roundabout team have engaged with local communities and schools, delivering educational activities to young people around the construction industry and site safety. A monthly newsletter was produced to provide updates on the construction of the scheme with the Crewe Green webpage updated on a regular basis.
25. **A500 Dualling** – the outline business case funding bid for the upgrade of the section of the A500 between M6 junction 16 and the B5472 was submitted to the Department for Transport at the end of June. We are bidding for funding through either the Large Local Programme or the Major Routes Network.
26. The **Sydney Road Bridge Scheme** involves the complete replacement of the single carriageway bridge over the West Coast Main Line with a wider, two-way bridge. Preparatory works beneath the bridge on the railway commenced in April 2018 and were completed on time in September. The main bridge works, including the temporary closure of Sydney Road, started on time in October, with completion scheduled for May 2019.
27. **Congleton Link Road** – A General Vesting Declaration and Notices to Treat were issued to landowners in October so that the Council can take land access in January 2019 to begin building the scheme. The Council's contractor, Graham Construction have set up a site office already and will be starting on the reconstruction of Back Lane in January to allow early access to housing and employment sites.

28. **Middlewich Eastern Bypass** will provide a new road to relieve traffic congestion in Middlewich town centre and enable access to the Midpoint 18 strategic employment site. After gaining entry into the Large Local Majors Programme last year, a planning application has now been submitted to the scheme, which is expected to go to the planning committee for decision in early 2019.
29. **Poynton Relief Road** – The public inquiry into the Compulsory and Side Road Orders finished on 30th November 2018. The Secretary of State’s decision on this is expected in Spring 2019. The procurement exercise to appoint a contractor also started in November and shortlisting of potential contractors will take place in early 2019 ready for programmed construction commencement in early 2020.
30. **North West Crewe Package (NWCP)** is a package of highway works to improve highway infrastructure in the North West of Crewe and support housing growth allocated with the Local Plan. NWCP will provide a north-south spine road, the realignment of Smithy Lane and new access to Leighton Hospital, an east-west link road and a series of junction improvements. A planning application for the road scheme was submitted in December, with a decision due in March 2019. The Council is working with developers who will be submitting applications for the housing which will be enabled by the road network.
31. The number of potholes reported between 1st July and 30th November 2018 was 1,858 compared to 1,880 pothole enquiries from the same period last year. During the same period a total of 218 new third party claims were received. Following the spike of 368 claims received in quarter one, figures are higher compared to previous years; however quarters two and three have plateaued.
32. **Highway Investment Programme** - All surface dressing (a total area of 351,767m²), micro asphalt (31 sites / total area of 74,862m²), grip fibre (4 sites / total area of 72,960m²) and re-surfacing programmes (12 sites / total area of 31,393m²) are now complete with the final scheme, the A500 Peacock Roundabout, completed in November. This scheme involved working with the developer on the adjacent housing site to deliver the section 278 works and Council works together to provide the best solution and minimise disruption on the network.
33. Since the start of the new financial year and up to the end of November 2018 a total of 37,868 gullies have been attended by the team.
34. **Street Lighting** - The Light Emitting Diode (LED) programme is now completed with 8,266 lanterns replaced with LED technology this financial year. The Structural Column Replacement programme in Macclesfield, Wilmslow, Handforth, Bollington and Alderley Edge is now close to completion. 2,182 columns were installed during this programme.
35. **Bridges / Structures** - The A54 Buxton Road, Wildboarclough has now reopened. This work was completed on time and within budget. Elected Members and the Mayor have completed site visits, and regular communication and video links, including drone fly-bys were used to communicate the scheme’s progress. The drone footage was also on the Cheshire East website for any public interest.
36. 12,250 highways enquiries were logged between 1st July and 30th November 2018. This compares to 14,935 logged between 1st July 2017 and 30th November 2017. The top five Highways enquiries within the Confirm reporting system

during quarter two only (July-September) were: 1,052 'Potholes' enquiries, 949 'Hedge / Tree Maintenance' enquiries, 776 'Light out' enquiries, 544 'Carriageway' enquiries and 430 'Gully / Drainage' enquiries.

37. **Parking Services** (which comprises the Civil Enforcement Officers (CEO's) who enforce the parking restrictions across the Borough and the Notice Processing Team who deal with the challenges/appeals against the Penalty Charge Notices) have continued to keep issuance errors well below the national average and have attained 100% compliance with their target of responding to all correspondence within 14 days.
38. Whilst it is our ambition to promote 100% compliance with the parking restrictions, the CEO's have issued 21,218 penalty charge notices between 1st April 2018 to 30th November 2018 with only 252 errors, a 1.19% average issuance error.
39. The team have also undertaken several 'Safer Parking in and around Schools' presentations – delivered to school children by the CEO's in class assemblies – educating the children on 'safer parking habits' in the hope that this important message will be taken on board by their parents at school drop-off and pick-up times. The presentations have been very well received, especially when accompanied by the special 'kiddie lollipop' signs that are placed on the pavements and school keep clear areas. The presentations are often delivered with partner agencies such as Cheshire Fire and Rescue Service who bring along a fire engine and the local police – to highlight the importance of keeping the highway clear of illegal/irresponsible/inconsiderate parking which may impede an emergency vehicle being able to travel freely along the highway to attend an emergency.

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

Securing the Best Start in Life

40. **Update on school expansions and consultations** - Impetus continued to be seen across the Borough in terms of the capital investment in schools to address pupil place planning. Works on two primary schools in Crewe are now completed and the work in Disley and Weaver primary schools is also close to completion. The much needed build for our Pupil Referral Unit in Crewe has now commenced which is hoped to be completed by next autumn with a £2.2m new build. Consultations are always undertaken linked to named schemes. Recent consultation has taken place in Sandbach for both primary and secondary provision and in Nantwich. The much needed increase in special educational needs (SEN) provision is also progressing with a new resource provision soon opening at Shavington primary. A new build scheme is also underway at Springfield School.
41. In quarter three Cheshire East lollipop lady Pam Pearson collected her British Empire Medal, awarded in recognition of her 40 years helping children get to school safely. She received the honour in the Queen's Birthday Honours in June and was presented with her medal by the Lord Lieutenant of Cheshire at an investiture ceremony at Tatton Park on 7th November. Now nearly 80, Mrs Pearson still continues her crossing patrol duties for young children attending Parkroyal Community School, Macclesfield. She has been their regular lollipop lady for nearly 35 years.

Highest Achievement for All Learners

42. Feedback from delegates attending the Schools Governor Conference in November was that it was "one of the best

ones ever". Over 120 delegates attend with the theme being 'Brave Governance'. Sessions included key updates on the changing Ofsted framework, led by an experienced Ofsted Inspector, as well as a presentation from Christine Quinn as Regional Schools Commissioner on shaping governance models. A new feature this year was a panel session of lead speakers and authority leaders taking questions from the floor. This was well received and allowed for positive debate on key themes currently impacting on our schools.

43. The successful bid for Strategic School Improvement Funds (SSIF) led by Cheshire East is progressing well and we are now seeing real impact in the majority of the 39 schools across Cheshire East (20 schools) and Cheshire West & Chester (19 schools). Over 50 specialist leads from within schools are delivering training and providing both support and challenge in the named schools to improve outcomes in mathematics and for disadvantaged learners. The Department for Education's (DfE) recent visit was extremely positive and they were impressed with our progress and monitoring of this critical school improvement initiative.
44. More than 150 youngsters from across Cheshire East took part in a trading challenge that put their financial skills and acumen to the test on a virtual stock exchange. Congleton Town Hall was transformed into a fictional stock exchange, in partnership with local employers, where teams of year seven students created investment companies and invested a virtual sum of £10,000 in 25 fictional businesses. To make the investment decisions more challenging, each team had to respond to events over the day that impacted on the 25 businesses, including natural disasters and various economic crises. The objective was to provide young people with an interactive insight into the world of work and test their skills in maths, economics and business in a global context. This inaugural event was developed by local employers – Franklyn

Financial Management, SAS Daniels, Thrive Creative and East Cheshire Chamber of Commerce – in collaboration with Cheshire East Council's arms-length Skills and Growth Company's enterprise advisor network. The winning school was the 'Prime Investors' team from Brine Leas Academy, who made more than a 50 per cent profit from their trading. The runner-up was the 'Global Investments' team from Shavington Academy.

Inclusion

45. **Special Educational Needs and Disability (SEND) Written Statement of Action (WSOA)** - Following the Ofsted local area inspection, the WSoA was signed off by Ofsted on 23rd October 2018. We receive regular monitoring visits from the DfE and NHS England and, following their last visit, the advisers fed back their views to the local area. They reported that progress was robust and positive and there was an evident sense of partnership working. Parent representatives at the meeting made very helpful contributions and suggestions. They were positive about improvements and, in particular, they referred to parents being listened to and the involvement of young people.
46. They also advised that the WSoA priorities are set in a broader improvement programme for SEND and there are clearly a number of real strengths and areas of innovative practice in Cheshire East, for example the seconded SEN Co-ordinators, the toolkit, the post-16/19 plans, the work regarding young people's voice and the increasing integrated work across education, social care and health.

4 ~ Cheshire East is a green and sustainable place

Sustainable Development

47. Performance remained strong at this stage in the year in the turnaround of processing both major and non-major planning applications within target timescales. Cheshire East continues to be one of the busiest Councils in the country for major planning applications and excellent performance continued on those major planning applications, with 93% determined within agreed timescales during the third quarter.
48. Volume of non-major applications also remains high with 93% of non-major applications determined within timescales, achieving target during the third quarter.

Waste Management

49. **Food Waste Recycling** – work has begun on the new composting plant that will enable residents to recycle food waste in their garden waste bins. The introduction of this additional service in autumn 2019 will see the ending of the garden waste winter shut-down and further increase our recycling rates. Food waste, currently 40% of our black bin residual waste, will be collected mixed with garden waste in the recycling bin and processed into a quality compost product.
50. **Reuse and Recycling** - Recycling through the silver and green bin schemes and from our Household Waste Recycling Centres continues to ensure we exceed national targets for recycling.
51. **Energy from Waste** – The authority has now switched away from landfill to energy from waste as the main means of disposing of our black bin residual waste. This was a key part

of the Waste Strategy to treat waste that is not recycled in a more sustainable way. We will continue to encourage residents to minimise black bin waste however through waste reduction, reuse and recycling.

Environment

52. **Parks & Play Areas** - The authority continues to implement our Parks Strategy in delivering enhancements to our urban parks and play areas. The large scale refurbishment of Fountains Field, Middlewich is now completed apart from the tree/shrub planting that will be done at the appropriate time. A number of smaller park improvement projects are being delivered, enabled by grant and section 106 funding. These projects make a real difference to local communities. Completed so far this year were: Banbury Close, Macclesfield; Bodmin Avenue, Macclesfield; Carnival Fields, Wilmslow; Church Lane, Mow Cop; Lanark Walk, Macclesfield; Picton Drive, Wilmslow; Rode Heath Play Area; Victoria Road, Macclesfield and West Park, Macclesfield.
53. **Bereavement Services** - The Consultation on the Cemeteries Strategy and Regulations is now complete and the draft documents are currently being prepared to reflect the feedback from consultation. The final adopted strategy will be published later this financial year.
54. **Public Rights of Way** - A partnership project has been delivered by the Public Rights of Way team to improve the accessibility and aesthetics of a footpath which runs between Clifton Road and Station Road in Elworth. The route forms a key link between a major housing development area and the railway station, and onward towards the town facilities. However it was not an attractive route to use suffering from graffiti, encroaching vegetation, lack of lighting and uneven surfacing. In order to permit investment in the route to

improve its accessibility and aesthetics, a legal order process was required to resolve an anomaly in its status and ensure it was all recorded as a “Public Footpath”. The legal order process was completed, and improvement works were undertaken including surfacing, lighting and signage. Funding was secured partly from developer contributions and partly through the Local Transport Plan. The route now has a defined legal status to ensure ongoing maintenance, and has been improved to create a more accessible and welcoming route to encourage walking within the town, particularly to the railway station.

55. In Nantwich, and again in partnership with other organisations, section 106 developer contributions and works have delivered improvements to the accessibility of the Shropshire Union Canal towpath, a bridleway linking to the towpath and bridges in Nantwich Riverside Park.

Affordable Energy, Growing Energy Businesses, Independent Energy

56. The Safe and Well partnership between Cheshire Fire and Rescue Service, Energy Projects Plus and the unitary authorities including Cheshire East has been recognised in the National Energy Action (NEA) Energy Impact Awards for its work to identify fuel poverty and tackle issues with affordable warmth. By extending the scope of the Safe and Well visits to include affordable warmth, an extra 354 people were able to access help earlier in the year.

