

CABINET

Date : Wednesday, 15 January 2025
Venue : 1st Floor Committee Room, Ellesmere Port Library,
Civic Way, CH65 0BG
Time : 10.00 am

Agenda

PART A - Open to the Press and Public

1 Welcome and Introductions

2 Apologies for Absence

3 Declarations of Interest

Members to declare any interest in relation to items on the agenda under the following categories:

- Disclosable Pecuniary Interests (DPI)
- Other Registerable Interests (ORI)
- Non-Registerable Interests (NRI)

4 Leaders Communications

5 Minutes

To approve the minutes of the last meeting held on 11th December 2024, attached.

6 Public Question Time/Open Session

A total period of 15 minutes is allocated for members of the public to address the Cabinet on any matter relevant to items of business on this agenda.

Members of the public wishing to address the Cabinet are required to register their intention with the Director of Governance no less than two clear working days prior to the meeting, via the officer contact details at the foot of this agenda. Any questions which are not relevant to items on the agenda may be submitted in writing.

(Pages 5 - 14)

Individual members of the public may speak for up to five minutes at the discretion of the Chairman.

7 Notification of Request to Speak by Visiting Members

Visiting Members are asked to register their intention to speak in relation to an item on the agenda no less than two clear working days in advance of the Cabinet meeting, via the officer contact details at the foot of this agenda.

CHILDREN AND YOUNG PEOPLE PORTFOLIO

8 Schools Block and Early Years Funding 2025-2026

(Pages 15 - 36)

Report of the Interim Director of Children and Families, attached.

HOMES, PLANNING AND SAFER COMMUNITIES PORTFOLIO

9 Local Plan and Design Code response to national policy changes

(Pages 37 - 46)

Report of the Director of Economy and Housing, attached.

10 Action in respect of sites in Helsby and Alvanley

(Pages 47 - 60)

Report of the Director of Environment and Communities, attached.

LEADERS PORTFOLIO

11 Period Three summary corporate performance report 2024-25

(Pages 61 - 100)

Report of the Assistant Chief Executive, Director of Transformation and Strategy, attached.

FINANCE AND LEGAL PORTFOLIO

12 Third Review of Financial Performance 2024-25

(Pages 101 - 206)

Report of the Director of Finance, attached.

13 Disposal of the former Leftwich Green Day Centre, Northwich

(Pages 207 - 218)

Report of the Chief Operating Officer, attached.

14 Disposal of Kirkton House and 4a/4b Hunter Street, Chester

(Pages 219 - 222)

Report of the Chief Operating Officer, attached.

15 Exclusion of the Press and Public

The Cabinet may decide that the press and public be excluded from the remaining part of the meeting pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that discussions may involve the likely disclosure of exempt information as defined in the

provisions of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

PART B - Press and Public Excluded

CONFIDENTIAL APPENDIX IN RELATION TO AGENDA ITEM 13

(Pages 223 - 224)

Confidential Appendix in relation to agenda item 13: Disposal of the former Leftwich Green Day Centre, Northwich, attached.

CONFIDENTIAL APPENDIX IN RELATION TO AGENDA ITEM 14

(Pages 225 - 228)

Confidential Appendix in relation to agenda item 14: Disposal of Kirkton House and 4a/4b Hunter Street, Chester, attached.

Accessibility Protocols

(Pages 229 - 230)

The room this meeting is being held in has been assessed in accordance with Cheshire West and Chester Council's Accessibility Protocol, which all participants are encouraged to read.

The room is classed as being accessible with a hearing loop, wide opening doors and access via a lift (when required).

A summary of the Accessibility Protocols for this meeting, are attached.

Any further queries regarding Accessibility should be forwarded to the officer named on the agenda.

For further information, please contact:

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Date of Publication: 7th January 2025

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CABINET**11 DECEMBER 2024
(10.00 am - 11.00 am)****PRESENT:** Councillor Louise Gittins (Chairman)Councillors Lisa Denson, Paul Donovan, Carol Gahan,
Adam Langan, Sheila Little, Nathan Pardoe and
Christine WarnerApologies for absence were received from Councillor Karen Shore and Delyth Curtis,
Chief Executive.Visiting Members: Councillors Simon Eardley, Charles Hardy, Gaynor Sinar
and Adrian Waddelove

Officers in attendance:	Kathy McArdle	– Executive Director of Place & Growth
	Anne Greenwood	– Head of Legal and Deputy Monitoring Officer
	Debbie Hall	– Director of Finance
	Lyn Brown	– Democracy and Elections Officer

63 WELCOME AND INTRODUCTIONS

Councillor Louise Gittins, Leader of the Council, welcomed participants and online viewers to the Cabinet meeting and introductions were made.

64 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Karen Shore, Cabinet Member for Environment, Highways and Transport and Delyth Curtis, Chief Executive (Kathy McArdle, Executive Director Place and Growth substituting).

65 DECLARATIONS OF INTEREST

There were no declarations of interest made.

66 LEADERS COMMUNICATIONS

Councillor Louise Gittins, Leader of the Council, took the opportunity to sincerely thank everyone involved in supporting the borough's communities through the challenges posed by Storm Darrah over the previous weekend. Many communities had once again suffered the significant effects of high winds and heavy rainfall and Cheshire Police had declared a Major Incident Standby.

Councillor Gittins acknowledged teams from across the council who had worked tirelessly from the Friday through to the Sunday evening and beyond to co-ordinate and provide vital support to residents. These included teams from Highways, Streetcare, Social Care, Public Health, Housing, Localities, the Emergency Duty Team and many others who all play a vital role in making sure residents receive support regardless of where they live, or the time of day or night. Councillor Gittins also acknowledged the planning and communication between the teams and also praised the community response and the involvement of a wide range of public,

private and voluntary sector organisations. She acknowledged that the long-term impact of climate change had been impacting on weather conditions significantly over recent years and that we can expect to have to deal with these situations on an increasingly frequent basis from now on.

Finally, on behalf of everyone at Cheshire West and Chester Council, Councillor Gittins wished everyone a relaxing peaceful and merry Christmas, and a happy New Year.

67 MINUTES

DECIDED: That

the minutes of the last meeting held on 13th November 2024 be approved as a correct record.

68 PUBLIC QUESTION TIME/OPEN SESSION

There had been no requests to speak in public speaking time and no questions had been submitted in advance.

69 URGENT ITEM: CABINET APPOINTMENTS TO OUTSIDE BODIES - CHESHIRE FIRE AUTHORITY

The Chair took an urgent item of business in relation to changes to Cabinet appointments to Outside Bodies, namely representation on the Cheshire Fire Authority.

DECIDED: That

Councillors Phil Marshall and Phil Rimmer be replaced on the Cheshire Fire Authority by Councillors Margaret Parker and Lynn Gibbon.

70 SCRUTINY RESPONSE - CALL-IN OF THE DECISION ON "EXTRA CARE AND CARE AT HOME COMMISSION" (REF: CABINET 13/11/24)

Cabinet considered the report of the Chairman of People Overview and Scrutiny Committee which briefly outlined the outcome of the Call-in hearing held on 9th December 2024 in relation to the Call-in of the decision made at Cabinet on 13th November 2024 on "Extra Care and Care at Home Commission". It was noted that the outcome report had been published on the council's website on 10th December 2024.

Kathy McArdle, Executive Director of Place and Growth (representing Delyth Curtis, Chief Executive), read out a statement from Councillor Patricia Parkes, Chairman of the People Overview and Scrutiny Committee who was unable to attend the Cabinet meeting. In summary, the People Overview and Scrutiny Committee was satisfied that the original Cabinet decision should stand. However, the Committee raised some concerns around confusion as to what the actual decision was about, how the Cabinet decision could affect those already living in Extra Care homes and that consultation and engagement had not been robust enough. The Cabinet Member for Adult Social Care and the Executive Director for Adult Services had advised at the Call-in hearing that the decision would not change how Extra Care Housing facilities were used and that the decision only related to how care was commissioned and procured.

Within the statement, Councillor Parkes thanked Members of the People Overview and Scrutiny Committee and officers for their time and work in relation to the Call-in hearing. It was noted that the Committee had been satisfied that the original Cabinet decision should stand. However, in light of some of the concerns raised, the Committee had made some recommendations to Cabinet in relation to more extensive future engagement/consultation, utilising pre-decision scrutiny and that future reports are not ambiguous and are made more clear.

Councillor Sheila Little, Cabinet Member for Adult Social Care, responded and reiterated that the original decision made by Cabinet at its meeting on 13th November 2024 stands.

Visiting Members: Councillor Gaynor Sinar spoke in relation to the item.

DECIDED: That

- 1) the following recommendation made by the People Overview and Scrutiny Committee be noted and accepted:
 - (a) the Cabinet decision in relation to Extra Care and Care at home provision made on 13th November 2024 (Minute reference: 56) stands; and
- 2) the following recommendations from the People Overview and Scrutiny Committee be considered:
 - (a) Cabinet utilises the Scrutiny Pre-Decision process more effectively and future Cabinet decision reports are produced in a way that ensures the actual decisions are not ambiguous and they are clear and precise; and
 - (b) For any future decisions relating to Extra Care Housing (or similar matters), that Cabinet engages with all residents who live in the homes and not just those on a Care Packages.

71 CHESHIRE AND WARRINGTON JOINT COMMITTEE: AMENDMENT TO TERMS OF REFERENCE

Cabinet considered the report of the Executive Director of Place and Growth concerning a proposed amendment to the existing Terms of Reference of the Cheshire and Warrington Joint Committee to enable effective strategic leadership in the development of any devolution proposition for Cheshire and Warrington. The Terms of Reference, including the proposed amendments, were included at Appendix A.

Members noted that the proposal followed a meeting of the Joint Committee on 29th November 2024 at which it was agreed to propose the changes to its Terms of Reference to the three Councils – Cheshire West and Chester, Cheshire East and Warrington Councils. This would allow the Joint Committee to advance a potential devolution agreement with HM Government to such a stage as it can make specific recommendations to this Council.

Members further noted that, since the functions of Local Enterprise Partnerships became the responsibility of local authorities in April 2024, government funding for sub-regional matters was now left with the respective local authorities to determine. The current Terms of Reference did not specifically refer to this and the proposal was to amend them to clarify this.

Councillor Louise Gittins, Leader of the Council, led the discussion on the item as proposer and the item was seconded by Councillor Paul Donovan, Cabinet Member for Democracy, Workforce and Communities.

DECIDED: That

- 1) Part 2 of the Cheshire and Warrington Joint Committee Terms of Reference, as shown in the Appendix, be amended to support devolution as part of its strategic role; and
- 2) the final decisions related to the establishment of a Combined Authority and a devolution agreement be noted as matters that will be brought back to this Council.

Reasons for Decision

- 1) Enabling the Cheshire and Warrington Joint Committee to lead on the strategic direction for potential devolution will provide clear subregional leadership with a shared ambition to ensure that business and residents have the opportunity to seek maximum benefit from possible devolution.
- 2) Via representation from all Cheshire and Warrington Councils, it will provide a 'whole place' response - ensuring that all the many differences across the subregion are considered, including rural and urban issues as well as areas where subregional scale will be important, such as business sectors and transport viability. It is expected that 'sub-groups' will be formed with wider Council representation to explore detailed elements of potential devolution, such as skills, transport and regeneration.
- 3) It will also ensure that Cheshire and Warrington can move 'at pace' when required, supported by this single point of contact for the subregion - for example, maximising any investment opportunity via the Spring 2025 Spending Review and supporting strategic economic development opportunities.
- 4) This option also still ensures that each Council in Cheshire and Warrington will make the final decisions on devolution.

Alternative Options

- 1) It is considered that the Joint Committee provides the best option to explore and review opportunities via devolution.
- 2) It would take too much time and resource to create a new Joint Committee.

- 3) It would be very difficult, costly and time intensive to try to secure a 'single voice' for the sub region by trying to take direction separately via each of the three Councils.

72 TREES FOR CLIMATE SUCCESSOR PROGRAMME AND CURRENT PROGRAMME RECONCILIATION

Cabinet considered the report of the Director of Economy and Housing which sought approval for the Council to accept, allocate and spend grant funding from the Department for Environment, Food and Rural Affairs (DEFRA) for a successor programme to the current Trees for Climate (TfC) programme, with the Council continuing to act as the 'Accountable Body'.

Members were reminded that the TfC programme helps achieve national and Council climate emergency targets and noted that accepting the funding from DEFRA represented an opportunity for the Council to build on the success of the current Programme. The new Programme would continue to lead on delivering new woodland, enable management of existing woodland, enable a national programme management role for the Council and deliver specific climate emergency actions set out in the Council Plan.

Members were informed that the new Programme, currently named Trees for Climate 2, will cost up to £578,000,000 over 20 years, fully funded by DEFRA and will deliver 13,756ha of new woodland, acquire and plant 1976ha and restore 2000ha of existing mature woodlands. This represented a major increase in the outputs from the current programme.

Councillor Louise Gittins, Leader of the Council, led the discussion on the item as proposer (on behalf of Councillor Karen Shore) and the item was seconded by Councillor Nathan Pardoe, Cabinet Member for Inclusive Economy, Regeneration and Digital Transformation.

Visiting Members: Councillors Simon Eardley and Charles Hardy spoke in relation to the item.

Members welcomed the report and the continued, significant opportunities provided in relation to wider community, nature and economic benefits. Members thanked Mersey Forst for all their hard work and were proud that the council was hosting this programme. Members highlighted the importance of ensuring that families have easy and free access to woodland and forests, particularly in an increasingly digital world, and acknowledged the positive benefits in relation to people's mental health and wellbeing.

DECIDED: That

- 1) an additional sum of up to £578,000,000 of grant funding from DEFRA, as Accountable Body over an initial 6-year period 2025/26 to 2030/31, with a 20 year period of spending of funds to plant and establish and manage woodlands through to 2046, in respect of the Trees for Climate programme, be accepted, subject to legal advice on offered grant terms and conditions in accordance with F.4 of the Council's Finance and Contract Procedure Rules;

- 2) the Director of Economy and Housing, in consultation with the Director of Governance and the Director of Finance, be delegated authority to:
 - (i) accept funding from DEFRA, and act as Accountable Body for the funds over a 20-year period;
 - (ii) allocate grants to partner Local Authorities, Community Forest Trusts, National Trust and other bodies as part of the agreed programme delivery plan; and
 - (iii) approve and monitor governance of the Programme.

Reasons for Decision

- 1) The Trees for Climate programme continues to provide significant opportunities to deliver elements of the Council Plan related to Climate Emergency along with an array of wider community, nature, and economic benefits.
- 2) The Trees for Climate programme also continues to bring employment opportunities into the Borough to support delivery and management of the programme.
- 3) All costs incurred by the Council as 'accountable body' for this national programme are recouped from the DEFRA grant with no financial contribution from the Council. The Trees for Climate programme also helps to deliver the Mersey Forest Plan, a policy in the Local Plan and helps to deliver the Council's Climate Emergency Plan. Carrying out the role of Accountable Body, whilst not without challenge, also shows the Council's leadership in climate action and provides opportunities for positive interaction with government departments, officers and ministers.

Alternative Options

- 1) There is an option to not accept the grant funding. However, not to accept the funding would result in DEFRA looking for another Local Authority Partner to take on the accountable body role. A major element of the Council Climate emergency Plan would also be undeliverable. None of which are desirable. Therefore this option is not recommended.

73 CHESHIRE WEST AND CHESTER LEISURE CIC, TRADING AS BRIO LEISURE TO BECOME AN AGENT OF CHESHIRE WEST AND CHESTER COUNCIL

Cabinet considered the report of the Director of Public Health concerning the adoption of an 'Agency model' between Brio (a wholly owned Council company which delivers leisure, health, and wellbeing services) and the Council for delivery of leisure and related services from April 2025. Members noted that this was in response to changes made by HM Revenues & Customs (HMRC) in late 2023, to the value-added tax (VAT) rules relating to income from leisure services delivered by local authorities. In addition, the report also set out the outcomes of the holistic review of Brio, which was part of a wider review of the Council's group of council-owned companies. It was noted this was in line with external best practice in relation to council company governance.

Members further noted Brio's alignment to the council including delivery of the council's integrated wellbeing service and borough plan priorities, as well as more broadly the direction of travel in relation to a transfer from a more traditional leisure centre offer to that of an offer more focused on active wellbeing.

Members' attention was drawn to section 5 of the report which detailed the current position in relation to how VAT is treated for the supply of sport and leisure activities. Members were informed that local authorities were previously treated as undertaking a business activity if they provided leisure services to members of the public. Following challenges upheld in court, this status has now been changed and local authorities providing leisure services in-house can now treat this as a non-business activity, meaning these services will no longer incur VAT.

Councillor Carol Gahan, Cabinet Member for Finance and Legal, led the discussion on the item as proposer and the item was seconded by Councillor Adam Langan, Cabinet Member for Children and Young People.

Visiting Members: Councillor Charles Hardy spoke in relation to the item.

Members welcomed the report and highlighted that the change to HMRC's guidance notes allowed local councils to adopt this model, which a number of local councils had already adopted. In response to points raised, Members were reassured at the due diligence undertaken throughout this process, they were confident that all risks had been assessed and that professional advice had been sought and received. Members welcomed any assistance towards Brio's operating costs in the current challenging economic environment. In addition, Members also congratulated Brio on the social value it was delivering in extremely testing times which was in excess of £18m.

DECIDED: That

- 1) Brio be retained by the Council for the continued delivery of leisure, health, and wellbeing services via a service contract as per current arrangements to March 2030;
- 2) Brio be appointed as agent of the Council for the collection of income from leisure and related services from 1 April 2025; and
- 3) the Chief Operating Officer, in consultation with the Director of Public Health and Director of Finance, be delegated authority to implement the necessary legal agreements to establish the Agency model.

Reasons for Decision

- 1) The last review of Brio took place during 2020 and led to the development of a new, shared vision for leisure, health, and wellbeing. In line with published external best practice in relation to council company governance which suggests a review takes place every 3-5 years, the latest review has recently been completed.

- 2) Recent changes to VAT rules have confirmed that local authorities supplying sport and leisure activities do so under a special legal regime, which allows those activities to be treated as non-business. Following receipt of professional tax advice, an Agency model would allow the Council and Brio to take advantage of the new rules, whilst retaining existing benefits of Brio remaining a wholly owned Council company.
- 3) The proposals outlined in this report support outcomes set out in the Council's Borough Plan 2024-2028 under the Starting Well and Resilient People Living Their Best Lives categories.

Alternative Options

- 1) The Council could choose to seek to deliver leisure, health, and wellbeing services in other ways. This could include bringing the services back in house under full council control or outsourcing to the external market. Neither of these options would enable the Council to realise both the benefits related to irrecoverable VAT or national non-domestic rates. Therefore, these options are not recommended.
- 2) An Agency model would allow the Council and Brio to take advantage of the new rules, whilst retaining existing benefits of Brio remaining a wholly owned Council company.

74 EXCLUSION OF THE PRESS AND PUBLIC

DECIDED: That

the press and public be excluded from the remaining part of the meeting pursuant to Section 100(A)4 of the Local Government Act 1972 on the grounds that discussions may involve the likely disclosure of exempt information as defined in the provisions of Part 1 of Schedule 12A to the Local Government Act 1972 and public interest would not be served in publishing the information.

75 DISPOSAL OF PHOENIX DEPOT SITE, WINSFORD

Cabinet considered the confidential report of the Chief Operating Officer concerning the disposal of Phoenix Depot Site, Winsford.

Councillor Carol Gahan, Cabinet Member for Finance and Legal, led the discussion on the item as proposer and the item was seconded by Councillor Nathan Pardoe, Cabinet Member for Inclusive Economy, Regeneration and Digital Transformation.

DECIDED: That

the recommendations as set out in the confidential report be approved.

Reason for Decision

As set out in section 3 of the confidential report.

Alternative Options

As set out in section 13 of the confidential report.

Date of publication: 13th December 2024

Chairman

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Date

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Cheshire West and Chester

Report to Cabinet

Date	15 th January 2025
Report Author	Simone White - Interim Director Children and Families
Cabinet Member	Councillor Adam Langan - Cabinet Member for Children and Young People
Report Title:	Schools Block and Early Years Funding 2025-26
Is this a Key Decision? [(one that affects finances over £1m or significantly affects two or more wards)]	Yes, the decision affects the allocation of school funding of approximately £285m to the Council's mainstream schools and academies and a further £55m to early years providers across the Borough in schools, private, voluntary and independent settings.
Exempt Report:	No

1 What is the report about?

- 1.1 As in previous years, in 2025-26 the Council will continue to receive Dedicated Schools Grant (DSG) funding through the Schools National Funding Formulae (SNFF) for allocation to primary and secondary schools and academies.
- 1.2 In a further continuation of current funding arrangements, in 2025-2026 Council's will continue to receive DSG funding through the Early Years National Funding Formula (EYNFF) to fund providers for the universal and extended entitlements for three- and four-year-olds, two-year-old entitlements, and under 2s entitlements. This is the Early Years Single Funding Formula (EYSFF) referred to within the report.
- 1.3 This report summarises the local formula factors proposed for 2025-2026 following consultation with early years providers and Schools Forum and sets out the rationale for those proposals. The subsequent recommendations meet the requirements set out by the Department for Education (DfE) and apply to all providers of the early years' entitlements and state-funded primary and secondary schools, academies and free schools within Cheshire West and Chester. The applied formulae will be used to allocate approximately £285m of DSG funding to primary and secondary schools and academies in the Borough and a further £55m to early years providers in 2025-26.

2 Recommendations

2.1 It is recommended that Cabinet:

- i. Approve the approach recommended within the report at paragraph 4.3 to 4.5 for school funding allocated through the Schools Block Funding Formula in 2025-2026 and the use of formula factors as detailed in Appendix A;
- ii. Approve the principles to be adopted for the Early Years Single Funding Formula in 2025-2026 as set out in this report and use of formula factors as detailed in Appendix B; and
- iii. Delegate authority to the Director of Children & Families, in consultation with the Director of Finance, to approve, following consultation with Schools Forum, any amendments to school and early years funding arrangements for 2025-2026 as may be required in order to comply with changes that may be made in 2025 to the School and Early Years Finance (England) Regulations 2025.

3 Reasons for the Recommendations

- 3.1 To fulfil the Council's obligation to maintain its funding formula for schools and early years providers in line with the requirements of the School and Early Years Finance (England) Regulations 2025 and operational guidance set out by the Education Skills Funding Agency/Department for Education.

4 Report Details

- 4.1 The Dedicated Schools Grant (DSG) is the ring-fenced grant from government that provides each Council with an allocation of funding for schools and services for pupils. The DSG is split into 4 funding blocks: - Schools Block, High Needs Block, Early Years Block and Central Services Block. This split enables the Department for Education to apply a national funding formula separately for the schools, high needs, and early years blocks. The largest amount of funding is contained within the school's block.
- 4.2 The Schools National Funding Formulae announcement in November 2024 confirmed that there would be a higher level of funding in each Council area in 2025-2026 compared to 2024- 2025. Nationally, core school funding is increasing by £2.3 billion overall compared with 2024-2025. Funding provided to mainstream schools through the teachers' pay additional grant (TPAG), the teachers' pension employer contribution grant (TPECG) 2024 and the core schools budget grant (CSBG) will be rolled into the schools National Funding Formula for 2025 to 2026. Funding provided for special schools and alternative provision (AP) through these grants will be consolidated into a

single Core Schools Budget Grant. In addition, the Council anticipate that further funding, in respect of the increase in employers' National Insurance contributions, will be provided in 2025 to 2026 by a grant outside the National Funding Formulae.

- 4.3 Following consideration by Schools Forum at the meeting on 3 December 2024, it was agreed that the recommendation to Cabinet would be the continuation of previous decisions in the allocation of the Schools National Funding Formulae for 2025-2026 and that schools would be informed of this recommendation. The structure of the Schools National Funding Formulae is not changing for 2025-2026 and therefore there are no changes for the Council to consider. The Council's School Block Funding Formulae is already mirroring the Schools National Funding Formulae and therefore there are no changes needed to meet the governments transitional requirements to bring the formula closer to the Schools National Funding Formulae.
- 4.4 As the decision on the transfer to the high needs block from the Schools Block has to be taken annually, the decision to transfer between blocks will be taken by Schools Forum in January 2025. In previous years there has been an agreement from Schools Forum to transfer 0.5% of the Schools Block allocation to support unavoidable cost increases in high needs. In 2025-2026, Councils will continue to have the freedom to determine the Minimum Funding Guarantee (MFG) protection and transfers of funding to other DSG blocks: MFG will be set at 0% per pupil to ensure schools do not have a reduction in funding from the previous year, even if eligibility against the formula factors changes – this is the maximum percentage permitted for 2025-26.
- 4.5 Further to this recommendation, **Appendix A** details the proposed use of the allowable formula factors and indicative values for 2025-2026. The indicative DSG funding available to the Council for 2025-2026 will be based on the pupils on roll on the October 2024 census and will be confirmed in December 2024. The Basic Entitlement value will therefore likely be adjusted in the final formula to ensure that it remains affordable within the final grant allocation. The final formula will be submitted to the DfE by 22 January 2025.

EARLY YEARS

- 4.6 September 2024 saw the roll out of the second phase of the expansion of the Early Years Entitlements whereby most children from age 9 months until they start Reception class now receive 15 hours or more of free early education for 38 weeks of the year. There are now five Early Years Entitlements in total these include the:
- Universal Entitlement (15 hours) for 3- and 4-year-olds accessed from the term after the child turns 3 until they start school

- Extended Entitlement (15 hours) for 3- and 4-year-olds from working families accessed from the term after the child turns 3 until they start school
- Disadvantaged 2-year-old Entitlement, accessed from the term after the child turns 2-year-olds, to support children's development and help prepare them for school.
- Expanded Entitlement for 2-year-olds from working families (15 hours), accessed from the term after the child turns 2 years old.
- Expanded Entitlement for children aged 9 months to 2-years-old from working families (15 hours), accessed from the term after the child turns 2 years old. From September 2025, the Expanded Entitlements for children under the age of 3 years old will increase to 30 hours as such most children in childcare will be accessing up to 30 hours funded childcare each week.

4.7 Funding for this offer is distributed to Councils, via national Early Years Funding Formulae for each age group, this includes ensuring that a minimum of 95% of funding for each entitlement is passported to providers, this is set to increase to 97% in future years. Details of the current formulae is set out in table 1 below.

Table 1: 2024/25 Early Years Funding Formulae

	3- and 4-year-old entitlements	2-year-old entitlements	Under 2-year-old entitlement (9 months +)
Universal Base Rate (2024/25)	£5.10	£7.10	£9.70
Deprivation Supplement (Mandatory) (£0.50 per funded hour)	✓	✓	✓
Quality Supplement (Teachers Pay & Pension Grant) (Optional) (£0.07 per funded hour)	✓	N/A	N/A
Rurality Supplement (Optional) (£2000 per annum)	✓	✓	✓

In addition, providers also receive if applicable SEND Inclusion Funding, Early Years Pupil Premium and the Disability Access Fund.

4.8 A consultation took place with Early Year providers in relation to the frequency of funding payments. The consultation details and document are included at **Appendix B**. A total of 100 providers (36%) registered for early years funding responded fully to the consultation survey. This increases to 38% if you exclude maintained nurseries registered for early years funding who may not be impacted by this consultation and therefore may not have responded. The summary analysis can be found in **Appendix C**. Both the Early Years Reference Group ('EYRG') and Sub Finance Group of the School Forum were also consulted on the proposals during the consultation period. The recommendation was to move to monthly payments for early years providers, which was endorsed by the School Forum.

- 4.9 The Council are not anticipating any changes to the Early Years National Funding Formula. As with the Schools Block Funding Formula, the base rate values will be reviewed in the final formulae to ensure they are affordable within the indicative grant allocation to be received in December 2024. Providers of the entitlements will be notified of the final rates following budget setting of the DSG in February 2025.

5. How does the decision contribute to the Borough Plan?

- 5.1 To achieve a consistent approach for funding schools and early years providers to facilitate the provision of best value in education and achieve the best outcomes for children and young people.

6 What engagement has taken place with partners?

- 6.1 The decision affects the funding of all primary and secondary schools and academies and providers of nursery entitlements in Cheshire West & Chester. The Schools Forum (as the statutory body representing all providers of education) has been consulted on the proposals and the recommendation to Cabinet within this report.

7 What are the financial implications?

- 7.1 There are no direct financial implications to the Council as the proposed formula allocation will be contained within the available Dedicated Schools Grant allocation. The decision relates to the allocation of school funding of approximately £285m to the Council's schools and academies and a further £55m to early years providers across the Borough in schools, private, voluntary and independent settings.

8 What are the legal implications?

- 8.1 The Council must comply with The School and Early Years Finance (England) Regulations 2025 ('the Regulations'). The requirements of the Regulations are cited throughout the ESFA's documents Schools Revenue Funding 2025 to 2026: Operational guide. The proposals referred to in this report comply with the terms of the operational guidance. Each January final form regulations are laid by Parliament. It is believed to be unlikely that the Regulations will be changed significantly. However, as there may be some changes that need to be made to the proposals set out in this report in order to comply with the final form regulations, the recommendation set out at 2.1 iii of this report has been included.

9 What risks are there and how can they be reduced?

- 9.1 There are no anticipated risks. This is the distribution of government grant funding.

10 How does the decision contribute to the “All Together Fairer” priorities?

- 10.1 The recommendations within this report do contribute to the “All Together Fairer” report giving every child the best start in life and enabling all children, young people and adults to maximise their capabilities and have control over their lives. Experiences during the early years and in education are particularly important for immediate and longer-term health and outcomes in other social determinants of health such as education and income. Marked inequalities between children eligible for free school meals and those who are not eligible are already apparent at the age of five years in Cheshire and Merseyside. The funding formula contributes to improving outcomes in the early years.

11 What is the impact of the decision on equality and diversity issues?

- 11.1 There are no direct implications from the proposed recommendations in this report in relation to health inequalities and equality and diversity issues. Equality impact assessments on the national funding formula are completed by the Department for Education on implementation. Updated assessments for the changes affecting 2025-2026 are included in the background documents. The proposals in this report are in line with the national funding formula and do not have any direct impact on these issues.

12 What are the implications of the decision on climate change?

- 12.1 There are no climate change implications directly associated with the recommended proposals contained within this report.

13 Are there any other options?

- 13.1 The Council are already mirroring the ‘Schools National Funding Formulae’ therefore other options would not be recommended.

For further information:

Cabinet Member: Councillor Adam Langan, Children & Young People

Officer: Lynsey Taylor, Finance Manager / Bo White, Early Years Commissioner

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Bo.White@cheshirewestandchester.gov.uk

Background Documents-:

[Schools operational guide: 2025 to 2026 - GOV.UK](#)

SUBJECT HISTORY (last 3 years)

<u>Meeting</u>	<u>Date</u>
Cabinet	December 2023 December 2022 November 2021

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APPENDIX A

Appendix A Funding Factors	2024-2025 SNFF Formula Values £	2025-2026 Indicative Formula Values £
Basic per-pupil funding		
Basic entitlement: Primary	3,562	3,847
Basic entitlement: Secondary – Key Stage 3	5,022	5,422
Basic entitlement: Secondary – Key Stage 4	5,661	6,113
Minimum per pupil funding level Primary	4,610	4,995
Minimum per pupil funding level Secondary	5,995	6,465
Additional needs funding		
Current Free School Meal (FSM) top up (Pupils currently claiming FSM at the last census): Primary	490	495
Current FSM top up (Pupils currently claiming FSM at the last census): Secondary	490	495
FSM6 (Any pupil that has ever claimed FSM in the past 6 years): Primary	820	1,060
FSM6 (Any pupil that has ever claimed FSM in the past 6 years): Secondary	1,200	1,555
Income Deprivation Affecting Children Index (IDACI) band F: Primary	235	235
IDACI band F: Secondary	340	340
IDACI band E: Primary	285	285
IDACI band E: Secondary	450	450
IDACI band D: Primary	445	445
IDACI band D: Secondary	630	635
IDACI band C: Primary	485	490
IDACI band C: Secondary	690	695
IDACI band B: Primary	515	520
IDACI band B: Secondary	740	745
IDACI band A: Primary	680	685
IDACI band A: Secondary	945	950
Low prior attainment: Primary	1,170	1,175
Low prior attainment: Secondary	1,775	1,785
English as an additional language: Primary	590	595
English as an additional language: Secondary	1,585	1,595
Mobility: Primary	960	965
Mobility: Secondary	1,380	1,385

Appendix A Funding Factors	2024-2025 SNFF Formula Values £	2025-2026 Indicative Formula Values £
School led funding		
Lump sum: Primary	145,100	145,100
Lump sum: Secondary	145,100	145,100
Sparsity: Primary	57,100	57,400
Sparsity: Secondary	83,000	83,400
Premises		
Split Sites (criteria specified locally)	80,600	81,000
Private Finance Initiative (PFI) (criteria specified locally)	Continue 2023/24 criteria	Government criteria
Rates (to be funded based on actual charges)	Funded on actual charges	Funded on actual charges
Exceptional factors (criteria specified locally)	Reapplication of criteria to ESFA	Reapplication of criteria to ESFA

Appendix B: Consultation on Early Years Entitlement Funding Payment Frequency

Providers receive 70% of their estimated amount early in the term, with the final 30% then paid on confirmation of their actual funding amount later in the term following the provider's headcount submission. The DfE's current statutory guidance states that local authorities should pay providers, particularly childminders, monthly unless providers request otherwise. Local authorities are required to consult providers on any changes to Early Years Funding as such a consultation exercise with all funded providers was held from 5th September until 30th September 2024. The consultation asked funded providers to state to what extent each of the 3 possible payment options (continuing termly payments, 11 monthly payments excluding August or 12 monthly payments) would have on their businesses and then to rank them in order of most beneficial.

All children in England can access 15 hours of funded early education for 38 weeks of the year, from the term after they turn 3 until they start school known as the Universal 3- and 4-year-old Entitlement. Working families are able to access an additional 15 hours of funded early education referred to as the Extended Entitlement or '30 hours'. There is also 15 hours of funded early education for the most disadvantaged 2-year-olds, to support children's development and help prepare them for school.

In April 2024 the first phase of the childcare expansion was rolled out enabling working 2-year-old families to access 15 hours of funded childcare starting from the term after the child turns 2-years-old. This expands to working families of children older than 9-months old in September 2024. From September 2025, these eligible working families will receive 30 hours a week of funded childcare hours. Funding for these entitlements will continue to be allocated to local authorities who then distribute it to providers offering the government funded entitlements.

Since 2017 the Department for Education (DfE) has allocated funding to local authorities for the Universal and Extended Entitlements through the Early Years National Funding Formula (EYNFF). The EYNFF standardises the allocations to local authorities nationally, the formula for then allocating this funding to providers remains a local decision for each local authority, albeit within specific requirements also set by the DfE. Each age group now eligible for funded hours is required to have its own funding formula. How and when these funding formulae are paid to providers is also a local decision for each local authority.

This consultation is about how frequently the Early Years Entitlement funding is paid to providers claiming Early Years funding in Cheshire West and Chester. This excludes termly internal transfers to maintained schools. There are no proposed changes to the local Early Years Funding Formulae (EYFF). We intend to consult locally with providers in September 2024 on the frequency of Early Years funding payments. This will run concurrently with discussions with provider representatives through the Early Years Reference Group.

Local authority requirements

In April 2017, the DfE introduced the Early Years National Funding Formula (EYNFF) to allocate funding to local authorities for the Universal and Extended Entitlements for 3- and 4-year-olds. This has since been reviewed and applied to the funding of the new entitlements for younger children. Although the EYNFF standardised the allocations to local authorities nationally, the formula for then allocating this funding to providers remains a local decision for each local authority, albeit within specific requirements also set by the DfE.

The DfE's statutory guidance states that local authorities should pay providers, particularly childminders, monthly unless providers request otherwise, and the local authority agree to continue an existing alternative sustainable method of payment. The requirement for monthly payments has been highlighted again in the recent national childminder consultation to support recruitment and retention.

Cheshire West and Chester consulted with providers ahead of the 2019-20 financial year on whether changes to the way the local funding formula is paid should be made. Providers indicated their preference was for the termly payment schedule to continue, this payment schedule remains in-place. However, following feedback from providers and the expansion of the entitlements now resulting in a higher proportion of provider income now being received through delivery of the entitlements the Council believes a consultation on payment terms is now required to best support providers in the delivery of the new entitlements.

This consultation survey is to gather your views on the options now available in relation to the frequency of Early Years funding payments to providers from the 2025-26 financial year.

Early Years Funding Formulae Supplements

Local authorities can use funding supplements in their local funding formula in addition to the universal base rate to pass on funding to providers. Supplements are amounts of funding which are given in addition to the base rate to reflect local needs or policy objectives, they can be paid to providers in different ways.

Local authorities must use a Deprivation supplement with other permitted supplements being optional.

These include:

- Flexibility – to support wraparound care or out-of-hours.
- Rural/Sparsity – to support areas missing out on the economies of scale.
- Quality – to support workforce qualifications or system leadership.
- English as an Additional Language (EAL).

The extent to which individual providers will benefit from an increase in their overall funding rate will however depend on which supplements they are eligible for in relation to their individual circumstance. It must be noted that the greater the amount of total funding paid out via supplements in the Early Years Funding Formula (EYFF) will lower the base rate paid out, as all components of the formula are funded from the same overall funding allocation.

Cheshire West and Chester Early Years Funding Formula

The current EYFF for allocating funding for the three entitlements in the Borough for 2024-25 is shown in the table below. The formula includes a standard base rate for all providers and several supplements payable to eligible settings either as an additional hourly rate or lump sum allowance for the year, details on how these supplements will continue to be paid following any change to the overall payment schedule is outlined below.

Funding	Under 2-year-olds	2-year-olds	3- and 4-year-olds
Base rate	£9.70 per funded hour	£7.10 per funded hour	£5.10 per funded hour
Deprivation Supplement	£0.50 per funded hour	£0.50 per funded hour	£0.50 per funded hour
Quality Supplement	-	-	£0.07 per funded hour
Rurality Supplement	£2,000 annual lump sum	£2,000 annual lump sum	£2,000 annual lump sum

The formula does not currently include supplements for flexibility or EAL. A full description of each of the supplements included in the boroughs local formula is provided below.

Deprivation supplement

The use of this supplement remains a **mandatory** requirement.

The methodology through which the Deprivation supplement is deployed was reviewed in 2021-22 which resulted in the supplement being paid on an individual child basis at a rate of £0.50 per childcare hour for any child that resides in the top 30% most deprived areas as determined by the Income Deprivation Affecting Children Index (IDACI).

We remain confident that payment of the Deprivation supplement in this way is appropriate and equitable. As this supplement is calculated based on the child's funded hours for that term, payment for this supplement would be made in the final payment of the term once those actual hours have been submitted and processed. This would remain the same regardless of any change to the payment schedule.

Rurality/sparsity supplement

This is an **optional** supplement used to support providers serving rural/sparse communities where populations may not make a provision sustainable.

The current method of calculation allocates a £2,000 lump sum if the setting is defined as being:

- in a rural or pre-dominantly rural super output area under the council's rural/urban classification
- is more than 2 miles from the next nearest providers, and
- has below 77% occupancy according to the last January census.

As this supplement is a one-off payment, this is currently paid annually in the summer term, this will continue to be the case regardless of the outcome of this consultation.

Quality supplement

This is an **optional** supplement which can be used to support workforce qualifications and system leadership only. Following the phasing out of the original Quality Supplement in 2021-22, a new Quality Supplement was introduced in accordance with the DfE guidance for the payment of the Teachers Pay and Pensions Grant (TPPG) that was previously received directly by schools however is now included within the Early Years Block of the Dedicated Schools Grant (DSG). This supplement is passported at the rate of £0.07 per funded hour for eligible providers and all payments will continue to include this.

Areas for consideration

Following the expansion of the childcare offer in England, from April 2024 the amount of funding paid to providers has increased significantly. It is expected that providers will also have a greater reliance on government funded childcare payments as a larger proportion of their children become eligible to access funded hours. Mitigating the risk associated with these payments is also a consideration for the Council.

Currently, Cheshire West and Chester like many other councils pay providers twice each term. The first payment is based on the estimated number of hours providers expect to claim for in the term. The second and final payment is the difference between the estimated amount already paid and the actual amount that was claimed by the provider for the funded hours accessed by each eligible child in their care for that term in accordance with the provider's headcount submission.

Providers receive 70% of their estimated amount early in the term, with the final 30% then paid on confirmation of their actual funding amount later in the term following the provider's headcount submission. If the actual amount claimed is different to the estimated amount, an adjustment is made in the final payment to reflect this. Should this amount be negative, where the estimate is higher than the actual claim, any excess would have to be returned to the council prior to the end of that term, or this would be deducted from the provider's next funding payment(s). Adjustments will continue to be made in the final payment of the term, regardless of any change to the payment schedule being made. This allows for any late claims to be submitted and incorporated into the final payment. **Please note that late claims should be submitted no later than one month after the end of the term for payment to be considered. Any late claims received after this date will not be processed.**

The proposals outlined in the tables below show the different options available and the impact these changes may have on providers each term and provides an indicative timeline on when payments can be expected under each option. Please note that the amount a provider receives is based on the provider's headcount submission for that term. **The twice-termly estimate and actual submissions would still occur in the same way as they do now regardless of any change to the payment schedule.**

There are limitations to the payment options available to the Council due to the software system and capacity. As such the Council is currently unable to offer a choice of termly or monthly payments in accordance with individual provider preference. The recommended payment frequency following the outcome of the consultation will therefore be applicable to all providers in receipt of funding. This does not include internal termly transfers to maintained schools.

Payment schedule options

Option 1 – Termly payments (current payment schedule)

Payments are made twice a term, one at the start of the term based on 70% of a provider's estimated claim for the upcoming term, with the remaining 30% provided in the last month of the term following the provider's headcount submission, any necessary adjustments are also made to this final payment. **Each option has provisional dates for each term's estimate and actual claim period in the 2025/26 financial year. The provisional payment dates are also shown, payments are expected to be made by the end of the first full week of the relevant months.**

Summer

Process	Payment/claims due week ending	Claim	Amount paid	% Of total claim paid
Estimated claim window closes	07/03/2025	£20,000		
Estimate payment W/E	11/04/2025		£14,000	70%
Actual claim window closes	02/05/2025	£20,200		
Actual payment with adjustments W/E	11/07/2025		£6,200	30% (with adjustments)
			<u>£20,200</u>	

Autumn

Process	Payment/claims due week ending	Claim	Amount paid	% Of total claim paid
Estimated claim window closes	08/08/2025	£10,000		
Estimate payment W/E	05/09/2025		£7,000	70%
Actual claim window closes	19/09/2025	£9,900		
Actual payment with adjustments W/E	05/12/2025		£2,900	30% (with adjustments)
			<u>£9,900</u>	

Spring

Process	Payment/claims due week ending	Claim	Amount paid	% Of total claim paid
Estimated claim window closes	12/12/2025	£15,000		
Estimate payment W/E	09/01/2026		£10,500	70%
Actual claim window closes	23/01/2026	£15,000		
Actual payment with adjustments W/E	06/03/2026		£4,500	30% (with adjustments)
			<u>£15,000</u>	

Option 2 – 11 Monthly payments (excludes August)

For Option 2, providers would still need to submit their estimated funded hours prior to the term starting, with a headcount submission then made early in the funding term. Each term's funding payments would be split equally throughout the term with the final payment being made based on the headcount submission for that term, including any adjustments. **There would be no monthly payment in the month of August.**

Summer

Process	Payment/claims due week ending	Claim	Amount paid	% Of total claim paid
Estimated claim window closes	07/03/2025	£20,000		
Estimate payment 1 (April) W/E	11/04/2025		£5,000	25%
Estimate payment 2 (May) W/E	09/05/2025		£5,000	25%
Estimate payment 3 (June) W/E	06/06/2025		£5,000	25%
Actual claim window closes	02/05/2025	£20,200		
Actual payment with adjustments (July) W/E	11/07/2025		£5,200	25% (with adjustments)
			<u>£20,200</u>	

Autumn

Process	Payment/claims due week ending	Claim	Amount paid	% Of total claim paid
Estimated claim window closes	08/08/2025	£10,000		
Estimate payment 1 (Sept) W/E	05/09/2025		£2,500	25%
Estimate payment 2 (Oct) W/E	10/10/2025		£2,500	25%
Estimate payment 3 (Nov) W/E	07/11/2025		£2,500	25%
Actual claim window closes	19/09/2025	£9,900		
Actual payment with adjustments (Dec) W/E	05/12/2025		£2,400	25% (with adjustments)
			<u>£9,900</u>	

Spring

Process	Payment/claims due week ending	Claim	Amount paid	% Of total claim paid
Estimated claim window closes	12/12/2025	£15,000		
Estimate payment 1 (Jan) W/E	09/01/2026		£5,000	33%
Estimate payment 2 (Feb) W/E	06/02/2026		£5,000	33%
Actual claim window closes	23/01/2026	£15,000		
Actual payment with adjustments (March) W/E	06/03/2026		£5,000	33% (with adjustments)
			<u>£15,000</u>	

Option 3 – 12 Monthly payments

Summer

Process	Payment/claims due week ending	Total claim	Amount paid	% Of total claim paid
Estimated claim window closes	07/03/2025	£20,000		
Estimate payment 1 (April) W/E	11/04/2025		£4,000	20%
Estimate payment 2 (May) W/E	09/05/2025		£4,000	20%
Estimate payment 3 (June) W/E	06/06/2025		£4,000	20%
Estimate payment 4 (July) W/E	11/07/2025		£4,000	20%
Actual claim window closes	02/05/2025	£20,200		
Actual payment with adjustments (August) W/E	08/08/2025		£4,200	20% (with adjustments)
			<u>£20,200</u>	

Autumn

Process	Payment/claims due week ending	Total claim	Amount paid	% Of total claim paid
Estimated claim window closes	08/08/2025	£10,000		
Estimate payment 1 (Sept) W/E	05/09/2025		£2,500	25%
Estimate payment 2 (Oct) W/E	10/10/2025		£2,500	25%
Estimate payment 3 (Nov) W/E	07/11/2025		£2,500	25%
Actual claim window closes	19/09/2025	£9,900		
Actual payment with adjustments (Dec) W/E	05/12/2025		£2,400	25% (with adjustments)
			<u>£9,900</u>	

Spring

Process	Payment/claims due week ending	Total claim	Amount paid	% Of total claim paid
Estimated claim window closes	12/12/2025	£15,000		
Estimate payment 1 (Jan) W/E	09/01/2026		£5,000	33%
Estimate payment 2 (Feb) W/E	06/02/2026		£5,000	33%
Actual claim window closes	23/01/2026	£15,000		
Actual payment with adjustments (March) W/E	06/03/2026		£5,000	33% (with adjustments)
			<u>£15,000</u>	

For Option 3, providers would still need to submit their estimated funded hours prior to the term starting, with a headcount submission then made early in the funding term. Each term's funding payments would be split equally throughout the term with the final payment being made based on the headcount submission for that term, including any adjustments. **There would be a monthly payment in each month of the year, including August**

The consultation questions are provided on the next page.

You can complete these questions online via the survey link below:

<https://www.smartsurvey.co.uk/s/FundingConsultation24/>

Alternatively, you can complete and return the questionnaire to

ey.providers@cheshirewestandchester.gov.uk

Consultation Questions

Cheshire West and Chester Council are consulting with local childcare providers on the frequency of Early Years Funding payments from April 2025. This excludes termly internal transfers to maintained schools. There are no proposed changes to the Early Years Funding Formulae at this time.

Please read the supporting consultation document before completing this survey.

The survey will ask your views on the following payment options as detailed in the supporting consultation document:

- Termly payment schedule (current payment method)
- 11-month payment schedule (monthly payments, excluding August)
- 12-month payment schedule (monthly payments, including August)

Estimated time for completion: 5 minutes

Closing date: 30th September 2024

Thank you in advance for your co-operation.

Questions

1. What type of provider are you?

Please select 1 provider type from the list below

Type	Select 1 type
Childminder	
PVI Setting	
Academy	
Maintained Nursery Unit	

2. 'Option 1' is a continuation of a twice-termly payment schedule, this is how the Council currently pays providers for their funded hours each term.

What effect would 'Option 1' have on your business?

Very positive	Positive	Neither positive nor negative	Negative	Very negative	Don't know

Option 2' is a monthly payment schedule with 11 monthly payments, with no monthly payment in August.

What effect would 'Option 2' have on your business?

Very positive	Positive	Neither positive nor negative	Negative	Very negative	Don't know

3. 'Option 3' is a monthly payment schedule with 12 monthly payments, including a payment in August.

What effect would 'Option 3' have on your business?

Very positive	Positive	Neither positive nor negative	Negative	Very negative	Don't know

4. Please rank the three options below with '1' being your most preferred option and '3' being your least preferred option.

	Rank 1 - 3
Option 1 – Termly payments	
Option 2 – 11 Monthly payments (excluding August)	
Option 3 – 12 Monthly payments (including August)	

Please use this section to include any further comments or suggestions relating to any of the questions above or anything else relating to early years funding payments.





Thank you very much for taking part in this consultation.

You can complete these questions online via the survey link below:
<https://www.smartsurvey.co.uk/s/FundingConsultation24/>







Alternatively, you can complete and return the questionnaire to
ey.providers@cheshirewestandchester.gov.uk

Appendix C: Consultation Survey Response Summary – Autumn 2024







Q1. What type of provider are you? Please select 1 provider type from the list below.

Answer Choices	Responses		
Childminder		43.00%	43
PVI Setting		42.00%	42
Academy		5.00%	5
Maintained Nursery Unit		10.00%	10
Answered: 100 Skipped: 0			Response Total: 100

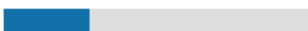
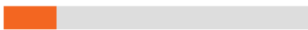

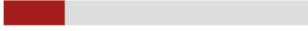
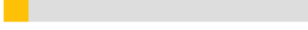
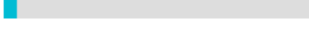
Q2. 'Option 1' is a continuation of a twice-termly payment schedule, this is how the Council currently pays providers for their funded hours each term. What effect would 'Option 1' have on your business?

Answer Choices	Responses		
Very positive		18.00%	18
Positive		24.00%	24
Neither positive or negative		29.00%	29
Negative		14.00%	14
Very negative		12.00%	12
Don't know		3.00%	3

Q3. 'Option 2' is a monthly payment schedule with 11 monthly payments, excluding a payment in August. What effect would 'Option 2' have on your business?

Answer Choices	Responses		
Very positive		8.00%	8
Positive		20.00%	20
Neither positive or negative		29.00%	29
Negative		31.00%	31
Very negative		8.00%	8
Don't know		4.00%	4

Q4. 'Option 3' is a monthly payment schedule with 12 monthly payments, including a payment in August. What effect would 'Option 3' have on your business?

Answer Choices	Responses		
Very positive		28.00%	28
Positive		17.00%	17
Neither positive or negative		23.00%	23
Negative		20.00%	20
Very negative		8.00%	8
Don't know		4.00%	4

Q5. Please rank the three options below with '1' being your most preferred option and '3' being your least preferred option.

Average 'Option 1' rank	Average 'Option 2' rank	Average 'Option 3' rank
1.8	2.3	1.9

Q6. Please use this section to include any further comments or suggestions relating to any of the questions above or anything else relating to early years funding payments.

There were 29 additional comments received.

Cheshire West and Chester

Report to Cabinet

Date	15 January 2025
Report Author	Gemma Davies, Director of Economy and Housing
Cabinet Member	Councillor Christine Warner, Cabinet Member for Homes, Planning and Safer Communities
Report Title:	Local Plan and Design Code response to national policy changes
Is this a Key Decision? [(one that affects finances over £1m or significantly affects two or more wards)]	Yes
Exempt Report:	No

1 What is the report about?

- 1.1 Cabinet agreed in January 2024 to prepare a new local plan under the provisions of the Levelling Up and Regeneration Act 2023 (LURA) with a timetable to be approved by the Cabinet Member for Homes, Planning and Safer Communities. Cabinet also agreed to support the development of a borough wide design code. A new Government was elected in July 2024 and delayed the introduction of secondary legislation needed to prepare a new style local plan. Major changes to national planning policy have also been introduced and this report sets out the implications and proposed response to these changes. This will represent a change to the way forward previously agreed by Cabinet.

2 Recommendations

- 2.1 It is recommended that Cabinet:
- i. Delegate publication and updating of the Local Development Scheme to the Cabinet Member for Homes, Planning and Safer Communities;
 - ii. Agree to commence preparation of an update to the Local Plan under the Planning and Compulsory Purchase Act 2004 (as amended);
 - iii. Delegate to the Cabinet Member for Homes, Planning and Safer Communities the authority to switch back to plan-making under the

provisions of the Levelling Up and Regeneration Act 2023 (LURA) should it prove necessary or expedient to do so;

- iv. Delegate to the Head of Planning and Placemaking authority to consult on local plan evidence base and the borough wide Design Code;
- v. Note the requirement to review the Local Plan (Part One) Strategic Policies under the Town and Country (Local Planning) (England) Regulations 2012 by 28 January 2025, and that the Head of Planning and Place Making is authorised to publish this review; and
- vi. Note the potential implications of national reforms in relation to housing land supply.

3 Reasons for the Recommendations

- 3.1 To ensure the Council maintains an up-to-date and robust Local Plan that reflects the Council's priorities and aspirations and enables a planned approach to the provision of new development and infrastructure.
- 3.2 To continue to progress a Design Code for the borough so that it carries weight in decision making to ensure high standards of new development are achieved.
- 3.3 To ensure decision making on supplementary elements of the Local Plan such as timetabling and evidence base can be made expeditiously.

4 Report Details

- 4.1 The Local Plan is a key corporate document that shapes how land use and places will change and develop in the future. The Local Plan should reflect the Council's ambitions for inclusive economic growth and meeting housing need in the context of wider sustainability objectives. Due to the extent and nature of the content, Local Plans are often controversial documents and challenging to prepare but the benefits of a planned approach to growth and infrastructure are critical to the development of future sustainable places. The Council adopted the Local Plan (Part One) Strategic Policies (LP1) in 2015 and the Local Plan (Part Two) Land Allocations and Detailed Policies (LP2) in 2019.
- 4.2 The report to Cabinet in January 2024 sets out the benefits of the Council preparing a new style single local plan under the provisions of the LURA 2003 (see sections 4.11 to 4.13 of the report). If the new system operated as intended new style local plans would be quicker and simpler to prepare. A major consideration in deciding to proceed this way was that the new system was due to commence in Autumn 2024 and authorities were informed that the deadline to submit a plan under the provisions of the 'old system' in accordance with the Planning and Compulsory Purchase Act 2004 (as

amended) was 30 June 2025. Given the extensive statutory stages a plan must go through it would not have been possible to meet this deadline.

- 4.3 In July 2024 a new Government was elected and on 30 July 2024 a consultation on revising the National Planning Policy Framework (NPPF) and wider national planning policy reforms was published. As part of the consultation, the Government set out it was currently their intention to now implement the new plan-making system in summer or autumn 2025. The deadline for submission of plans for examination under the current system was extended from 30 June 2025 to 31 December 2026. Whilst recognising 'the barriers to progress plan-makers have faced in recent years' the consultation also stated authorities should continue to progress their plans to adoption under the existing system without delay.¹ The consultation also proposed significant changes to the way that an authority's Local Housing Need (LHN) is calculated, alongside changes to policies protecting the Green Belt. The Government confirmed the changes through publication of the revised NPPF on the 12 December 2024.
- 4.4 Following the decision by Cabinet to prepare a Local Plan under the provisions of the LURA 2023 evidence base work and engagement was undertaken between January and March 2024. Responses to this engagement and links to the emerging evidence base can be found within the background document section. Whilst Government guidance is that the evidence base underpinning local plans should be 'proportionate' most, if not all, local plans have substantial evidence underpinning them. The Planning Inspectorate guidance² provides that the evidence base in relation to development needs should not be more than two years old when a plan is submitted for examination. Delays to submitting a local plan can mean evidence base work has to be repeated which will have resource implications.
- 4.5 **Local Plan Review** - The Town and Country Planning (Local Planning) (England) Regulations (2012) (as amended), require local plans to be reviewed at least every five years from the date of adoption. The LP1 was reviewed in 2020 and the LP2 in June 2024. The purpose of reviewing a plan is to ensure policies are still operating as intended and local policies still reflect national policies. If a review determines this not to be the case, then the plan should be updated wholly or in part through the plan making process. NPPF states that strategic policies will require updating at least once every five years if their applicable Local Housing Need (LHN) figure has changed significantly, and early review if LHN is expected to change significantly in the future. Reviews can be a useful tool to trigger amending a current plan although for housing need there are more immediate implications.

¹ Proposed reforms to the National Planning Policy Framework and other changes to the planning system - GOV.UK

² Procedure Guide for Local Plan Examinations

- 4.6 **Local Housing Need** - Councils are required to provide a minimum of five years' worth of housing against the housing requirement set out in an adopted strategic plan or against LHN where strategic policies are more than five years old, unless strategic policies have been reviewed and found not to require updating. The LP1 review in 2020 found that the plan was broadly working well and delivering development needs. The housing requirement in LP1 of 1,100 dwellings per annum (22,000 over the plan period) was significantly more than LHN. Therefore, the decision was taken to continue to use the housing requirement in the plan when calculating five-year land supply rather than drop to the much lower LHN figure, although this could have been an option through future reviews.
- 4.7 Once the planning reform consultation was launched on the 30 July 2024 the Council was aware of the potential of LHN to increase significantly. The change was confirmed by the Government in December and there would be no transitional provisions applicable to Cheshire West and Chester. The Council has already recognised that a new plan should be prepared although technically the LP1 under the current system would need to be reviewed by 28 January 2025. The only real benefit to reviewing the LP1 would be to maintain the housing requirement figures however it could not be credibly argued that the increase from 532 dwellings per annum (dpa) to 1,914 dpa against a LP1 requirement of 1,100 dpa wouldn't lead to the conclusion that the LP1 housing requirement requires updating. For completeness a full review of the LP1 will be undertaken and published following approval by the Head of Planning and Place Making.
- 4.8 The impact of the change to LHN and applying this to calculate housing land supply is significant because it will mean that the Council will not be able to demonstrate a five-year housing land supply. This means that plan policies considered the most important for determining planning applications are considered out of date and planning permission should be granted unless the site is in a protected area, such as vulnerable to flood risk or important habitat, or the adverse impact would significantly and demonstrably outweigh the benefits. The changes to LHN and more broadly in NPPF in relation to significant changes to long standing national Green Belt policy will mean that speculative applications will be submitted across the Borough until such time a plan can be put in place and / or a five-year land supply can be demonstrated.
- 4.9 **Next steps** - Uncertainty surrounding the wider legislative reforms for plan making makes it difficult to prepare with certainty. There is still a cut-off date for preparation under the old system, although the Government has clearly stated through the recent consultation that Councils should not delay plan preparation by waiting for the new system to be implemented. Cabinet has already agreed that a new local plan should be prepared but given the changeable position of government, is now being asked to agree to update

the Local Plan in accordance with the Planning and Compulsory Purchase Act 2004 (as amended).

- 4.10 **Local Development Scheme** - To formally commence plan-making under the Planning and Compulsory Purchase Act 2004 the Council is required to approve a Local Development Scheme (LDS). This document sets out the scope and timetable for local development documents the Council intends to develop and must be kept up to date. In January 2024, Cabinet delegated the publication of the local plan timetable (required under the LURA 2023) to the relevant Cabinet Member, and it is proposed that the LDS is similarly delegated. It is further proposed that where consultation is required in relation to any supporting evidence base that authority to consult is delegated to the Head of Planning and Place Making.
- 4.11 It is the intention that plan-making under the current system will focus on updating or replacing policies in the LP1, although it may also be necessary to replace policies in the LP2. There is still a possibility that whilst the plan is in preparation, National Development Management Policies (NDMP) under the LURA 2023 will take effect that may potentially replace local plan policies.
- 4.12 **Agile Approach** – Given the potential for an unplanned approach to development through speculative planning applications it will be imperative to get a new plan in place as quickly as possible. This will enable a housing requirement to be set and help prevent a piecemeal approach to development and infrastructure provision. Whilst it is clearly not ideal preparing a local plan under one legislative system then switching to another, this may be required given the evolving nature of national policy to plan-making. Cabinet has already approved plan preparation under the provisions of the LURA 2023, but approval is now sought to give authority to the Cabinet Member for Cabinet Member for Homes, Planning and Safer Communities to revert back to plan-making under the provisions of the LURA should it prove necessary or expedient to do so.
- 4.13 It is important the Council are agile in responding to uncertainty around plan-making. Allowing delegation in relation to the system used, consultation on evidence base and publication of the LDS or Local Plan timetable will help achieve getting a plan in place as soon as possible. The cross-party Member Working Group will also oversee plan preparation and provide oversight of the process. The recommendations in this report relate to the procedures for preparing a local plan not to the future content. It is important to note that key statutory stages, including statutory consultation stages, will require Cabinet or Council approval. This will ensure that Members retain oversight of emerging policies and allocations.
- 4.14 **Design Code** – in response to the LURA 2023 (Schedule 7 contains provision that require local planning authorities to prepare design codes for their area)

Cabinet agreed in January 2024 to support the development of a borough wide Design Code to be incorporated into the new style local plan or a supplementary plan. The Council's planning and transport teams have been working with 'Create Streets' to prepare a code and extensive engagement has taken place with interest groups, the development industry and wider public.

- 4.15 Under the LURA 2023 the Council would no longer be able to prepare Supplementary Planning Documents (SPD). Given the delay to the introduction of the new plan-making system, the Council may wish to exercise the option of adopting the code as SPD in accordance with the current legislation. This would give the Design Code, greater weight in determining planning applications in the short term. Under the Local Plan (Regulations) 2012 a minimum four-week consultation period must take place in accordance with the legislation and Cabinet is asked to agree this can go ahead, via delegated authority to the Head of Planning and Place Making, if adoption as an SPD is deemed beneficial. Cabinet will be asked to approve the final version of the Design Code and will also have the option of adopting as an SPD.

5 How does the decision contribute to the Borough Plan?

- 5.1 The Local Plan will be key to delivering the Borough Plan and further details will be provided as policies are developed through formal consultation stages.

6 What engagement has taken place with partners?

- 6.1 Previous engagement on local plan priorities and evidence base has produced significant number of sites to be put forward, as well as comments being submitted on these sites. Targeted engagement has taken place on the emerging local plan evidence such as with key businesses on the economic needs assessment and with Town and Parish Councils. This work will feed into the Local Plan and Design Code. Further details can be found in the background documents.

7 What are the financial implications?

- 7.1 Significant costs have been incurred by Councils preparing local plans due to the need for external consultancy support, legal advice and examination in public arrangements. Total costs could be in the region of £1,000,000 with preparation costs around £300,000, transport modelling around £500,000 and examination costs could be around £200,000 depending on the length and complexity of the process. The evidence base has been prepared in-house where possible and with other services using different sources of funding and further costs will be contained within existing budgets of the Planning and Place Making Service and wider Directorate where possible. If additional

resources are required, a request for funding will be made to the Council's central contingency budget.

- 7.2 There are also significant cost implications to delaying or not proceeding with an updated local plan given the challenges around LHN. It is likely that the Council will see a rise in speculative planning applications for housing development that could result in costly appeals.

8 What are the legal implications?

- 8.1 The new Local Plan will have to be prepared in line with relevant legislation, whether prepared under the Planning and Compulsory Purchase Act 2004 (as amended) or the LURA 2023.
- 8.2 A Local Development Scheme is currently required under section 15 of the Planning and Compulsory Purchase Act 2004 (as amended). This must specify (among other matters) the development plan documents (i.e., local plans) which, when prepared, will comprise part of the development plan for the area. This requirement may be replaced by Schedule 7 Section 15B (when brought into force) of the LURA 2023 whereby each local planning authority must prepare and maintain a document to be known as their "local plan timetable". This must set out the timetable for preparation of a local plan and any supplementary plans as well how the authority proposes to comply with the requirement for a whole area Design Code.
- 8.3 Whichever framework is followed for preparing the Local Plan the relevant legislation must be followed to avoid legal challenge and / or delays to plan-making. Risks can be reduced by ensuring appropriate legal advice is sought throughout the plan-making process.

9 What risks are there and how can they be reduced?

- 9.1 If a Council does not have an up-to-date Local Plan there is a greater risk of speculative development coming forward in a piecemeal way. Once in place, and kept up to date, a Local Plan provides greater stability and certainty that benefits local communities, residents and developers. If the Council is seen as a failing authority in relation to plan making the Secretary of State may intervene and take over plan making directly. There is a risk that if the Council cannot reach submission stage under the current system that work will have to be repeated to ensure legal compliance with the provisions of the LURA. However, taking on a flexible and pragmatic approach toward adopting a plan as expediently as possible in the face of continued uncertainty from central Government will reduce the risk of delay and having to update the evidence base.

10 How does the decision contribute to the “All Together Fairer” priorities?

- 10.1 Whilst the decision to prepare the Local Plan and consult on the Design Code has no direct impact on the ‘All Together Fairer’ priorities, the documents will consider these priorities as they progress to key stages.

11 What is the impact of the decision on equality and diversity issues?

- 11.1 The Local Plan as it progresses through key stages, will take full account of all relevant equality and diversity issues and relevant legislation.

12 What are the implications of the decision on climate change?

- 12.1 The Local Plan is a key document in relation to addressing climate change and the recommendations will allow full account to be taken of the Council’s climate change reduction targets.

13 Are there any other options?

- 13.1 The Council could opt to continue to wait for the Government to implement the new system for plan-making, currently expected to commence in summer or autumn 2025. This is not preferred as the current recommendation allows the Council to progress with a local plan, with the flexibility to move to a new system of plan making should it be implemented

For further information:

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Background Documents

Local Plan (Part One) Strategic Policies

<https://www.cheshirewestandchester.gov.uk/your-council/policies-and-performance/council-plans-policies-and-strategies/planning-policy/local-plan/local-plan-part-one>

Local Plan (Part Two) Land Allocations and Detailed Policies

<https://www.cheshirewestandchester.gov.uk/your-council/policies-and-performance/council-plans-policies-and-strategies/planning-policy/local-plan/local-plan-part-two>

New Local Plan Consultation and Information Page

<https://consult.cheshirewestandchester.gov.uk/kse/folder/98590>

Evidence Base to inform future Local Plan

<https://consult.cheshirewestandchester.gov.uk/kse/folder/98356>

National Planning Policy Framework

<https://www.gov.uk/government/publications/national-planning-policy-framework--2>

Proposed Reforms to the National Planning Policy Framework and other changes to the planning system

<https://www.gov.uk/government/consultations/proposed-reforms-to-the-national-planning-policy-framework-and-other-changes-to-the-planning-system>

Procedure Guide for Local Plans

<https://www.gov.uk/government/publications/examining-local-plans-procedural-practice>

Levelling Up and Regeneration Act 2023

www.legislation.gov.uk/ukpga/2023/55/enacted

SUBJECT HISTORY (last 3 years)

<u>Meeting</u>	<u>Date</u>
Cabinet	10 January 2024

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Cheshire West and Chester

Report to Cabinet

Date	15 January 2025
Report Author	Maria Byrne, Director of Environment and Communities
Cabinet Member	Councillor Christine Warner, Cabinet Member for Homes, Planning and Safer Communities
Report Title:	Action in respect of sites in Helsby and Alvanley
Is this a Key Decision? [(one that affects finances over £1m or significantly affects two or more wards)]	No
Exempt Report:	No

1 What is the report about?

- 1.1 This report updates Cabinet on the actions which have been taken in respect of Commonside Tip site in Alvanley and the former British Insulated Callender's Cables (BICC) site in Helsby ("the sites") following the motion passed by Council on 18 July 2024. Cabinet is asked to note the work programme, approve the terms of reference of a task and finish group to consider and review work being done in relation to the sites and to consider the steps to be taken to progress a contaminated land strategy for the borough.