5 ~ People live well and for longer

Empowering people to live independent, healthier and more fulfilled lives

57. **Congleton Leisure Centre re-development** – The project to upgrade the leisure centre including the design and building of a replacement swimming pool continues to move forward leading to the submission of a full planning application in mid-December. This will include a full consultation with users, community groups and residents of the town. The planning process is due to be concluded by April 2019 with redevelopment works due to be completed by Autumn 2020.
58. **Macclesfield Leisure Centre re-development** – with up to £4m to improve the leisure offer at the centre, work has now commenced on this scheme in partnership with Everybody Sport and Recreation. This will include a new gym, to be completed by January 2019, and upgraded fitness studio spaces, new spa and swimming pool changing village by the end of March 2019. Work will also be undertaken to improve the energy infrastructure at the centre to improve efficiency and reduce costs.
59. Everybody Sport and Recreation continues to achieve the targets set for them by the Council. This was most recently demonstrated with the presentation of their latest Annual Report to the Council’s Cabinet. Based on the success of the Trust and its ambitions, along with those of the Council, to develop and improve the service to all residents in the Borough and reduce costs, the Council has also agreed to extend the current Leisure Operating Agreement for a further five years. This will extend the Agreement for a total of ten more years in total.

60. Attendances at the Council's leisure facilities since April 2018 saw a 3% increase to 1,751,939 by mid-year against a target of 1,697,233. This figure increases further to 1,815,014 when attendances at the Holmes Chapel Community Centre are also taken into account. In addition there has been a 10% increase in usage by those people with a disability.
61. Performance on the Bikeability indicator has again remained strong with 3,128 young people being trained on bike proficiency at mid-year against a target of 3,040.
62. Once again there has also been an increase in the time dedicated to the crucial role of support to local sports clubs and events with 3,858 volunteer hours being given during the first six months of 2018/19 against the target of 3,595 hours. This is a 7% increase at a time when volunteering nationally is reported to be falling.
63. As an independent company the Trust also continues to expand its activity, having recently won the contract to manage a new community use facility at Alderley Park which will include a mixture of both indoor and outdoor provision due to open later in 2019.
64. **Housing** - the team have successfully implemented legislation changes for Licensing of Houses in Multiple Occupation (HMOs), with 120 new licence applications received.
65. Following funding received from the Ministry of Housing, Communities and Local Government, several new initiatives have been put into place including the creation and co-ordination of a dedicated team of Rough Sleepers Outreach Workers and enhanced emergency accommodation provision in Crewe.
66. The Council was an active partner in the preparation of a funding bid for £486,000 to the Cheshire and Merseyside Health and Care partnership. This has been successful and the funding will go towards the development of the 'Care Communities' in Cheshire East, to support the integration of staff from across different parts of health and care.
67. A joint meeting of the Health and Wellbeing Boards of Cheshire East, Cheshire West and Chester and Warrington was held in early December. This considered what areas of work the Boards might work together on in the future and how they best provide leadership within the health and care system during a time of significant change.
68. Officers from the Public Health team, in collaboration with one of our connected community centre leads, led a bid to gain a place on a programme led by The Design Council. 41 teams bid for this opportunity with only 14 teams being successful. This programme will teach the attendees how to apply design methodology to complex public health issues. Our team includes representatives from Public Health, Communities, the Skills and Growth Company, South Cheshire Clinical Commissioning Group (CCG) and the faith and voluntary sector. The team will focus on developing a place-based intervention to improve the health and wellbeing of the residents of Crewe.
69. The new Substance Misuse Service went live on the 1st November. The new service, coproduced with service users and wider stakeholders, is now delivered by Change, Grow, Live (CGL) as an integrated drugs and alcohol service for young people and adults, taking a whole family approach, with a stronger focus on building recovery within the community. Individuals will be directed to the right level of support to suit their needs with the offer including:
- Recovery Coaches

- Dedicated Aftercare and Abstinence Team
- A one-stop shop for all your recovery needs, open longer and with a 24-hour telephone support out-of-hours.
- Online access including information, advice and guidance

70. A Sexual Health service user survey has been conducted by the Council to inform the re-commissioning of Sexual Health services. The survey collates residents' views on how, where and when they prefer to access services and the quality of the services they expect. The findings from the survey will inform the service specification and will be published with the tender documentation to provide information to bidders when developing their proposals.

71. The 0-19 Healthy Child Programme is working closely with the Early Years service in Cheshire East to develop the 0-5 SEND pathways and support children with complex needs. There are two dedicated health visitors who facilitate the integrated working between the two different services. This role provides support, health advice and guidance to the Early Years team and in return promotes a better link and understanding of services. The aim of this integrated working partnership is to achieve the best outcomes for the children of Cheshire East. The school nurse team are also increasing the reach of the service within the community and have targeted children who are Elected Home Educated with 33 children identified in the last quarter. Plans are also underway to start the re-commissioning of the 0-19 Healthy Child Programme to go live in October 2020, to ensure that the new service is fully coproduced with stakeholders at each stage of the commissioning cycle.

Information, Advice & Guidance, Prevention and Early Intervention

72. A Connected Communities Digital Inclusion Strategy has been drafted to ensure a joined-up approach to supporting residents to get online and benefit from the advantages that being digitally enabled can bring. With much of our day-to-day activity increasingly being dealt with through the internet, apps and our use of technology, its easy for those who can not use or afford the technology to feel excluded. The Strategy identifies what the issues are and helps to provide information, advice and support to residents. There is an action plan to steer the work over the next year and to ensure momentum is maintained.

73. Cheshire East Council is responsible for commissioning the NHS Health Check programme which is a health-based screening for residents aged 40-74 aimed at reducing the prevalence of cardiovascular disease (such as heart disease and strokes) amongst the population through lifestyle advice and treatment (including referral to One You Cheshire East services). Performance dipped slightly in this quarter in relation to Health Checks carried out, with this totalling 2,127. However, the invite rate continued to be strong at 4,648.

74. Phase three of the Emotionally Healthy Schools service is currently being re-commissioned to go live in April 2019. The programme is also being aligned to existing Children and Young People Early Help Mental Health services as a single pathway, with a lead provider model, through a single contract. The new Emotionally Healthy Children and Young People service pathways will also be aligned to the CCG commissioned Child and Adolescent Mental Health Services (CAMHS) pathways.

75. Carers Joint Grant Scheme, the Integrated Carers Hub, now provides services including information, advice and guidance alongside other support mechanisms such as individual key workers, peer support groups, drop-in sessions, access to Living Well funded breaks and 24 hour Carers Help and Talk (CHAT) phone line, as well as using community assets via our Connected Communities sites to increase accessibility. Individuals can self-refer into the service. The Carers Hub is open 8am to 6pm Monday to Friday and 9am to 12.30pm on Saturdays and can be accessed throughout the Borough within Community Venues.
76. Earlier this year extensive engagement with service users and their carers took place in order to inform and shape the commissioning of the new Residential Respite service. Following formal consultation, responses were factored into the new service specification during quarter two, and contracts for new providers were awarded in September prior to going live in December 2018.
77. Cheshire East Council and its key partners have secured £398,000 to boost support for survivors of domestic abuse. The funding will be used to set up and fund a dedicated domestic abuse accommodation partnership across Cheshire and Warrington. This will make it possible for case workers to identify appropriate accommodation to safely house vulnerable people so they can once again become independent and rebuild their confidence. The initiative will include funding specialised trauma recovery training, funding a new refuge as well as individual housing units to ensure the investment is making a difference to as many survivors as possible across the region.
78. Individuals can now self-refer into the Cheshire East Domestic Abuse Hub. The service is co-delivered with the Cheshire East Independent Domestic Violence Advocates service during office hours, offering both high and medium risk information, access, guidance, advice and support. Local awareness campaigns (e.g. White Ribbon Event), training and education are supplied. Posters about the Hub are widely displayed in public areas such as GP surgeries, shops and offices. We now provide a 24/7 single point of access to the Domestic Abuse Hub Phone line and access at two sites for walk in clients in Crewe and Macclesfield Town Centres.
79. The Whole Family Domestic Abuse service was advertised on the CHEST and closed on 6th December. The new commission will support all those affected by domestic abuse within the community. The Council is seeking a provider who will supply a medium/low risk service with the aim of reducing the human and service cost through partnership and whole family work to prevent abuse from occurring, protect and support those affected and address the causes of further harm. The commissioners are seeking to enable a Whole Family Domestic Abuse Service through a 'Hub and Spoke' model to co-ordinate support for children, young people and adults across Cheshire East. The service will contribute to a single point of contact for services and will co ordinate and improve access to local support, building and promoting existing community assets. The provider will be required to take on strong partnership approaches, building on existing assets in Cheshire East.
80. The Care at Home contract went live on 9th November 2018 and now comprises of prime and framework providers. This contract allows the authority to closely monitor the providers against key performance indicators as well as completing quality assurance visits to assist driving up quality of delivery and supporting people to remain safe at home for longer. Referrals for a care package are sent through to the Brokerage Team via Liquid Logic. Brokerage will send the referral out via the ebrokerage system to the Prime Providers

in the Lot. If the Prime providers are unable to pick up the package, the referral is sent to the framework providers. All offers are collated and sent to the service user for consideration and choice.

Accessible high quality services, Information & Advice

81. **Self Directed Support** - Conversational approaches to working with people in order to support the identification of strengths and existing skills in managing crises have been introduced. This empowers people to produce remedies to their own difficulties and reduces their reliance on services. Staff have worked to encourage people to access universal services and draw them away from traditional commissioned adult social care support, which disempowers, attaches labels and stigma. More creative strategies to provide personalised support for people have been implemented, such as Amazon's Alexa, Choir rehearsals in someone's home and many more. These successes have been shared and will continue to be built on. A number of people have been able to remain in their homes because of the creativity of the social workers and occupational therapists.
82. **Ease of Accessing Services** - The Live Well Directory, accessed via the Cheshire East website, is a key resource for residents in obtaining information and advice relating to adult social care. It also contains a directory of services which encompasses commissioned services, care options, activities and groups. Information has been written to be inclusive and user-friendly and to encourage self-help. The directory contains 3,276 service entries and is constantly being updated. It received 16,998 page views during the first week of November 2018 alone. Residents can access this using the internet but also by visiting a Connected Community Centre or library. Healthwatch Cheshire East also has responsibilities to signpost individuals to relevant health and social care services; since April 2018 it has had 1,206 direct contacts with the public (including information and advice, signposting and referrals).
83. The Public Rights of Way team have been recognised by local ramblers groups as delivering rapid responses to problems and managing the 1,946km network of footpaths and bridleways to a high standard, with this year reported as having one of the lowest number of significant problems on the network. The footpath improvements and re-surfacing programme, to improve the access and quality of the sites, is underway in our country parks and countryside trails. The Countryside Ranger Service website has seen an increase of 37% in the number of views; the most popular pages viewed being the free walks leaflets and the Middlewood Way.
84. The work to develop the Personal Care Record continues at pace. An Information Sharing Agreement and Information Processing Agreement has been signed off in full by Mid Cheshire Hospital NHS Foundation Trust (MCHT). Agreement has been reached with both MCHT and East Cheshire Hospital Trust (ECT) for both to provide data feeds, and cancer services / maternity cohorts for clinical utilisation of the 'Patients Know Best' solution. A proof of concept data feed has been established and is working between MCHT / ECT and Patients Know Best. An agreement has been reached with the Meadowside GP Practice to provide data for its patients and sharing agreements are now being developed. A resident survey has been published that asks about their use of health-based apps, and the results of this will inform future development of the Patients Know Best solution.
85. The Armed Services (Ex-military personnel or Veterans) Community JSNA project has been completed with active involvement from key stakeholders across the Council, CCGs

and the voluntary, community and faith sector. Positive feedback has been received from the CCG veterans lead for Cheshire, Wirral and Warrington on her experience of being actively involved in the project.

86. Plans are underway to review and re-commission the One You lifestyle service. Commissioners are in the process of developing coproduction plans to re-commission the new service to go live in November 2019. The programme is achieving strong performance in terms of participant outcomes with regards to weight management, physical activity, and falls prevention:
- 79% of participants moved from inactive to active
 - 66% experienced a reduction in Body Mass Index (BMI)
 - 37% achieved over 5% weight loss
 - 67% achieved 3% weight loss and over
 - 68% had a decrease in fear of falling score (Falls prevention)
 - 86% improved their timed up and go assessment (Falls prevention)
 - 82% had an improved Dietary Quality Score

Public Protection, Health Protection & Safeguarding

87. Seasonal influenza planning has dominated this quarter as it does each year. The Council was successful in bidding for £5,000 from NHS England to support targeted flu communications. Additionally we have provided free flu vaccinations for our frontline staff by providing an in-house vaccination clinic via our occupational health service and through a scheme whereby vouchers can be redeemed at

local pharmacies. The uptake at our clinics was higher than last year and requests for vouchers have also been higher.

88. Officers have responded to several outbreaks within East Cheshire, most significant of which was a potential measles outbreak in a Cheshire East school that was prevented by the high uptake of the MMR vaccine. Responses have been swift and have been supported by effective proactive and reactive communication.
89. Officers also continue to support regional and sub-regional work on antimicrobial resistance, air quality, tuberculosis and cancer screening. The health protection team also provide oversight and scrutiny of the work of health and Council partners via the Health Protection Forum.
90. Plans are underway to review and re-commission the Infection, Prevention and Control service, with an increased focus on early intervention, prevention and improved outcomes. The Infection Prevention Control service supports nursing and residential homes, dental services, GP services and early years settings with audits, action planning and training with regards to managing infections and preventing outbreaks. The new service will be re-commissioned to go live in October 2019. Increased working relationships are being developed with nursing and residential homes to prevent infections and to therefore reduce or prevent homes from being closed due to infections. This is now embedded within the Council's contract management and quality assurance processes.
91. **Safeguarding and Public Protection** – the Adult Safeguarding and Dignity Award Ceremony was held on 15th November at Congleton Town Hall. The Adult and Children's Safeguarding Boards invited nominations from within Cheshire East Council and externally, for individual staff or

teams who have “gone the extra mile” to protect and safeguard adults or children within the last year. A total of 46 nominations were received and the winners were selected by the Independent Chairs and Service Users. We are delighted with the response and feel very proud of the contributions made to make Cheshire East a safer place.

92. The Adult Safeguarding Provider Team has been set up to manage adult safeguarding allegations made against paid staff/organisations. The team’s vision is to protect individuals from harm but also to raise standards of care provision within care settings and organisations. Staff have been seconded to join the team for an initial 12 months, and bring a wide range of skills, knowledge and experience. They will be working collaboratively with Quality and Assurance and Contract teams, Police, Care Quality Commission and CCGs.
93. We have successfully recruited a Temporary Training Officer who will be providing basic safeguarding training to care providers and personal assistants within Cheshire East. Additionally, two new Locality Managers have been appointed working to the Head of Adult Safeguarding – ensuring that our adult safeguarding and public protection responsibilities are aligned.
94. Social Work teams have dealt with a number of safeguarding enquiries efficiently and effectively. At the centre of all work has been the individual and this has been reflected in outcomes. All teams have allocated a social worker to link into all residential and nursing homes to ensure that people are seen regularly and any issues with care are picked up on quickly and effectively.
95. **Corporate Parenting** - the Council has corporate parenting responsibility towards all cared for children and care leavers aged 0–25. Those responsibilities include the need to ensure

that children and young people are safeguarded from harm, have a safe place to live, enjoy education, training and employment with high aspirations for their futures, are healthy and are cared for in ways in which any good parent would for their own child. As at November 2018 there were 509 cared for children and approximately 250 care leavers.

96. The Council has a new Corporate Parenting Strategy, which states clearly how those responsibilities will be met and how we will care for our children and young people. The strategy, which was endorsed at the Corporate Parenting Committee in November 2018 and adopted at Council in December, sets out the following five pledges to our cared for children and care leavers:
 - We will be a good corporate parent
 - We will improve education, employment and training outcomes
 - We will work to achieve permanence and keep children safe
 - We will improve health and wellbeing outcomes
 - We will prepare young people for adulthood
97. **Ofsted Focussed Visit, Mark Riddell Visit and Ignition Panel** – At the end of October 2018 Ofsted carried out a ‘focussed visit’ to test out how well we assess and plan to meet the needs of cared for children so they can achieve permanent family living arrangements sooner. Ofsted praised the progress the Council had made in planning for care for children and that the wishes of children and young people were reflected very well in their plans.
98. Ofsted’s visit followed a second visit by Mark Riddell MBE, a National Implementation Adviser for Care Leavers, in October after a two-day formal visit earlier in the year. He praised the

rapid progress the Council has made in relation to supporting care leavers. He found that the progress made regarding the new corporate parenting duties that came into force in April 2018 was rapid and supported the offer made to care leavers. In particular: elected members have embraced a 'championing' approach to care leavers; care leavers now have an offer from Health up to the age of 25 that is based on a needs-led approach; there are closer working relationships with the key partner agencies – the Department of Work and Pensions, Family Nurse Partnership and Mentors for care leavers; the housing offers and opportunities for care leavers as a result of the Ignition Panel are good; and data relating to employment, education and training has improved.

99. Since Mark Riddell's revisit, the Council's 'Ignition Panel' has been shortlisted for a national award. The Ignition Panel provides young people with a sense of ownership about their future plans regarding where they live now and where they will live in the future.
100. In October the Council's shared fostering marketing and recruitment hub with Cheshire West, Warrington and Halton councils launched a new recruitment campaign supported by a new website and brand. Further details can be found at www.Foster4.co.uk
101. **Domestic Abuse** – On 23rd November Cheshire East held its annual White Ribbon event. This is part of a national focus to never commit, excuse or remain silent about male violence to women and girls. This built on the pan-Cheshire campaign 'open the door' www.openthedoorcheshire.org.uk. The event focused on what we have achieved over the last year and the focus for the next year's priority, which is supporting how employers are ensuring that they are enabling employees affected to be safe in their workplace as well as their homes and ensuring that those who harm are both held to account

and supported to change. The event was a first step in highlighting the issues for employers, survivors spoke movingly about their experience, both good and bad, and the difference it had made.

102. On an annual basis the Council dedicates the month of November to raising awareness of children's rights – making it clear to children and young people that their opinions and rights are important and that they should be actively involved in decisions that affect their lives. This year Cheshire East Council and its partners took part in challenges set by young members of Cheshire East Youth Council. The challenges featured a range of activities, including sitting a GCSE exam, living on a £1 budget for lunch per day and retaking a driving theory test. Young people joined in the activities by working with senior managers in children's services across the Council. One of the main events of children's rights month is the Star Celebrations, which recognises the achievements of all our cared for children and care leavers. This event, co-produced with young people, took place on Sunday 18th November at Wychwood Park, Weston, Crewe.

6 ~ A Responsible, Effective and Efficient Organisation

103. Culture and workplace wellbeing continues to be an area of significant focus. Embedding of the Brighter Future Together (Culture) programme is underway following the launch in July 2018 of a new vision, employee deal and behavioural framework for our workplace culture, constructed from the contributions of over 1,000 employees and elected members.
104. Our Brighter Future Champions have been supporting the embedding of the programme through hosting 'What's the Conversation?' events within each team, where the focus is to understand what the vision, behaviours and employee deal mean for all staff and teams. Between October and December

2018, a series of 'Having the Conversation' sessions have been held for all people managers to support them to embed the vision, employee deal and behavioural framework in the management of their teams. Over 400 managers have attended with further sessions in place for January 2019.

105. The Time to Change initiative was launched in October with a 'Pledge' signing by the Acting Chief Executive and Deputy Leader. Time to Change demonstrates a commitment to support those members of staff who suffer with mental health issues and to encourage more open conversations in the workplace about mental health. This is intended to raise our understanding of the challenges faced and to create a more supportive environment for those affected.
106. The Council adopted a completely revised Constitution which took effect in 2018. However, it was recognised that Constitutions are "living documents" and need to be kept up to date. It was therefore agreed that, in order to facilitate this, there would be an open item on each agenda for Constitution Committee meetings which would allow any Member of the Council to raise issues of importance to themselves, with a view to stimulating debate on constitutional change. This facility has already been used a number of times. In addition, despite our Constitution only having been recently reviewed, officers continue to bring forward further improvements and suggestions for how the Council's processes might be streamlined.
107. One of the changes to the Council's Constitution has been to enhance the expediency of the Council in processing decisions about public path orders in which landowners can seek diversions of public rights of way.
108. In November, a report was made to the Constitution Committee, which resulted in a formal resolution that the

Council should undertake a Community Governance Review of Town and Parish Councils. As a consequence, we will now embark upon a long and detailed piece of work which will comprise a review of town and parish council governance across the Borough. This will look at town and parish council boundaries, and other governance arrangements, such as memberships and grouping of parish councils. Whilst the main body of work on the review will not commence until after the elections on May 2nd next year, much planning is already taking place in order to ensure that work can proceed after that date. The process is now being planned by the cross-party sub-committee and an officer project team will ensure full consultation of parish councils and others interested in town and parish council matters. The linkage between the Borough Council and its town and parish council partners is crucial, as are their governance arrangements, which this review will focus upon.

109. The approach to Schemes of Financial Delegation has been reviewed and a new template has been devised to ensure all elements in the new Constitution are included. Supporting guidance has been produced to help managers to understand the process, and this has been made available on the Council's internal Centranet. Flowcharts have been developed to assist managers with information about how to update Schemes of Financial Delegation and Oracle systems when staff are "acting up," when a restructure takes place or when a new post is created.
110. ICT Services are managing a joint transformational investment programme which will enable both Cheshire councils to modernise, ensure compliance and deliver a flexible environment to underpin delivery. It will contribute to achieving the strategic objectives of both councils in their mission to deliver high quality services to the residents and people of Cheshire. A key delivery principle is that both

councils will fully engage with the Programme whilst adhering to the Programme core principles of 'standardise, simplify and share'. Moving all our users of ICT to a more modern experience is a key output for the programme, and putting in place Windows 10 and Office 365 will be some of the more noticeable changes, and will form a strong, secure foundation to support new digital ways of working. These will include increased and simplified flexible working for all staff (and in particular social care), collaboration opportunities with wider services and with partners through Microsoft Teams and a general improvement in performance for everyone. Evolution will modernise how both councils use ICT as every single user will see some significant changes, with a large change management and adoption approach being implemented across both councils, joining up with other major change programmes.

receipts to the value of £2,799,600 have been realised through the disposal of six Council assets or land, and four farm holdings. The Service's Property Projects team have work valued at £67.6m underway on the Council's assets. £6.83m projects were completed including Macon House Demolition; South Park Macclesfield Lake Restoration; Tatton Park Field 2 Fork and Remodelling Works to the Town Hall at Macclesfield. They are currently overseeing £20.5m of construction projects, including 9 out of 13 being classroom/education facility extensions; New Composting Plant Development; Cledford Hall Farm Barn Demolition. The team have also re-procured a replacement Framework for Consultants, to maintain greater efficiencies in the procurement and tendering of construction-related professional services.

111. The Asset Management Service's Property Services team are well underway with this year's disposal programme. Capital

2. Financial Stability

Introduction

112. The Council has a strong track record of sound financial management. Nevertheless, in common with all UK local authorities the Council finds itself in a position where pressures on the revenue budget are intensifying as a result of increased costs, growing demand and reducing Government grant. The pressures are most intense in Children's and Adults Social Care.
113. A full mitigation plan is in progress to address the forecast overspend and ensure that the General Reserves are protected. Given the scale of the financial pressures achieving balanced budget position this year has been extremely challenging to achieve.
114. **Table 1** provides a service summary of financial performance at the third quarter. The current forecast is that services will overspend by £4.7m in the current year. The Financial Narratives provide further details and changes to service net budgets since mid year review and are analysed in **Appendix 2**.
115. Further items impacting on the level of the Council's balances are detailed in the paragraphs below on Central Contingencies and Contributions.

Table 1 - Service Revenue Outturn Forecasts

2018/19 Third Quarter Review (GROSS Revenue Budget £616.0m)	Revised Budget (NET) £m	Forecast Actual Outturn £m	Forecast Over / (Underspend) £m
SERVICE DIRECTORATES			
Directorate	0.6	-	(0.6)
Children's Social Care	35.9	38.1	2.2
Education & 14-19 Skills	11.7	12.1	0.4
Prevention & Support	9.2	8.9	(0.3)
Adult Social Care - Operations	24.0	27.4	3.4
Adult Social Care - Commissioning	80.3	77.7	(2.6)
Public Health and Communities	2.6	2.4	(0.2)
People	164.3	166.6	2.3
Directorate	0.2	(0.1)	(0.3)
Planning & Sustainable Development	3.2	3.3	0.1
Infrastructure & Highways (incl Car Parking)	12.4	13.2	0.8
Growth & Regeneration	17.3	16.9	(0.4)
Rural & Cultural Economy	3.0	3.2	0.2
Customer Services	8.4	8.7	0.3
Client Commissioning			
Leisure	2.0	2.0	-
Environmental & Bereavement	28.5	29.7	1.2
Place	75.0	76.9	1.9
Directorate - Former Professional Services	1.4	1.4	-
Directorate - Business Manager	1.1	0.9	(0.2)
Directorate - Unallocated	(0.9)	-	0.9
Legal Services	6.0	6.0	-
Human Resources	2.3	2.4	0.1
Finance & Performance	6.1	5.7	(0.4)
ICT	5.7	5.8	0.1
Communications	0.6	0.6	-
Corporate	22.3	22.8	0.5
Total Services Net Budget	261.6	266.3	4.7

Financial Narratives

People Directorate

116. Children's services across the country are under pressure and Cheshire East Council is no different. We have some fantastic services that support our children and young people, but with demand increasing and funding arrangements ever changing we cannot be complacent.
117. As corporate parents the numbers of our children in care continues to rise in addition to supporting our families across the continuum of need. We have enjoyed great exam results again in Cheshire East; however, our schools will again be reviewing how much money they have to spend on pupils as the impact of the National Funding Formula is on the horizon.
118. Supporting our most vulnerable children and families remains a priority and achieving this continues to be a challenge for all service areas.
119. Children and Families is reporting a forecast outturn pressure of £1.7m at this third quarter formal review stage. The key issues for the service are set out below.