2 Recommendations

- 2.1 It is recommended that Cabinet:
- i. Notes the work that has been undertaken in respect of the two sites;
 - ii. Approves the terms of reference of the task and finish group set out at Appendix 1 to receive regular updates on the work of officers in respect of the sites and review progress and outcomes and report to Cabinet, as it considers appropriate;
 - iii. Authorises the Director of Environment and Communities to commission expert consultants to carry out investigations into the Commonside Tip site to assist the Council in determining whether the site meets the legal definition of contaminated land; and

- iv. Notes the work being done on the development of a boroughwide contaminated land strategy and requests that Places Overview Scrutiny Committee adds scrutiny of the development of the strategy to its work programme.

3 Reasons for the Recommendations

- 3.1 To ensure that the Council complies with its obligations under the Environmental Protection Act 1990 ('the Act') and meets the aspirations set out in the Council motion passed on 18 July 2024.

4 Report Details

- 4.1 The Act places responsibilities on the Council in respect of contaminated land within its area. These are set out in more detail in paragraph 8 of this report.
- 4.2 This report outlines issues which have been raised with the Council in respect of two sites in Helsby, the actions taken to date and proposals for further action.

Commonside Tip

- 4.3 Commonside Tip is located in Alvanley on a small, steep-sided valley that was used as a landfill site from the late 1950s to the mid-1970s by a business known as 'the Roberts Brothers'. The only control required at the time was planning consent. The Tip received waste from a range of local industries, including the former BICC works in Helsby. Some BICC waste deposited at the Alvanley site contained polychlorinated biphenols (PCBs), which are persistent organic pollutants now banned from use under the Stockholm Convention.
- 4.4 After landfilling ceased, the Tip was poorly capped with soil and a drainage system of unconfirmed design installed, which collected water from the landfill (leachate) into an underground chamber (sump) at the northern end of the Tip. The sump was situated in land of Teuthill Farm. From the sump, the leachate was carried north in a sub-surface pipe, discharging into Foxhill Brook and ultimately the Mersey Estuary.
- 4.5 Public drinking water is extracted from deep underground at the nearby Foxhill Pumping Station. From 1979 to 1980, North West Water's investigations concluded no pathway existed between the Tip leachate and the deeper groundwater. Routine and recently enhanced testing by United Utilities supports this conclusion.

- 4.6 In 1991, prior to the implementation of the contaminated land regime in 2000, a prosecution was brought under the Water Resources Act 1991 by the National Rivers Authority (NRA), predecessor of the Environment Agency (EA), for causing the discharge of PCBs into surface waters. It is understood that no remediation took place as the landowner, who permitted the tipping of the waste, did not have the means to pay the remediation costs and the NRA, that was not under a duty to remediate the site, was unsuccessful in its attempts to identify funds for remediation.
- 4.7 Searches at the Land Registry have identified no legal landowner, only a caution on the title registered in 1989 by a person as a 'trustee for sale in respect of which the deeds are at present missing'.
- 4.8 With the entry into force of the contaminated land regime under Part IIA of the Act (Part 2A), in 2000, Vale Royal Borough Council (VRBC) identified the Tip for inspection. As part of the process of identifying significant possibility of significant harm (SPOSH) to relevant receptors they liaised with the EA over controlled waters. Cheshire West and Chester Council, the successor to VRBC, does not hold a formal written record of EA advice from that time. Preliminary risk assessment of Commonside Tip by VRBC identified potential risks to controlled waters, but no further assessment of those risks took place. Detailed risk assessment which followed focused on risks to human health only and concluded there was no evidence of SPOSH. In 2009, the Council concluded that the Tip did not meet the legal definition of contaminated land under Part 2A, and inspection activities stopped. There was no requirement at that time to provide a statement of the non-determination decision.
- 4.9 In July 2022, a member of the public contacted the Council identifying Commonside Tip as a site of interest. Their opinion was that the Tip should be determined by the Council as contaminated land and remediated.
- 4.10 The Council began a formal review of Commonside Tip in autumn 2023. It became apparent that the Tip drainage system no longer functions effectively. The owner of a nearby farm confirmed that since the 2009 investigation was concluded, they had removed the sump due to ongoing issues. As a result of this, leachate now ponds at the surface on their land. The Council commissioned preliminary water testing of the pond and Foxhill Brook, and in light of these changes in the environmental condition, the Council is now re-investigating the Tip under Part 2A.
- 4.11 Officers commissioned specialist consultants to undertake sampling in spring 2024, in order to understand the current environmental condition. This involved taking water and sediment samples around the Commonside Tip area, including nearby Foxhill Brook.

- 4.12 On 18 July 2024, a Notice of Motion entitled 'To Remediate PCB Contaminated Sites in Helsby and Albanley' was moved at a meeting of Full Council. Council resolved:

This motion proposes that the Council refers this matter to Cabinet who will set up a cross-party task and finish group to examine in detail the Council's approach to this case as well as important wider issues, with the aim of producing a written report to Cabinet within six months. The task and finish group will involve a public evidence session and input from independent witnesses and members of the public, and independent oversight from a suitably qualified practitioner, in addition to elected members of the council.

- 4.13 Since the concerns were raised about the site United Utilities has advised that the quality of water that is extracted from the borehole at Foxhill and routinely tested regularly is consistently good. Since being made aware of concerns about PCBs, United Utilities has conducted enhanced testing, and these tests were also clear. United Utilities has confirmed it will continue to carry out these additional tests.
- 4.14 Council officers have also contacted the EA and the United Kingdom Health Security Agency (UKHSA) in relation to the site to make them aware of the most recent testing results and seek their further views.
- 4.15 Officers have been working on the documentation needed to procure suitably qualified expert consultants to carry out investigations into the Commonsides Tip site to assist the Council in determining whether the site meets the legal definition of contaminated land. The procurement process for this work commenced in December 2024 with a view to consultants being appointed in February 2025, subject to Cabinet's approval. It is anticipated that the necessary work will take between four and six months to complete. Officers will then assess the consultant's report and consider next steps in accordance with the process set out in the legislation.

BICC site

- 4.16 The second site in question, BICC, is a former cable manufacturer and construction company, which had an industrial site in Helsby. BICC renamed itself Balfour Beatty, after its primary construction subsidiary, from 2000. The Helsby site ceased operations by the mid-late 1990s and was identified for mixed use redevelopment. The site of the former BICC factory is shown in Appendix 2, together with the individual planning plots brought forward for redevelopment within that area and the surrounding existing land uses as well as ownership details of the respective land parcels.

- 4.17 Waste from BICC's site operations, including PCBs, was deposited by the company in two known locations, Commonside Tip, and on-site, to the north of the factory buildings. To mitigate human health and environmental risks from this on-site waste, a 'containment cell' was constructed in 1989 to encapsulate the material. This comprised the construction of a clay wall 'curtain' around the perimeter of the waste, lined with a high-density polyethylene (HDPE) membrane. The curtain extends one metre below the base of the cell into the underlying, natural clay. The surface of the waste is also covered by an HDPE membrane and is overlain with an 850-millimetre soil-capping system. Leachate within the waste is channelled to a purpose-built treatment facility on the western boundary, which removes PCBs. Water is then directed to nearby Helsby wastewater treatment works, under a private agreement.
- 4.18 In May 2024, the BBC podcast titled 'Buried' reported that a scientist from the University of Manchester had analysed a soil sample collected from a footpath which runs along the containment cell northern boundary (shown in Appendix 2). It was reported that this detected ~26 micrograms per kilogram (mg/kg) of total PCBs (12000 times background concentrations). The Council reported this to the landowner, Balfour Beatty and the footpath was immediately fenced off from public access in July 2024 and remains fenced off.
- 4.19 The area in question is not one of those highlighted for redevelopment. The Council has made inquiries with Balfour Beatty who have informed the Council that they have commissioned a consultant to investigate both this area to establish the source and the containment cell for any indication of potential failure. The Council will seek and review the outcome of these investigations.

The Task and Finish Group

- 4.20 The terms of reference are set out at Appendix 1. Cabinet recognises and has considered the request by Council that there be public involvement in the task and finish group. The meetings of the group, as set out in the terms of reference, will be in private but provision will be made for a meeting to be held at which members of the public will be invited to share their representations with the members of the group. In facilitating this engagement Cabinet is mindful of the position that the contaminated land regime is a statutory process under the Act informed by professional scientific advice and evidence, and it is only that which can and will be taken into account when making assessments under that regime.

Contaminated Land Strategy

- 4.21 On local government reorganisation there were three strategies in place covering the areas of the previous district councils. The Council has not yet

agreed a boroughwide strategy and the predecessor authority strategies have not been reviewed since 2009.

- 4.22 Officers have been working on a boroughwide strategy. That work continues to be developed, and a further report will be brought to Cabinet when the draft strategy has been considered by Places Overview and Scrutiny Committee. It is anticipated that this work will require engagement with a range of stakeholders.

5 How does the decision contribute to the Borough Plan?

- 5.1 The decision contributes to the Borough Plan by taking action to protect the natural environment.

6 What engagement has taken place with partners?

- 6.1 Council officers are liaising with the EA in accordance with the statutory guidance and are also liaising with the UKHSA.

7 What are the financial implications?

- 7.1 It is anticipated that costs of up to £100k will be incurred for the procurement of legal advice and expert consultants to carry out the next stage of the work as referenced at paragraph 2.1.3 above. This will be funded from a call on general contingencies.

8 What are the legal implications?

- 8.1 The Council has powers and duties in respect of contaminated land which are contained in Part 2A of the Act. The Act sets out duties in respect of an overall strategy for the identification of potentially contaminated land, the inspection of potentially contaminated land and a requirement to ensure remediation is carried out if land is determined to meet the legal definition of contaminated land. There is also detailed statutory guidance (SG) issued on the application of Part II A to which the Council must have due regard. The provisions of the SG are summarised below.

The Strategy

- 8.2 The local authority sets out its approach to the inspection and identification of contaminated land in a written strategy and keeps it under review. The strategy has to provide for two broad types of inspection: “strategic” inspection at a high level and “detailed” inspection of individual sites highlighted by the strategic exercise.

The Inspection

- 8.3 For a piece of land where the strategic inspection indicates a reasonable possibility of significant pollution linkage exists, a detailed inspection is triggered.
- 8.4 Inspection essentially involves a risk assessment, which may require intrusive testing.
- 8.5 It should be noted that section 2.10 of the SG states “The authority should consult the landowner before inspecting the land unless there is a particular reason why this is not possible, for example because it has not been possible to identify or locate the landowner.”
- 8.6 Section 3.3 of the SG requires that “Local authorities should have regard to good practice guidance on risk assessment and they should ensure they undertake risk assessment in a way which delivers the results needed to make robust decisions in line with Part 2A and this Guidance” while section 3.4 states that risk assessments should be based on information which is: (a) scientifically-based; (b) authoritative; (c) relevant to the assessment of risks arising from the presence of contaminants in soil; and (d) appropriate to inform regulatory decisions in accordance with Part 2A and this Guidance.”
- 8.7 The necessity of engaging external expertise is anticipated in section 3.18 of the SG “...in more complex cases, the authority may consider it necessary to bring in external expertise, with further details provided in section 3.19: “The question of who to consult depends largely on the circumstances of the land, and the expertise and gaps in expertise of the person doing the assessment. When choosing specialist consultants, local authorities should strive as far as possible to ensure that they are appropriately qualified and competent to undertake the work. Authorities, or consultants working on their behalf, may also consider seeking advice from other relevant experienced practitioners.”
- 8.8 If the local authority believes at this early stage that the piece of land is a “special site” it should consult the EA and, subject to the EA’s advice and agreement, the EA inspects on the local authority’s behalf.

The Determination

- 8.9 If the inspection indicates no reasonable possibility that a significant pollution linkage exists, the inspection for that linkage ceases and a formal finding to this effect is recorded.
- 8.10 If the inspection indicates that the land is contaminated land, the local authority makes a determination to this effect.

- 8.11 If it thinks that the land may be a “special site”, it must consult the EA before determining and seek its agreement to the determination.
- 8.12 Section 5.5 of the SG states “The local authority has the sole responsibility for determining whether any land appears to be contaminated land. It cannot delegate this responsibility (except in accordance with section 101 of the Local Government Act 1972). However, in making such decisions the authority may rely on information or advice provided by another body such as the Environment Agency, or a suitably qualified experienced practitioner appointed for that purpose.”

Remediation Notice

- 8.13 The local authority decides what is required by way of remediation, and by whom, and serves remediation notices.
- 8.14 Following determination for “special sites”, responsibility for enforcement of remediation passes to the EA.

9 What risks are there and how can they be reduced?

- 9.1 If the Council does not take steps to assess the situation on the sites, then it could be put in a position where it is not complying with its statutory obligations. If the steps highlighted in the report are taken this risk will be significantly reduced.

10 How does the decision contribute to the “All Together Fairer” priorities?

- 10.1 Through the application of the contaminated land regime, the impacts of past industrial activity and processes can be reduced and mitigated, thereby reducing health inequalities. Exposure to pollution is not equally distributed across society as people living in deprived areas often have poorer quality environments with less accessible green space.

11 What is the impact of the decision on equality and diversity issues?

- 11.1 No impact on equality and diversity issues has been identified.

12 What are the implications of the decision on climate change?

- 12.1 There is no direct implication of the decision on climate change.

13 Are there any other options?

- 13.1 The Council could choose not to take any action in respect of the sites, but this could expose the Council to risk for failing to meet its legal obligations.

For further information:

Cabinet Member: Councillor Warner, Cabinet Member for Homes, Planning and Safer Communities

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Background Documents:

Commonside

1. Commonside Tip Desk Study, Alvanley, Cheshire. Report No. C2258.1, Geodelft: 2005
2. Environmental Assessment Foxhill Brook, Alvanley, Cheshire. Report No. 16148-R2 (00), RSK: 2009

Former BICC Factory Site

1. Supplementary Planning Guidance (11); Development Brief for former BICC Site "Mere's Edge", Helsby. Vale Royal Borough Council: 2002
2. BICC developments Helsby – Land Use Report, Parkmans 1991
3. Planning portal documents for the following planning applications
 - i. 4/18405
 - ii. APP/2022/2009
 - iii. 10/01744/FUL
 - iv. APP/2002/2008
 - v. 14/04052/FUL
 - vi. 17/04542/S73
 - vii. 05-0768-FUM
 - viii. 24/01935/OUT
 - ix. 13/02503/OUT
 - x. 12/05370/FUL
 - xi. APP/2004/1378
 - xii. 20/00324/FUL
 - xiii. 14/04044/OUT
 - xiv. 18/04391/REM
 - xv. 22/04674/OUT

SUBJECT HISTORY (last 3 years)

<u>Meeting</u>	<u>Date</u>
Council	18 July 2024

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Appendix 1

Draft Terms of Reference of Task and Finish Group

Membership

Councillor Christine Warner, Cabinet Member for Homes, Planning and Safer Communities (Chair)
Councillor Chris Copeman
Councillor Hugo Deynem
Councillor Mike Garvey
Councillor John Roach
Councillor Karen Shore, Deputy Leader of the Council and Cabinet Member for Environment, Highways and Transport

Status

The task and finish group ('the Group') has been set up by the Cabinet as an advisory body to support the Cabinet in exercising the Council's statutory functions under the Environmental Protection Act 1990 ('the Act') in respect of the Commonside Tip Site and the former BICC site in Helsby.

The Group has no decision-making powers as it is not a formal committee of the Council or Cabinet. It can consider and review matters within its terms of reference and report to Cabinet on its findings.

Meetings

The Group will meet in private. It may meet virtually if agreed by the Chair and a majority of members.

The Group may invite experts to attend meetings and seek evidence from relevant individuals, bodies or members of the public as it considers necessary to fulfil its responsibilities.

The meetings will be chaired by the relevant portfolio holder.

The Group will aim to make any decisions on any reports/recommendations to Cabinet by consensus. If consensus cannot be achieved on any issue, then such decisions will be made by a vote on a simple majority. In the event of an equality of votes being cast the chair shall have a second and casting vote.

Responsibilities:

Commonside Tip Site

To receive regular updates on the work of officers to determine whether the land known as Commonside Tip, Alvanley, presently meets the legal definition of contaminated land under Part 2A of the Act. To review progress and outcomes of this work and report to Cabinet, as it considers appropriate. In doing so the Group shall:

- 1) Review the work done and proposed to be done by officers to carry out investigations into whether the site meets the legal definition of contaminated land;
- 2) To consider and review any determinations made by officers on whether the land meets the definition;
- 3) To report to Cabinet as appropriate on progress and outcomes.

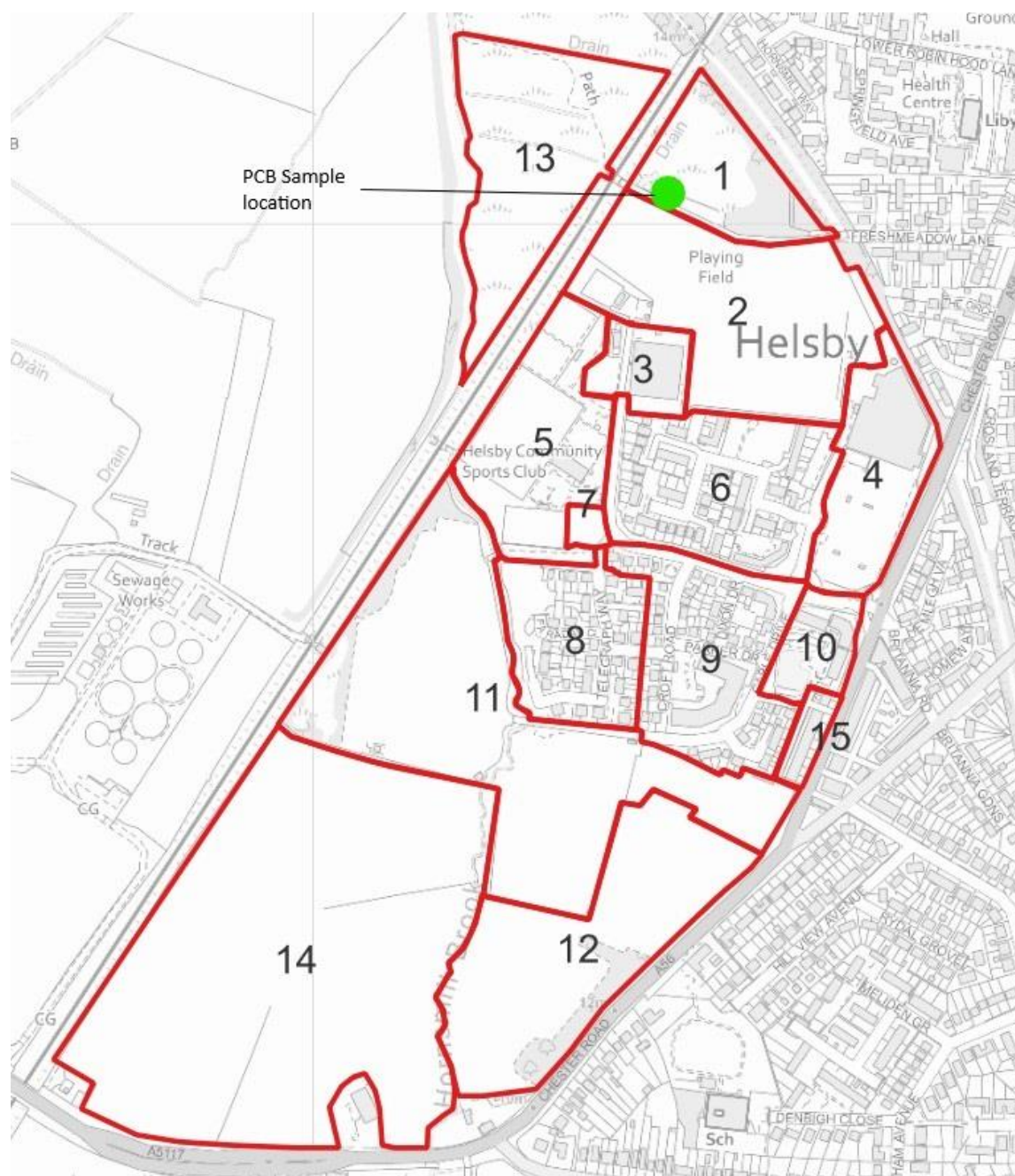
Former BICC site

With regard to the former BICC factory site, Chester, Road, Helsby (parcels 2-11) and surrounding land parcels (1, 12-15) as shown in Figure 1:

- (a) Review the actions by the Council in respect of parcels 2 – 12.
- (b) Review the Council's actions in respect of any PCB contamination in land parcels 1 and 12-15, and make recommendations on whether any further investigations are required; and
- (c) To consider and review work being done by the officers to assess the status of the land at the Northern Boundary of the site where a soil sample was taken which detected ~26mg/kg of total PCBs.

Appendix 2

Map of former BICC Factory and surrounding land, Helsby.



Area	Current Use	Former Use	Ownership
1	Nature reserve	Agricultural	Balfour Beatty
2	Rugby pitch / containment cell	BICC factory	Balfour Beatty
3	Heat Trace Ltd	BICC factory	Heat Trace Ltd
4	Tesco superstore	BICC factory	Tesco

5	Community sports club	BICC factory	CWCC
6	Housing	BICC factory	Private
7	Housing (Subject to planning application)	BICC factory	
8	Housing	BICC factory	Private
9	Housing	BICC factory	Private
10	Housing	BICC factory	Private
11	Housing (under construction)	BICC factory	Lane End Strategic Land Ltd
12	Housing (under construction)	Sports and Social Club	THT Developments Ltd
13	Agricultural	Agricultural	Balfour Beatty
14	Agricultural	Agricultural	Private
15	Housing	Agricultural	Private

Cheshire West and Chester

Report to Cabinet

Date	15 January 2025
Report Author	Natalie Abraham - Assistant Chief Executive
Cabinet Member	Councillor Louise Gittins - Leader of the Council
Report Title:	Period Three summary corporate performance report 2024-25
Is this a Key Decision? [(one that affects finances over £1m or significantly affects two or more wards)]	No
Exempt Report:	No

1. What is the report about?

- 1.1. This report outlines the Council's performance in relation to the missions set out in the 'Play your part in a stronger future' Borough Plan 2024-2028. Each year, the Council's focus and ambitions for these missions are detailed in the Annual Delivery Plan (ADP). This summary corporate performance report tracks progress against performance measures and targets set out in the Annual Delivery Plan, thereby assessing progress towards the missions. This report focuses on performance during October and November 2024.

2. It is recommended that Cabinet

- (i) Note the performance of the Council at period three (October and November 2024) against the missions set out in the 'Play your part in a stronger future' Borough Plan 2024-28; and
- (ii) Suggest that the Council's four scrutiny committees use the performance information to inform scrutiny work programmes across all committees.

3. Reasons for the Recommendations

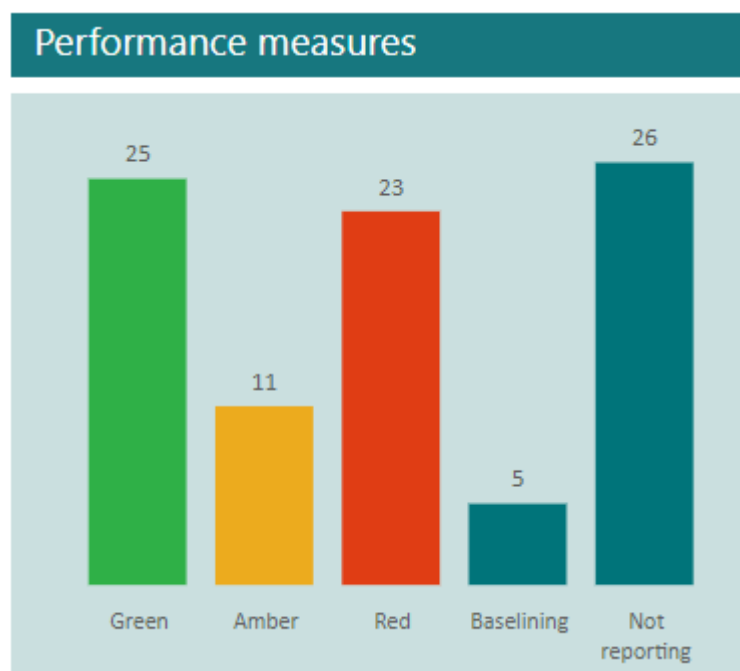
- 3.1. To ensure that up to date performance information is available to enable the Cabinet, wider Members, senior Council officers and the public to understand progress against the Borough Plan. This includes work being undertaken to address any areas of challenge, and to support any necessary discussions about reallocating resources to better achieve the missions set out within the Borough Plan.

4. Report Details

Borough Plan Performance Summary

- 4.1. This is the third report against the 'Play your part in a stronger future' Borough Plan 2024-28, focusing on the measures it sets out. Performance is also shared as an interactive dashboard on the Council's website at <https://www.cheshirewestandchester.gov.uk/your-council/policies-and-performance/performance-report.aspx>. The dashboard includes additional information on performance measures.
- 4.2. The graph below sets out a summary of measure performance against target as at the end of period three. Five measures are new and so have no target set for this year whilst a baseline is established. There are also a number of measures that only report annually, examples include educational attainment results and data taken from annual surveys such as the Council's employee survey.

Graph 1 – Performance against measures at period three



- 4.3. This summary corporate performance report focuses on the performance of Council services. Key statistics, health and socio-economic data about the wider borough, its residents and businesses, are available within [the state of the borough](#) online dashboard.

Starting well (Appendix A)

Green	Amber	Red	Baselining	Not reporting
4	4	9	1	6

- 4.4. The starting well mission is about creating the best possible start for our children and young people, with improved opportunity, a healthier start, greater resilience in families and the best possible support and care where it is needed.
- 4.5. The rate of children in care continues to increase, as does the number of children in care in a residential placement and both indicators are showing as red against target. Whilst the percentage of children becoming the subject of a child protection plan for a second or subsequent time has increased and remains red, performance is in line with statistical neighbours and better than national and regional averages. Re-referrals to children's social care remain static at 21% and are showing as red against target. There is a drive in service to reduce the number of children becoming cared for, this is a challenge balancing the safety of children and harm identified. The number of residential placements is a material concern and the reducing sufficiency of foster placements means that children who need to become cared for are at more risk of having a residential placement based on issue of sufficiency as opposed to complex need.
- 4.6. The rate of children in need has improved against both the last report and against the same period last year. It is showing as amber. The number of children who are living in temporary accommodation continues to fall and is showing as green against target. The number of complex families supported into positive outcomes fell below target at mid-year. Whilst recovering strongly and on-track to meet the year-end target the current performance of 435 is slightly below the challenging 448 target and is showing as amber.
- 4.7. The rate of children and their families who are starting an early help assessment (TAF) and who are subsequently open to an early help plan, are both declining and red against target. The decline is in relation to wider children's services, delivered by partners. Work is continuing to promote the number of plans being led by partner organisations. A new portal for logging and recording the early help assessments has been launched to reduce the administrative burden. The Team Around the Family advisors are re-focusing their work to offer targeted support to partner organisations.
- 4.8. The percentage of young people who are not in education, employment or training has improved from 5.1% to 4% and is showing as green. This reflects 316 young people out of a cohort of 7,818.
- 4.9. The percentage of all children who are achieving a good level of development at the Early Years Stage (from birth to five years old) has fallen by 0.8

percentage points. It is lower the national and statistical neighbours average but better than the North West regional average. The percentage of children eligible for free school meals achieving a good stage of development has fallen by 5.1 percentage points and is lower than the national, statistical neighbour and regional averages. The level of this fall also points to a widening gap locally between the development of all local children and those who are disadvantaged.

- 4.10. The percentage of pupils with special educational need and disabilities (SEND) who are being taught in mainstream provision is stable. The proportion of primary aged pupils educated in mainstream provision remains amber at 66% against a target of 67%.
- 4.11. Data on the timeliness of issuing Education, Health and Care Plans is collated and reported to Government against the calendar year. From January to November 2024 the proportion of Education Health and Care Plans issued within 20 weeks has improved to 18%. In this period 395 plans have been issued, 71 within the twenty-week target. The number of plans being issued each month fell during the summer months but has increased significantly since the mid-year performance report, from 27 during September to 55 during December.

Tackling hardship and poverty (Appendix B)

Green	Amber	Red	Baselining	Not reporting
5	0	2	0	1

- 4.12. The tackling hardship and poverty mission is about more people feeling financially secure as the causes and impact of hardship and poverty are addressed by working alongside residents.
- 4.13. Work to support those who are, or who are at risk of, homelessness is having a positive impact. Homelessness preventions have increased from 499 at this period last year to 540 this year and the number of households in temporary accommodation has dropped since mid-year. At the end of November 2023 there were 223 homeless households in temporary accommodation and at the end of November 2024 this had fallen to 112. The number of rough sleepers seen on our streets has also fallen, with the cold weather and the positive impact of the Severe Weather Emergency Protocol. Although overall numbers of rough sleepers has fallen, the service is starting to see an increase in numbers of refugees rough sleeping and an increase in placements of refugees to supported accommodation.
- 4.14. The cost-of-living programme is progressing, with the emergency support to residents in financial hardship continuing to be provided through the Household Support Fund. This has reduced demand for support through the local HELP scheme, enabling a review of the HELP scheme policy which is underway.

- 4.15. The average processing times for Housing Benefits remains at around 20 days against a target of 8. This reflects the significant ongoing work around Universal Credit migration, which is taking up resources. Work is ongoing to increase automation through the new council tax reduction scheme to improve timeliness.

Resilient people living their best lives (Appendix C)

Green	Amber	Red	Baselining	Not reporting
5	2	2	4	3

- 4.16. The Resilient people living their best lives mission is about local people being enabled to flourish, be healthy, happy and independent for longer in supportive communities.
- 4.17. The strong improvement in the number of carers who have received an assessment is continuing, with Cheshire & Warrington Carers Trust having supported 405 assessments so far this year in comparison to 242 at this point last year. The percentage of new reablement clients who did not need ongoing support has fallen slightly but remains strong and better than in the previous year.
- 4.18. A number of new measures were introduced this year to monitor waiting times for which a baseline was not available, and so targets have not been set. The number of days people have been waiting for a Care Act or occupational therapy assessment have both reduced over the year to date. The average wait time for the provision of care has increased slightly, from 9 days at the start of the year to ten at the end of November, but the number of people who are waiting for care is improving.
- 4.19. The delivery of adaptations through disabled facilities and other grants to support people to live independently is performing well against target, with the Council having taken some cases in-house and the Urgent Works Grant being used to progress swiftly on new stairlift and ramp referrals, reducing caseloads and waiting times, and supporting people to continue to live independently. In relation to local care homes, 80% are rated as good or outstanding, and the number of people with a permanent admission to a residential or nursing care home remains positive against target and significantly lower than at the same period last year.
- 4.20. During the last period, the number of people accessing structured substance misuse treatment remains high and green against target at 2,005. Additional support being offered to participants include an Early Behaviour Intervention programme and specific support to prison leavers. The success rate of smoking cessation work has fallen slightly below target. Two pilots are currently running, testing the use of e-cigarettes to help smokers to quit cigarettes. These pilots will run through to March 2025.

- 4.21. Visits to BRIO hubs for sports and physical activity are showing as below target. As well as general promotional activity, work is underway on a targeted approach to encourage communities with lower physical activity levels to engage with BRIO services. Works to Northgate Arenda are due to start in January 2025 which, whilst intended to increase usage in the medium term, will affect attendance over the next few months. It should also be noted that whilst issues with tracking pay as you go attendance figures have been resolved, these issues have affected the data.
- 4.22. The number of referrals for domestic abuse is continuing to increase, with referrals up to November 2024 being 11% higher than November 2023. The proportion of these that are re-referrals remains static at 39% against a target of 37%.

Opportunity in a fair local economy (Appendix D)

Green	Amber	Red	Baselining	Not reporting
3	1	2	-	1

- 4.23. The Opportunity in a fair local economy mission is about local people and businesses being able to benefit from a strong local economy.
- 4.24. The Skills and Employment Team have supported 1,640 people with their employment since April and 531 during period three. This 531 includes helping 223 unemployed local people into work, supporting 71 local people who were off work sick to return to their existing job or a new one, and supporting 237 residents to maintain employment held but at risk. 98% of adult learners are successfully completing education courses, boosting skills and employability.
- 4.25. Due to yearly funding allocations, the Council has had to reprocure the programme of Business Support for Year 3 of the United Kingdom Shared Prosperity Fund (UKSPF). It is now operating effectively with delivery partners on board and bringing businesses through the programme. There were 161 enquiries during October and November. UKSPF grants are now almost fully committed. Where the Council continues to receive expressions of interest for support, these enquiries can be directed to the wider business support offer available through both the UKSPF business support programme and wider local and national partner opportunities.
- 4.26. The timeliness of both major and minor planning applications being dealt with is showing as green against target. Some 253 of the 283 minor applications determined within timescales were with an agreed extension and all 11 major applications determined within timescales were with an agreed extension.
- 4.27. The Council has spent £26.2million with suppliers registered within the borough. This is 37.1% of in-scope spend against a target of 46%, although many suppliers registered outside the borough still have local premises and employees and spend significant sums in local supply chains.