Children's Social Care – pressure of £2.2m

120. The number of cared for children is 509 at the end of October representing an additional 36 children since March 2018.
121. Most children enter care due to neglect and abuse with increasing numbers of children being made the subject of applications to the Family Courts to secure their welfare. In the period April 2018 to October 2018, 106 children and young people entered care and 70 left care as a result of Special Guardianship, Adoption, returning home or moving to independent living.

122. A number of initiatives are being taken forward to reduce the pressures such as commissioning residential children's homes, providing intensive support to children in need, joining a regional adoption agency, and setting up a shared fostering marketing and recruitment hub with Cheshire West, Warrington and Halton Councils. From 2019/20 the Council is looking to develop a more intensive support offer for families with issues that are resulting in continual care proceedings.
123. Key issues relate to the pressure on the agency placements budget and the delay in delivery of the children's residential contract. Those two issues resulted in a pressure of £3.2m at year end 2017/18.
124. The 2018/19 budget was increased by £3m to help address these on-going pressures in the service, but the third quarter review is reflecting a net pressure of £0.7m.
125. Other key pressures relate to:
- Special Guardianship Allowances £0.4m – where a higher volume than normal has been experienced resulting in higher level of payments to the carers.
 - Challenges in delivering efficiency savings in staffing and travel £0.4m.
 - Staffing pressures £0.3m within the cared for children teams.
 - Pressure from additional legal costs £0.2m.
 - Higher number of children supported in level three and four of the continuum of need.
 - Pressure on the commissioning budget of £0.2m from a delay in delivery of budget savings.

126. The service continues to take steps to manage these cost pressures.

Prevention and Support – underspend of £0.3m

127. The service underwent a significant reorganisation in September 2018 to achieve efficiency savings of £1.2m. At third quarter the service is forecasting an underspend of £0.3m. This was an overspend of £0.3m at first quarter. Therefore, the service has continued to successfully manage cost pressures and funding has been provided for voluntary redundancy costs.

128. Following the Ofsted and CQC (Care Quality Commission) inspection investment in timeliness of EHCP's (Education Health and Care Plans) is a priority as is the development of an up to date Autism Strategy and a unified clinical and social model of care and support.

129. This service also includes the Special Educational Needs and Disabilities Service. SEN placements are funded through Dedicated Schools Grant and there are pressures on that grant of £3.5m from placements with independent providers and with other local authorities. This is not included in the base figure but will use up the Council's DSG reserve at the end of March 2019. The service is taking forward plans to enhance gatekeeping, review placement costs and the basis for the local payment rates and develop more local provision.

Education and Skills – pressure of £0.4m

130. Key issues for the service relate to:

- Transport – the Council's transport provider (Transport Service Solutions) is currently forecasting an overspend. The Council has taken a number of steps to support TSS to deliver within the management fee, including a business process review to ensure efficiencies in back office arrangements, particularly commissioning, and the

implementation of revised travel policies. Given there was an end of year overspend of £0.6m TSS will be challenged to further mitigate that position. Therefore, it is forecast that an overspend of £0.4m will be achieved for 2018/19. This will continue to be monitored to ensure efficiencies are achieved.

- Catering – due to increasing costs, of food for example, the service is unable to generate additional income from schools giving a pressure of £0.1m. However, the service aims to break even at the end of the year.
- Other areas of Education and Skills have generated a net underspend of £0.1m through vacancies.

Adult Social Care, Public Health and Communities

131. Adult Social Care, Public Health and Communities budgets remains under continued pressure locally and across the country. The pressure here in Cheshire East comes from a combination of factors, which have been building over a number of years. These relate to meeting the needs of our most vulnerable residents in the community, those in long term care and hospital. Demand for services creates pressure in all areas which means practitioners time assessing needs, commissioners' time targeting needs and support staff time enabling needs becomes a sometimes daily and weekly prioritisation. Sometimes we are able to offer information and advice which enables people to access the right services but on other occasions we are duty bound to provide services which meet the eligible needs of our residents. We are commissioning new services to help care providers who are struggling to respond to request for placements, however, providing care packages remains a daily challenge.

132. Adult Social Care Commissioning is responding to this challenge by commissioning the care home and care at home market to ensure there is a more outcomes focused offer to

service users and more certainly for providers. In addition to this the Adult Social Care Commissioners have also introduced an Early Help Framework to support better outcomes in the Voluntary, Community and Faith sectors and a new substance misuse contract.

133. We are seeing additional support requirements across the age spectrum. It is a source of great celebration that our population continues to live longer, but not everyone can do this without significant care and support. There are many more people coming through transitions as young people into adulthood with many more complex needs. Equally the need for services to support our aging population continues to rise and those people of adult age have many more complex health and care needs now. This is of course all against the backdrop of our local NHS financial challenges and the interdependencies between health and social care which can be seen in our planning for winter which is our most challenging time of the year.
134. The department continues work on transforming the offer to these people who rely on Adult Social Care, Public Health and Communities services. This is supported by some very targeted actions aimed at reducing the extent of any adverse pressure to the budget and continue to meet the needs with positive outcomes. Measures that deliver savings based on service redesign with the person always in mind whilst ensuring a safe service is at the heart of what we are doing. A further financial risk at the present time relates to the current financial position of the Council's largest partner the local NHS who are under significant financial pressure. Despite these pressures the Adult Social Care, Public Health & Communities service is reporting an overspend of £0.6m position at third quarter against a gross budget of 162m. Overspending for the People Directorate is therefore forecast

at £2.3m at third quarter review as identified in Table 1 (above).

Place Directorate

135. Place is reporting a pressure of £1.9m against a budget of £75.0m at third quarter review. £0.7m of this is for one off items agreed corporately such as MARS payments, additional holiday pay costs and parking studies. These amounts will be funded from the use of flexible capital receipts and other reserves. Other underlying pressures are predominantly made up of two items: Digital and Environmental Operations. Further mitigating actions are expected to reduce this pressure.
136. There has been a delay in achieving the £0.9m budgeted digital savings in year due to duplications with other savings initiatives, inaccurate or unrealistic assumptions in benefit calculations and technically infeasible solutions proposed in the original business case for 2018/19 budget setting. Some of this will be mitigated by in year savings as the new digital solutions are implemented. It is forecast that the remaining savings will be met in 2019/20.
137. Overall, Environmental Operations, including Bereavement is currently reporting a £1.2m overspend for 2018/19 against a net £28.5m budget.
138. There are two main pressures contributing to this overspend. Firstly, there has been a need to align the waste collection route and rota optimisation project with commencement of food waste recycling in 2019. This ensures minimum disruption to the public in changing collection days and delivers the benefits of food waste recycling and efficiencies of route and rota in one go.

139. Secondly, following a review of Household Waste Recycling Centres by external consultants and subsequent public consultation in 2016-17, a number of efficiencies and improvements were introduced in 2017/18 delivering substantial savings. Based on full implementation of these proposals, however, the savings delivered remain below the consultants' initial estimates.
140. Excluding Digital and Environmental Operations, the remainder of Place is forecasting a small underspend of £0.7m, an improvement of £0.6m on Mid Year. Pressures in Strategic Infrastructure, Car Parking and Assets budgets have been offset by underspends in Facilities Management, Regeneration and Benefits.

Corporate Directorate

141. The Corporate Services Directorate, including the Mutually Agreed Resignation Scheme (MARS) saving, is forecast to overspend by £0.5m against a budget of £22.3m. However, controls to be placed on spending in the final quarter of the financial year are hoped to bring this to a balanced position by year end.
142. MARS savings were set at £1.5m in 2018/19, the actual saving achieved from staff leaving under the scheme was £0.5m leaving a shortfall of £1.0m.
143. At the third quarter Corporate Services, excluding MARS, is forecast to underspend by £0.5m. Whilst this is a favourable position, the Directorate faces pressures within various services which are being offset by underspends in other services. Legal Services and Compliance are forecasting an overspend of £0.5m, mainly due unbudgeted staffing cost pressures, but these are being offset by an underspend within Democratic Services of £0.5m. Underspends in the BSU are offsetting overspending in the Civic Office (net £79,000 underspend). Additionally, income from the Police and Crime Panel of £52,000 and an underspending in the Democratic Services Admin Team of £16,000 are contributing to the overall projected underspend in this area. The Coroners Service is also projected to underspend by £76,000 due to reduced costs and Registrations by £220,000, due to additional income.
144. Former Professional Services are overspending by approximately £30,000 due to Best for Business Savings being unachievable this year but these are being offset by savings from in-year staff vacancies and charging staff time to capital projects. Business Manager is recording an underspend of £0.2m however the service is overspending due to unachieved restructure and admin review savings which are being partially offset by an underspend in the Executive Support Office and additional budget taken from Contingency reducing the overspend from £0.4m to £80,000. The Corporate Directorate is committed to making further savings of £0.3m which are recorded against this service.
145. ICT is forecasting a small overspend of £0.1m, although there is some risk around non achievement of contract and agency savings (£350,000 within ICT Strategy and £100,000 within Service Delivery). All endeavours will be made to control spend and maximise income with the aim to achieving an overall net nil without compromising service delivery.
146. Finance and Performance is projecting an underspend of £0.4m due to savings from in-year staff vacancies across the service including Audit, Accountancy, PMO and a reduction in council self insurance costs which are being offset slightly by overspending in Procurement.
147. The HR Service and the Communications Team are reporting a small overspend of £0.1m. HR staffing overspends and loss

of schools buy back income is being offset by unused strategic project budgets held on the Head of Service cost centre, and Communications Supplies and services pressures are being offset by an underspend against the staffing budget and increased income.

Government Grant Funding of Local Expenditure

148. 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 2018/19 was £272.4m.
149. In 2018/19, Cheshire East Council's specific use grants held within the services was budgeted to be £254.0m based on Government announcements to February 2018. This figure was revised down at mid-year to £250.4m (a decrease of £3.6m). However, this figure has seen a slight increase at third quarter and has been revised up to £251.1m.
150. Third quarter has seen an increase in specific use grants of £0.7m. This is mainly as a result of new grant income being received in respect of Adult Social Care Winter Pressures funding (£1.45m), off-set by minor decreases in schools-related grants. The forecast has also reduced as the bid to the Innovation Fund was not successful.
151. General purpose grants were budgeted to be £18.4m, but further in-year grant announcements have increased this figure to £24.9m at mid year. These include an additional £0.5m in respect of Children & Families related grants and £0.1m for additional costs of Electoral Registration. Business Rates Retention Section 31 Compensation grants to be received of £6.1m as per the NNDR1 2018/19, which was submitted to the Ministry of Housing, Communities and Local

Government (MHCLG) in January 2018 and is due to be transferred to the Collection Fund Earmarked Reserve.

152. At third quarter the forecast general purpose grants increased by a further £0.6m to £25.5m.
153. Additional general purpose grants of £0.22m have been received during the third quarter of 2018/19, which relate to Neighbourhood Planning and additional funding for the Local Enterprise Partnership. Requests for the allocation of the additional grants received are detailed in **Appendix 10**.
154. Further funding is due to be received in respect of the 2017/18 Business Rates Additional Growth Pilot (£0.14m) and Business Rates Compensation (£0.23m), which will be transferred to the Collection Fund Management Earmarked Reserve.
155. **Table 2** provides a summary of the updated budget position for all grants in 2018/19. A full list is provided at **Appendix 3**.

Table 2 – Summary of Grants to date

	2018/19 Revised Forecast MYR £m	2018/19 Revised Forecast TQR £m	2018/19 Change £m
SPECIFIC USE			
Held within Services	250.4	251.1	0.7
GENERAL PURPOSE			
Revenue Support Grant	5.4	5.4	0.0
<u>Service Funding:</u>			
People - Children and Families	0.7	0.7	0.0
People - Adult Social Care and Independent Living	2.2	2.2	0.0
Place	0.1	0.3	0.2
Place – Customer Operations	1.7	1.7	0.0
Corporate – Chief Operating Officer	8.7	8.8	0.1
Central Items	6.1	6.4	0.3
Total Service Funding	19.5	20.1	0.6
Total General Purpose	24.9	25.5	0.6
Total Grant Funding	275.3	276.6	1.3

Collecting Local Taxes for Local Expenditure

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

Council Tax

157. Council Tax is set locally and retained for spending locally. Council Tax was set for 2018/19 at £1,404.28 for a Band D property. This is applied to the taxbase.

158. 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 2018/19 was agreed at 147,003.80 which, when multiplied by the Band D charge, means that the expected income for the year is £206.4m.

159. 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 £250.8m.

160. This figure is based on the assumption that the Council will collect at least 99% 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.

161. 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 £254.1m.

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

	£m
Cheshire East Council	206.4
Cheshire Police and Crime Commissioner	25.9
Cheshire Fire Authority	11.1
Town and Parish Councils	7.4
Total	250.8

162. **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			
	2014/15	2015/16	2016/17	2017/18
	%	%	%	%
After 1 year	97.9	98.1	98.3	98.2
After 2 years	98.9	99.0	99.1	**
After 3 years	99.3	99.3	**	**

**data not yet available

163. The Council Tax in-year collection rate for 2018/19 is 75.8%, a small decrease on the previous year. This is due to larger

numbers of taxpayers opting to pay by 12 instalments instead of 10 and resulting in collection rates increasing towards the end of the year.

164. Council Tax support payments (including Police and Fire) were budgeted at £16.2m for 2018/19 and at the end of the November the total council tax support awarded was £14.7m. 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.

165. No changes were made to the Council Tax Support scheme for 2018/19. The scheme was confirmed unchanged by full Council in December 2017.

166. Council Tax discounts awarded are £23.3m which is broadly in line with the same period in 2017/18.

167. Council Tax exemptions awarded total £5.2m which is broadly in line with the same period in 2017/18.

Non-Domestic Rates (NDR)

168. 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.

169. The small business multiplier applied to businesses which qualify for the small business relief was set at 48.0p in 2018/19. The non-domestic multiplier was set at 49.3p in the pound for 2018/19.

170. Cheshire East Council continues to be in a pooling arrangement with the Greater Manchester (GM) Authorities (also includes Cheshire West and Chester for 2016/17) 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 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.

171. **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

CEC Cumulative				
Financial Year	2014/15	2015/16	2016/17	2017/18
	%	%	%	%
After 1 year	98.1	98.1	97.7	98.3
After 2 years	99.3	99.1	99.2	**
After 3 years	99.7	99.5	**	**

**data not yet available

172. The business rates in-year collection rate for 2018/19 has increased to 75.1% compared to 73.2% for the same period in 2017/18.

Capital Programme 2018/21

173. At the Third Quarter review stage the overall programme has increased by £29.6m as shown in the table below. A summary of the capital programme and funding is shown at table 6.

Table 6 – Summary Capital Programme

	Revised MYR Budget	Amendments to MYR Budget	Amended TQR Budget	Transfers to/from Addendum	Budget Reductions	SCE's	Revised TQR Budget
	2018/21 £m	2018/21 £m	2018/21 £m	2018/21 £m	2018/21 £m	2018/21 £m	2018/21 £m
People Directorate	37.0	0.6	37.6	0.2	-	0.1	37.9
Place Directorate	323.3	0.7	324.0	23.7	(0.3)	4.9	352.3
Corporate Directorate	25.3	(0.3)	25.0	-	-	-	25.0
	385.6	1.0	386.6	23.9	(0.3)	5.0	415.2

174. A number of projects have been approved at the Finance Portfolio holder meeting to move budgets from the Capital Addendum to the main capital programme totalling £23.9m. The largest amount of £21.7m relates to the Garden Village project in Handforth and £2.0m for the North Congleton Acquisitions Project.

175. There are a number of Supplementary Estimates that require approval at Third Quarter Review of £5.0m. This relates in the main to an additional allocation from the Department of Transport for Potholes of £4.6m and £0.2m additional Disabled Facilities grant funding.

176. 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

	Revised MYR Budget 2018/21 £m	Revised TQR Budget 2018/21 £m	Change 2018/21 £m
Grants	182.0	212.1	30.1
External Contributions	47.3	44.5	-2.8
Cheshire East Resources	156.3	158.6	2.3
	385.6	415.2	29.6

Capital Budget 2018/19

177. At the Third Quarter Review stage the Council has forecast in year expenditure of £120.7m against a revised in year budget of £145.2m. **Appendix 4** gives a summary of the Capital Programme and **Appendix 5** shows transfers from and to the Capital Addendum.
178. Since the start of 2018/19, slippage on the capital programme has been measured on schemes that are at the Gateway 2 stage. These are classed as committed schemes as these schemes should have commenced prior to or during 2018/19 and have a detailed forecast expenditure plan in place. Schemes have been monitored on their progress during the year and re-categorised quarterly. This includes the net impact of 2018/19 supplementary capital estimates, virements and budget reductions listed in **Appendices 6 to 9**.
179. **Table 8** shows the actual expenditure incurred on those schemes against the revised Outturn Budget.

Table 8 – 2018/19 Revised Budget compared to Third Quarter Forecasts

Committed Schemes	Revised MYR Budget £m	Revised TQR Budget £m	Forecast Expenditure £m	Current Over / Underspend £m
People Directorate	13.4	13.4	12.7	(0.7)
Place Directorate	87.1	91.8	78.9	(12.9)
Corporate Directorate	19.2	18.9	10.4	(8.5)
Total Committed Schemes	119.7	124.1	102.0	(22.1)

180. At the Third Year Review stage forecast expenditure of £102.0m has been predicted. The main changes since the budget was last reported is an increase in the in year budget of £4.4m budget due to a number of Supplementary Capital Estimates.
181. The forecast on expected expenditure has reduced by £17.7m from the £119.7m that was previously reported has been slipped into future years.
182. **Appendix 6** details requests of Supplementary Capital Estimates (SCE) up to and including £500,000 and Capital Virements up to and including £1,000,000 approved by delegated decision which are included for noting purposes only.
183. **Appendix 8** details requests of Supplementary Capital Estimates (SCE) over £1,000,000 which is for the increase in budget on the Highways Investment Programme for the additional Pothole funding of £4.632m.

184. **Appendix 9** lists details of reductions in Approved Budgets where schemes are completed and surpluses can now be removed. These are for noting purposes only.

Central Adjustments

Capital Financing Costs and Treasury Management

185. 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 the investment of its cash balances during the year. The capital financing budget of £10m accounts for 4% of the Council's net revenue budget.

186. Treasury investment income to November 2018 is £228,000 which is lower than the £346,000 budgeted income for the period. Offsetting the income are costs of £345,000 (budget for period £363,000) arising from temporary borrowing and interest paid on funds held on behalf of the Cheshire & Warrington Local Enterprise Partnership. The level of cash balances is expected to fall from January 2019 resulting in a continued need to borrow. The level of temporary borrowing has been in excess of immediate cash needs but this allows a liquidity safety net and maintenance of investments in the Churches Charities and Local Authorities (CCLA) Investment Management Ltd property fund and other funds which pay a higher return than the cost of borrowing.

- The average lend position (the 'investment cash balance') including managed funds up to the end of November 2018 is £27.0m
- The average annualised interest rate received on in-house investments during 2018/19 is 0.62%

- The average annualised interest rate received on the externally managed property fund during 2018/19 is 4.56%
- The average temporary borrowing position during 2018/19 is £36.3m
- The average annualised interest rate paid on temporary borrowing during 2018/19 is 0.67%

187. The Council's total average interest rate on all investments in 2018/19 is 1.67%. The returns continue to exceed our benchmark, the London Inter-bank Bid Rate for seven days at 0.71%, and our own performance target of 1.25% (Base Rate + 0.50%).

Table 9 – Interest Rate Comparison

Comparator	Average Rate to 30/11/2018
Cheshire East	1.67%
LIBID 7 Day Rate	0.71%
LIBID 3 Month Rate	0.89%
Base Rate	0.75%
Target Rate	1.25%

188. Temporary borrowing has decreased since the start of the year in line with normal cash flow patterns. The current level of borrowing is expected to increase between January and March 2019. At the moment the intention is for this to continue to be met by temporary borrowing from other Local Authorities which is considerably cheaper than other sources of borrowing. If the predicted interest environment changes or the availability of temporary borrowing reduces then this strategy will be re-assessed.

189. The Council continues to benefit from the revised approach to calculating the Minimum Revenue Provision (MRP) adopted in 2017/18 which will result in lower MRP costs in 2018/19. However, these costs will increase in future years.
190. Capital Financing is dependent on achieving capital receipts of £4.4m in 2018/19 to finance capital expenditure. This figure has been revised since the Mid year review of £4.9m. To date, ten property assets have been sold generating total receipts of £2.8m. Other indirect property related capital receipts have been received of £1.3m giving a total at Third Quarter Review figure of £4.1m.
191. All investments are made in accordance with the parameters set out in the Treasury Management Strategy Statement approved by Council on 22nd February 2018. Further details of counterparty limits and current investments are given in **Appendix 10**.
192. The Council has maintained the £7.5m investment in the CCLA managed property fund. The underlying value of this fund had been devalued following the 'Brexit' referendum but has since been increasing in value. The current value of the units in the fund if sold is £8.0m. The fund has also generated income of 4.69% so far in 2018/19.
193. Most other investments currently held are short term for liquidity purposes. The exception is £2.5m held in a Royal London enhanced cash fund which had been returning around 0.90% between April and October 2018. However, the value of this fund has fallen so alternatives are currently being considered. This fund, or a replacement fund, combined with the property fund ensures the Council maintains an investment portfolio above £10m which is a pre-requisite for the Council to maintain professional investor status. This

means more investment options may be open to us and administration is reduced.

194. Full details of investments as at 30th November 2018 are shown in **Appendix 10**.

Central Contingencies and Contributions

195. It is currently forecast that there will be an underspend of £4.7m within central budgets. Lower revenue expenditure relating to costs that generate future savings reduces the amount that can be funded from capital receipts (£1.3m). This variance is offset by not increasing earmarked reserved to the planned level (£1.6m). In the quarter the contingency budget has been transferred to service budgets to cover the costs of voluntary redundancy in Childrens and Families and admin review savings that will not be achieved this year. The past service employer pension contributions relating to staff transferred to the new supplier companies and capital financing costs are expected to be in-line with budget. Additional grants have been received centrally during the quarter amounting to £0.4m above the budgeted level. Further to the above it is planned that use of earmarked reserves (£1.9m) and business rate receipts (£2.1m) will take place to mitigate the overspend.

Debt Management

196. The balance of outstanding debt has increased by £0.5m since July 2018 mainly due to the increase in Adult Social Care outstanding debt. Balances remain within forecast levels and adequate provisions have been made. Details of the Council's invoiced debt position are contained in **Appendix 12**.

Outturn Impact

197. The impact of the projected service outturn position is to decrease balances by £4.7m as reported above (**para 114**).
198. Taken into account with the central budget items detailed above (**para 195**), the financial impact could result in no reduction in balances as shown in **Table 10**.

Table 10 – Impact on Balances

	£m
Service Net Budget Outturn	(4.7)
Central Budgets Outturn	4.3
Specific Grants Outturn	0.4
Total	-

Management of Council Reserves

199. The Council's Reserves Strategy 2018/21 states that the Council will maintain reserves to protect against risk and support investment. The Strategy forecast that the risk assessed level of reserves is currently £10.0m.

200. The opening balance at 1st April 2018 in the Council's General Reserves was £10.3m as published in the Council's Statement of Accounts for 2017/18.
201. A mitigation plan is in progress to deliver a balanced revenue outturn position and maintain General Reserves at or close to the level planned in the 2018/21 Reserves Strategy. Overall the Council remains in a strong financial position relative to most Councils.
202. The Council also maintains Earmarked Revenue reserves for specific purposes. At 31st March 2018 balances on these reserves stood at £47.0m, excluding balances held by Schools.
203. During 2018/19, an estimated £16.9m will be drawn down and applied to fund service expenditure specifically provided for. Service outturn forecasts take account of this expenditure and funding. Where appropriate, further earmarked reserves will be re-allocated to General Reserves to maintain an adequate level of General Reserves overall.
204. A full list of earmarked reserves at 1st April 2018 and estimated movement in 2018/19 is contained in **Appendix 13**.

3. Workforce Development

205. This section sets out the Council's activities and progress in relation to HR, Organisational Development, Health and Safety and Workforce Development plans and changes for the first three quarters 2018/19.

Culture and Values

206. Following the Local Government Association's independent culture review and acceptance of the report recommendations, the Brighter Future Together (Culture) Programme is underway. The programme has focused on defining the Council's vision for workplace culture and behaviours, aligned to the Council's values and developing an employee deal that clearly outlines what an employee can expect from working at Cheshire East Council.

207. In the third quarter, both 'What's the Conversation' sessions with each team to understand what the vision and values mean to them and 'Having the Conversation' sessions with all people managers to embed the new approach have been taking place across the Council. Sessions have been well received.

208. To help to ensure staff feel valued and recognised the Making a Difference monthly scheme reopened in February and a total of 84 nominations were received in total up until the closing date in November. Made my Day instant recognition continues to be popular with 1,079 being received up until the end of the third quarter. The annual recognition event, Making a Difference for a Brighter Future Together took place in

December where a total of 98 employees were nominated for an award.

209. To support and inform the Council's commitment to wellbeing in work, the staff wellbeing forum and the wellbeing contributors group continue to meet on a quarterly basis. The staff forum has seen individuals taking responsibility for starting local wellbeing initiatives within their own place of work. The focus has been physical and mental wellbeing and taster sessions in yoga, mindfulness and relaxation massage have been delivered. As part of the Council's Active Workplace pledge the first Cheshire East Team Challenge took place in September 2018 during which staff were challenged to win points by logging both physical and mental challenges with their team mates. This aimed to improve their overall wellbeing and build relationships through healthy competition between the directorates.