Neighbourhood pride (Appendix E)

Green	Amber	Red	Baselining	Not reporting
5	1	4	-	7

- 4.28. The Neighbourhood pride mission is about residents living in well maintained, connected and safe places with good and affordable homes.
- 4.29. The number of outstanding actionable highway defects has increased slightly on the mid-year position but remains green against target. The number of actionable defects being reported has fallen slightly over the course of the year.
- 4.30. The improvement in the cleanliness of local streets, as recorded through random visual inspection of levels of litter and detritus, remains positive with performance at its highest level since the impact of the pandemic. Fly-tipping however remains red against target, albeit with the number of incidents reducing in the summer months. Enforcement against fly-tipping incidents remains a priority and is intelligence led and robust. The highest appropriate penalty for the level of offending is always sought.
- 4.31. A total of 235 empty homes have been returned to use since April against a target of 134, increasing the availability of homes. No further work has started on new homes being delivered directly through Council investment, which will miss its year-end target despite nine further starts or purchases planned before the end of March 2025. Work is being progressed on a pipeline for future delivery on council owned sites, and Council led regeneration schemes that may deliver numbers of new homes. The number of affordable homes completed has fallen behind target, with delays having pushed a number of completions into period four. All plots are now under construction, so any slippage should result in exceeding the target for RP1 2023-26 and potentially the 2025-26 annual target. It should be noted in this area the Council plays an enabling role only and is not in a position to effect actual delivery.
- 4.32. The two private sector rented properties found by Housing Standards to be in serious disrepair have been improved within the six-month deadline, supporting the health and safety of residents. No properties were found with serious damp or mould issues. New measures around council owned homes show that council tenant satisfaction with repairs remains below target, with ForHousing continuing to work with their repairs contractor to identify and tackle issues. The timeliness of council housing complaint responses at stage one has improved whilst stage two responses have dropped slightly due to the complexity of the issues under investigation and is reporting as amber against target.

Greener Communities (Appendix F)

Green	Amber	Red	Baselining	Not reporting
-	-	-	-	5

- 4.33. The Greener communities mission is about individuals, public services and businesses taking action to move to tackle the climate emergency, achieve net zero, protect the natural environment and adapt to the impact of climate change.
- 4.34. Approval has been secured from the Department for Transport to launch the procurement for a service provider to deliver the LEVI scheme. The scheme is to support residents that lack off-street charging capability and provides funding to accelerate the uptake of electric vehicles, plus the infrastructure required, to facilitate this for all residents across Cheshire West and Chester.
- 4.35. The consultation for the refresh of the Climate Emergency Response Plan is ongoing, concluding in early February.
- 4.36. The Council has submitted a proposal for a Public Sector Decarbonisation Scheme, to improve energy efficiency at eight schools, and a proposal for the Warm Homes Local Grant to decarbonise homes throughout west Cheshire.
- 4.37. In December 2024 Cabinet agreed that the Council would act as the accountable body for a successor programme to the current Trees for Climate programme. The Council will take on a national programme management role and accept, allocate and spend grant funding from the Department for Environment, Food and Rural Affairs of up to £578,000,000 from with a 20-year period of spending of funds to plant, establish and manage woodlands across England through to 2046.

Doing things differently (Appendix G)

Green	Amber	Red	Baselining	Not reporting
3	3	3	-	4

- 4.38. The Doing things differently cross-cutting objective is about the Council working ever more closely with communities, scaling up prevention, raising our game with digital and insight, developing our workforce and strengthening our partnerships.
- 4.39. The Collection rate for non-domestic rates is high and green against target. The collection rate for Council Tax is just below target and slightly lower than the same period last year following the single person discount reviews. It is expected to achieve target at year end.

- 4.40. The percentage of customer contact being dealt with digitally remains high at 76%. Satisfaction with customer service also remains high, at 91.5% against a target of 92%. This reflects a satisfaction survey with 1,415 responses to date. Work is underway to expand the survey to cover customer satisfaction at the face-to-face 'Residents Assistance Points' in places such as libraries. This data will be reported as part of this indicator over the coming months.
- 4.41. The timeliness of responses to complaints is reported a period in arrears and remains challenging. Despite improving from 62% to 73% the timeliness of stage one complaint responses remains red against target. At stage two, three complaints were not responded to within timescales.
- 4.42. The speed with which recommendations made by the Council's internal audit team are implemented continues to improve but remains red. Of the reducing number of actions that have been delayed, several are the result of a managed decision to delay their implementation to tie in with other proposed changes, with appropriate mitigations in place pending action.

Consultation (Appendix H)

- 4.43. Cheshire West and Chester Overview and Scrutiny Committee have recommended that regular updates on Council consultations be included in corporate performance reporting.
- 4.44. During the last reporting period, three engagement and consultation reports have been considered by Cabinet, as part of their decision making, and a further consultation report has informed a Traffic Regulation Order (TRO) decision, with the outcomes were as follows:
- Sexual health services recommission – reported to Cabinet in November 2024. Feedback on areas of the service that could be improved have been included in the ongoing development plan for the service.
 - Extra care and care at home commission – reported to Cabinet in November 2024. The proposed model and transformational work associated with this service was co-produced with people with lived experience, social care and health colleagues, current providers for Care at Home and Extra Care Housing and Registered Social Landlords.
 - Council Tax Reduction Scheme - reported to Cabinet in November 2024. Consultation feedback gave positive support for the proposed scheme, which was approved by Cabinet.
 - Whitby Park Car Park – in response to consultation feedback proposing that the length of stay restriction is only introduced for approximately two thirds of spaces. The restriction will be introduced and managed by a Traffic Regulation Order (TRO).

- 4.45. Nine further public engagement and consultation exercises that have concluded were being analysed in the last period, whilst two consultations launched in the last period are currently live.
- 4.46. The need for these consultation exercises broadly falls into one of three obligations:
- Statutory requirements to comply with Government regulations
 - Consultation to inform decisions on proposals for service development
 - Consultation to shape the development of plans and strategies.
- 4.47. There is also an increasing number of pre-consultation engagement exercises being carried out, to develop proposals which are then consulted on.
- 4.48. All engagement consultation exercises were underpinned by a communications plan, which varied for each consultation, but usually included a Member Briefing, press release, social media posts and direct emails or letters to key stakeholders.
- 4.49. Further details on these are available at Appendix H.

Strategic Risks (Appendix I)

- 4.50. The Council's Risk Management Framework, including its strategic risks, is undergoing a significant internal review to strengthen existing arrangements. The Council have now created risk appetite statements, seeking feedback from stakeholders across the Council and then agreeing these with Management Board and Cabinet. The Council is now working to embed these appetite statements to ensure officers operate and make decisions in line with these. The future focus will be to baseline and improve risk maturity across the Council, the aim being to ensure that the management of risks and opportunities is robust across the organisation.
- 4.51. In line with this framework, a list of the Council's strategic risks has previously been shared with Cabinet. The scorecards for these risks are now being updated and refined for internal review.
- 4.52. As a result of the review, the Council is designing and implementing new systems and processes to enhance the reporting process for risks at all levels and improve horizon scanning of risks and opportunities. This includes a new cross-Council digital dashboard, which will improve internal monitoring and challenge, ensuring the Council manages risks proportionately within its financial constraints. This is expected to be completed by Q2 2025/26.
- 4.53. The strategic risk landscape has not changed significantly. Overall scores have remained stable (see Appendix I), with key mitigation actions continuing to be delivered. This includes risk and business continuity workshops within individual services. These measures enhance the Council's awareness of new

and emerging risks and its preparedness to ensure resilience to disruptive events.

5 How does the decision contribute to the Borough Plan?

- 5.1 This report highlights performance against the missions set out within the 2024-28 Borough Plan. As such it helps to ensure the Council is delivering against its missions and objectives, that areas of strong and of challenging performance are identified and, where appropriate, enabling additional action and reallocation of resources.

6 What engagement has taken place with partners?

- 6.1 There is joint working with external partners relevant to the Council's services referred to in the report. The performance management framework and outcomes monitoring report reflects a number of shared priorities, joint actions and measures of success held in common with key partners such as the NHS and Police.

7 What are the financial implications?

- 7.1 There are no direct financial implications arising from the decisions in this report. The Financial Performance is a separate report on this agenda.
- 7.2 Over recent years the Council has experienced significant increase in its costs base, need and complexity. This is leading to a significant shift of resources into Social Care, but this pressure is still clearly visible across service performance.

8 What are the legal implications?

- 8.1 There are no specific legal implications. However, the Council is required to deliver a balanced budget, and the monitoring of the Council's performance contributes to the effective management of that budget.

9 What risks are there and how can they be reduced?

- 9.1 The report highlights the primary performance and demand pressures for the Council and the actions taken to address both short term and underlying pressures within services. The ongoing monitoring frameworks in place through these reports in addition to the Council's overall risk management process ensure a measured and sustainable response is implemented to address these risks.

10 How does the decision contribute to the "All Together Fairer" priorities?

- 10.1 Whilst the borough missions and the Council's service delivery support the "All Together Fairer" priorities, there are no direct impacts arising from the decisions in this report.

11 What is the impact of the decision on equality and diversity issues?

- 11.1 There are no direct impacts on equality or diversity issues arising from the decisions in this report. However, a number of measures report on issues and services that can have a disproportionate impact on specific communities, and attainment data includes measures that report on the attainment of pupils on free school meals in comparison to all pupils.

12 What are the implications of the decision on climate change?

- 12.1 As part of the Summary Corporate Performance Report, the Council tracks its own and borough-wide greenhouse gas emissions, raising awareness of the pressing issue of climate change and tracking progress.

13 Are there any other options?

- 13.1 The report includes recommendations. Members could choose not to approve the recommendations. However, this could adversely impact future performance.

For further Performance information:

Cabinet Member: Councillor Louise Gittins, Leader of the Council

Officer: Natalie Abraham, Assistant Chief Executive – Director of Transformation and Change

Email: natalie.abraham@cheshirewestandchester.gov.uk

Background Documents:

Documents are available for inspection at The Portal, Ellesmere Port

The Borough Plan is available at www.cwcouncilplan.co.uk

The Annual Delivery Plan and online performance dashboard is available at www.cheshirewestandchester.gov.uk/your-council/policies-and-performance/performance-report

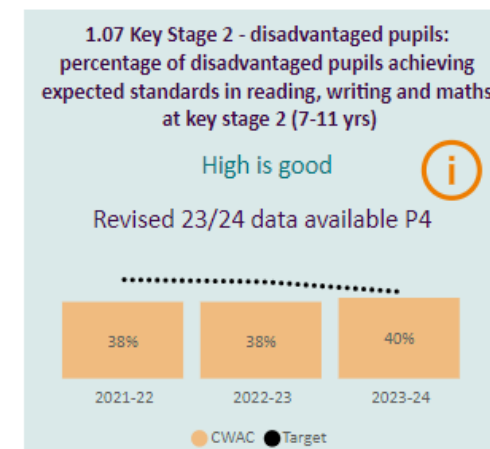
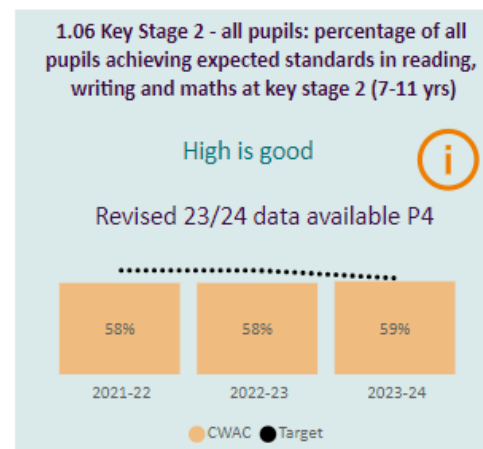
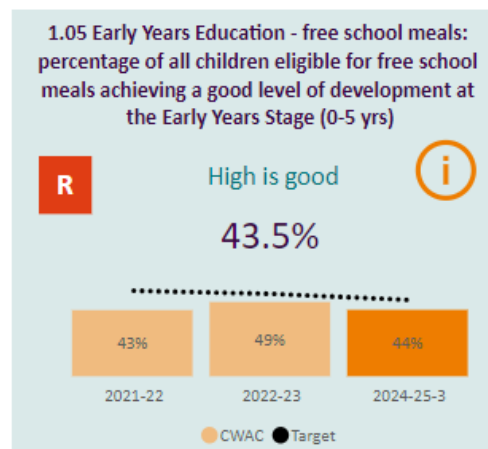
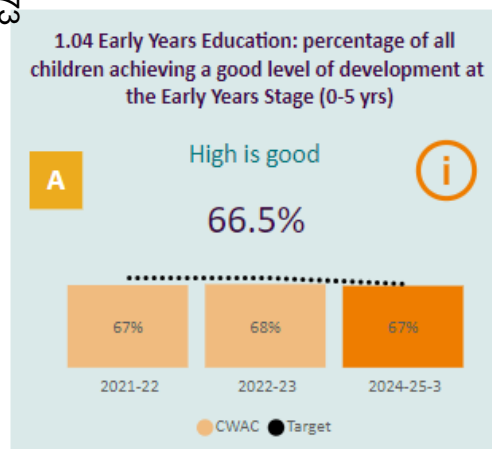
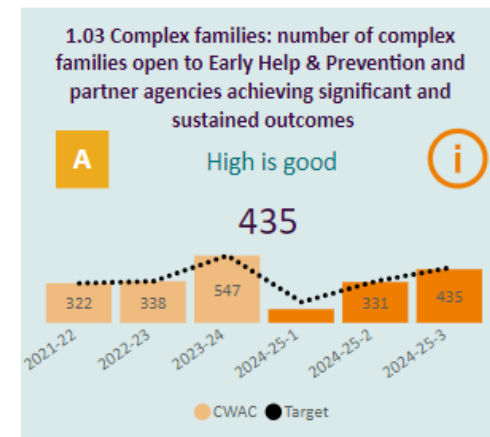
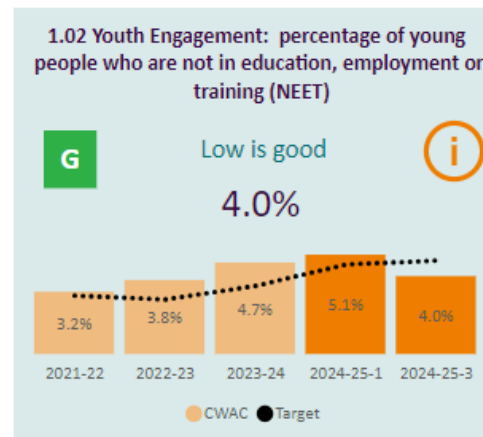
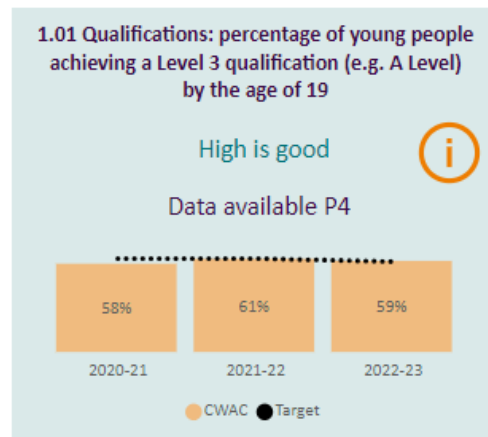
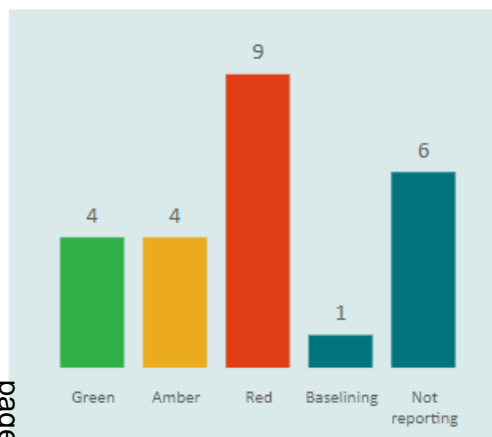
Starting Well

Performance this period

The below charts set out performance against the Borough Plan for Starting Well.

Link to supporting commentary: www.cheshirewestandchester.gov.uk/your-council/policies-and-performance/performance-report

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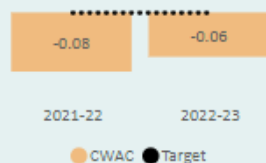


1.08 Key stage 4, progress 8 – all pupils: progress 8 score – all pupils (progress of all pupils from the end of primary school to GCSE level qualifications, compared to the national average)

High is good



Data available P4

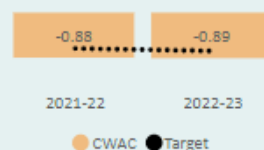


1.09 Key stage 4, progress 8 – disadvantaged pupils: progress 8 score – disadvantaged pupils (progress of disadvantaged pupils from the end of primary school to GCSE level qualifications, compared to the national average)

High is good



Data available P4



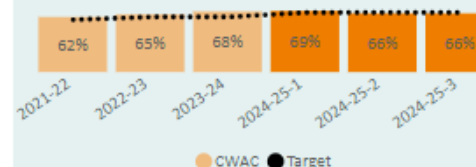
1.1 Special Educational Needs and Disability - primary: percentage of primary school age children with SEND who are taught in mainstream provision



High is good



66%



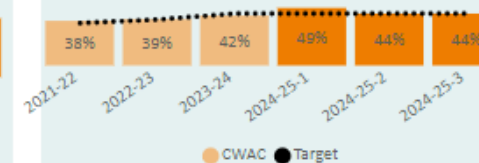
1.11 Special Educational Needs and Disability - secondary: percentage of secondary school age children with SEND who are taught in mainstream provision



High is good



44%

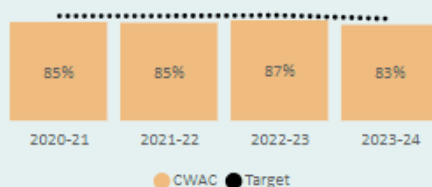


1.12 Education, Health and Care Plans: percentage of those aged 16-17 who have a current EHCP and are participating in learning

High is good



Data available P4



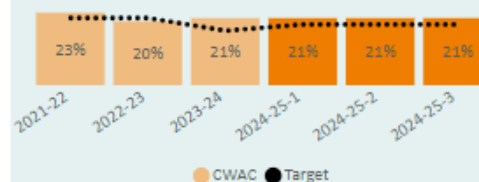
1.13 Children's social care referrals: percentage of referrals to children's social care that are within 12 months of a previous referral



Low is good



21%



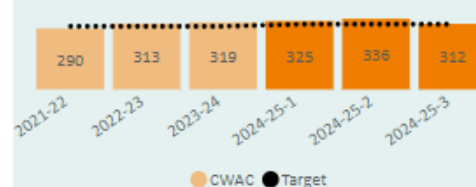
1.14 Children in need: rate of children in need per 10,000 population aged 0-17



Low is good



312



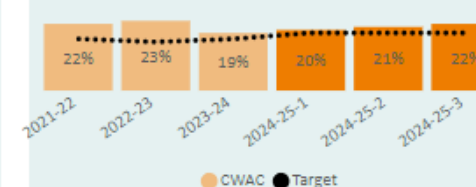
1.15 Child protection: percentage of children who become the subject of a child protection plan for a second or subsequent time

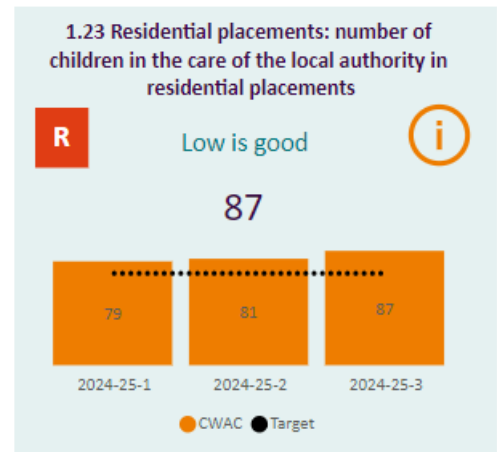
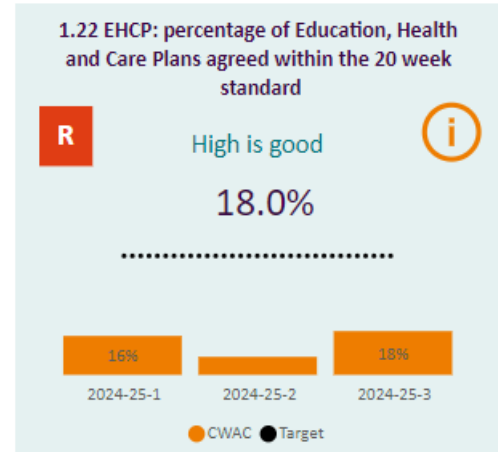
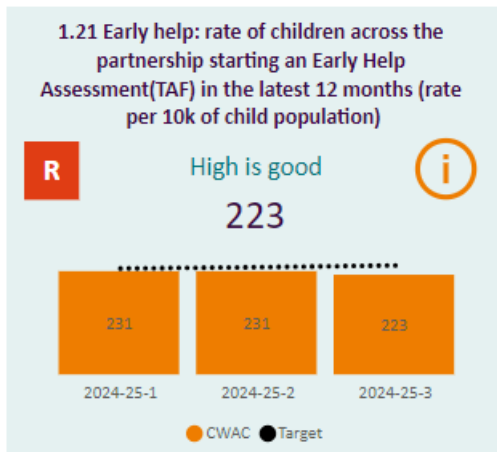
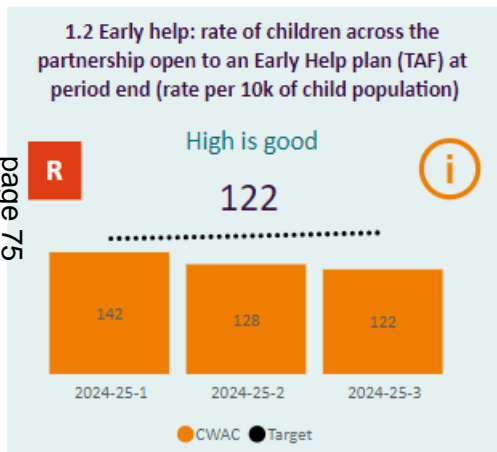
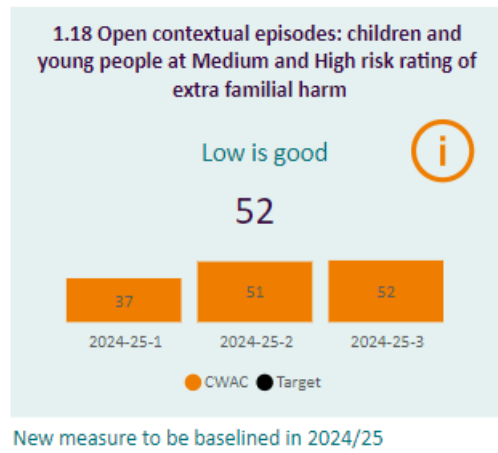
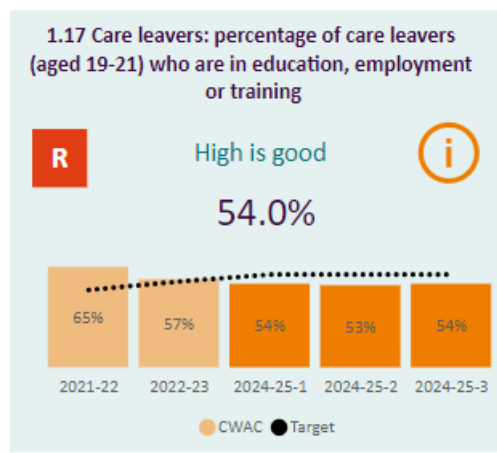
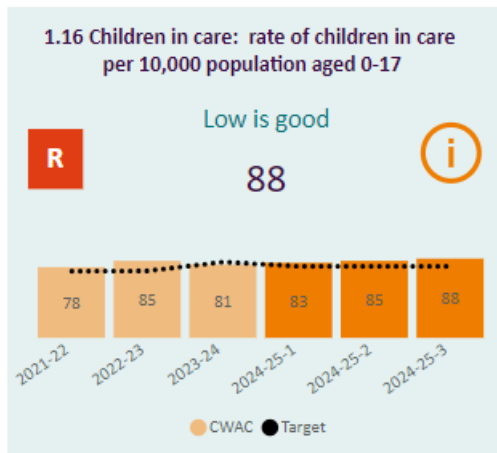


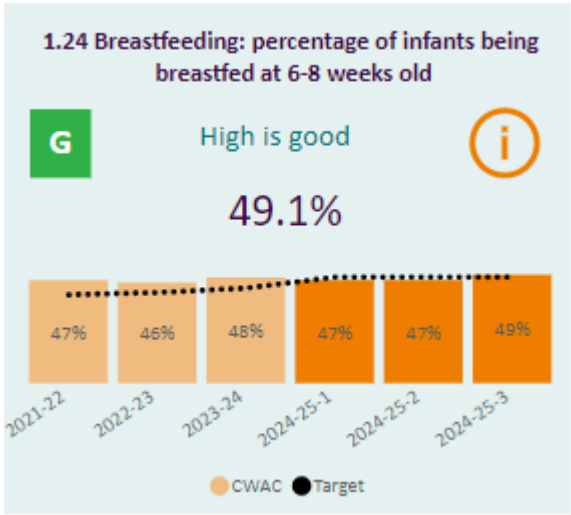
Low is good



22%







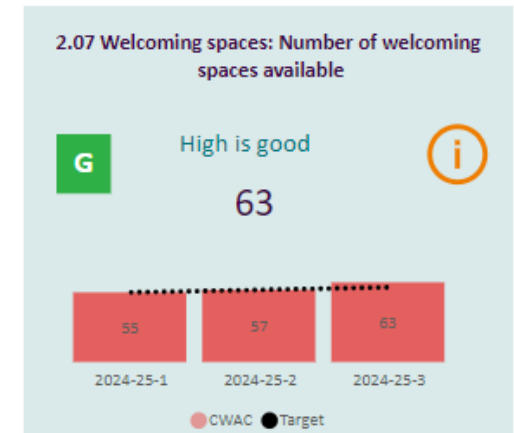
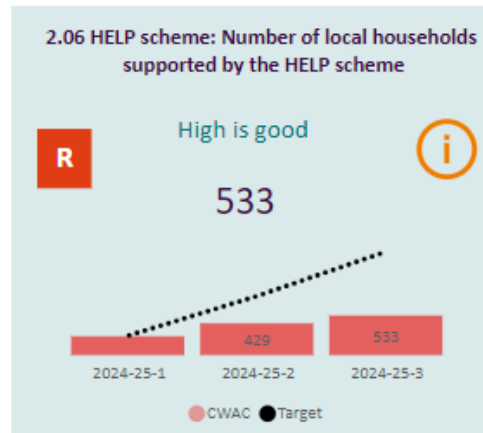
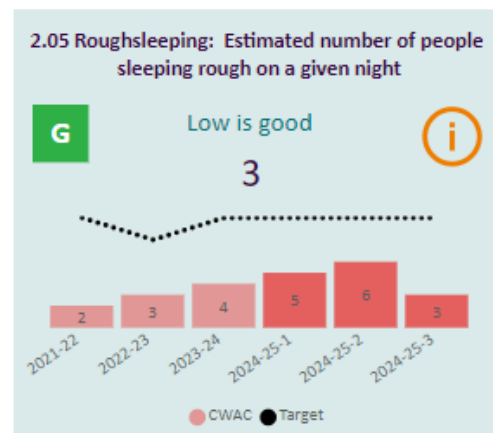
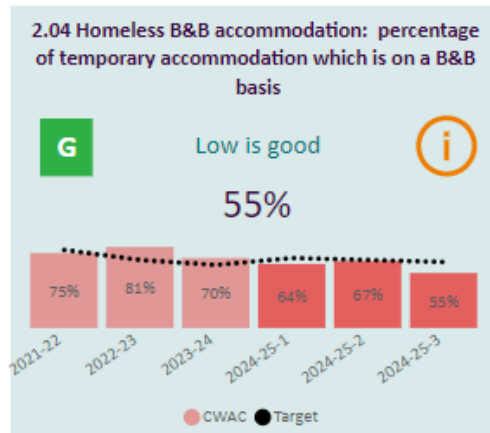
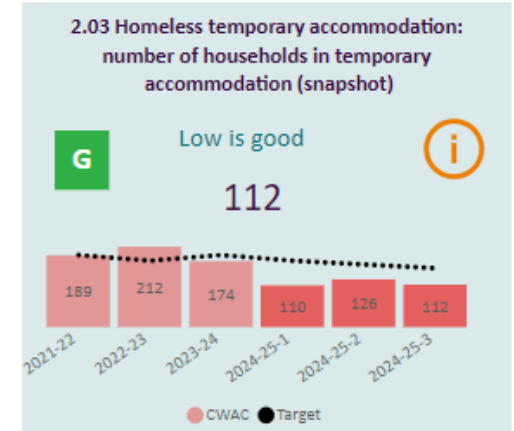
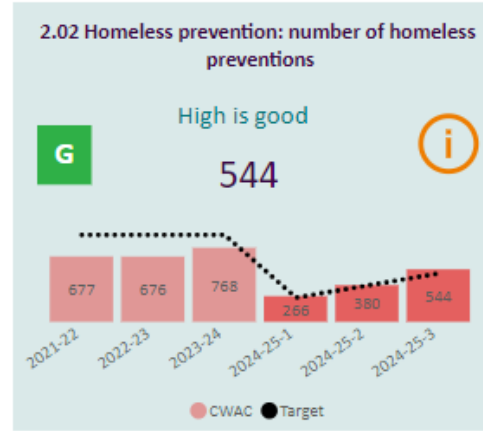
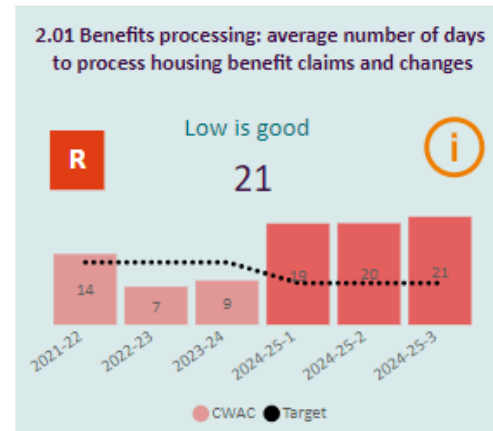
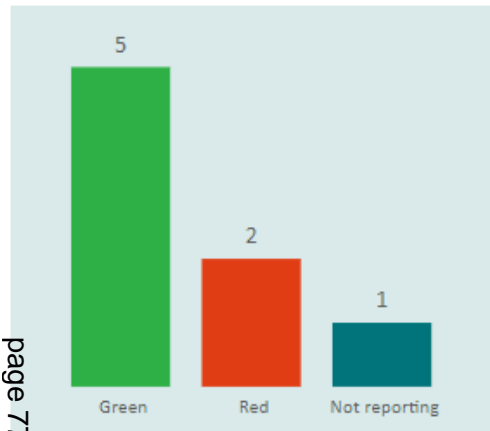
Tackling hardship and poverty

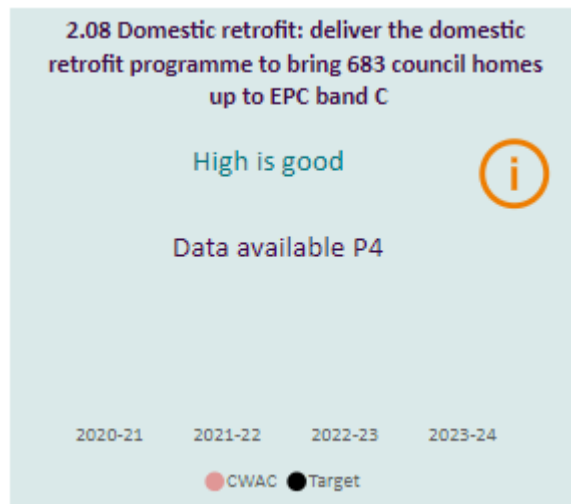
Performance this period

The below charts set out performance against the Borough Plan for Tackling hardship and poverty.

Link to supporting commentary: www.cheshirewestandchester.gov.uk/your-council/policies-and-performance/performance-report

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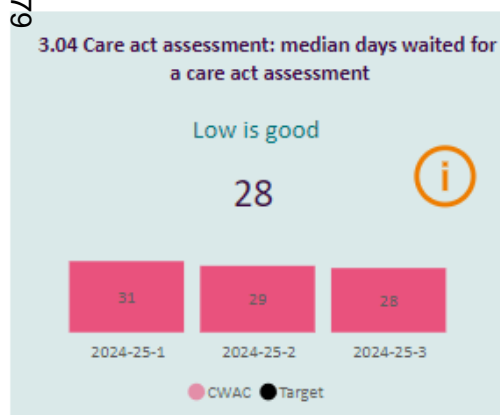
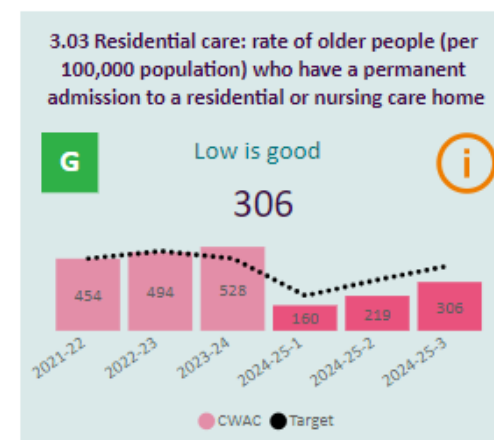
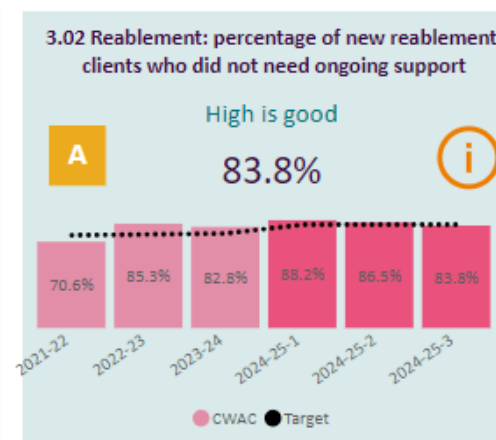
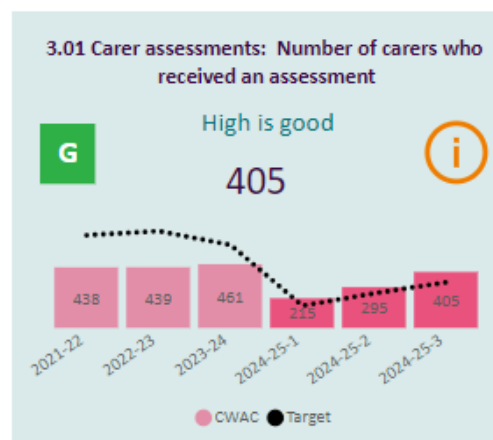
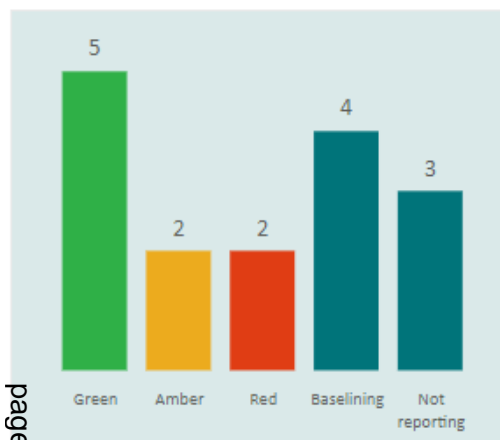
Resilient people living their best lives

Performance this period

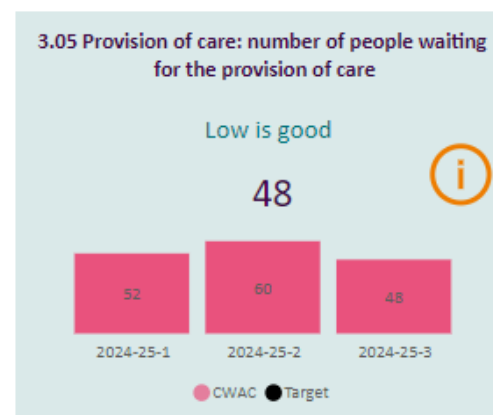
The below charts set out performance against the Borough Plan for Resilient people living their best lives.

Link to supporting commentary: www.cheshirewestandchester.gov.uk/your-council/policies-and-performance/performance-report

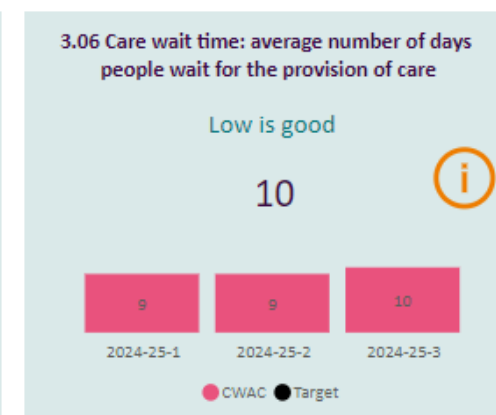
page 79



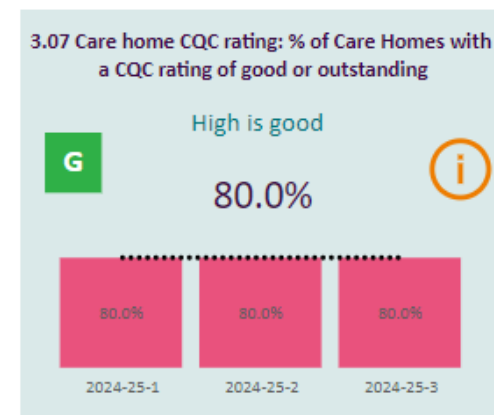
New measure to be baselined in 2024/25



New measure to be baselined in 2024/25



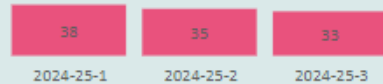
New measure to be baselined in 2024/25



3.08 Occupational Therapy wait time: median days waited for an Occupational Therapy assessment

Low is good

33



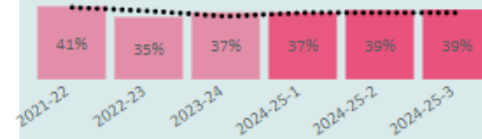
CWAC Target

New measure to be baselined in 2024/25

3.09 Domestic Abuse: percentage of re-referrals to Domestic Abuse Intervention and Prevention teams (DAIPS) within 12 months of an intervention

Low is good

39%

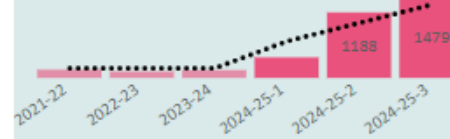


CWAC Target

3.10 Independent living: number of vulnerable residents supported to remain in their own homes through disabled facilities and other grants

High is good

1479

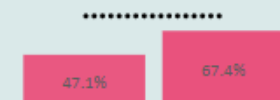


CWAC Target

3.11 Safe accommodation provision: % of Cheshire West & Chester referrals accepted in to Safe Accommodation Provision

High is good

Data available P4

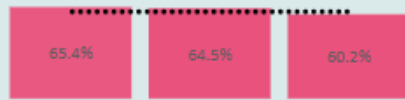


CWAC Target

3.12 Smoking cessation: % of people who set a quit date who successfully quit at the four week follow up

High is good

60.2%

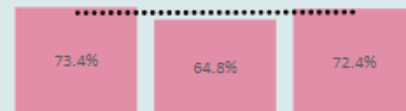


CWAC Target

3.13 Physical activity: percentage of adults doing at least 2.5 hours physical activity per week

High is good

Data available P4

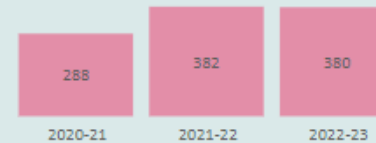


CWAC Target

3.14 STI: The rate of new diagnoses of a sexually transmitted infection per 100,000 population

Low is good

Data available P4

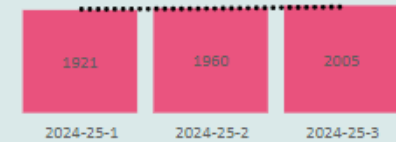


CWAC Target

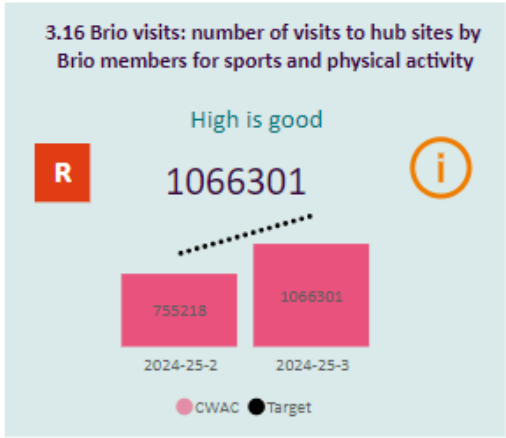
3.15 Substance misuse: number of adult individuals who accessed structured substance misuse treatment

High is good

2005



CWAC Target



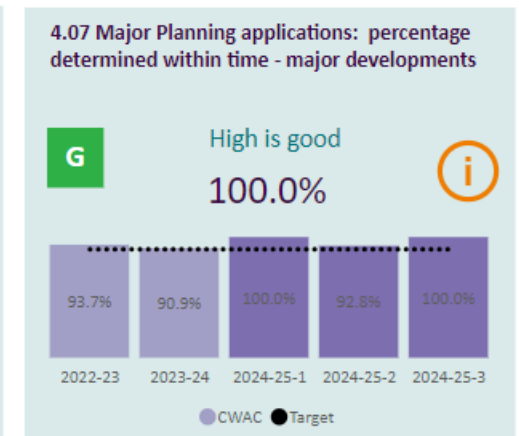
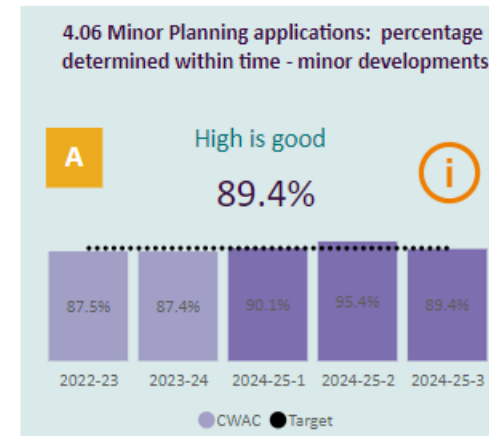
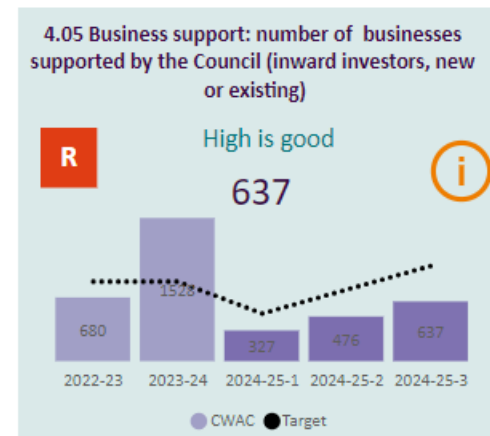
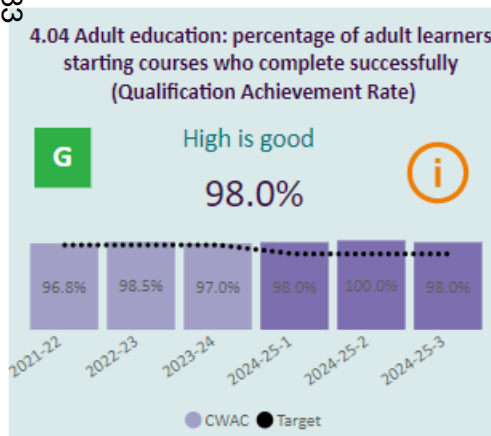
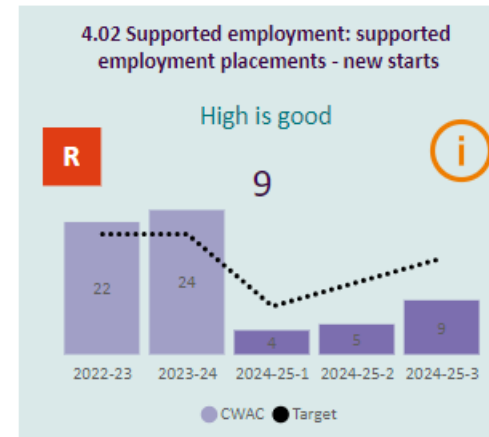
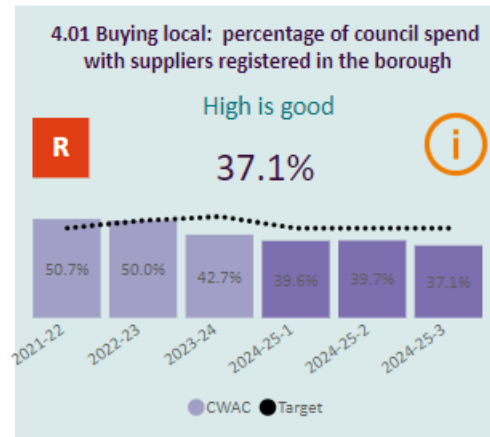
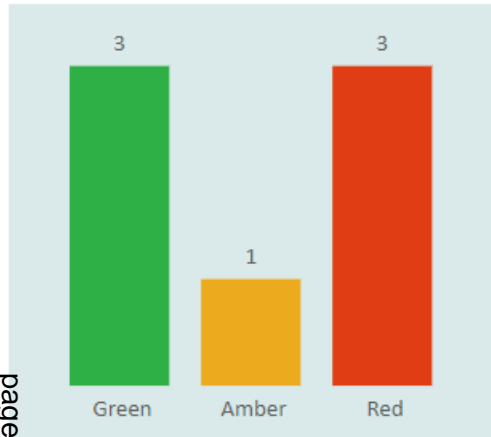
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Opportunity in a fair economy Performance this period

The below charts set out performance against the Borough Plan for Opportunity in a fair economy.

Link to supporting commentary: www.cheshirewestandchester.gov.uk/your-council/policies-and-performance/performance-report

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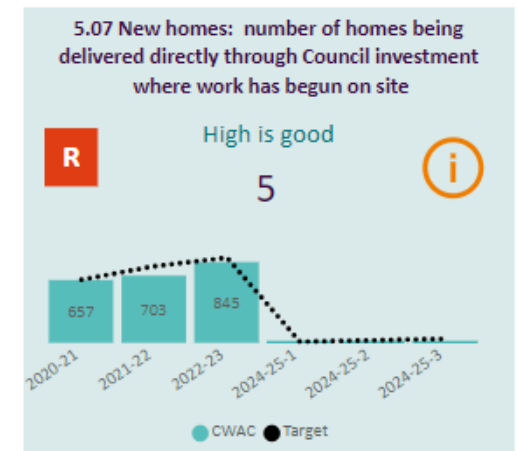
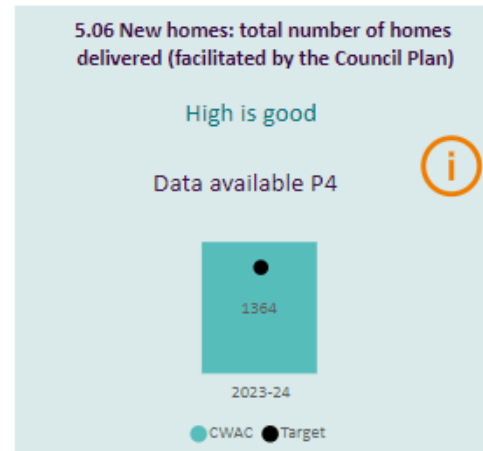
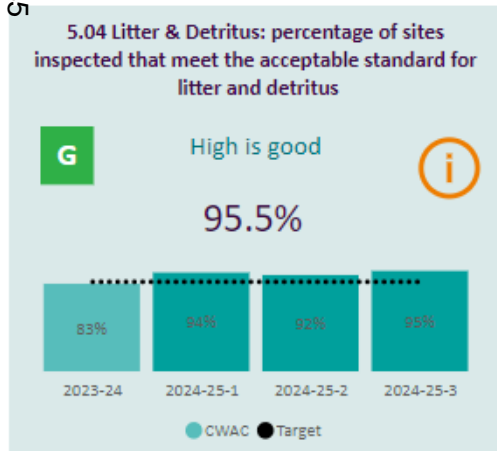
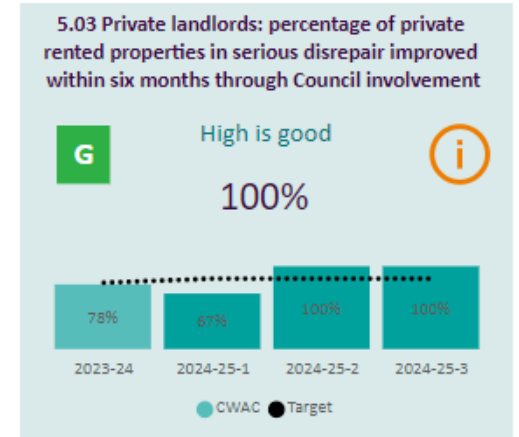
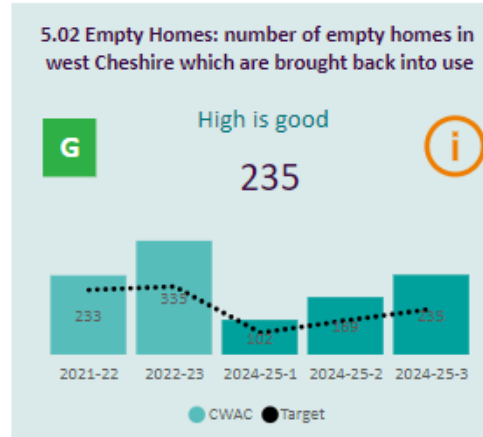
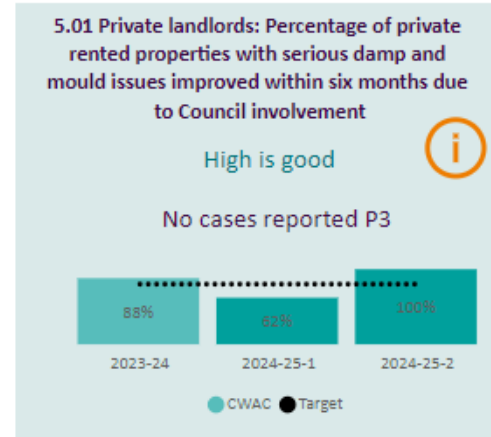
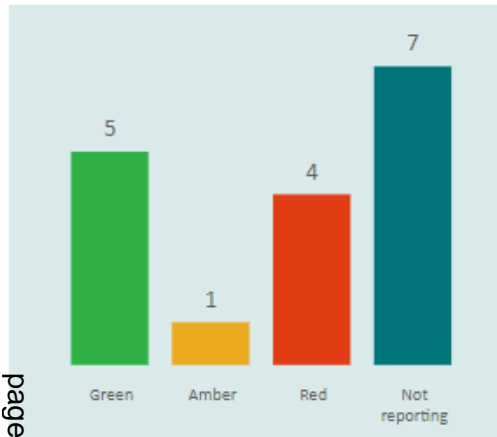
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Neighbourhood Pride Performance this period

The below charts set out performance against the Borough Plan for Neighbourhood Pride.

Link to supporting commentary: www.cheshirewestandchester.gov.uk/your-council/policies-and-performance/performance-report

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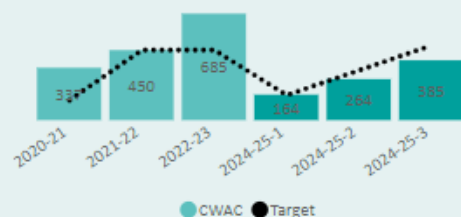


5.08 Affordable homes: Number of new affordable homes completed

High is good

R

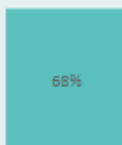
385



5.09 Council housing: proportion of council housing tenants who report that they are satisfied with the overall services from their landlord

High is good

Data available P4

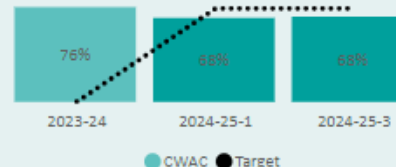


5.10 Council housing: proportion of Council housing tenants who have received a repair in the last 12 months who report that they are satisfied with the overall repairs service.

High is good

R

68.5%



5.11 Council housing: proportion of Council homes that meet the decent homes standard.

High is good

Data available P4

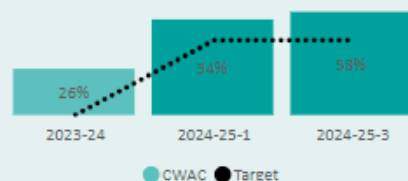


5.12 Council housing complaints: proportion of stage one council housing complaints responded to within the Housing Ombudsman Complaint Handling Code timescales

High is good

G

58.0%

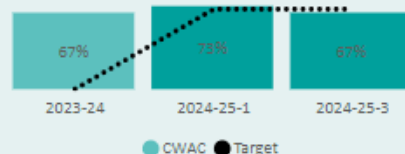


5.13 Council housing complaints: proportion of stage two council housing complaints responded to within the Housing Ombudsman Complaint Handling Code timelines

High is good

A

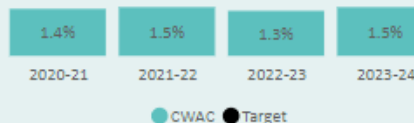
67.0%



5.14 Condition of A roads: percentage of A roads requiring structural maintenance

Low is good

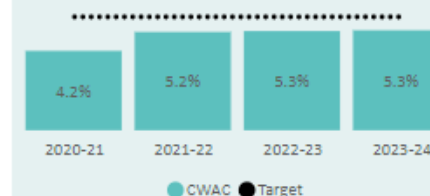
Data available P4

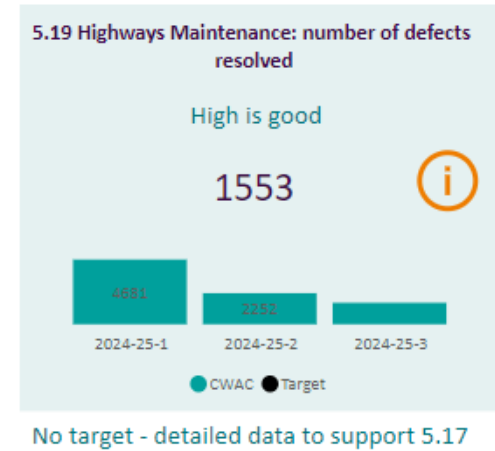
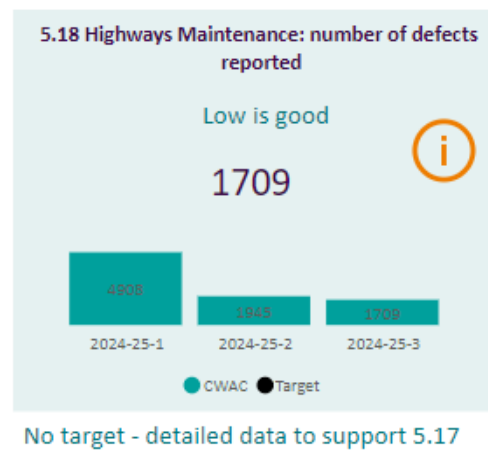
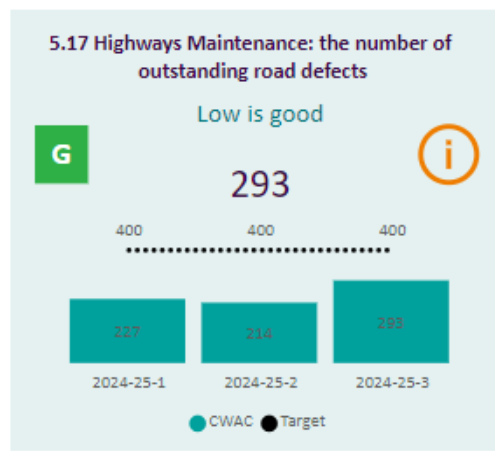
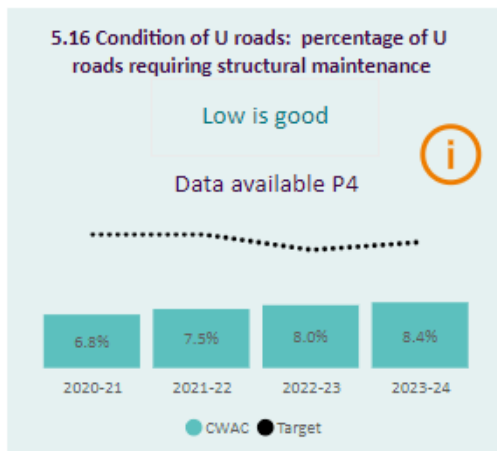


5.15 Condition of B&C roads: percentage of B & C roads requiring structural maintenance

Low is good

Data available P4

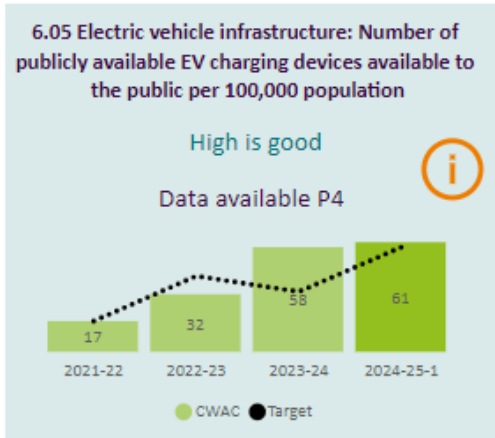
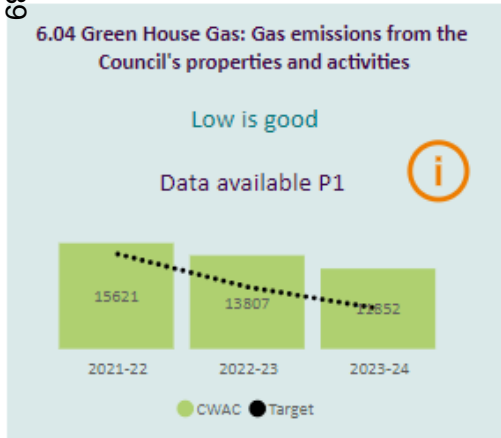
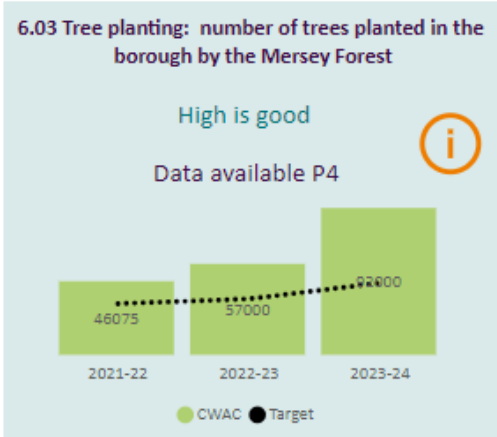
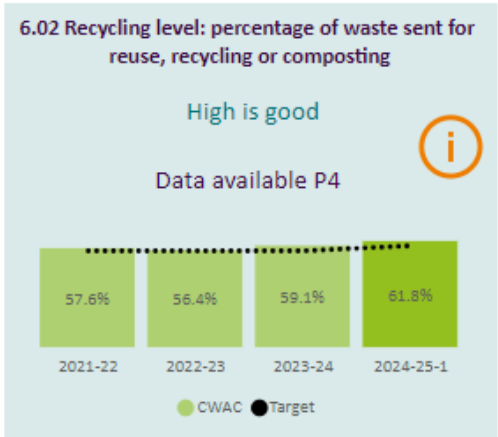
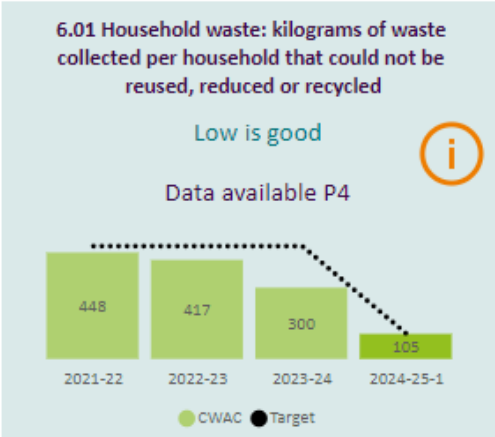




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Greener communities
Performance this period

The below charts set out performance against the Borough Plan for Greener communities
Link to supporting commentary: www.cheshirewestandchester.gov.uk/your-council/policies-and-performance/performance-report



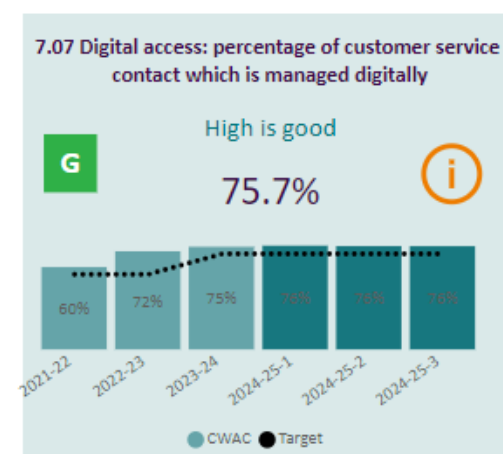
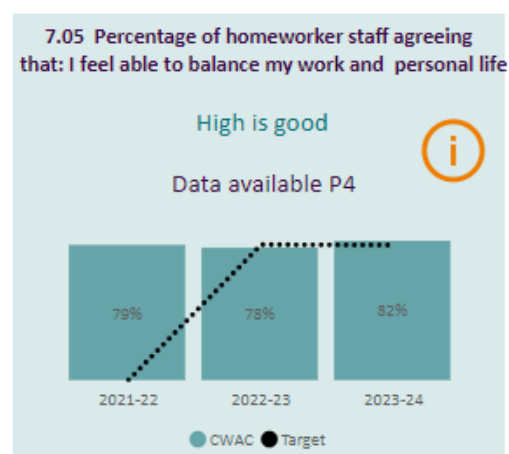
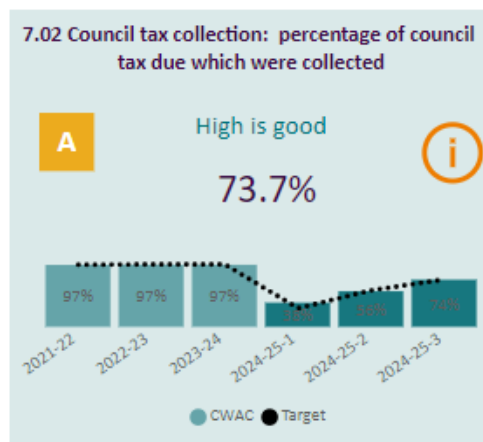
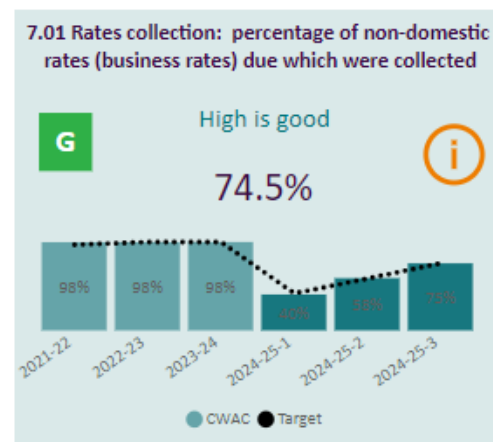
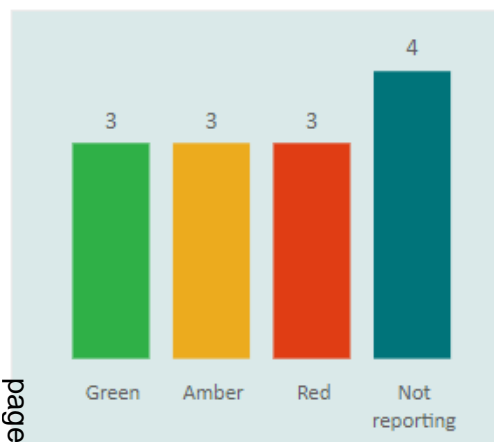
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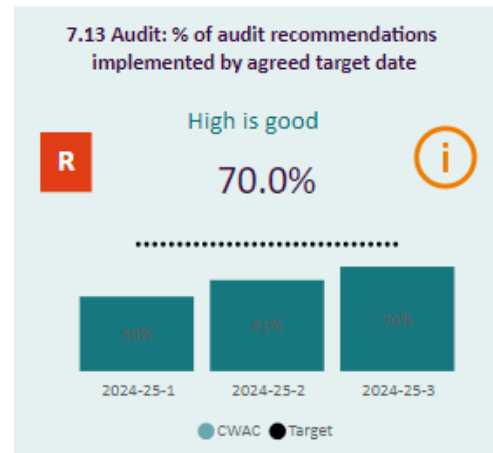
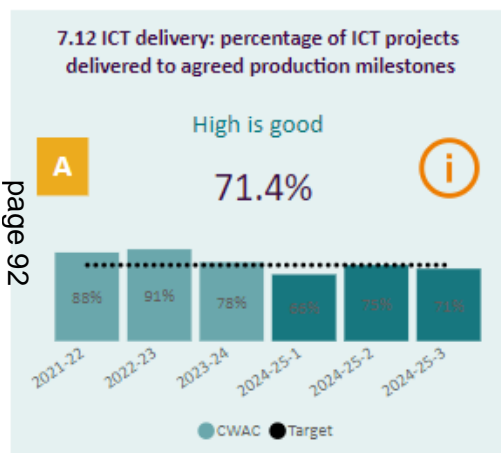
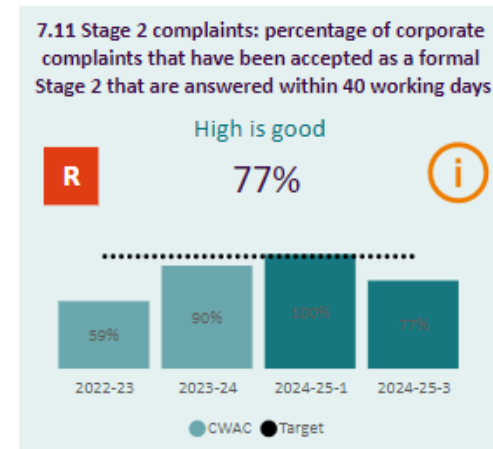
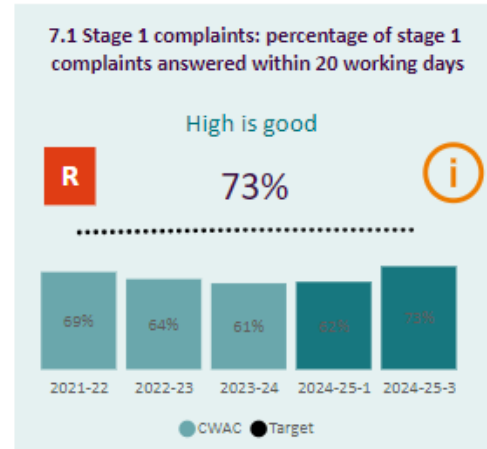
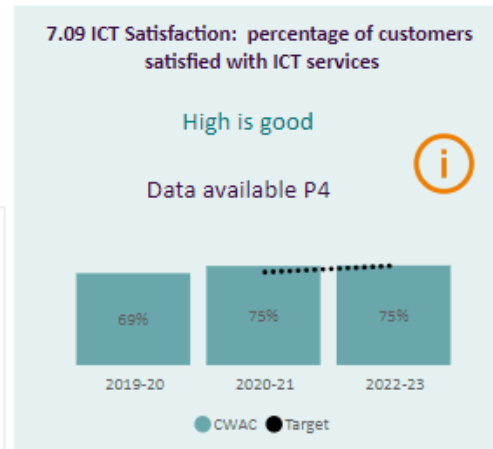
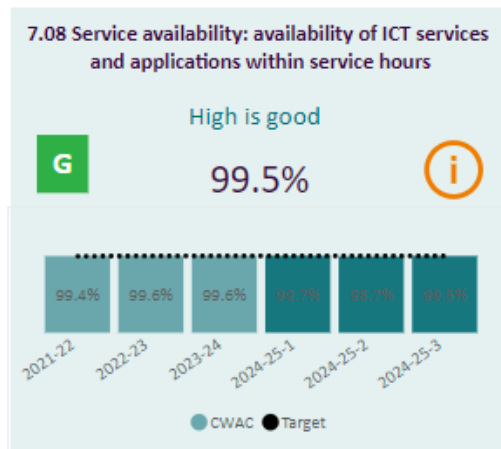
Doing things differently Performance this period

The below charts set out performance against the Borough Plan for Doing things differently.