Building Capability and Capacity

210. The Corporate Training Programme and Continuous Professional Development Portfolios ensure 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.

211. Since April 2018, 95 courses across 268 sessions have been offered to CEC employees. 42 employees successfully secured funding approval via the Continuous Professional Development Panel for role specific development and

qualifications for quarters one to three, seeing over £46,162 investment.

212. A cohort of ILM level five qualifications, funded via the apprenticeship levy began in April. The first cohort of ten project management apprentices also started in June. Two Cohorts with ten in each of ILM Level 3 qualifications are scheduled in January 2019. An audit of leadership and management skills across the organisation has been carried out and a Leadership and Management programme is due to be rolled out from January 2019. 29 sessions have taken place so far of the leadership and management behavioural workshops as part of the Brighter Future Together (Culture) Programme. 382 have attended so far with further sessions running in the New Year. 15 delegates have attended from Wider Leadership Team and 70 from the Wider Leadership Community.
213. Opportunities for staff development are wide-ranging including internal sharing of good practice, comprehensive e-learning packages, commissioning of external experts to deliver internal courses and opportunities to attend external courses and conferences. Employees also have access to Continuous Professional Development in the form of qualifications to meet professional requirements. Ensuring employees feel supported at all stages of their career, the Workforce Development Team maintains close relationships with partner universities and Further Education colleges supporting placements for work experience, work based placements, graduate schemes and mentoring opportunities for career starters and changers. Further networks are embraced to provide opportunities for staff engagement and development for example in guest lecturing and joint practice initiatives.

Resourcing and Talent

214. The ongoing programme of course placements within Children's and Adult Social Care teams continues to thrive with several previous graduates securing permanent social work roles within Cheshire East Council. 20 social work student placements are underway this year and Cheshire East Council has committed to joining cohort six of the successful 'Step Up to Social Work' scheme run by the Department for Education. Two existing Skills for Care Graduate Management Candidates will shortly complete their successful year-long placements and were joined in October 2018 by two more promising candidates following a rigorous selection process.
215. Building on the first year of implementation of the apprenticeship levy, 70 new apprenticeships have commenced since April 2018. A further 32 are due to start in the new year.
216. The Council continues to offer opportunities for team development and staff progression. Tailored approaches to development including commissioning bespoke training according to assessed need, putting in place development days, providing individual development opportunities, align with the Brighter Future Together (Culture) Programme and Corporate Training opportunities.

Reward and Recognition

217. The "Reward Centre" has a range of employee benefits and discounts which are offered by an external supplier. It was identified that the supplier had been subject to a data breach on the 28th September, and as a precaution the site was taken offline. The Council is currently considering whether to relaunch a new enhanced version of the rewards platform, which will have additional features such as instant delivery of

discounted shopping vouchers and additional levels of security.

Education HR Consultancy

218. An improved package (including Employee Assistance Programme offer, free mediation and Barred List check service) is offered to schools and academies for 2018/19 recognising the increasingly competitive market within which the Council is offering the buy-back of Education HR Consultancy Services. The buy-back in response to the services offered is 100 schools and academies for 2018/19.
219. A number of new training interventions have been offered aimed at increasing income as part of the Corporate Governor Training Programme as well as specific and focused training. New and aspiring Headteacher briefings have commenced with good uptake and excellent feedback. Further days are planned for the remainder of the academic year. Additional courses for Governors regarding HR

principles and Equality and Diversity, and Safer Recruitment accredited training and refreshers for recruiting staff are developed and currently advertised for launch in 2019.

Health and Safety

220. Work continues on refreshing Corporate Health and Safety guidance notes.

Staffing Changes

221. As shown in the following table, Cheshire East Council's overall headcount has increased between July and November 2018, although the number of full time equivalent (FTE) employees has decreased slightly over the same period.

Table 11: Cheshire East Council Employee Headcount and FTE Figures

Executive Directorate & Service	Employee Headcount July 2018	Employee Headcount Nov 2018	Employee FTE July 2018	Employee FTE Nov 2018
Corporate	856	846	745.6	730.3
Audit	9	9	7.3	7.6
B4B / Business Development	10	10	8.3	8.3
Business Management	21	20	20.0	19.0
Communications & Media	12	11	11.9	10.9
Customer Services	336	334	268.1	259.9
Finance & Performance	100	99	97.2	96.2
Human Resources	44	41	40.3	37.5
ICT	183	185	176.8	178.8
Legal Services	126	123	101.2	98.6
Procurement	14	13	13.5	12.5
People	2,152	2,181	1,616.5	1,619.7
Adult Social Care & Health	1,053	1,100	848.4	874.6
Children's Services	1,097	1,079	766.1	743.2
Place	539	568	430.5	430.2
Growth & Regeneration	187	199	147.6	150.9
Infrastructure & Transport	59	57	55.0	53.6
Planning & Sustainable Development	135	139	127.0	130.7
Rural & Cultural Infrastructure	155	171	97.9	92.1
Cheshire East Council Total	3,565*	3,596*	2,793.5*	2,781.3*

***Note:** The Chief Executive has not been included in any of the Directorate / Service information, but is counted in the overall Cheshire East Council headcount and FTE figures; similarly Executive / Directors and/or “Business Managers” will not appear in the “Service” totals but will appear in the overall “Directorate” figures. Employees with multiple assignments across services will appear in the headcount figures for each service, but will only be counted once in the total CEC headcount figure; where an employee has multiple assignments in the same service they will appear in the overall headcount figure only once for that service.

Agency workers

222. Agency workers are a valuable component of the Council's workforce, providing short term cover, project work and flexible specialist skills to maintain service delivery in areas such as social services, ICT and other professional services. The table below provides a summary of active agency worker assignments at the end of July and November 2018, together with agency worker assignments as a percentage of all active workforce assignments (excluding casuals) at the end of each specified month.

Table 12: Active agency worker assignments

	Active C.Net Assignments on 31.07.18	Active C.Net Assignments on 30.11.18	% of all Workforce Assignments on 31.07.18	% of all Workforce Assignments on 30.11.18
People	53	74	2.4%	3.3%
Corporate	69	90	7.4%	9.6%
Place	8	6	1.4%	1.0%
Total	114	123	3.0%	3.2%

223. The number of active agency assignments is higher at the end of November 2018 than it was at the end of July 2018 within Cheshire East Council overall, due to new assignments beginning in the People and Corporate Directorates during this period. Once again in Corporate, there has been an increase in the number of agency assignments in Customer Services and ICT, as well as Legal Services and HR. In People, there has been a significant increase in Adult Social Care & Health; from 16 active assignments at the end of July to 38 at the end of November. This increase relates to

additional support workers and social workers required to cover short term absence. There has also been a steady increase in the number of placements to cover permanent posts whilst recruitment processes take place.

Absence

224. The cumulative absence rate for Cheshire East Council from April 2018 to December 2018 shows a current figure of 7.66 days lost per FTE employee which is lower than the figure for the same period over the preceding seven financial years which may indicate a positive trend towards the absence target of 10 days over the calendar year.

Table 13: Days lost to sickness absence per FTE employee

Financial Year	Cumulative Absence at the end of Quarter 3	Full Year Absence Rate
2011/12	8.30	11.67
2012/13	9.07	12.03
2013/14	8.34	11.33
2014/15	8.87	11.97
2015/16	8.02	11.14
2016/17	8.32	11.14
2017/18	8.31	11.18
Q3 2017/18	8.31	NA
Q3 2018/19	7.66	NA

Voluntary Redundancies

225. 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.

226. Eighteen people have left the Council under voluntary redundancy terms in the period 1st April to 30th November 2018. The total severance cost was £762,830 inclusive of redundancy and actuarial costs. Over the next five years, this reduction is estimated to save the Council over £2,655,477.

Appendices to Third Quarter Review of Performance 2018/19

February 2019

Appendix 1 Cheshire East Council Strategic Outcomes



Appendix 2 Changes to Revenue Budget 2018/19 since Mid Year

Review

	Mid Year Net Budget £000	Additional Grant Funding £000	Restructuring & Third Quarter Realignments £000	Net Budget £000
PEOPLE				
Directorate	597	-	3	600
Children's Social Care	35,949	-	-	35,949
Education & 14-19 Skills	11,629	-	86	11,715
Prevention & Support	8,801	-	400	9,201
Adult Social Care Operations	23,811	-	194	24,005
Adult Social Care Commissioning	80,278	-	-	80,278
Public Health & Communities	2,615	-	-	2,615
	163,680	-	683	164,363
PLACE				
Directorate	186	-	18	204
Planning & Sustainable Development	3,235	20	-	3,255
Infrastructure & Highways	12,386	-	(9)	12,377
Growth & Regeneration	17,136	200	(30)	17,306
Rural & Cultural Economy	2,967	-	-	2,967
Customer Services	8,355	-	-	8,355
Client Commissioning :				
Leisure	2,019	-	-	2,019
Environmental	28,466	-	-	28,466
	74,750	220	(21)	74,949

	Mid Year Net Budget £000	Additional Grant Funding £000	Restructuring & Third Quarter Realignments £000	Net Budget £000
CORPORATE				
Directorate - Former Professional Services	1,379	-	-	1,379
Directorate - Business Manager	855	-	291	1,146
Directorate - Unallocated	(951)	-	-	(951)
Legal Services	5,972	-	-	5,972
Human Resources	2,297	-	-	2,297
Finance & Performance	6,166	-	21	6,187
ICT	5,716	-	29	5,745
Communications	603	-	-	603
	22,037	-	341	22,378
TOTAL SERVICE BUDGET	260,467	220	1,003	261,690
CENTRAL BUDGETS				
Capital Financing	10,000	-	-	10,000
Corporate Contributions	263	-	(1,000)	(737)
Contribution to / from Reserves	(1,213)	-	-	(1,213)
	9,050	-	(1,000)	8,050
TOTAL BUDGET	269,517	220	3	269,740

	Mid Year Net Budget £000	Additional Grant Funding £000	Restructuring & Third Quarter Realignments £000	Net Budget £000
CENTRAL BUDGETS FUNDING				
Business Rates Retention Scheme	(42,967)	-	-	(42,967)
Revenue Support Grant	(5,416)	-	-	(5,416)
Specific Grants	(13,700)	(220)	(3)	(13,923)
Council Tax	(206,434)	-	-	(206,434)
Sourced from Collection Fund	(1,000)	-	-	(1,000)
TOTAL CENTRAL BUDGETS FUNDING	(269,517)	(220)	(3)	(269,740)
FUNDING POSITION	-	-	-	-

Appendix 3 Corporate Grants Register

Corporate Grants Register 2018/19		Revised Forecast MYR 2018/19 £000	Revised Forecast TQR 2018/19 £000	Change from MYR 2018/19 £000	SRE / Balances (Note 2)
	Note				
SPECIFIC USE (Held within Services)					
PEOPLE					
Schools	1	151,900	151,442	-458	
Children & Families		1,517	1,749	232	
Adult Social Care		10,244	11,695	1,451	SRE
Public Health		16,400	16,400	0	
Public Health - Innovation Fund of Alcohol Dependent Parents (subject to successful bid)	3	561	0	-561	
Total		180,622	181,286	664	
PLACE					
Growth and Regeneration		547	547	0	
Planning and Sustainable Development		283	283	0	
Directorate		787	787	0	
Customer Services		68,122	68,212	90	
Total		69,739	69,829	90	
TOTAL SPECIFIC USE		250,361	251,115	754	

Corporate Grants Register 2018/19	Revised Forecast MYR 2018/19 £000	Revised Forecast TQR 2018/19 £000	Change from MYR 2018/19 £000	SRE / Balances (Note 2)
<i>Note</i>				
GENERAL PURPOSE (Held Corporately)				
Central Funding				
Revenue Support Grant	5,416	5,416	0	
Total Central Funding	5,416	5,416	0	
People - Children & Families				
Tackling Troubled Families	372	372	0	
Staying Put Implementation Grant	115	115	0	
Extended Rights to Free Transport (Home to School Transport)	132	132	0	
Extended Rights to Free Transport (Home to School Transport) - Additional	33	33	0	
Extended Personal Adviser Duty Implementation	14	14	0	
Extension of the role of Virtual School Heads	38	38	0	
People - Adult Social Care & Independent Living				
Independent Living Fund	888	888	0	
Local Reform and Community Voices	204	204	0	
Social Care in Prisons	73	73	0	
War Pension Scheme Disregard	59	59	0	
Adult Social Care Support Grant	907	907	0	
Controlling Migration Fund	75	75	0	

Corporate Grants Register 2018/19		Revised Forecast MYR 2018/19 £000	Revised Forecast TQR 2018/19 £000	Change from MYR 2018/19 £000	SRE / Balances (Note 2)
	<i>Note</i>				
Place					
	Lead Local Flood Authorities	15	15	0	
	Neighbourhood Planning Grant for Local Planning Authorities	40	60	20	SRE
	Homelessness Reduction Act - new burdens	37	37	0	
	Local Enterprise Partnership (LEP): MHCLG Additional Funding	0	200	200	SRE
Place - Customer Services					
	Housing Benefit and Council Tax Administration	1,082	1,075	-7	Balances
	NNDR Administration Grant	566	566	0	
	Universal Support Grant 2017/18	-9	-9	0	
	Universal Support Grant 2018/19	63	63	0	
Corporate - Chief Operating Officer					
	New Homes Bonus	8,563	8,563	0	
	Additional Growth Pilot (AGP) 2017/18	0	138	138	Balances
	Transition to Individual Electoral Registration 2018/19	133	133	0	
Central Items					
	Business Rates 2018/19 Tax Loss Compensation Payment	6,131	6,364	233	Balances
Total Service Funding		19,531	20,115	584	
TOTAL GENERAL PURPOSE		24,947	25,531	584	
TOTAL GRANT FUNDING		275,308	276,646	1,338	

Notes

- 1 The Dedicated Schools Grant, Pupil Premium Grant, Sixth Form Grant and Other School Specific Grant from the Education Funding Agency (EFA) figures are based on actual anticipated allocations. Changes are for in-year increases/decreases to allocations by the DfE and conversions to
- 2 SRE - Supplementary Revenue Estimate requested by relevant service.
- 3 The bid for the Innovation Fund of Alcohol Dependent Parents was not successful.