Link to supporting commentary: www.cheshirewestandchester.gov.uk/your-council/policies-and-performance/performance-report

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Council consultation and engagement exercises during period three 2024/25

Since the last corporate performance report, which focused on April to September 2024, four consultations have been considered to inform decisions, nine public engagement and consultation exercises that are completed are now being analysed or are awaiting consideration, and two consultation exercises have launched and are currently live. These are listed in the tables below.

Consultation and engagement results considered to inform decisions

Consultation	Purpose	Summary of consultation methods	Closing date	Response	Lead Member	Link to Cabinet report and minutes
Sexual health services recomissions	to gather the views of residents on locally available sexual health services, in particular what works well and what could be improved, to support the recommissioning of services	<ul style="list-style-type: none"> Engagement with existing groups to develop a residents survey Online and paper residents survey Professionals survey Engagement with face-to-face groups and meetings 	7 April 2024	154 residents responses, 41 professional responses	Councillor Denson	Agenda and reports for the 13 November 2024 Cabinet meeting
Extra care and care at home commission		<ul style="list-style-type: none"> 'Let's Talk' conversations Attendance at existing community groups Community engagement events Provider forums and events Review of existing engagement around the 'Enabling Great Lives' strategy 	September 2024	146 attendances at specifically arranged events, as well as wider engagement	Councillor Little	Agenda and reports for the 13 November 2024 Cabinet meeting
Council tax reduction scheme	Consultation on proposed changes to the Council Tax	<ul style="list-style-type: none"> Consultation document 	31/10/24	200 survey responses	Councillor Gahan	Agenda and reports for the 13 November 2024 Cabinet meeting

Consultation	Purpose	Summary of consultation methods	Closing date	Response	Lead Member	Link to Cabinet report and minutes
	Reduction Scheme (CTRS) which helps low income households with payments of Council Tax, aimed at simplifying the scheme	<ul style="list-style-type: none"> • Online and paper survey • Two drop- in sessions • Option to write-in, email or telephone with views • Involving Community Inspirers and Poverty Truth Advisory Board 				
Whitby Park car park consultation	Consultation to seek views on proposals to introduce a 4-hour time restriction at Whitby Park Car Park.	<ul style="list-style-type: none"> • Consultation document • Online and paper survey • Drop-in session at Theatre Porto • Option to write-in, email and telephone with views 	02/04/24	453 responses overall.	Councillor Warner	Whitby Park car park consultation Cheshire West and Chester Council

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Consultation and engagement exercises currently being analysed and reported, or awaiting decision

Consultation	Purpose	Summary of consultation methods	Closing date	Response	Lead Member	Link to consultation
Heritage Strategy consultation	Engagement and consultation to help shape the development of a new Heritage Strategy	<ul style="list-style-type: none"> • Extensive early engagement • Consultation document • Online and paper survey • Option to write-in or telephone with views 	08/01/24	194 responses overall.	Councillor Gittins	Heritage Strategy Consultation Participate Now (cheshirewestandchester.gov.uk)

Consultation	Purpose	Summary of consultation methods	Closing date	Response	Lead Member	Link to consultation
		<ul style="list-style-type: none"> Targeted focus groups 				
West Cheshire Museums and Libraries consultation	Consultation to help shape proposals around opening hours for museum and library services in future.	<ul style="list-style-type: none"> Consultation document Online and paper survey 9 drop-in events Option to write-in or telephone with views Attended the Town & Parish Conference in March Attended four locality Member Briefings 	02/04/24	Around 1,600 responses overall.	Councillor Denson	West Cheshire Museums and Libraries Consultation 2024 Cheshire West and Chester Council
Local Nature Recovery Strategy Engagement (consultation to follow)	Engagement on initial priorities to help shape the Local Nature recovery strategy prior to consultation.	<ul style="list-style-type: none"> Online survey 'Map-tionnaires' for pledges for nature and sites for investment Public workshops Option to write-in, email and telephone with views 	20/04/24	866 survey responses – other methods ongoing.	Councillor Shore	Working together for a Wilder Cheshire and Warrington Cheshire West and Chester Council
Learning disability day services review consultation	Consultation to help shape future day services for people with a learning disability.	<ul style="list-style-type: none"> Consultation document Online and paper survey Easy Read document & survey Drop-in events Online / telephone appointments Engagement toolkits to undertake activities 	08/05/24	285 responses overall.	Councillor Little	Share your views on the future of day services Participate Now (cheshirewestandchester.gov.uk)

Consultation	Purpose	Summary of consultation methods	Closing date	Response	Lead Member	Link to consultation
		with people who attend day services <ul style="list-style-type: none"> • Option to write-in, email or telephone with views 				
Household Waste Recycling Centre Consultation	Consultation about proposed changes to the way Household Waste Recycling centre services operate.	<ul style="list-style-type: none"> • Online and paper survey • Drop-in events near all HWRCs • Member Locality Briefing and ChALC Connections meetings • Option to write-in, email or telephone with views 	01/09/24	3550 responses overall	Councillor Shore	Household Waste Recycling Centre Consultation Participate Now (cheshirewestandchester.gov.uk)
Housing Strategy Consultation	Consultation on proposed vision and priorities for a new Housing Strategy, following on from an initial engagement in Spring 2024.	<ul style="list-style-type: none"> • Online and paper survey • Drop-in events • Option to write-in, email and telephone with views • Member Locality Briefing and ChALC Connections meetings 	05/11/24	201 survey responses and a number of people attended face-to-face drop-in sessions	Councillor Warner	Housing Strategy Consultation Participate Now (cheshirewestandchester.gov.uk)
Join the Budget Conversation	Engagement to inform the Councils approach to developing a budget plan	<ul style="list-style-type: none"> • Online and paper survey • Online budget simulator • Option to write-in, email and telephone with views 	06/11/24	351 responses overall	Councillor Gahan	Join the budget conversation Participate Now
Homelessness and rough	Consultation on proposed vision and	<ul style="list-style-type: none"> • Online and paper survey 	10/11/24	50 survey responses	Councillor Warner	Homelessness and Rough Sleeping Strategy Consultation

Consultation	Purpose	Summary of consultation methods	Closing date	Response	Lead Member	Link to consultation
sleeping strategy consultation	priorities for a new homelessness and rough sleeping strategy, following early engagement with partners.	<ul style="list-style-type: none"> • Drop-in events • Option to write-in, email and telephone with views • Member Locality Briefing and ChALC Connections meetings 		and a number of people attended face-to-face drop-in sessions		Cheshire West and Chester Council
Council Housing Management Consultation	Consultation to help inform how Council housing management services are provided in future	<ul style="list-style-type: none"> • Consultation document • Online and paper survey • Consultation events and drop-in sessions • Staff walkabouts • Option to write-in, email and telephone with views 	15/12/24	842 survey responses	Councillor Warner	Council Housing Management Consultation Cheshire West and Chester Council

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Consultation and engagement exercises currently underway

Consultation	Purpose	Summary of consultation methods	Closing date	Response	Lead Member	Link to consultation
Chester City Public Space Protection Order	To understand views on existing measures, new measures being considered, and the area to which the PSPO applies.	<ul style="list-style-type: none"> • Online and paper survey • Option to write-in, email or telephone with views • Shared through member locality meetings and CHALC 	30/01/24	Consultation is currently open	Councillor Shore	Council Public Space Protection Order (PSPO) review Cheshire West and Chester Council

Climate Emergency Response Plan Consultation	To consult on the draft Climate Emergency Response Plan that has been proposed following a period of engagement.	<ul style="list-style-type: none"> • Online and paper survey • Drop-in sessions • Option to write-in, email or telephone with views • Shared through Member locality meetings and CHALC 	12/02/24	Consultation is currently open	Councillor Gittins	Climate emergency response plan engagement Participate Now (cheshirewestandchester.gov.uk)
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Strategic Risk Management

CURRENT SCORES

Catastrophic 5	10		14 1	2 4	
Major 4		9	5	13 6	
Moderate 3			3 8 12 15	7	
Minor 2				11	
Insignificant 1					
	Rare 1	Unlikely 2	Possible 3	Likely 4	Almost certain 5

TARGET SCORES

Catastrophic 5		2 14			
Major 4	10	1		4	
Moderate 3		9		6 13	
Minor 2		5 12 15	7 8 3	11	
Insignificant 1					
	Rare 1	Unlikely 2	Possible 3	Likely 4	Almost certain 5

Appendix I

- Statutory failure
- Non-statutory failure.
- Not transforming to meet our Borough Plan
- Social care demand growth
- Failure demand
- Not adapting to our climate
- Not realising the potential of our estate
- Commitment to staff Well-being and Employer of Choice
- Failed partners/suppliers/ Council companies
- Pandemic
- Changes in political and economic landscape
- Critical incident (including flooding)
- Cyber attack
- Governance incident (including Health & Safety)
- Not generating strong insight from data

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Cheshire West and Chester

Report to Cabinet

Date	15 January 2025
Report Author	Debbie Hall (Director of Finance)
Cabinet Member	Councillor Carol Gahan (Portfolio Holder for Finance and Legal)
Report Title:	Third Review of Financial Performance 2024-25
Is this a Key Decision? [(one that affects finances over £1m or significantly affects two or more wards)]	Yes
Exempt Report:	No

1. What is the report about?

- 1.1 This report sets out the financial performance of the Council at the third review of the 2024-25 financial year. This covers the period from 1 April 2024 to 30 November 2024.
- 1.2 It summarises the key headlines for financial performance, covering revenue and capital budgets.

2 It is recommended that Cabinet

Financial Performance Recommendations:

- (i) Note the forecast revenue and capital financial position of the Council as set out in this report.
- (ii) Note that the Council remains within all Prudential Indicators set for itself for the year (see paragraphs 4.84 to 4.90 and Appendix K).
- (iii) Note the significant financial challenges facing the Council and the need to identify further in year mitigations to reduce the forecast overspend.

3 Reasons for the Recommendations

- 3.1 To ensure the Council remains a well-managed authority, recognising and responding to emerging cost pressures and complying with current accounting requirements.

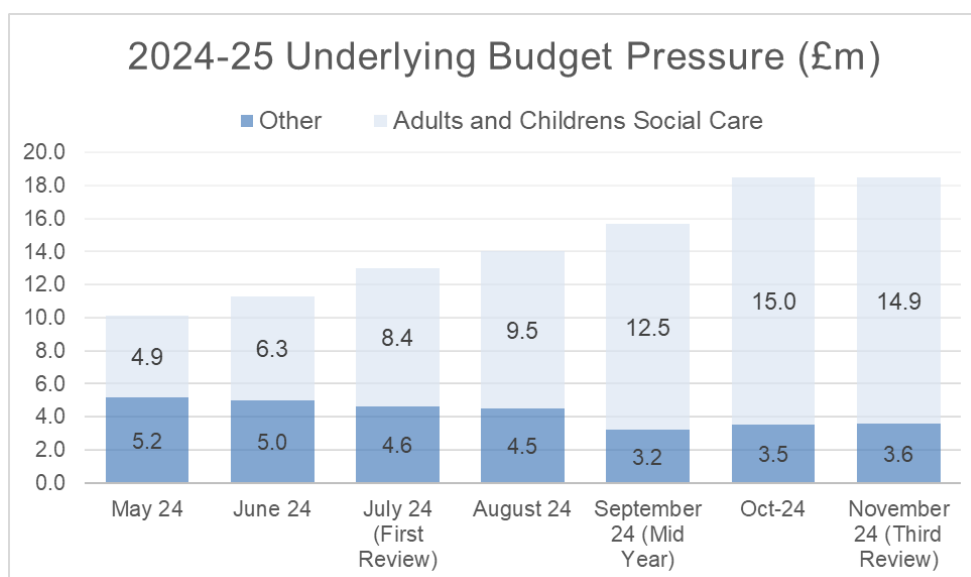
4 Executive Summary

- 4.1 At third review the Council is forecasting an overspend of £9.5m, an increase of £1.2m from the £8.3m forecast at mid year review. There is an underlying

forecast pressure of £18.5m (£15.7m at mid year review) and mitigating actions of £9.0m (£7.4m at mid year review).

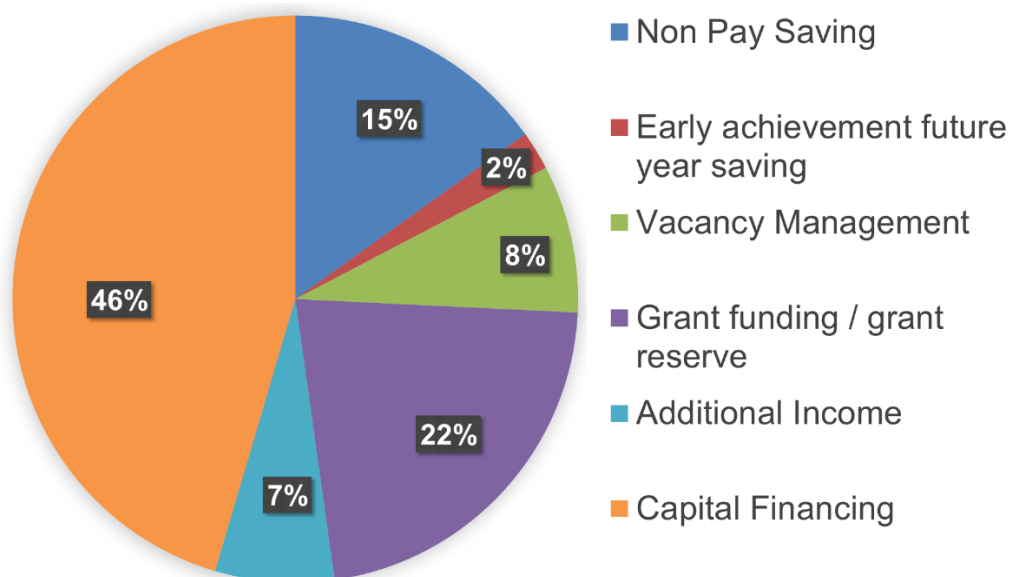
- 4.2 In setting the 2024-25 budget, substantial investment had been made in both Adults Social Care (£28.1m) and Children's Social Care (£17.6m) to stabilise the financial pressures from previous financial years and fund further growth and cost pressures expected in 2024-25. However, there are still underlying pressures with continuing growth in both areas, which exceeds the growth budgeted for. Across both Adult and Children's Social Care there is a forecast underlying overspend of £14.9m (£12.5m at mid year review). Within Adult Social Care the main pressure is due to a significant increase in the external care costs relating to Mental Health (£2.6m) along with pressures within Older People Services (£5.0m) and Learning Disability Services (£2.1m). In Children's Social Care the main pressure relates to employing agency social workers (£2.8m) to cover vital vacant roles.
- 4.3 Whilst Adults and Children's services are pursuing mitigating actions in year and have a number of initiatives seeking to control cost and reduce demand, this will not be fully achievable in the current financial year due to the lead-in time that some of the actions and decisions will require, and consequently savings on other activities and services outside these areas are being sought to avoid drawdowns from the Council's financial reserves which would weaken the Council's financial resilience.
- 4.4 There are also continued budget pressures in other areas which have been evident for several years. This includes homelessness, park and ride, markets income, commercial property income and parking and enforcement income. Actions required to permanently address these pressures are being considered as part of the budget setting process.
- 4.5 The chart below sets out how the underlying budget pressure for 2024-25 has increased during the financial year.

Chart 1 – Underlying Budget Pressures



- 4.6 Services have identified £9.0m of mitigations to support the reported financial pressures and these are a mix of alternative funding sources and constraining expenditure through deliverable actions, such as vacancy management or reducing non pay related spend. At the end of November 2024, £7.0m of the identified mitigations have been delivered with £2.0m still to be delivered. Further analysis on the type of mitigations is provided in the chart 2 below.

Chart 2 – Breakdown of Mitigations



- 4.7 A review of the mitigations has been undertaken to assess whether they are temporary, in year only solutions or provide longer term resolutions to the underlying budget pressure. Currently £0.5m have been identified as permanent mitigations.
- 4.8 Given the continuing increase in the underlying pressure the Council is facing from December, there is a tightening of spending controls to limit spending commitments in the remaining four months of the year with the aim to bring the overspend down:
- All new spending commitments of over £5,000 to be subject to a weekly review/approval by Management Board who will assess whether it is essential to spend.
 - Tighter vacancy management and approval by Management Board. Release of posts to allow recruitment or appointment of agency staff will be scrutinised with the likely outcome that we hold back most vacancies for the rest of the financial year.
 - Increased oversight and challenge of Social Care Resource Panels.
 - Increased focus on prompt raising of debt invoices and collection.
 - Greater scrutiny and challenge from Business Partners over future spending plans

- 4.9 The slippage and non-delivery of both current and prior year budget proposals is also impacting on the current year's position. Target savings of £5.0m are forecast to slip in the current financial year (£4.4m at mid year review) and a further £1.9m from previous financial years are forecast to slip. In line with mid year, £0.8m of savings are non-deliverable (£0.2m from the current financial year and £0.6m from previous years). To support the delivery of budget proposals, enhanced in year reporting is in place with the Value for Money board monitoring savings delivery and identifying the actions required to deliver the slipped savings proposals.
- 4.10 Despite the actions being undertaken to reduce the underlying pressures on a permanent basis, current indications are that many of the pressures being faced by the Council this year are likely to continue into the next financial year and beyond. It will be important that Members are aware of all the challenges facing the Council and the proposed measures to tackle these both on an in year basis and as part of the budget setting process.
- 4.11 A further area of financial strain is the Dedicated Schools Grant (DSG) which is forecasting an in -year overspend of £10.7m, which is a £1.1m increase from the £9.6m reported at mid year review. This forecast is due to continuing demand and cost pressures on the high needs (SEND) provision budgets. This pressure would see the deficit on the DSG reserve increase to £18.2m at the end of 2024-25. Further work is being undertaken to implement the recommendations from the High Needs Review and develop further recommendations to reduce this forecast overspend. This overspend does not currently impact the General Reserve as there is a DSG statutory override in place which means any deficit can be carried forward. However, this override is only currently in place until 31 March 2026. The Government is still to consult on the application of the override or changes in the SEND framework or finances. This is expected to take place in 2025.

Forecast Revenue Outturn

- 4.12 The Council is forecasting an underlying overspend of £18.5m (£15.7m at mid year review), which after mitigating actions of £9.0m (£7.4m at mid year review) reduces the forecast overspend to £9.5m (£8.3m at mid year review). There are forecast overspends in Adults (£10.6m) and Children and Families (£5.1m) offset by underspends in Place and Growth (£0.5m), Public Heath (£0.1m), council wide (£1.5m) and one-off mitigations (£4.1m). The overall position is summarised in Table 1 below and further detail for each directorate can be found in appendices B-F.

Table 1 – Forecast Revenue Outturn

Service	Budget	Forecast	Underlying Position	Mitigating Actions	November 24 (Third Review)	September 24 (Mid Year)
	£m	£m	£m	£m	£m	£m
Strategic Commissioning and Market Management	4.8	4.5	(0.3)	-	(0.3)	(0.3)
Integrated Adult Social Care & Health	142.0	152.4	10.4	(0.6)	9.8	6.9
Vivo	13.6	14.9	1.3	(0.2)	1.1	1.3
Total Adults	160.4	171.8	11.4	(0.8)	10.6	7.9
Public Health	19.5	19.4	(0.1)	-	(0.1)	(0.1)
Children's Social Care	74.1	78.6	4.5	(0.4)	4.1	4.1
Education	21.9	22.9	1.0	-	1.0	0.7
Early Help & Prevention	5.5	5.5	-	-	-	0.2
Total Children & Families	101.5	107.0	5.5	(0.4)	5.1	5.0
Economy & Housing	8.6	9.9	1.3	(1.8)	(0.5)	(0.3)
Environment & Communities	41.3	41.6	0.3	(0.3)	0.0	0.0
Highways & Transport	14.2	14.6	0.4	(0.4)	-	-
Total Place and Growth	64.1	66.1	2.0	(2.5)	(0.5)	(0.3)
Finance	8.0	8.1	0.1	(0.4)	(0.3)	(0.3)
Governance & Chief Executive	7.1	7.1	-	-	-	-
Transformation & Strategy	8.6	8.6	-	(0.7)	(0.7)	(0.6)
Human Resources	1.0	1.2	0.2	(0.1)	0.1	0.1
Property	2.3	2.5	0.2	-	0.2	0.1
Commercial Developments	(3.9)	(3.3)	0.6	-	0.6	0.4
Corporate Budgets	6.3	6.4	0.1	-	0.1	0.1
Total Corporate Services	29.4	30.6	1.2	(1.2)	0.0	(0.2)
Council wide	38.7	37.2	(1.5)	-	(1.5)	(1.5)
Total before exceptional items	413.6	432.1	18.5	(4.9)	13.6	10.8
One off exceptional use of capital financing	-	-	-	(4.1)	(4.1)	(2.5)
Overall financial position	413.6	432.1	18.5	(9.0)	9.5	8.3

- 4.13 In view of the significant forecast in year cost pressure, consideration has been given to any further one-off exceptional mitigations that could be used to reduce the current variance. At first review members approved the use of the forecast capital financing underspend to support the in year position rather than transferring to the Long Term Liability Reserve. This underspend has increased to £4.1m as a result of consistently high levels of cash balances held coupled with high interest rates. It is proposed that at third review and for the rest of 2024/25 any underspend on capital financing and treasury management is applied to mitigate the in-year overspend rather than transferring to the Long Term Liability Reserve.
- 4.14 Across the Council, mitigating actions of £9.0m have been identified, with over £7.0m of this having been already delivered. The remaining £2.0m is spread across Directorates and these will need to be closely monitored to ensure deliverability as any slippage would increase the overspend position.
- 4.15 The balance on the General Fund reserve as at 1 April 2024 was £26.2m. If the current overspend of £9.5m is not mitigated then this would reduce the reserves to £16.7m, a level that is below the risk assessed range agreed by Council in February 2024. This would seriously impact the financial resilience of the Council and a plan would be required to return the general reserves balance to an appropriate level as soon as possible and within the MTFS period. The consequence of having to use reserves to balance the budget in 2024-25 results in the Medium Term Financial Plan gap increasing and further savings needing to be identified.

Budget Proposals

- 4.16 Services are reporting that 83% (£24.5m) of savings proposals are on target to be delivered in year (compared to 85% (£25.2m at mid year) and that 99% (£29.5m) are still considered deliverable overall. The position is summarised in table 2:

Table 2 – Forecast Delivery of Savings Proposals

	Total £m	Delivered / On target £m	High Risk	Slipped £m	Total Deliverable £m	Total Non Deliverable £m
Adults	(13.114)	(9.766)	(0.887)	(2.461)	(13.114)	-
Public Health	(0.254)	(0.254)	-	-	(0.254)	-
Children and Families	(3.781)	(2.868)	-	(0.893)	(3.761)	(0.020)
Place and Growth	(3.227)	(2.525)	-	(0.690)	(3.215)	(0.012)
Corporate	(3.474)	(2.882)	-	(0.517)	(3.399)	(0.075)
Cross Cutting	(5.854)	(5.336)	-	(0.424)	(5.760)	(0.094)
Total	(29.704)	(23.631)	(0.887)	(4.985)	(29.503)	(0.201)
%	100%	80%	3%	17%	99%	>1%

Capital Programme

- 4.17 The current approved capital programme for 2024-25 is £121.4m before changes being sought as part of this third review process. Expenditure to date totals £40.6m and project managers are forecasting expenditure of £109.3m This is shown in table 3 below and is supported by further detail in the directorate appendices B-F.

Table 3 – Capital Delivery Forecast

Directorate	Approved Programme	Expenditure to Date		Forecast Outturn
	£m	£m	%	£m
Adults	4.332	2.296	53%	4.332
Public Health	2.849	0.311	11%	2.716
Children and Families	15.311	8.918	58%	14.270
Place and Growth	87.100	26.158	30%	76.895
Corporate & Council Wide	11.850	2.900	24%	11.066
Total	121.442	40.583	33%	109.279

- 4.18 At third year review several budget amendments to realign budgets across financial years and amend funding are proposed and will be approved under delegated decisions by officers and a member decision notice, in line with the Council's Financial and Contract Procedure Rules. The overall impact of these changes will reduce the in-year capital programme by £11.8m to £109.6m.
- 4.19 Appendix A details the changes made to each 2024-25 allocation since the original capital programme was approved in February 2024, along with a resultant refreshed capital programme for 2024-25 to 2027-28. The programme remains affordable within the approved budget.

- 4.20 The capital programme is currently forecasting a £0.3m underspend for the 2024-25 financial year (£0.6m at mid year review), subject to delegated decisions being approved.
- 4.21 There is a forecast underspend of £4.1m on the capital financing budget (increased from £2.5m at mid year review) due to high levels of cash balances held and high levels of interest being earned on cash balances due to high interest rates. The Council's usual policy is to transfer any underspends on the capital financing budget to the Long Term Liability Reserve. Given the significant pressures on the revenue budget, as referred to earlier in this report, this underspend will be used to help to mitigate the in year pressures rather than transferring to the Long Term Liability Reserve.
- 4.22 Capital receipts contribute to the funding of the capital programme. The 2024-25 target is £13.1m, as at the end of November receipts were £4.3m. Given the current level of receipts against the target, the position is being monitored to ensure deliverability and to assess whether any mitigating action is required to support the current capital programme. The S151 Officer at the end of the financial year will determine the final financing of the capital programme including application of capital receipts (and any shortfall).
- 4.23 Within the capital programme there is £1.3m of revenue funding to deliver schemes, with £1.1m relating to insurance claims. To support the revenue position, a review of remaining revenue contributions has been completed and identified £0.2m of alternative funding which will be accessed to release the revenue commitment whilst ensuring delivery of the programme. The capital programme will continue to be reviewed considering the current financial position and any schemes that are yet to commence may be delayed helping reduce the pressure on the revenue budget.

Summary of Directorate Position – Adults (Appendix B)

- 4.24 Adults Services are forecasting an underlying overspend of £11.4m offset by mitigations of £0.8m resulting in a net £10.6m forecast overspend, this is a deterioration of £2.7m since mid-year review. The increase is largely due to increases in care costs for the Older People cohort (£2.2m) alongside slippage related to the Adults Demand Management programme savings (£0.2m), increases in learning disability care costs and transport (£0.4m) and a reduction to the client contribution forecast (£0.4m). The Vivo forecast has reduced due to vacancy management measures (£0.3m). Further information on the key areas of pressure and main changes since mid-year review are set out below.
- 4.25 In Integrated Adult Social Care & Health, after mitigating actions of £0.6m, an overspend of £9.8m is being forecast, an increase of £2.9m since mid-year review. Mitigating actions include plans to bring forward 2025-26 savings relating to cost of care (£0.2m), a target to reduce the pressure on transport costs (£0.1m), and maximisation of grant funding (£0.3m).
- 4.26 Older People Services and community services are reporting a pressure of £5.0m, this is an increase of £2.9m compared to mid-year review. This is due

to increased expenditure on care packages of £1.2m driven by demographic pressures, including the pick-up of care packages from former self-funders at higher than anticipated levels. There has also been £0.8m of additional expenditure on complex, high-cost packages and a further £0.3m pressure is due to the increased cost of care. There has been further slippage of £0.2m relating to the £2.8m Adults Demand Management programme savings, with total slippage of £1.3m (48%) now being reported. The anticipated cost reduction due to changes to the care management pathways are taking longer than anticipated to embed, particularly in relation to the effective utilisation of reablement pathways. In addition, there has been a reduction of £0.4m in the client contribution forecast. High-cost care placements are scrutinised by a panel of multi-disciplinary officers to ensure resources are allocated as per the Care Act criteria.

- 4.27 A £2.6m pressure is being reported in Mental Health Services due to growth in external care costs of £4.6m against growth of £2.0m allocated in the Budget, this is a reduction of £0.2m since mid-year review. The higher than budgeted growth has been driven by an increase in demand, including the full year effect of increases seen towards the end of 2023-24. The number of service users is up 11% since January 2024, with increases particularly notable among younger adults under 25 (up 50% since January 2024).
- 4.28 Learning Disability Services are reporting an underlying overspend of £2.1m, an increase of £0.4m since mid-year review. This increase is due to increased expenditure on high-cost care packages and associated transport costs. The transformation works continues with a focus on this cohort reviewing care models and accommodation alongside embedding a strengths based approach. In addition to delivering savings from our current spend on services, this approach is also anticipated to mitigate future growth. A transport review and redesign programme is currently underway is looking at opportunities to improve the efficiency and effectiveness of transport services for people with social care needs.
- 4.29 There are significant pressures on the adult social care debt provision with this area accounting for 73% of the overall Council debt. The reported position assumes a £1.9m contribution will be required to the bad debt provision at year end, which represents a £0.7m pressure (unchanged from mid-year review).
- 4.30 Vivo is reporting a pressure of £1.1m, an improvement of £0.2m since mid-year review, due to further vacancy savings being delivered. The underlying pressure is largely due to staffing overspends of £0.4m in Supported Living due to complex care placements requiring additional hours, alongside a £0.3m overspend for Learning Disability Day Services with an increased number of clients supported needing 1:1 provision. There is also a pressure due to a delay in delivering £0.2m of the £0.5m Vivo Service Redesign saving target.
- 4.31 The pressures in Integrated Adult Social Care & Health and Vivo are partially offset by an underspend of £0.3m on Strategic Commissioning & Market Management (unchanged from mid-year review), largely as a result of staff vacancy savings.

- 4.32 Total savings proposals target of £13.1m, of which £7.2m (55%) is already delivered, a further £3.5m (26%) is considered deliverable in year and £2.5m (19%) slipped. The slipped schemes are: £1.3m on Adults Demand Management, £0.8m on Community Response Hubs, and £0.2m due to the delay in delivering the Vivo Service re-design. Note that the slippage on Community Response Hubs has been fully mitigated by bringing forward a saving of £1.25m in relation to reviewing 1:1 support within care homes.
- 4.33 Forecast capital expenditure is £4.3m is in line with the approved budget.

Summary of Directorate Position – Public Health (Appendix C)

- 4.34 Public Health are forecasting a £0.1m underspend for the financial year, largely due to the use of alternative funding streams to fund existing commitments. This position is unchanged from mid-year review
- 4.35 The service is forecasting that it will fully spend the 2024-25 Public Health grant allocation of £18.1m. This leaves a balance within the Public Health Reserve at year end of £0.1m, which is fully committed.
- 4.36 The total savings proposals target is £0.3m, which is on track to be delivered.
- 4.37 Forecast capital expenditure is £2.7m against an approved budget of £2.8m. There is a proposed reprofile of budget to future years for the Leisure Asset Management scheme and is subject to a delegated decision.

Summary of Directorate Position – Children and Families (Appendix D)

- 4.38 Children and Families are forecasting an underlying overspend of £5.5m offset by mitigations of £0.4m resulting in a net £5.1m forecast overspend. This is unchanged since mid-year review.
- 4.39 Children's Social Care are reporting a forecast pressure of £4.1m. This has remained the same as reported at mid-year review. Children's Social Care budget pressures continue to be recognised as a national issue with the impact of costs associated with the homes for the Council's children in care and care leavers ("placements") alongside rising agency staffing costs. There is significant activity that as a local authority the Council is proactively engaged with both regionally and nationally to provide challenge and explore solutions within a national context.
- 4.40 Within Children's Social Care, the pressure mainly relates to a £2.8m overspend against the staffing budget. This reflects the net cost of employing agency social workers to fill vital vacant roles within the service due to the recruitment challenges being faced, the high proportion of the workforce who are newly qualified, along with the need to backfill maternity leave; currently 13% of the workforce is made up from agency workers. The service is working on a recruitment and retention strategy to provide an incentive to existing agency staff to convert to become permanent members of the team. Other

pressures include those relating to unaccompanied asylum-seeking children (£0.3m) which has been mitigated in full using one-off additional external grant. The loss of Dedicated Schools Grant (DSG) income (£0.2m) relating to the Safeguarding Children in Education Team due to an ongoing review of the grant use, demand for 'section 17' and care plan package (£0.3m) and increasing costs of children with disabilities care packages (£0.4m) are the other main pressures.

- 4.41 At this stage of the financial year, children looked after (CLA) has a pressure of £0.4m. The forecast (FTE) number of children looked after has remained relatively stable since the 2024-25 budget was set but has seen an increase over the past couple of months – the Budget was based on 595 compared to 609 forecast in November 2024. There continues to be pressure on high-cost, residential placements; whilst the average cost remains in line with the budget there are 6 more residential placements forecast (Budget based on 82 compared to 88 forecast in November 2024). There are currently 12 (15 at mid-year review) placements costing over £10k per week, which accounts for 35% of the overall spend in this area. There is a high risk of further residential care placements being required in year and therefore the forecast builds in a level of contingency of £0.5m. It is very difficult to predict demand with certainty due to the volatility in this area. Robust monitoring will continue to understand if forecasts remain in line with assumptions.
- 4.42 Within Education there is a forecast overspend of £1.0m which is an increase of £0.3m since mid-year review, due to an increase in demand for home to school transport. Other ongoing pressures are: £0.4m of expenditure that is no longer eligible to be charged to Dedicated Schools Grant (DSG) funding; £0.2m pressure relating to Education Psychologists due to a national staffing shortage; and various miscellaneous non-pay and income target pressures totalling £0.1m.
- 4.43 Our Special Educational Needs & Disability (SEND) service continues to see an unprecedented rise in the number of families requesting an Education Health and Care Plan (EHCP). Permanent additional revenue investment has been made in 2024-25 both from the Dedicated Schools Grant and Council funding to increase staffing capacity in the service. This equates to investment of £0.4m in 2024-25, with the full year investment from 2025-26 being £0.8m. In addition, £1.8m of capital investment is also included within the 2024-25 capital programme to expand resourced provision, with a further £1.6m in 2025-26.
- 4.44 Early Help and Prevention are forecasting a small underspend of £0.023m an improvement of £0.15m since mid-year review. This relates mainly due to vacancy management savings across the service.
- 4.45 Total savings proposals target of £3.8m, of which £2.9m (76%) is considered deliverable in year, £0.9m (24%) slipped and £0.02m (<1%) is no longer deliverable.

- 4.46 Forecast capital expenditure is £14.3m against an approved budget of £15.3m. There is a planned budget change for Children's Residential Accommodation, with a £1.0m move to Schemes Under Development (SUD).

Dedicated Schools Grant (DSG)

- 4.47 There is a forecast overspend of £10.7m on the Dedicated Schools Grant (DSG) budget which is an increase of £1.1m since mid-year review. The overspend is due to continuing demand and cost pressures on the high needs provision budgets for Special Education Needs (SEN) pupils covering mainstream top up funding, independent school placements, alternative provision, targeted education access, personal budgets and Education Otherwise Than at School (EOTAS).
- 4.48 The service will continue to monitor the financial position and progress with the implementation of the High Needs Review to seek mitigations where possible to improve the current position and avoid further pressure on the DSG deficit reserve. The current deficit on the DSG reserve from previous years is £7.5m. The in-year pressure of £10.7m would see the deficit on the DSG reserve increase to £18.2m at the end of 2024-25.

Summary of Directorate Position – Place and Growth (Appendix E)

- 4.49 Place and Growth are forecasting an underlying overspend of £2.0m, before mitigations of £2.5m, resulting in a forecast underspend of £0.5m, this is an increase in the underspend of £0.2m from the position reported for mid year review.
- 4.50 Economy and Housing are reporting a £0.5m net underspend at third review (£0.3m at mid year). There are underlying pressures of £0.5m in Housing and homelessness with delays in delivering saving proposals for temporary accommodation costs, along with a forecast shortfall on Markets income of £0.4m. In addition, there is a £0.4m pressure due to additional time required to implement service reviews and achieve efficiencies along with a £0.1m forecast shortfall on Planning income. The service is mitigating the pressures by utilising alternative sources of funding of £1.3m, vacancy management of £0.4m and £0.1m from reduction in non-pay forecast across the Service.
- 4.51 Environment and Communities are forecasting underlying pressures of £0.3m (no change from mid year) due to income shortfalls in parking and enforcement (£0.2m) and delayed delivery of saving targets (£0.1m). Mitigations include £0.1m from pensions surplus within QWEST, non pay savings and use of alternative funding sources.
- 4.52 Highways and Transport are forecasting a balanced budget at third review (no change from mid year). There is a forecast £0.3m budget pressure for Park and Ride but is fully offset by a forecast underspend on the concessionary fares budget due to levels of passenger usage.

- 4.53 The Council's Housing Revenue Account (HRA) is experiencing higher repair and maintenance and contract management costs than in previous years. The increase (£1.5m) is due to a combination of increased regulatory requirements and increased demands / expectations from tenants. Non pay costs are forecast to be £0.3m overspent due to subscription costs to statutory bodies along with consultancy cost assessing stock options. In addition, housing rental income is under target due to empty premises impacting non dwelling income (£0.1m). These pressures are partially offset by a forecast underspend on the budgeted contribution to the bad debt provision (£0.4m).
- 4.54 Given the HRA operates as a separate fund and the position must be balanced, the forecast overspend of £1.4m will be managed by reducing level of funding available for future capital expenditure.
- 4.55 Total savings proposals target of £3.2m, of which £2.5m (78%) is considered deliverable in year, £0.7m (21%) slipped and £0.01m (<1%) non-deliverable.
- 4.56 Forecast capital expenditure is £76.9m against an approved budget of £87.1m, there is a forecast underspend of £0.1m along with a proposed £11.5m reprofiling of capital funding into future years and budget increases of £1.4m. Further details can be found within appendix E.

Summary of Directorate Position – Corporate Services (Appendix F)

- 4.57 Corporate Services are forecasting an underlying overspend of £1.2m but after mitigations of £1.2m, there is a forecast balanced position for 2024-25, this is a worsening of £0.2m from the forecast reported at mid year review.
- 4.58 Finance are forecasting an underlying overspend of £0.1m due to a shortfall in advertising income, this has been offset by utilisation of available grant funding (£0.3m) and vacancy management (£0.1m).
- 4.59 There is an underlying pressure of £0.2m forecast by Property due to loss of income following farm disposals along with a £0.6m net overspend with Commercial Developments. Void levels across the commercial property portfolio are impacting income levels against the target, further details on Commercial Developments can be found in appendix G.
- 4.60 To support the directorate position, Transformation and Strategy have identified mitigating actions of £0.7m through vacancy management in Transformation and Technology and incorporates release of a temporary £0.5m budget to support ICT redesign, which is no longer required.
- 4.61 Human Resources are forecasting a £0.1m overspend due to slippage of a savings target for the implementation of a service review.
- 4.62 Total savings proposals target of £9.3m (including cross cutting proposals), of which £8.2m (88%) is considered deliverable in year and £0.9m (10%) slipped and £0.2m (2%) is considered non-deliverable.

- 4.63 Forecast capital expenditure is £11.1m against an approved budget of £11.8m, there is a proposed increase in the programme of £0.1m and a reprofiling request of £0.7m, both subject to delegated decisions and a £0.1m underspend forecast against the Data Strategy scheme.

Council wide budgets

- 4.64 The capital financing budget is currently forecasting an underspend of £4.1m. This has increased from £2.5m at mid year as a result of a consistently high level of cash balances held and high levels of interest rate being achieved on those balances. Members have approved the use of this underspend to support the in year position rather than transferring to the Long Term Liability reserve, given the in year cost pressures.
- 4.65 As was reported mid year review, £0.5m of general contingency is being released against which there are currently no specific commitments. In addition, there is a forecast £1m underspend on centrally held energy budgets as a result of reduced consumption combined with favourable gas and electricity prices. The extent to which remaining contingency balances and central budgets will be required are dependent on many factors including the level of inflation applied to contracts and other unknown pressures that will emerge in the final months of the year.

Supporting Refugees and Asylum Seekers

- 4.66 The Council's Refugee & Asylum Seeker (RAS) Team has been established to oversee the refugee resettlement schemes that are operational in the borough, including the Homes for Ukraine Scheme (HfU), UK Resettlement Scheme (UKRS), Afghan Citizens Resettlement Scheme (ACRS), Afghan Relocations and Assistance Policy (ARAP) and Asylum Seeker Dispersal. The RAS Team has specific responsibility to support the integration of refugees and asylum seekers in the borough, aligning its work with the Council's aspiration of becoming a Council of Sanctuary, providing resettlement and integration support by assisting households and individuals to achieve positive outcomes and prevent homelessness.
- 4.67 As at the end of November 2024, the Council has welcomed 147 Afghan guests and two Chagossian guests and has provided support to three families who were successful with their family reunion applications. There have been 761 Ukrainian guests staying in the borough – including 15 guests who have been rematched from other local authority areas. A further 32 Ukrainian guests are expected to arrive, based on visa applications as at 30 November 2024. There are currently 622 asylum seekers residing in the borough. The RAS Team has started to see more support being requested (and provided) for vulnerable asylum seekers and has put in place a referral pathway to facilitate these requests.
- 4.68 The Council is currently providing support to three cohorts of refugees (namely those from Ukraine and those from Afghanistan) and asylum seekers housed in the borough. The cost of providing this support is forecast to be £1.7m in

2024-25 all of which is to be funded from various government grants. The RAS Team is now fully staffed, and since April 2024, has taken over the support provided to our Ukrainian guests that was previously commissioned out to ForFutures.

Commercial Developments (Appendix G)

- 4.69 The Council operates two development accounts (Barons Quay, Northwich and Winsford Cross shopping centre). Over their life, these sites are required to generate operating surpluses which are then used to repay the upfront cost of developing or acquiring the assets. Any shortfalls against these targets creates a budget pressure for the Council. The positions summarised below are unchanged from mid-year review.
- 4.70 Barons Quay is reporting a small deficit trading position. After factoring in budgets and interest costs the scheme is expected to break-even but will not be able to fund any repayment of debt in the current year. This compares to a £0.1m surplus/repayment in 2023-24. Trading conditions remain challenging, but lettings are progressing. The Council is progressing plans to move Northwich market into a vacant unit in late 2025 to attract additional footfall.
- 4.71 Winsford Cross is also reporting a balanced position, marginally improving from 2023-24. This reflects the temporary cost of empty property units while redevelopment continues in Winsford town centre, this phase of development is due to complete by 2025.
- 4.72 Northgate does not operate through a development account, but it still represents a commercial risk for the Council as any underperformance against income targets will create budget pressures. Northgate is expected to achieve net income of just over £1m in 2024-25. This is an improved position, which is primarily due to increased demand for the car park and moving towards the site being fully occupied.
- 4.73 Further detail on all these schemes is included in **Appendix G**. Their longer-term sustainability is regularly reviewed as part of ongoing resilience reviews. The most recent reviews carried out in November 2024 concluded that the performance of the sites remained stable, but wider economic factors continue to represent a significant risk with key tenants operating in fragile markets.

Council Companies (Appendix H)

- 4.74 The Council has two wholly owned Council companies (Brio and Cheshire West Recycling) and significant shareholdings in other arms-length companies. The relative performance of these companies can have an impact on the Council as it is either exposed to risks through losses or can share in benefits. In 2024-25, the group of companies as a whole are projecting a small underspend (£0.4m), slightly up from £0.3m at mid-year review.
- 4.75 This underspend is largely due to a forecast surplus within Cheshire West Recycling where income from recycled materials was strong in the first half of

this year. While prices have since fallen, the benefits from the additional income generated in the first half of the year mean a £0.4m underspend is projected.

- 4.76 Brio is projecting a small deficit (£0.2m) that will be funded from the company's own reserves. They continue to make positive progress with delivering their financial recovery plan, aided by falling energy prices and membership growth. The overall recovery plan is now expected to be fully delivered by 2026-27, slightly later than originally planned.
- 4.77 All Council companies will experience additional costs going into 2025-26, with the impacts of cost inflation and changes to National Insurance. The Council is working with the companies through the annual business planning process to develop plans to mitigate such costs. These will be reflected in the companies' business plans for 2025-26 which will be considered early in 2025.
- 4.78 All other Council companies are reporting a balanced or underspent position in 2024-25. Further details are provided in **Appendix H**.

Debt Management (Appendix I)

- 4.79 The Council continues to monitor and manage the levels of outstanding debt due. The overdue debt due to the Council is currently £21.3m with £12.4m being overdue by more than 6 months. This compares to £19.3m at mid year when £11.5m was overdue by more than 6 months. Outstanding Adult Social Care (ASC) debt forms 73% of the Council's overall Sundry debt position, at mid year review the equivalent position was 77%.
- 4.80 Due to the large proportion of ASC debt the Council continues to hold joint monthly meetings with the Director of Finance and Director of Adult Social Care and Health to review and monitor the debt position. A review of service processes is ongoing to assist with improving the delivery of accurate and timely invoices. Currently 38% of ASC debt has been passed to the Council's Legal Services to try to recover money owed. **Appendix I** contains further detail.

Collection Fund (Appendix J)

- 4.81 Council Tax income collection remains relatively stable, with a small surplus expected compared to the budget estimate. The Council's share of this would be £0.7m and would be available to distribute in the 2025-26 budget. This continues to be closely monitored, particularly given the ongoing concerns about the economy and the cost of living.
- 4.82 Business Rates income is currently higher than budget due to some large new additions to the ratings list since the budget was set. It is currently expected there will be a surplus in the business rates collection fund at year end. The Council's share of this is expected to be around £3.9m and this would be available to distribute in the 2025-26 budget. Income does however remain volatile because of the potential for significant rateable value adjustments outside the Council's control.

- 4.83 By the end of the year the expectation is that the Council Tax collection rate will be similar to last year (and pre-pandemic levels) at around 97% and Business Rates at 98%. The position will continue to be closely monitored on a regular basis.

Prudential Indicators (Appendix K)

- 4.84 All councils must have regard to the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code, which sets out a framework for self-regulation of capital spending. It sets out the approach that councils must take in undertaking integrated medium term revenue and capital budget planning and a set of indicators that must be considered in order to demonstrate that annual capital investment and treasury management decisions are affordable, sustainable and prudent.
- 4.85 As required by the Prudential Code, further detail on each of the Council's forward looking indicators is set out in **Appendix K**.
- 4.86 In 2024-25 a change in the accounting for leases and Private Finance Initiative (PFI) is being introduced by the IFRS 16 Leases accounting standard. Under the old accounting standard, leases are accounted for depending on whether they are being considered a "finance lease" or an "operating lease", with operating leases only being treated as an expense to the income and expenditure statement, and finance leases having an impact on both the income and expenditure statement, and the balance sheet. IFRS 16 revises this treatment so that all leases (from a lessee perspective), except those that are below a minimum threshold and/or ending within the next 12 months, are treated like finance leases.
- 4.87 Any operating lease agreements (new and existing) therefore now create a new debt in the Council's accounts over the life of the lease, which in turn will increase the Council's reported debt position. This impacts on the values reported within some of the Council's prudential indicators. The treasury management indicators potentially impacted by these changes are:
- Maturity structure of borrowing
 - Authorised limit
 - Operational boundary
- 4.88 An exercise has been undertaken to review the detail of all Council leases and contracts to ensure they can be accurately reported in the 2024-25 accounts in line with the new accounting treatment. Work will continue over the coming months to refine and finalise the position, but an indicative position has been collated at this point in the financial year that can now be used to refresh the impact on the prudential indicators.
- 4.89 Where the output is affected by IFRS 16, **Appendix K** shows both the original figure, and an amended figure to take account of the indicative impact of the change.

- 4.90 Members are asked to note that the Council's treasury management and capital expenditure activities during the year to date have resulted in the Council remaining within all of the prudential indicators set for itself for the year 2024-25, and that the update for IFRS16 has not had a material impact on any of the prudential indicators.

5 How does the decision contribute to the Borough Plan?

- 5.1 Helping to ensure the Council's resources are aligned with the Council's objectives and operates as efficiently as possible to provide value for money.

6 What engagement has taken place with partners

- 6.1 There is joint working with external partners relevant to the Council's services and budgets. The decisions included in this report have no direct impact on working with external partners.

7 What are the financial implications?

- 7.1 The financial consequences have been set out in this report. If no further mitigations are found there would need to be a £9.5m call on general reserves.
- 7.2 Over the past 2 years the Council has experienced significant increase in its costs base, need and complexity. This is leading to a significant shift of resources into Social Care which is fundamentally impacting on the published Medium Term Financial Strategy and the Council's financial resilience
- 7.3 The in-year position is identifying demand and cost pressures that will impact on the current Medium Term Financial Strategy. Work is underway to identify service prioritisation proposals alongside wider corporate reviews that will need to be approved or implemented to allow the Council to quickly move to a sustainable financial position and to manage demand through preventative and Borough wide/System Wide redesign of services.
- 7.4 At the third review it has not been possible to materially mitigate the increased demand and costs pressures within Social Care. It is likely therefore that the Council will require to use 'unplanned' general fund balances to 'balance' the 2024-25 Budget. The potential for General Fund Reserves to reduce by a third is serious and the Council must prioritise bringing the Council's financial forecasts to a sustainable position as soon as possible.
- 7.5 The Council will aim to reduce the forecast overspend in the remainder of the year and reduce any potential drawdown of reserves this year. However, if there is a call on reserves this year, there will be the requirement to plan within the Medium Term Financial Strategy for replenishment of reserves in accordance with the Council's Reserves Strategy to the appropriate risk assessed level

8 What are the legal implications?

- 8.1 The Council is required to deliver a balanced budget and the monitoring of the Council's financial position contributes to the effective management of it.

9 What risks are there and how can they be reduced?

- 9.1 The report highlights the primary budget pressures for the Council and the actions taken to address both short term and underlying pressures within Services. The ongoing monitoring frameworks in place through these reports in addition to the Council's overall risk management process ensure a measured and sustainable response is implemented to address these risks.

10 How does the decision contribute to the "All Together Fairer" priorities?

- 10.1 Whilst the Council's budget supports the "All Together Fairer" priorities, there are no direct impacts arising from the decisions in this report.

11 What is the impact of the decision on equality and diversity issues?

- 11.1 There are no direct impacts on equality or diversity issues arising from the decisions in this report.

12 What are the implications of the decision on climate change?

- 12.1 Whilst the Council's budget supports decisions which respond to the Climate Emergency, there are no direct impacts arising from the decisions in this report.

13 Are there any other options?

- 13.1 The report sets out various recommendations. Members could choose not to approve the recommendations. However, this is not recommended as this would adversely impact the Council's financial position.

For further information:

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Background Documents:

Documents are available for inspection at The Portal, Ellesmere Port

Revenue Budget 2024-25

The table below sets out the adjustments made to the revenue budget between the original budget approved in February 2024 and the position at third review.

	Adults £000	Public Health £000	Childrens & Families £000	Place & Growth £000	Corporate Services £000	Council Wide Budgets £000	Total £000
Budget Report	159,825	19,121	101,313	63,762	26,227	40,755	411,003
							0
Changes							0
Carry forwards from 2023-24	78			80	136	2,246	2,540
Use of pay and price contingency	34		131	13	-61	-117	0
Use of general contingency	230		60	338		-628	0
Transfer of central budgets	383	357	-137	43	2,943	-3,589	0
Directorate changes	-129	13	117	-117	116		0
Revised budget at third review	160,421	19,491	101,484	64,119	29,361	38,667	413,543

Capital Programme 2024-25

The table below sets out the adjustments made to the capital programme between the original budget approved in February 2024 and the position following the approvals now being sought at third review 2024-25

Scheme	Total Original Budget 2024-25	Council Resources Original Budget 2024-25	In Year Changes					Revised Budget 2024-25
			Reprofiling	Virement Between Schemes in Approved Programme	Budget Increase / Decrease	Virement Between Schemes Under Development and Approved Programme	Impact on Council Resources	
	£m	£m	£m	£m	£m	£m	£m	£m
Approved Specific Schemes and Annual Allocations								
Children and Families								
Childcare Expansion Schemes	-	-	(0.110)	0.676	-	-	-	0.566
Children's Residential Accommodation	0.077	0.077	0.998	-	-	0.641	1.637	1.714
Devolved Formula Capital	0.750	-	-	-	-	-	-	0.750
Pupil Referral Units	-	-	0.007	-	-	0.002	0.002	0.009
School Basic Need	16.728	-	0.180	(0.176)	-	(11.540)	-	5.192
School Condition Allocation	4.628	-	0.076	(0.500)	0.030	-	0.076	4.234
School Play Provision	0.079	-	-	-	(0.079)	-	-	-
Special Education Needs Provision	1.575	-	(0.467)	-	-	0.667	-	1.775
Whitby Hall Lodge	-	-	-	0.030	-	-	0.011	0.030
Sub-total	23.837	0.077	0.682	0.030	(0.049)	(10.230)	1.726	14.270
Adults								
Blacon Health Hub	-	-	0.250	-	-	-	-	0.250
Disabled Facilities Grant	4.010	-	-	-	0.013	-	-	4.023
Old Vicarage	-	-	-	-	-	0.059	0.059	0.059
Sub-total	4.010	-	0.250	-	0.013	0.059	0.059	4.332
Public Health								
Leisure Asset Management	0.120	0.120	(2.050)	(4.136)	0.150	6.274	0.238	0.358
Northgate Arena	-	-	(1.108)	4.181	-	(0.715)	2.358	2.358
Sub-total	0.120	0.120	(3.158)	0.045	0.150	5.559	2.596	2.716

Scheme	Total Original Budget 2024-25	Council Resources Original Budget 2024-25	Reprofiling	Virement Between Schemes in Approved Programme	Budget Increase / Decrease	Virement Between Schemes Under Development and Approved Programme	Impact on Council Resources	Revised Budget 2024-25
	£m	£m	£m	£m	£m	£m	£m	£m
Place & Growth								
Climate Emergency								
Biodiversity Net Gain	-	-	(0.180)	-	0.324	-	-	0.144
Climate Emergency - Carbon Reduction Strategy	1.407	1.407	(1.196)	0.236	-	(0.083)	(1.090)	0.364
Energy & Carbon Reduction: Street lighting	0.604	0.604	(0.068)	-	-	-	(0.068)	0.536
Regeneration								
Dee House	-	-	0.022	-	-	-	0.022	0.022
Growth Area Programmes			0.070	-	-	-	-	0.070
Heritage Action Zone			0.009	-	-	-	0.009	0.009
Lache Community Centre	-	-	-	0.393	-	-	0.266	0.393
Little Sutton Community Hub	-	-	(0.038)	0.145	0.076	-	-	0.183
Market Town Regeneration Schemes	0.200	0.200	-	(0.374)	-	0.174	(0.200)	-
Northgate Development - Phase 1	1.350	0.600	1.916	-	-	-	1.716	3.266
Northgate Development - Phase 2	-	-	-	0.235	-	-	0.235	0.235
Transforming Ellesmere Port Town Centre	13.798	1.486	(11.075)	(0.019)	0.010	-	(1.486)	2.714
Weaver Square	-	-	(0.902)	-	-	1.307	0.207	0.405
Winsford Shopping Centre	0.294	-	-	-	0.016	-	-	0.310
Winsford Town Centre	11.076	6.193	(0.181)	-	-	-	(0.055)	10.895
Highways and Transport								
A540 Road Safety Scheme	1.428	1.000	(0.442)	-	-	-	(0.014)	0.986
ANPR Cameras Enforcement of moving traffic offences			0.024	-	-	-	0.024	0.024
Asset Management and Property Maintenance: Environment	0.533	0.200	-	0.042	0.700	-	-	1.275
Chester Walls	-	-	0.700	-	-	2.000	2.700	2.700
Network Development	3.424	-	(0.666)	-	0.354	-	-	3.112
Network Management	13.637	2.446	0.314	0.200	0.759	0.250	0.458	15.160
Replacement upgrade of Public Realm CCTV system			0.047	-	-	0.082	0.129	0.129
Soot Hill Reinstatement			0.223	(0.200)	-	-	0.023	0.023
Vehicle Replacement	0.500	0.500	0.590	-	0.089	-	0.590	1.179

Scheme	Total Original Budget 2024-25	Council Resources Original Budget 2024-25	In Year Changes					Revised Budget 2024-25
			Reprofiling	Virement Between Schemes in Approved Programme	Budget Increase / Decrease	Virement Between Schemes Under Development and Approved Programme	Impact on Council Resources	
	£m	£m	£m	£m	£m	£m	£m	£m
Housing								
Housing Delivery	0.488	-	0.628	-	0.320	1.188	-	2.620
Supported Housing - Curzon House	-	-	-	1.591	-	-	0.695	1.591
Supported Housing - Hooton Development	-	-	-	-	0.485	-	-	0.485
Supported Housing - Mulberry Centre	-	-	(1.000)	1.559	-	-	0.425	0.559
Supported Housing - dispersed properties	-	-	-	0.575	(0.425)	-	-	0.150
Supported housing - smaller projects	2.761	2.091	1.205	(4.197)	-	0.400	(2.018)	0.169
HRA Existing Stock	8.142	-	4.495	(2.859)	(0.637)	-	-	9.141
HRA Sutton Way	-	-	(0.700)	2.859	-	-	-	2.159
Private Sector Housing - annual allocation	0.500	0.500	-	-	-	-	-	0.500
Culture and Leisure								
Archives Facility	22.757	9.719	(18.148)	-	-	0.180	(7.678)	4.791
Football Pitch Investment Programme	0.500	0.134	(0.159)	0.740	(0.200)	0.815	0.375	1.696
Grosvenor Park Lodge	-	-	-	-	0.027	-	-	0.027
Libraries ICT Infrastructure	0.480	0.480	0.045	(0.360)	-	-	(0.315)	0.165
Moss Farm	-	-	(0.163)	(0.740)	-	3.917	0.868	3.014
Northwich Library	0.500	0.500	(1.830)	0.558	-	0.937	(0.335)	0.165
Play Strategy	-	-	0.212	0.014	0.077	0.280	0.314	0.563
Asset Management								
Asset Management and Property Maintenance: Property	3.750	3.750	(0.080)	(0.031)	-	-	(0.111)	3.639
Cemetery/Crematorium Buildings	0.100	0.100	-	-	-	(0.100)	(0.100)	-
Chester Rows Fire Protection	-	-	0.218	0.031	0.010	-	0.238	0.259
Ellesmere Port Public Sector Hub	-	-	0.055	-	-	-	0.055	0.055
Northwich Station	-	-	-	-	-	0.316	0.316	0.316
Waste Strategy	0.396	0.051	0.516	(0.134)	0.076	-	(0.051)	0.854
Sub-total	88.625	31.961	-24.562	0.264	2.061	10.664	-3.856	77.052

Scheme	Total Original Budget 2024-25	Council Resources Original Budget 2024-25	In Year Changes					Revised Budget 2024-25
			Reprofiling	Virement Between Schemes in Approved Programme	Budget Increase / Decrease	Virement Between Schemes Under Development and Approved Programme	Impact on Council Resources	
	£m	£m	£m	£m	£m	£m	£m	£m
Coporate and Council Wide								
Capitalisation of Equipment (ICT)	0.765	0.765	(0.008)	-	-	-	(0.008)	0.757
Commercial Property Reinvestment Programme			(0.089)	-	0.557	-	-	0.468
Data Strategy	-	-	(0.315)	-	-	0.865	0.550	0.550
Digital Channel Shift	1.565	1.565	(0.008)	(0.485)	-	-	(0.491)	1.074
ICT Operating Model	1.637	1.318	0.225	-	-	-	-	1.862
ICT Strategy Core Programme	1.865	1.865	0.050	0.485	-	-	0.535	2.400
Shared Prosperity Fund	2.039	-	0.079	(0.339)	0.008	0.150	0.150	1.937
Transformational projects to improve services	1.362	1.362	-	-	-	-	-	1.362
Unit 4 Development	0.830	0.830	-	-	-	-	-	0.830
Sub-total	10.063	7.705	-0.064	-0.339	0.565	1.015	0.736	11.240
Total Approved Specific Schemes and Annual Allocations	126.655	39.863	(26.852)	-	2.740	7.067	1.261	109.610

Capital Programme 2024-25 – 2027-28

The revised capital programme for 2024-2028 reflecting the reprofiling and other changes made as part of this third review report is as follows:

Specific Schemes and Annual Allocations	Capital Programme 2024-25		Capital Programme 2025-26		Capital Programme 2026-27		Capital Programme 2027-28	
	Capital Expenditure £m	Council Resources £m	Capital Expenditure £m	Council Resources £m	Capital Expenditure £m	Council Resources £m	Capital Expenditure £m	Council Resources £m
Children and Families								
Childcare Expansion Schemes	0.566	-	0.110	-	-	-	-	-
Children's Residential Accommodation	1.714	1.714	-	-	-	-	-	-
Devolved Formula Capital	0.750	-	0.750	-	0.750	-	0.750	-
Pupil Referral Units	0.009	0.002	-	-	-	-	-	-
School Basic Need	5.192	-	11.917	-	14.911	-	12.000	-
School Condition Allocation	4.234	0.076	4.628	-	4.628	-	4.628	-
Special Education Needs Provision	1.775	-	1.619	-	0.064	-	-	-
School Play Provision	-	-	-	-	-	-	-	-
Whitby Hall Lodge	0.030	0.011	0.062	0.062	-	-	-	-
Total Children and Families	14.270	1.803	19.086	0.062	20.353	-	17.378	-
Adults								
Blacon Health Hub	0.250	-	-	-	-	-	-	-
Disabled Facilities Grant	4.023	-	3.688	-	3.688	-	3.688	-
Old Vicarage	0.059	0.059	-	-	-	-	-	-
Total Adults	4.332	0.059	3.688	-	3.688	-	3.688	-
Public Health								
Leisure Asset Management	0.358	0.358	0.125	0.125	-	-	-	-
Northgate Arena	2.358	2.358	8.190	7.165	-	-	-	-
Total Public Health	2.716	2.716	8.315	7.290	-	-	-	-

Specific Schemes and Annual Allocations	Capital Programme 2024-25		Capital Programme 2025-26		Capital Programme 2026-27		Capital Programme 2027-28	
	Capital Expenditure £m	Council Resources £m	Capital Expenditure £m	Council Resources £m	Capital Expenditure £m	Council Resources £m	Capital Expenditure £m	Council Resources £m
Place and Growth								
Climate Emergency								
Biodiversity Net Gain	0.144	-	0.655	-	0.100	-	-	-
Climate Emergency - Carbon Reduction Strategy	0.364	0.317	1.284	1.284	0.060	0.060	0.060	0.060
Energy & Carbon Reduction: Street lighting	0.536	0.536	-	-	-	-	-	-
Regeneration								
Dee House	0.022	0.022	-	-	-	-	-	-
Growth Area Programmes	0.070	-	-	-	-	-	-	-
Heritage Action Zone	0.009	0.009	-	-	-	-	-	-
Lache Community Centre	0.393	0.266	-	-	-	-	-	-
Lache Environmental	-	-	0.150	0.015	-	-	-	-
Little Sutton Community Hub	0.183	-	0.038	-	-	-	-	-
Market Town/Regeneration Schemes	-	-	-	-	-	-	-	-
Northgate Development - Phase 1	3.266	2.316	0.510	0.510	-	-	-	-
Northgate Development - Phase 2	0.235	0.235	0.310	0.310	-	-	-	-
Transforming Ellesmere Port Town Centre	2.714	-	8.580	-	2.653	1.486	-	-
Weaver Square	0.405	0.207	2.031	1.221	0.161	0.161	-	-
Winsford Town Centre	10.895	6.138	0.368	0.018	-	-	-	-
Winsford Shopping Centre	0.310	-	-	-	-	-	-	-
Highways & Transport								
A540 Road Safety Scheme	0.986	0.986	0.444	0.014	-	-	-	-
ANPR Cameras Enforcement of moving traffic offences	0.024	0.024	-	-	-	-	-	-
Asset Management and Property Maintenance: Environment	1.275	0.200	0.200	0.200	0.200	0.200	0.200	0.200
Chester Walls	2.700	2.700	1.408	1.408	-	-	-	-
Network Development	3.112	-	2.854	-	1.970	-	1.970	-
Network Management	15.160	2.904	14.847	3.400	14.191	3.000	14.191	3.000
Replacement upgrade of Public Realm CCTV system	0.129	0.129	0.047	0.047	-	-	-	-
Soot Hill Reinstatement	0.023	0.023	-	-	-	-	-	-
Vehicle Replacement	1.179	1.090	0.500	0.500	0.500	0.500	0.500	0.500

Specific Schemes and Annual Allocations	Capital Programme 2024-25		Capital Programme 2025-26		Capital Programme 2026-27		Capital Programme 2027-28	
	Capital Expenditure £m	Council Resources £m	Capital Expenditure £m	Council Resources £m	Capital Expenditure £m	Council Resources £m	Capital Expenditure £m	Council Resources £m
Housing								
Housing Delivery	2.620	-	0.705	-	-	-	-	-
Supported Housing - Curzon House	1.591	0.695	-	-	-	-	-	-
Supported Housing - Hooton Development	0.485	-	-	-	-	-	-	-
Supported Housing - Mulberry Centre	0.559	0.425	1.000	1.000	-	-	-	-
Supported Housing - dispersed properties	0.150	-	-	-	-	-	-	-
Supported Housing - smaller projects	0.169	0.073	0.120	0.120	-	-	-	-
HRA Existing Stock	9.141	-	7.800	-	5.000	-	5.000	-
HRA Sutton Way	2.159	-	0.700	-	-	-	-	-
Private Sector Housing - annual allocation	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Culture and Leisure								
Archives Facility	4.791	2.041	22.127	8.647	0.535	0.195	0.008	-
Football Pitch Investment Programme	1.696	0.509	0.593	0.110	-	-	-	-
Grosvenor Park Lodge	0.027	-	-	-	-	-	-	-
Libraries ICT Infrastructure	0.165	0.165	0.248	0.248	-	-	-	-
Library co-location	-	-	0.040	0.040	0.040	0.040	0.040	0.040
Moss Farm	3.014	0.868	0.208	0.208	0.169	0.169	-	-
Northwich Library	0.165	0.165	4.094	3.620	-	-	-	-
Play Strategy	0.563	0.314	-	-	-	-	-	-
Asset Management								
Asset Management and Property Maintenance: Property	3.639	3.639	3.768	3.768	3.750	3.750	3.750	3.750
Cemetery/Crematorium Buildings	-	-	-	-	-	-	-	-
Chester Rows Fire Protection	0.259	0.238	-	-	-	-	-	-
Ellesmere Port Public Sector Hub	0.055	0.055	-	-	-	-	-	-
Northwich Station	0.316	0.316	-	-	-	-	-	-
Waste Strategy	0.854	-	0.336	-	-	-	-	-
Total Place and Growth	77.052	28.105	75.488	26.211	29.829	10.061	26.219	8.050
Corporate and Council Wide								
Capitalisation of Equipment (ICT)	0.757	0.757	0.350	0.350	0.112	0.112	0.239	0.239
Commercial Property Reinvestment Programme	0.468	-	0.750	-	-	-	-	-
Data Strategy	0.550	0.550	0.315	0.315	-	-	-	-
Digital Channel Shift	1.074	1.074	-	-	-	-	-	-
ICT Strategy Core Programme	2.400	2.400	1.742	1.742	1.750	1.750	1.750	1.750
ICT Operating Model	1.862	1.318	-	-	-	-	-	-
Shared Prosperity Fund	1.937	0.150	-	-	-	-	-	-
Transformational projects to improve services	1.362	1.362	-	-	-	-	-	-
Unit 4 Development	0.830	0.830	0.630	0.630	0.630	0.630	0.630	0.630
Total Corporate and Council Wide	11.240	8.441	3.787	3.037	2.492	2.492	2.619	2.619
Total Specific Schemes and Annual Allocations for Approval	109.610	41.124	110.364	36.600	56.362	12.553	49.904	10.669

Schemes Under Development	Total Indicative Capital Programme 2024-28	
	Capital Expenditure £m	Council Resources £m
Children & Families		
Children's Residential Accommodation	1.001	1.001
Emerging Press ure Childrens	0.408	0.408
Pupil Referral Unit	3.201	2.671
School Basic Need	11.540	0.000
Special Education Needs Provision	4.707	0.000
Youth Provision	2.000	2.000
Total Children & Families	22.857	6.080
Adults		
Emerging Press ures Adults	4.000	4.000
Total Adults	4.000	4.000
Public Health		
Leisure Asset Management	1.417	1.117
Total Public Health	1.417	1.117
Place and Growth		
Regeneration		
Market Town/Regeneration Schemes	3.185	3.185
Housing		
Housing Delivery	5.377	0.000
Housing Growth: Supported Housing	1.600	1.600
Highways & Transport		
Chester Walls	0.892	0.892
Emerging Press ures Highways	1.150	1.150
Replacement upgrade of Public Realm CCTV system	0.918	0.918
Culture & Leisure		
Dee House	0.325	0.325
Moss Farm	0.955	0.000
Play Strategy	0.180	0.000
Asset Management		
Cemetery/Crematorium Buildings	0.100	0.100
HWRC Sites and skips	3.000	0.500
Total Place and Growth	17.682	8.670
Corporate and Council Wide		
Climate Emergency - Carbon Reduction Strategy	3.558	3.558
Data Strategy	1.750	0.000
Digital Capability Phase 2	1.500	0.000
Emerging Press ures - general	15.625	15.625
Emerging press ures - existing projects	3.493	3.493
ICT Strategy Core	0.250	0.250
Total Corporate and Council Wide	26.176	22.926
Total Schemes Under Development	72.132	42.793

Forecast Revenue Outturn

The table below sets out the forecast outturn position for Adults.