Appendix 4 Summary Capital Programme and Funding

Service	In-Year	SCE's	SCE's	Revised	Forecast Expenditure		
	TQR	Virements	Virements	In-Year			2020/21 and
	Budget	Reductions	Reductions	Budget	2018/19	2019/20	Future Years
	2018/19	2018/19	2018/19	2018/19	£000	£000	£000
	£000	£000	£000	£000			
People Directorate							
Adults, Public Health and Communities							
Committed Schemes - In Progress	3	-	-	3	3	-	-
New Schemes and Option Developments	-	-	-	-	-	-	-
Children's Social Care (Incl. Directorate)							
Committed Schemes - In Progress	119	-	-	119	80	306	-
New Schemes and Option Developments	-	-	-	-	-	-	-
Education and 14-19 Skills							
Committed Schemes - In Progress	12,500	150	114	12,764	12,141	13,400	2,772
New Schemes and Option Developments	520	482	-	1,002	1,036	3,783	3,715
Prevention and Support							
Committed Schemes - In Progress	753	-	-	753	443	310	-
New Schemes and Option Developments	-	-	-	-	-	-	-
Total People Directorate	13,895	632	114	14,641	13,703	17,799	6,487
Total Committed Schemes - In Progress	13,375	150	114	13,639	12,667	14,016	2,772
Total New Schemes and Option Developments	520	482	-	1,002	1,036	3,783	3,715
Total People Directorate	13,895	632	114	14,641	13,703	17,799	6,487

Service	In-Year	SCE's	SCE's	Revised	Forecast Expenditure		
	TQR	Virements	Virements	In-Year			2020/21 and
	Budget	Reductions	Reductions	Budget			Future Years
	2018/19	2018/19	2018/19	2018/19	2018/19	2019/20	2020/21 and
	£000	£000	£000	£000	£000	£000	Future Years
							£000
Place Directorate							
Infrastructure and Highways (inc Car Parking)							
Committed Schemes - In Progress	60,826	411	4,641	65,878	56,523	45,589	81,607
New Schemes and Option Developments	8,410	-	-	8,410	8,133	12,744	12,743
Growth and Regeneration							
Committed Schemes - In Progress	16,234	(231)	-	16,003	13,589	14,797	34,593
New Schemes and Option Developments	2,551	2,892	-	5,443	5,066	17,382	15,950
Rural and Cultural Economy							
Committed Schemes - In Progress	2,160	-	-	2,160	2,165	1,646	103
New Schemes and Option Developments	10	-	-	10	10	90	-
Customer Services							
Committed Schemes - In Progress	87	-	-	87	87	30	-
New Schemes and Option Developments	-	-	-	-	-	-	-
Client Commissioning - Environmental							
Committed Schemes - In Progress	6,616	162	(253)	6,525	5,374	10,750	50
New Schemes and Option Developments	50	34	-	84	84	-	-
Client Commissioning - Leisure							
Committed Schemes - In Progress	1,192	-	-	1,192	1,193	5,774	2,092
New Schemes and Option Developments	4,117	-	-	4,117	4,117	-	-
Total Place Directorate	102,253	3,268	4,388	109,909	96,341	108,802	147,138
Total Committed Schemes - In Progress	87,115	342	4,388	91,845	78,931	78,586	118,445
Total New Schemes and Option Developments	15,138	2,926	-	18,064	17,410	30,216	28,693
Total Place Directorate	102,253	3,268	4,388	109,909	96,341	108,802	147,138

Service	In-Year	SCE's	SCE's	Revised	Forecast Expenditure		
	TQR	Virements	Virements	In-Year			2020/21 and
	Budget	Reductions	Reductions	Budget	2018/19	2019/20	Future Years
	2018/19	2018/19	2018/19	2018/19	£000	£000	£000
	£000	£000	£000	£000	£000	£000	£000
Corporate Directorate							
Finance and Performance							
Committed Schemes - In Progress	877	(300)	-	577	577	-	-
New Schemes and Option Developments	-	-	-	-	-	-	-
ICT							
Committed Schemes - In Progress	18,282	-	-	18,282	9,820	9,333	3,437
New Schemes and Option Developments	1,813	-	-	1,813	220	1,533	60
Total Corporate Directorate	20,972	(300)	-	20,672	10,617	10,866	3,497
Total Committed Schemes - In Progress	19,159	(300)	-	18,859	10,397	9,333	3,437
Total New Schemes and Option Developments	1,813	-	-	1,813	220	1,533	60
Total Corporate Directorate	20,972	(300)	-	20,672	10,617	10,866	3,497
Total Capital Programme							
Committed Schemes - In Progress	119,649	192	4,502	124,343	101,995	101,935	124,654
New Schemes and Option Developments	17,471	3,408	-	20,879	18,666	35,532	32,468
Total Net Position	137,120	3,600	4,502	145,222	120,661	137,467	157,122

Funding Sources	Forecast Expenditure		2020/21 and
	2018/19	2019/20	Future Years
	£000	£000	£000
Grants	53,388	90,010	68,761
External Contributions	12,549	2,905	29,029
Cheshire East Council Resources	54,724	44,552	59,332
Total	120,661	137,467	157,122

Appendix 5 Transfers from and to the Capital Addendum

Service	Capital Scheme	Amount Transferred Third Quarter £	Reason / Comment
Budgets Transferred from the Addendum to the Main Capital Programme			
People - Education and 14-19 Skills	Park Lane School 1819 (To Expand 'in borough' SEN placement Capacity)		Approved transfer to main programme
People - Education and 14-19 Skills	Shavington Planning Area (Primary Schools - 210 Places)	185,000	Approved transfer to main programme
Place - Infrastructure and Highways (inc Car Parking)	Middlewich Eastern Bypass		Approved transfer to main programme
Place - Infrastructure and Highways (inc Car Parking)	Bollington Bridge		Approved transfer to main programme
Place - Growth and Regeneration	Strategic Acquisitions	2,015,000	Approved transfer to main programme
Place - Growth and Regeneration	North Cheshire Garden Village	21,700,000	Approved transfer to main programme
Place - Client Commissioning Environmental	Congleton Household Waste Recycling Centre Development		Approved transfer to main programme at Outturn 2017/18
Place - Client Commissioning Leisure	Macclesfield Leisure Centre Improvements		Approved transfer to main programme
Corporate - ICT	Elections		Approved transfer to main programme
Net Change to the Addendum		23,900,000	

Appendix 6 Approved Supplementary Capital Estimates up to £500,000 and Virements up to £1,000,000

Service	Capital Scheme	Amount Requested £	Reason and Funding Source
Summary of Supplementary Capital Estimates and Capital Virements			
Supplementary Capital Estimates that have been made up to £500,000			
People - Education and 14-19 Skills	Special Provision Fund Capital Grant	7,500	Revenue contribution from Ivy Bank Academy for refurbishment of 3 classrooms for use by school Resource Provision.
People - Education and 14-19 Skills	Special Provision Fund Capital Grant	11,000	Revenue contribution from Hungerford Academy for expansion to current Resource Provision Premises over 3 rooms.
People - Education and 14-19 Skills	Special Provision Fund Capital Grant	18,000	Revenue contribution from Wheelock Academy for creation of Nature Room / Sensory Play area.
People - Education and 14-19 Skills	Special Provision Fund Capital Grant	18,000	Revenue contribution from Wistaston Academy for Solardome and Sensory Garden to encourage children with ECHP's access to outdoor facilities.
People - Education and 14-19 Skills	Special Provision Fund Capital Grant	50,000	Revenue contribution from Sandbach High School for demolition of current 4 class SEN premises and replace with 8 Class premises.
People - Education and 14-19 Skills	Special Provision Fund Capital Grant	3,800	Revenue contribution from Wilmslow High School for repurpose area to provide Life Skills.
People - Education and 14-19 Skills	Special Provision Fund Capital Grant	14,395	Revenue contribution from Ruskin Community High School for creation of SEN Medical Room and Sensory Room.
Place - Infrastructure and Highways (inc Car Parking)	S278 Church Lane, Wistaston	5,000	S278 - to increase the budget to match the amount received from the developer.
Place - Infrastructure and Highways (inc Car Parking)	Highways Investment Network	3,227	Residents contribution to vehicle crossing associated with footway improvements
Place - Infrastructure and Highways (inc Car Parking)	Local Area Programme	2,000	Mottram St Andrew Parish Council have agreed to contribute £2,000 towards the project.
Place - Infrastructure and Highways (inc Car Parking)	Local Area Programme	1,500	Contribution received from Snelson Parish Council for the Common Lane, Snelson Junction with Mill Lane improvements.
Place - Infrastructure and Highways (inc Car Parking)	Highways Investment Network	461	External contribution towards vehicle crossing associated with footway improvements
Place - Growth and Regeneration		204,812	Disabled Facilities Grant - Additional grant allocation for 2018/19 from MHCLG.
Total Supplementary Capital Estimates Requested		339,695	

Service	Capital Scheme	Amount Requested £	Reason and Funding Source
Summary of Supplementary Capital Estimates and Capital Virements			
Capital Budget Virements that have been made up to £1,000,000			
People - Education and 14-19 Skills	Disley Primary School	20,000	Additional funding required for the Basic Need - classroom extension project to bring the total budget to £665,000 to be funded from the Future Needs block allocation
People - Education and 14-19 Skills	Malbank High School	300,000	Additional funding required for the Basic Need - classroom extension project to bring the total budget to £1,500,000 to be funded from the Nantwich Planning (secondary School) block allocation
Total Capital Budget Virements Approved		320,000	
Total Supplementary Capital Estimates and Virements		659,695	

Appendix 7 Request for Supplementary Capital Estimates above £500,000 and Virements above £1,000,000

Service	Capital Scheme	Amount Requested £	Reason and Funding Source
Cabinet are asked to approve the Supplementary Capital Estimates and Virements			
Supplementary Capital Estimates above £500,000 up to and including £1,000,000			
Total Supplementary Capital Estimates Requested		-	
Capital Budget Virements above £1,000,000 up to and including £5,000,000			
Total Capital Budget Virements Requested		-	
Total Supplementary Capital Estimates and Virements		-	

Appendix 8 Request for Supplementary Capital Estimates above £1,000,000 and Virements above £5,000,000

Service	Capital Scheme	Amount Requested £	Reason and Funding Source
Cabinet are asked to request Council to approve the Capital Virements and SCEs			
Supplementary Capital Estimates over £1,000,000			
Place - Infrastructure and Highways (inc Car Parking)	Highway Investment Programme DFT Grant	4,632,000	Department for Transport additional Pothole Funding - 2018-19
Total Supplementary Capital Estimates Requested		4,632,000	
Capital Budget Virements over £5,000,000			
Total Capital Budget Virements Requested		-	
Total Supplementary Capital Estimates and Virements		4,632,000	

Appendix 9 Capital Budget Reductions

Service	Capital Scheme	Approved Budget £	Revised Approval £	Reduction Reason and Funding Source £
Cabinet are asked to note the reductions in Approved Budgets				
Place - Infrastructure and Highways (inc Car Parking)	Greenfields, Willaston	3,000	0	(3,000) S278 scheme - Budget No longer Required.
Place - Infrastructure and Highways (inc Car Parking)	Mossley House, Congleton	5,000	4,660	(340) S278 scheme - Scheme is now complete - remaining budget no longer required
Place - Client Commissioning Environmental	Crewe Crematorium Refurbishment	1,500,000	1,252,670	(247,330) Project complete.
Place - Client Commissioning Environmental	Banbury Close Open Space Improvements	5,783	-	(5,783) Budget no longer required.
Place - Client Commissioning Environmental	Langley Playing Fields Project	30,753	30,573	(180) Project complete.
Place - Client Commissioning Environmental	Mow Cop Play Area Improvement	44,285	43,643	(642) Project complete.
Total Capital Budget Reductions		1,588,821	1,331,546	(257,275)

Appendix 10 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 £6m for unsecured investments and £12m 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 £12m per fund with a limit of 50% of total investments per fund. There is also a maximum that can be invested in all Money Market Funds at any one time of £50m. 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 with a limit of £12m per country. There were no foreign investments held at 30th November 2018.
3. Due to reduced cash resources and the primary focus now on borrowing, remaining investments are either strategic due to their high interest earning capability, or just to provide liquidity.
4. Even though long term borrowing is at historically low levels, shorter term temporary borrowing is currently much cheaper even factoring in some predicted future interest rate increases. Any temporary borrowings have been sourced from other Local Authorities and generally on a month to

month basis but with some extending into 2019/20. The cost (including fees) to 30th November 2018 is around 0.73%.

5. The borrowing requirement is expected to continue throughout 2018/19 and beyond. Some borrowing may be fixed through to 2020/21 to provide some certainty and hedge against any rate increases in 2019. The market is expecting further base rate increases in 2019 although Brexit uncertainties may affect timing or result in a possible rate decrease.
6. **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. A full list of current temporary borrowings is shown in **Table 2**.

Chart 1 – Current Investments by Counterparty Type

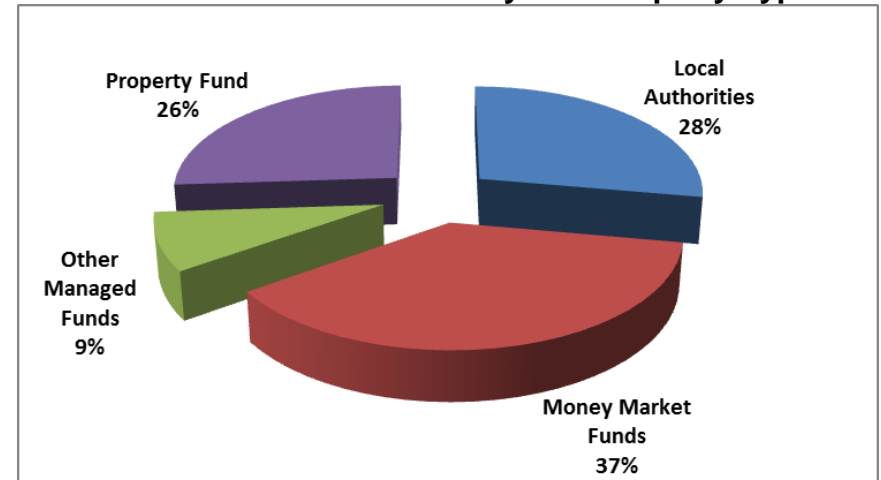


Table 1 – Types of Investments and Current Interest Rates

Instant Access Accounts		Average Rate %	£m
Money Market Funds		0.74	10.8

Fixed Deposits	Start	Maturity	Rate %	£m
Eastleigh Borough Council	29/11/18	29/01/19	0.79	3.0
Eastbourne Borough Council	23/11/18	12/02/19	0.82	5.0

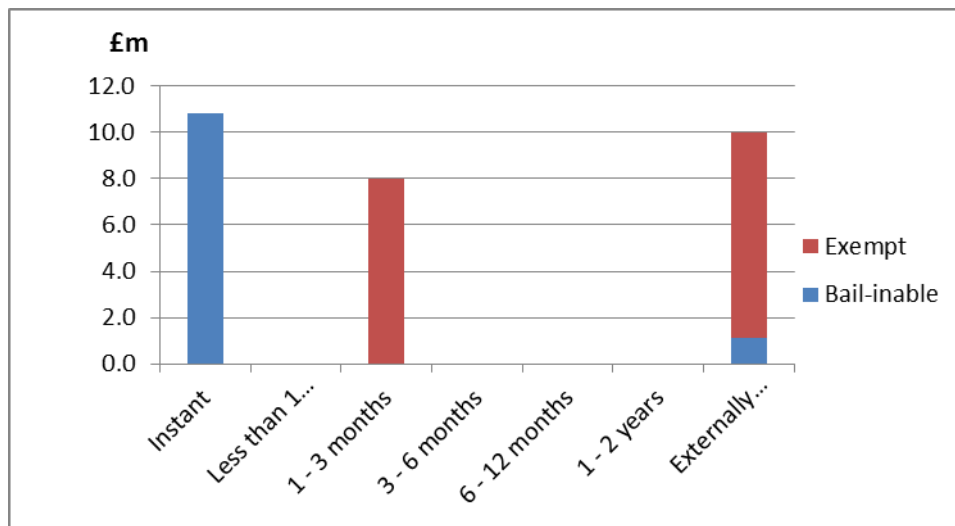
Externally Managed Funds		£m
Property Fund		7.5
Enhanced Cash Plus Fund		2.5

Summary of Current Investments		£m
TOTAL		28.8

Table 2 – Current Temporary Borrowing

Lender	Start	Maturity	Rate %	£m
Lincolnshire	20/02/18	08/04/19	0.85	5.0
NE Derbyshire	31/01/18	10/04/19	0.80	1.0
Wychavon DC	25/01/18	12/04/19	0.80	3.0
Renfrewshire	25/01/18	26/04/19	0.77	5.0
Portsmouth	19/02/18	20/05/19	0.84	5.0
TOTAL				19.0

Chart 2 – Maturity Profile of Investments



Appendix 11 Requests for Allocation of Additional Grant Funding and Transfers

Service	Type of Grant	£000	Details
Place – Neighbourhood Planning	Neighbourhood Planning Grant for Local Planning Authorities (General Purpose)	20	The conditions of grant mean that this funding could be used across the wider Spatial Planning area. This level of funding would be intended to support a number of Community Neighbourhood Plans across the borough.
Place – Local Enterprise Partnership (LEP)	Local Enterprise Partnership (General Purpose)	200	The additional funding is provided in connection with the national review of LEPs and is intended to support development of capacity and capability within the LEP and strengthening of the current governance arrangements. A proportion of the funding will also support the LEP's activity to develop its Local Industrial Strategy.
Total Requests for Additional Grant		220	
People – Adult Social Care & Independent Living	Adult Social Care Winter Funding (Ring Fenced)	1,451	The funding is aimed at reducing delayed transfers of care during the winter months.
Additional Grant Directly to Service		1,451	

Appendix 12 Debt Management

- The balance of outstanding debt has increased by £0.5m since July 2018 mainly due to the increase in Adults Social Care outstanding debt.
- Sundry debt includes all invoiced income due to the Council except for statutory taxes (Council Tax and Non-Domestic Rates).
- Annually, the Council raises invoices with a total value of over £70m. Around a quarter of the Council's overall sundry debt portfolio relates to charges for Adult Social Care, the remainder being spread across a range of functions including Highways, Property Services, Licensing and Building Control.
- The Council's standard collection terms require payment within 28 days of the invoice date, however, services receive immediate credit in their accounts for income due. 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.
- The Revenue Recovery team (using their experience gained in collecting Council Tax and Non-Domestic Rates) engage with services to offer advice and assistance in all aspects of debt management, including facilitating access to debt collection/enforcement agent services (currently provided by Bristow & Sutor). In 2017/18 the team collected £3.2m on behalf of services.
- After allowing for debt still within the payment terms, the amount of outstanding service debt at the end of November 2018 was £8.5m.
- The total amount of service debt over six months old is £4.7m; provision of £4.8m has been made to cover doubtful debt in the event that it needs to be written off.

DEBT SUMMARY

	Outstanding Debt £000	Over 6 months old £000	Debt Provision £000
People			
Adults, Public Health and Communities	5,693	3,317	3,429
Children's Social Care (Incl. Directorate)	77	48	48
Education and 14-19 Skills	105	1	1
Prevention and Support	18	13	13
Schools	48	24	16
Place			
Planning and Sustainable Development	91	32	32
Infrastructure and Highways (inc Car Parking)	1,378	759	759
Growth and Regeneration	590	297	297
Rural and Cultural Economy	38	5	5
Customer Services	9	4	4
Client Commissioning - Environmental	304	190	190
Corporate			
Human Resources	15	7	7
Finance and Performance	9	8	8
Professional Services	35	1	1
ICT	52	1	1
	8,462	4,707	4,811

Appendix 13 Earmarked Reserves

Name of Reserve	Opening Balance 1st April £000	Forecast Movement in 2018/19 £000	Forecast Closing Balance 31st £000	Notes
People				
Adults, Public Health and Communities				
ASC Transition Reserve	1,718	(1,718)	0	To support the service with the ongoing transformation work that was started in 2017/18, and to support delivery of the services savings targets.
PFI Equalisation - Extra Care Housing	2,225	148	2,373	Surplus grant set aside to meet future payments on existing PFI contract which commenced in January 2009.
Public Health	224	433	657	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.
Communities Investment	369	(369)	0	Amalgamation of promoting local delivery; grant support; new initiatives and additional funding from outturn to support community investment.
Fixed Penalty Notice Enforcement (Kingdom)	179	(48)	131	Surplus Fixed Penalty Notice receipts to be ring-fenced to provide a community fund to address environmental issues.
Transitional Funding - community cohesion	141	(141)	0	Community Cohesion Strategy and Action Plan
Children's Services				
Domestic Abuse Partnership	144	(65)	79	To sustain preventative services to vulnerable people as a result of partnership funding.
Early Intervention and Prevention Investment	511	(511)	0	To continue the planned use of the Early Intervention short term funding allocation agreed for two years from 2016/17.
Adoption Support Fund	197	(197)	0	To assist with placing children with parents who wish to adopt by meeting certain costs such as therapy.
Transitional Funding-Developing the 'Cheshire East Way'	83	(83)	0	Delivering better outcomes for children and young people.
Transitional Funding-Increase in Establishment	145	(145)	0	Child Protection Social Workers
Transitional Funding-Independent Travel Training	150	(150)	0	Independent Travel Training

Name of Reserve	Opening Balance 1st April £000	Forecast Movement in 2018/19 £000	Forecast Closing Balance 31st £000	Notes
Place				
Investment (Sustainability)	871	(769)	102	To support investment that can increase longer term financial independence and stability of the Council.
Planning and Sustainable Development				
Trading Standards and Regulations	75	(75)	0	Ongoing Trading Standards prosecution case on product safety
Air Quality	80	(39)	41	Provide funding for a temporary Air Quality Officer post for two years.
Strategic Planning	36	600	636	To meet potential costs within the Planning Service and Investment Service Structure.
Transitional Funding- air quality	47	(47)	0	Air Quality Management
Infrastructure and Highways				
Parking - Pay and Display Machines	100	(100)	0	Purchase of Pay and Display Machines.
Highways Procurement	276	(276)	0	To finance the development of the next Highway Service Contract.
Winter Weather	230	(230)	0	To provide for future adverse winter weather expenditure.
Growth and Regeneration				
Royal Arcade Crewe	500	(500)	0	To provide for future costs relating to the Royal Arcade including repairs and maintenance.
Legal Proceedings on land and property matters	127	(127)	0	To enable legal proceedings on land and property matters.
Skills & Growth	336	(168)	168	To achieve skills and employment priorities and outcomes.
Transitional Funding-Low Carbon Heat Growth Programme	51	(51)	0	Low Carbon Heat Growth Programme
Homelessness & Housing Options	174	(174)	0	To prevent homelessness and mitigate against the risk of increased temporary accommodation costs.

Name of Reserve	Opening Balance 1st April £000	Forecast Movement in 2018/19 £000	Forecast Closing Balance 31st £000	Notes
Corporate				
Legal Services				
Insurance (Cheshire East & Cheshire County Funds)	4,215	(135)	4,080	To settle insurance claims and manage excess costs.
Democratic Services				
Elections	134	177	311	To provide funds for Election costs every 4 years.
Finance and Performance				
Collection Fund Management	5,410	(328)	5,082	To manage cash flow implications as part of the Business Rates Retention Scheme. Includes liabilities that will not be paid until future years.
Financing Reserve	12,737	(1,099)	11,638	To provide for financing of capital schemes, other projects and initiatives.
Enabling Transformation	5,825	(2,692)	3,133	Funding for costs associated with service transformation; particularly in relation to staffing related expenditure.
Transitional Funding-External Funding Officer	181	(181)	0	External Funding Officer
Cross Service				
Trading Reserve	1,729	(219)	1,510	The Authority's share of ASDVs net surplus to be spent in furtherance of the ASDV's objectives.
Service Manager carry forward	2,408	(2,046)	362	Allocations for Cost of Investment or grant funded expenditure.
Revenue Grants - Dedicated Schools Grant	2,304	(3,550)	(1,246)	Unspent specific use grant carried forward into 2018/19.
Revenue Grants - Other	3,099	(2,051)	1,048	Unspent specific use grant carried forward into 2018/19.
TOTAL	47,031	(16,926)	30,105	

Notes:

1. Figures exclude Schools balances.