Director	Budget (£000)	Forecast (£000)	Mitigating Actions (£000)	Variance (£000)
Strategic Commissioning & Market Management	4,795	4,495	-	(300)
Integrated Adult Social Care & Health	141,964	152,394	(611)	9,819
Vivo	13,662	14,923	(186)	1,075
Adults Total	160,421	171,812	(797)	10,594

The table below sets out the finance commentary for the forecast outturn position for Adults.

Strategic Commissioning & Market Management – People
<p>The service is reporting an underspend of £0.3m at third review. This represents an improvement of £0.01m from mid-year review.</p> <p>The forecast underspend position is primarily reflective of an anticipated £0.25m underspend on staffing costs due to slippage in recruiting to vacant positions and the vacancies being held, a £0.07m reduction in spend due to the planned expiration of the Edsential Extra Care Housing Catering contract and a £0.06m underspend on the Short Breaks contract for children.</p> <p>This position is partially offset by costs tied to the Service's investment in a Provider Assessment/Market Management system (£0.04m) and the extension of early intervention and prevention contracts by three months due to a minor delay in the procurement of the Community Led Care and Carers Commission (£0.04m).</p>

Integrated Adult Social Care & Health

The Service is reporting a £9.8m overspend at third review, which is an increase of £2.9m since mid-year review. The overspend primarily relates to pressures being experienced on the care budgets across all services due to an increase in both demand and complexity of care packages, and difficulties in securing care due to market sufficiency and the cost of externally commissioned care. This is a deterioration of £2.9m since mid-year review which has been largely driven by a deterioration in the Older People forecast due to increased demand for care, as detailed below.

Older People Services are reporting a pressure of £5.0m, which is a £2.9m deterioration since the £2.1m variance reported at mid-year review. A significant portion of the overspend relates to slippage on the Adults Demand Management programme savings of £1.4m, due to changes to the care management pathways which require ongoing practice changes that are taking longer than anticipated to embed. The deteriorating position since mid-year review is due to an increase in care packages costs of £2.2m, an increase in the slipped Adults Demand Management programme savings of £0.2m, and a reduction in client contribution forecast of £0.4m.

Mental Health are reporting an overspend of £2.6m on care costs, due to growth in external care costs of £4.6m against funded growth of £2.0m included in the 2024/25 budget. The higher than budgeted growth has been driven by an increase in demand, including the full year effect of increase seen towards the end of 2023-24. Young people requiring complex care packages at a high cost have contributed approximately £0.6m towards the overspend. Work is underway to review complex care packages in Mental Health with a view to reducing costs by bringing service users receiving care and support outside of the borough back within borough. The Mental Health position has improved by £0.2m between mid-year review and third review and this is attributed to the ongoing review work performed by the Complex Care and Review team.

Learning Disability Services are reporting an underlying overspend of £2.1m. This is mostly caused by high-cost care packages linked to children transitioning into adulthood and their associated travel costs. The forecast is an increase of £0.4m between mid-year and third review, due to increased expenditure on high-cost care packages and associated transport costs. Further pressures on the care forecast are being mitigated by the work of the Complex Care and Review team by reviewing high-cost placements and packages.

It is important to note the forecast includes an estimate of £0.5m (net of client contributions) for additional growth for the remainder of the year, across Learning Disability and Mental Health. We are not anticipating net growth in the Older People cohort during this period. Growth during the remainder of the year will continue to be closely monitored to provide assurance that the growth contingency for the remainder of the year is reasonable.

There are significant pressures on the adult social care debt provision with this area accounting for approximately 73% of the overall Council debt. As a result, the forecast assumes a £1.9m contribution will be required to the bad debt provision, which represents a £0.7m

Integrated Adult Social Care & Health

increase compared to the budgeted contribution. This represents a significant reduction from the overspend reported at 2023/24 outturn of £1.9m, due to a revision of the provision calculation based on latest available debt collection rates.

The bad debt provision is regularly reviewed, and the service have invested in financial assessment debt recovery officers to pro-actively manage and support debt recovery (see further detail in appendix I).

Savings targets of £11.5m have been factored into the 2024-25 budget of which £7.8m have been delivered or are expected to be delivered in year (£0.9m of this is categorised as high risk), £2.2m is flagged as slipped into 2025-26. In addition, there are £0.7m of savings targets from prior years, of which £0.5m has been delivered to date with the remainder due to be delivered before year end.

The above pressure is partially mitigated by £0.6m of mitigating actions including bringing forward 2025-26 saving targets relating to the cost of care (£0.2m), a target to reduce the pressure on transport costs (£0.1m), and maximisation of grant funding (£0.3m).

The service will continue to focus on areas of spend that could be reduced to bring the current forecast position down as well as delivering the mitigations that are already assumed within the forecast position.

Vivo

The service is reporting a pressure of £1.1m, an improvement of £0.3m compared to mid-year review, largely due to holding vacancies within the service. The forecast overspend is mainly due to staffing overspends in Supported Living (£0.4m) and Learning Disability Day Services (£0.3m). Complex care placements in Supported Living have meant that the service has had to incur additional costs to cover this care, often through the use of overtime. The service has been looking to mitigate the pressure by managing new requests for care within existing staffing levels where possible.

Since April 2024, the service has identified in year mitigations of £0.4m, of which £0.2m have been achieved and are reflected within the underlying forecast. This leaves £0.2m still to be achieved for the remainder of 2024-25.

In addition to the underlying overspends above, there are also pressures in relation to assumptions in the budget around natural turnover of staff of £0.4m and savings linked to the Vivo Redesign. These are offset by higher than budgeted income in Day Care services and in year mitigations put forward by the service.

The Vivo Service Redesign is currently on hold due to the larger transformation piece of work in relation to Vivo and Learning Disability Provider services. The service will continue to look for further mitigations for the redesign savings target until any recommendations for the wider piece of work are implemented.

Budget Proposals

The table below sets out the forecast outturn position of budget proposals for Adults.

Budget Proposal	Total 2024-25	Delivered / On target			High Risk of non- delivery (Red)	Slipped	Non Deliverable
		Delivered	Green	Amber			
	£000	£000	£000	£000	£000	£000	£000
Cost of Care	(760)	(760)	-	-	-	-	-
Transforming learning disability services	(1,365)	(1,251)	(114)	-	-	-	-
Paying for Care	(1,382)	(976)	(150)	(256)	-	-	-
Expanding the range of social care support available	(143)	-	(143)	-	-	-	-
Funding for social care for older people	(343)	(343)		-	-	-	-
Transitions Growth Mitigation	(52)	-	(36)	-	(16)	-	-
Mental Health Savings	(503)	(395)	(55)	(53)	-	-	-
Hallwood Court	(41)	(41)	-	-	-	-	-
Demand Management: Reablement and Occupational Therapy first	(2,794)	(964)	(208)	(35)	(238)	(1,349)	-
Resource Allocation panel	(1,000)	(796)	(204)	-	-	-	-
Hospital discharge - Impact of New Community Response Hub teams on long term care spend	(1,046)	(200)		-	-	(846)	-
Hospital discharge - controlling care home spend	(500)	(200)		(300)	-	-	-
Care Models and Accommodation transformation programme - Adults aged 18 - 64	(1,616)	(684)	(299)		(633)	-	-
Transforming Care at Home	(293)	(293)	-	-	-	-	-
Community Led Care and Carers	(312)	-	(272)	-	-	(40)	-
Review of Independent Transfer of Care Coordinator Provision	(83)	(83)	-	-	-	-	-
Shop Mobility	(78)	-	(56)	-	-	(22)	-
Care at Home provision by micro enterprises	(40)	(25)	(15)	-	-	-	-

Budget Proposal	Total 2024-25	Delivered / On target			High Risk of non- delivery (Red)	Slipped	Non Deliverable
		Delivered	Green	Amber			
	£000	£000	£000	£000	£000	£000	£000
Dementia care home bed provision	(300)	(150)	(150)	-	-	-	-
Business Support Review	(11)	(11)	-	-	-	-	-
Vivo service redesign	(452)	-	(221)	(27)	-	(204)	-
Total Adults	(13,114)	(7,172)	(1,923)	(671)	(887)	(2,461)	-

Transitions Growth Mitigation (£0.016m high risk) - An element of this saving is yet to be delivered as major programme recruitment was delayed, but this has now been completed and staff took up post in September 2024, enabling the remaining saving to be delivered during the rest of the year

Demand Management: Reablement and Occupational Therapy first (£1.349m Slipped) – The roll out of the new model for Reablement and Occupational Therapy has begun, however there are still aspects of the new pathways that are being finalised. Delays to the flow of people through the new model is the key contributing factor in an underachievement for 24-25, slipping £1.349m into 25-26. The service is currently working on several key actions that are hoped can bring the realisation of benefits back in line with what was anticipated in the business case for the remainder of the year, albeit some of the mitigations may come from actions outside of the programme.

Hospital Discharge - Impact of New Community Response Hub teams on long term care spend (£0.846m slipped) - An element of this saving is not achievable in year, due to delays in finalising the business case that will recommend the options in relation to the roll out of community response hubs. The slippage is fully mitigated by the work completed on Enhanced Observations that has been brought forward from 2025/26.

Community Led Care and Carers (£0.040m slipped) - Due to minor delays in the recommission of this service, extensions were required to existing contracted services which has resulted in slippage to this element of the saving being achieved. This saving will be achieved in 25-26.

Shopmobility (£0.022m slipped) - Due to minor delays in the review of this service, an extension to the existing grant of two months was required which has resulted in slippage to this element of the saving being achieved.

Vivo Service Redesign (£0.204m slipped) - The Vivo Service Redesign has been put on hold due to the larger transformation piece of work in relation to Vivo. Nevertheless, £0.248m of the £0.452m saving is forecast to be delivered this year through a vacancy freeze.

Capital Delivery

The table below sets out the forecast capital expenditure for the Adults capital programme.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Blacon Health Hub	One Off	0.250	-	0.250	Discussions are ongoing with Sanctuary Housing around this contribution. However, it is expected that an agreement will be reached, and funding transferred this financial year.
Old Vicarage	One Off	0.059	-	0.059	The project is currently in the design stage for the bathroom works, and a surveyor is shortly to be appointed to create designs to supplement the tender documents. On site works are anticipated to progress in Feb 2025.
Disabled Facilities Grant	Annual	4.023	2.296	4.023	Referral rates for major adaptations and minor adaptations continues to be high and actions are being taken to address the backlog of major adaptations cases. These include using the Urgent Works Grant for adaptations required for high-risk cases and also taking some of the caseload in-house.
Total		4.332	2.296	4.332	

Forecast Revenue Outturn

The table below sets out the forecast outturn position for Public Health

Director	Budget (£000)	Forecast (£000)	Mitigating Actions (£000)	Variance (£000)
Public Health	19,491	19,422	-	(69)

The table below sets out the finance commentary for the forecast outturn position for Public Health

Public Health
<p>The service is forecasting a £0.069m underspend against the council funded element of its service at third review, this is consistent with the position reported at mid-year review. The majority of the underspend (£0.040m) is due to the maximisation of alternative funding streams, such as Homes for Ukraine Funding. The remaining underspend (£0.029m) is on non-pay budgets within the Poverty Team.</p> <p><u>Public Health Grant</u></p> <p>The service is forecasting that it will fully spend the 2024-25 Public Health grant allocation of £18.095m, in line with mid-year review.</p> <p>Following an anticipated drawdown of £0.1m, associated with anticipated Public Health project support expenditure, there is no uncommitted balance forecast to be remaining within the Public Health Reserve as at 31 March 2025.</p> <p>There are various minor underspends being reported within the service with Sexual Health Prescribing, Pharmacy & Health Check costs anticipating a reduced level of activity (£0.050m).</p> <p>As a condition of the Public Health Grant award, the Local Authority is obligated to pay Agenda for Change uplifts for those contracts that include NHS staff. This pay award has been agreed nationally at an uplift value of 5.5%, which will be fully met from the 2024-25 uplift to the Public Health Grant.</p> <p><u>Public Health Council Funding</u></p>

Public Health
<p>Council funded Public Health services are forecasting an underspend of £0.069m, in line with mid-year review.</p> <p>This underspend is in part due to the £0.040m grant award for the Cheshire & Warrington Race Equality Centre (CHAWREC). For 2024-25 the grant will now be funded via Homes for Ukraine & Refugee funding in place of Public Health budgets. The remaining underspend (£0.029m) is on non-pay budgets within the Poverty Team.</p> <p>Leisure Services are currently predicting a balanced position with a forecast expenditure of £3.5m, of which £3.0m is funded via the Public Health Grant. Included within this expenditure is an anticipated utilities charge of £2.3m across Brio and non-Brio sites. Further information on Brio financial position is covered in Appendix H – Council Companies.</p>

Budget Proposals

The table below sets out the forecast outturn position of budget proposals for Public Health

Budget Proposal	Total 2024-25 £000	Delivered / On target			High Risk of non- delivery (Red) £000	Slipped £000	Non Deliverable £000
		Delivered	Green	Amber			
		£000	£000	£000			
Targeting of the Public Health Grant	(130)	-	(130)	-	-	-	-
Sexual Health Contract	(6)	(6)	-	-	-	-	-
Brio - Reduction in Integrated Wellbeing exercise on referral and weight management services	(60)	(60)	-	-	-	-	-
Mainstreaming of non-pay budgets linked to key initiatives	(58)	-	(58)	-	-	-	-
Total Public Health	(254)	(66)	(188)	-	-	-	-

Capital Delivery

The table below sets out the forecast capital expenditure for the Public Health capital programme.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Leisure Asset Management	One Off	0.491	0.233	0.358	The tender for the contract for the clinical space at Ellesmere Port Sports Village was delayed and work is now expected to be completed by May 2025, a request to profile funding to 2025-26 will be made via delegated decisions. Investment in Brio ICT is ongoing and other projects are also on track.
Northgate Arena	One Off	2.358	0.078	2.358	Contracts have been signed with work to start in January 2025
Total		2.849	0.311	2.716	

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Forecast Revenue Outturn

The table below sets out the forecast outturn position for Children and Families.

Director	Budget (£000)	Forecast (£000)	Mitigating Actions (£000)	Variance (£000)
Children's Social Care	74,073	78,557	(373)	4,111
Education	21,937	22,902	0	965
Early Help & Prevention	5,474	5,482	(31)	(23)
Directorate Total	101,484	106,941	(404)	5,053

The table below sets out the finance commentary for the forecast outturn position for Children and Families.

Children's Social Care
<p>At third review, Children's Social Care are reporting a forecast pressure of £4.1m after mitigating actions of £0.4m. The mitigation relates to identified grant funding to support the unaccompanied asylum-seeking children (UASC) pressure. The pressure has remained the same as reported at mid-year review.</p> <p>The overspend mainly relates to a £2.8m pressure against the staffing budget. This reflects the net cost of employing agency social workers to fill vital vacant roles within the service due to the recruitment challenges being faced, the high proportion of the workforce who are newly qualified, along with the need to backfill maternity leave; currently 13% of the workforce is made up from agency workers. The service are working on a recruitment and retention strategy to provide an incentive to existing agency staff to convert to become permanent members of the team, alongside longer-term plans to ensure the sufficiency of the social work workforce.</p> <p>At this stage of the financial year, children looked after (CLA) has a pressure of £0.4m. The forecast (FTE) number of children looked after has remained relatively stable since the 2024-25 budget was set but has seen an increase over the past couple of months – the Budget was based on 595 compared to 609 forecast in November 2024. There continues to be pressure on high-cost, residential placements; whilst the average cost remains in line with the budget there are 6 more residential placements forecast (Budget based on</p>

Children's Social Care

82 compared to 88 forecast in November 2024). There are 12 placements (was 15 at mid-year review) currently costing over £10k per week, which accounts for 35% of the overall spend in this area. There is a high risk of further residential care placements being required in year and therefore the forecast builds in a level of contingency of £0.5m. It is very difficult to predict demand with certainty due to the volatility in this area. Robust monitoring will continue to understand if forecasts remain in line with assumptions.

Other significant variances include:

- A pressure relating to unaccompanied asylum-seeking children (£0.3m) due to the numbers increasing and the grant from government not covering the full cost of care, this been mitigated in full by using alternative grant funding.
- An ongoing review of the use of the Dedicated Schools Grant (DSG) resulting in £0.2m of costs of the Safeguarding Children in Education Team previously funded by DSG now becoming a pressure against base budget.
- The budget for providing support, including accommodation and financial subsistence to families (Section 17 and Care Plan Package Budgets) has seen a rise in demand (£0.3m).
- Increasing costs of Children with Disabilities Home Care Packages (£0.4m).
- Home to School Transport has also seen an increase (£0.2m) but this has been mitigated in part by smaller savings across the service (£0.2m).

The service has £2.5m of budget proposals for 2024-25. The forecast shows that £1.9m is on track to be delivered relating to the accommodation strategy, a review of allowances, emergency bed provision, grant funding from the DfE replacing Cheshire West's Foster 4 contribution for 1 year and maximising health contributions. It is reported that £0.6m of savings will slip to 2025-26. Slippage relates to the opening of new internal residential provision, School Lane (£0.1m) and recruitment delays on the following programmes: safeguarding infants programme (£0.1m), complex youth work team (£0.3m), dedicated post for unaccompanied asylum-seeking children (£0.1m).

Education

Within Education there is a forecast overspend of £0.965m on base budget spend. This is an increase of £0.265m since mid-year review.

Education

The forecast pressure predominantly relates to £0.385m of expenditure that is no longer eligible to be charged to DSG funding. In addition, there is a £0.207m pressure relating to Education Psychologists due to a national staffing shortage and no capacity to fully meet income targets, alongside pressures on the Home to School Transport budget of £0.266m. While £0.213m of procurement savings have been achieved on transport, the increase in demand has outstripped the savings achieved. There are various other unfavourable variances £0.185m in relation to increases in costs. There have been some vacancy savings on School Improvement of £0.078m.

The service has £1.3m of budget proposals for 2024-25. The forecast position reflects that £0.6m has been delivered (the charging of personal travel budgets to Dedicated School Grant (DSG) rather than Council base budget, per DSG guidance and a restructure of the School Improvement service). Additionally, £0.2m has been delivered from SEN route planning & optimisation, Education Transport Allocation model, and an increase to PAN, and a further £0.1m of pension savings are also delivered. £0.1m will slip into next year (Educational Psychologists income), with £0.020m now considered undeliverable (review of information and advice service). Remainder of the £0.2m is high risk, regarding the expansion of existing fleet (vehicles purchased but not yet operational) and the Education Transport Allocation model.

Early Help & Prevention

At the third review stage of the financial year, Early Help and Prevention are reporting an underspend of £0.023m, which is an improvement of £0.15m since mid-year review.

The underspend relates to vacancy management savings across the service. The service has no policy option savings for 24-25.

Dedicated Schools Grant (DSG)

The service is forecasting a pressure on DSG budgets of £10.7m as at Third Review. This is an increase of £1.1m since mid-year review.

The pressure relates entirely to continuing demand and cost pressures on the high needs provision budgets for SEN pupils. The pressure is from the following areas: - Independent school placements (£4.9m), mainstream top up funding (£2.8m), alternative provision (£0.3m), targeted education access (£1m), resource provision (£1.1m), additional SEN costs (£0.5m) and personal budgets (£0.6m), These pressures are offset by an underspend on Contracts (-£0.4m) and non-SEN Independent school fees (-£0.1m).

The service will continue to monitor the position and progress with the implementation of the High Needs Review/Strategy to seek mitigations where possible to improve the current position and avoid further pressure on the DSG deficit reserve. The current deficit on the DSG reserve from previous years is £7.5m. The in-year pressure of £10.7m would see the deficit on the DSG reserve increase to £18.2m at the end of 2024-25. There is a DSG statutory override in place which means any deficit can be carried forward and not included on the Council's balance sheet until 31st March 2026. Any Council with a DSG reserve that is in deficit must submit a management plan to the Department for Education to show how future DSG spend will be managed. The SEND High Needs Sustainability Review is currently considering further recommendations, with the intention of increasing resourced provision and championing inclusivity. In addition, approval for 93 resourced provision places and 32 special school places has recently been granted to meet the immediate demand pressures, including the creation of CW&C's first special school satellite provision.

Budget Proposals

The table below sets out the forecast outturn position of budget proposals for Children and Families.

Budget Proposal	Total 2024-25	Delivered / On target			High Risk of non- delivery (Red)	Slipped	Non Deliverable
		Delivered	Green	Amber			
	£000	£000	£000	£000	£000	£000	£000
Children in Care and Care Leavers Accommodation Strategy	(859)	-	(734)	-	-	(125)	-
Review of Allowances	(100)	(100)	-	-	-	-	-
Safeguarding Infants Programme - Corporate Grandparent Approach	(57)	(57)	-	-	-	-	-
Safeguarding Infants Programme - Recurrent Care Proceedings	(47)	-	-	-	-	(47)	-
Maximising use of external funding for Social Care Placements	(651)	-	-	(651)	-	-	-
Unaccompanied Asylum Seeker Children	(200)	-	(100)	-	-	(100)	-
Complex Youth Team	(352)	-	-	-	-	(352)	-
Expansion of Foster 4	(91)	(91)	-	-	-	-	-
Emergency bed provision	(88)	-	(88)	-	-	-	-
Reducing placement fragility and increasing placement costs	(91)	-	(91)	-	-	-	-
Home to School Transport - Reduced Demand	(475)	(224)	-	(39)	-	(212)	-
Pension Liabilities - Education	(75)	-	(75)	-	-	-	-
Educational Psychology	(57)	-	-	-	-	(57)	-
Review of School Support Services	(65)	(45)	-	-	-	-	(20)
Personal travel budgets	(573)	(573)	-	-	-	-	-
Total Children and Young People	(3,781)	(1,090)	(1,088)	(690)	-	(893)	(20)

Children in Care and Care leavers accommodation strategy (£0.125m slipped) – Delays in the expected opening date of an internal residential home, which is now anticipated to be March 2025.

Safeguarding Infants Programme - Recurrent Care Proceedings (£0.047m slipped) – Capacity issues have delayed recruitment to the posts, therefore this saving will slip into 2025-26.

Unaccompanied Asylum Seeker Children (£0.100m slipped) - Recruitment to the post was delayed and although the postholder is in place since September, only a part year impact on the saving is realised this year, resulting in £100k now slipped into 2025-26.

Complex Youth Team (£0.352m slipped) - This will now slip into 2025-26 due to recruitment, this is due to begin but not expecting to see the impact until the team is established and in place.

Home to School Transport - Reduced Demand (£0.212m slipped) - The saving has slipped due to delays in the expansion of the existing fleet; six vehicles have now been purchased but are not yet operational due to recruitment delays, and so this saving will now be realised in the next financial year.

Educational Psychologist Additional Income (£0.057m slipped) – this was originally agreed on the basis that the Educational Psychologists team would be fully staffed and this has taken longer to achieve due to national Educational Psychologist shortages.

Review of School Support Services (£0.020m non-deliverable) – Team resources are unable to be reduced due to a continued rise in number and complexity of caseload. Advice about tribunals and exclusions are among the highest reason for parents contacting the team. This trend is anticipated to continue in line with the growth of students with SEND which is forecast nationally and locally.

Capital Delivery

The table below sets out the forecast capital expenditure for the Children and Families capital programme.

Scheme Title	Scheme Type	Approved Budget	Actuals to end of November	Total Forecast Spend	Scheme Update
		£m	£m	£m	
Pupil Referral Unit	One Off	0.007	0.009	0.009	The funding is supporting analysis of a number of options that will form part of an options appraisal to identify a suitable location for the relocation of the Pupil Referral Unit. The small overspend will be funded from allocations within Schemes Under Development.
Devolved Formula Capital (DFC)	Annual	0.750	0.578	0.750	Devolved Formula Capital expenditure is funding for individual LA maintained institutions, from the Department for Education, to maintain their buildings and fund small capital projects. The funding is managed by individual schools and forecast expenditure is based on estimated future allocations, based on prior year expenditure trends. A review of balances and planned spend will be undertaken by the Authority's School Team and an anticipated Outturn position updated accordingly. If actuals exceed the budget, this will be adjusted at Outturn to match the spend, utilising the DFC Reserve.

Scheme Title	Scheme Type	Approved Budget	Actuals to end of November	Total Forecast Spend	Scheme Update
£m		£m	£m	£m	
School Basic Need	Annual	5.119	2.461	5.192	This allocation enables the provision of additional school places within the Borough to ensure there are sufficient places. The expansion at Christleton High School is now complete and has been handed over and Tarporley High School has started on site and anticipates completing July 2025. The budget increase is to re-align the schemes in accordance with progress and will be funded from the approved budget held in Schemes Under Development.
Childcare Expansion Schemes	One Off	0.566	0.117	0.566	The Department for Education provided this funding to support local authorities in delivering the expansion of the Early Years Entitlements for working families and the Wraparound Childcare Programme for primary schools.
School Condition Allocation	Annual	4.234	3.746	4.234	Delivery of a schedule of planned investment in maintenance and improvements to schools and educational facilities across the Borough. There are 40 Qwest managed projects: 37 are at final account stage and 3 are on site. Also, health and safety and safeguarding schemes have been addressed and are all complete.

Scheme Title	Scheme Type	Approved Budget	Actuals to end of November	Total Forecast Spend	Scheme Update
£m		£m	£m	£m	
Children's Residential Accommodation	One Off	2.715	1.309	1.714	<p>The project aims to tackle the financial pressures facing the Children and Families service of the growing number of residential placements and the increasing costs of this type of care by providing lower cost in-house residential provision locally for Children Looked After within the borough.</p> <p>This scheme is to acquire and renovate a 5-bedroomed property; the purchase has been completed with the refurbishment and ICT costs to be incurred in 2024-25. Funding is being returned to Schemes under Development whilst options are being considered.</p>
Whitby Hall Lodge	One Off	0.000	0.000	0.030	<p>Scheme to adapt Whitby Hall Lodge to function as a location for the Family Time Service and demobilise the Park Family Centre. Funding is being provided by Transforming Ellesmere Port Town Centre (£0.019m) and Asset Management – Property (£0.011m), subject to delegated decisions.</p>

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Special Education Needs	One Off	1.920	0.698	1.775	The Dee Banks, Butterbach Road scheme is an ongoing project with an anticipated completion of Christmas. The Dorin expansion is on site, which is near completion. The Dorin at Upton High School temporary site is on an ongoing scheme and is near completion. There are two additional Special School schemes at Archers Brook Special School which has partially completed with the remaining funding addressing options regarding a mobile unit being considered and Hebden Green that is anticipated will complete in January 2025. There is a reprofiling of £0.107m due to some schemes needing to take advantage of the longer school holidays or are still in the early stages of development. The £0.017m budget adjustments are in accordance with final costings and there are two schemes that are no longer progressing (£0.055m), funding will be returned to Schemes Under Development for future use.
Total		15.311	8.918	14.270	

Forecast Revenue Outturn

The table below sets out the forecast outturn position for Place and Growth

Director	Budget (£000)	Forecast (£000)	Mitigating Actions (£000)	Variance (£000)
Environment & Communities	41,365	41,702	(302)	35
Highways & Transport	14,152	14,572	(420)	0
Economy & Housing	8,602	9,916	(1,779)	(465)
Directorate Total	64,119	66,190	(2,501)	(430)

The table below sets out the finance commentary for the forecast outturn position for Place and Growth.

Environment & Communities
<p>The service is reporting a £0.035m net overspend at third review, no change from mid-year review.</p> <p>The position includes an underlying overspend of £0.337m which is offset by £0.302m of mitigation actions.</p> <p>The underlying overspend position is linked to pressures within Public Protection Services and parking and enforcement (£0.2m) due to income shortfalls along with delayed delivery of saving proposals related to container management policy (£0.08m) and the Household Waste Recycling Centre (£0.05m) to enable a full public consultation exercise and appropriate governance to be undertaken.</p> <p>To offset these pressures, there are mitigations of £0.12m from pensions surplus within QWEST, non-pay savings within waste (£0.05m), release of Section 106 funds (£0.08m), reduced capital contributions due to alternative funding sources (£0.024m) and one-off new burdens grant funding of £0.03m.</p>

Highways & Transport

The service is reporting a balanced net position at third review, no change from mid-year review.

The position includes an underlying overspend of £0.420m which is offset by £0.420m of mitigating actions.

Of the underlying overspend position of £0.4m, £0.3m relates to income pressures within Park and Ride due to levels of passenger usage. The service continues to explore options to increase take up of the service to reduce the deficit. There is also partial slippage in relation to street lighting savings (£0.1m) due to contractor delays.

The service has delivered mitigations of £0.3m through a forecast underspend against the concessionary fares budget due to levels of passenger usage and additional one-off business discount income due to additional works put through the COLAS contract within Highways.

Economy & Housing

The service is reporting a £0.465m net underspend at third review, an increase of £0.15m compared to mid-year review.

The position includes an underlying overspend of £1.3m which is offset by £1.8m of mitigating actions.

The underlying overspend position of £1.3m includes £0.45m of pressures in Housing and Homelessness through delays in delivering saving proposals due to levels of temporary accommodation costs through use of hotels while other more appropriate and less costly alternative accommodation initiatives are implemented. This pressure has been partially offset by £0.1m due to a budget transfer from central budgets to support housing benefit subsidy pressure. The position also includes a forecast shortfall on Markets income of £0.4m mainly due to voids across the estate, a forecast shortfall on Planning income (£0.1m) and additional time required to implement service reviews and achieve efficiencies (£0.4m).

To offset this pressure and contribute towards reducing the wider Council pressures, the service has delivered mitigations of £1.8m utilising alternative sources of funding of £1.3m (£0.5m from uncommitted asylum seeker and refugee funding held in reserves, £0.6m of uncommitted skills and employment grant held in reserves and in year grants, £0.1m of reduced revenue contribution to capital and £0.1m from UK Shared Prosperity Fund), reduced non-pay forecast (£0.1m) and vacancy management (£0.4m).

Housing Revenue Account (HRA)

The Council's Housing Revenue Account (HRA) like all providers of social housing is continuing to experience higher repair and maintenance and contract management costs than in previous years. The increase (£1.5m) is due to a combination of increased regulatory requirements and increased demands / expectations from tenants.

The more demanding regulatory requirements placed on social landlords are giving rise to increased subscription costs to the Housing Ombudsman and the Regulator of Social Housing. In addition, one-off consultancy work and the consultation exercise currently being undertaken with HRA tenants re management of the stock going forward will give rise to increased costs of £0.25m in 2024-25.

The cost of bad debt is budgeted for at 4% of tenant rent. Although arrears have increased in recent years it is likely that the actual cost of bad debts will be around £0.35m less than budgeted. This will help offset the increased costs in other areas.

Housing income is slightly below (£0.1m) the budget in the main due to lower than budgeted non-dwelling income. These empty premises while resulting in a loss of income to the HRA also give rise to increased business rates costs for the HRA.

The HRA operates as a separate fund and the amount of expenditure incurred must equal the amount of income generated. Consequently, the forecast overspend of £1.5m will be managed by reducing level of funding available for future capital expenditure

Budget Proposals

The table below sets out the forecast outturn position of budget proposals for Place and Growth.

Budget Proposal	Total 2024-25	Delivered / On target			High Risk of non- delivery (Red)	Slipped	Non- Deliverable
		Delivered	Green	Amber			
	£000	£000	£000	£000	£000	£000	£000
Library Services Development	(99)	(15)	(84)	-	-	-	-
Strengthening Enforcement	(90)	-	-	-	-	(90)	-
Public Conveniences	(50)	-	(50)	-	-	-	-
Parking Options for Residents	(50)	-	-	(50)	-	-	-
Parking Services	(10)	-	(10)	-	-	-	-
Communities	(128)	(128)	-	-	-	-	-
StreetCare Operations	(10)	-	(10)	-	-	-	-
Streetcare maintenance	(80)	(80)	-	-	-	-	-
HWRC Secondary Site Review	(50)	-	-	-	-	(50)	-
Street Lighting LED Replacement Project - Temporary Investment	(300)	-	(300)	-	-	-	-
Energy & Carbon Reduction	(250)	-	(216)	(34)	-	-	-
Transport Review and Redesign	(332)	-	(332)	-	-	-	-
Christmas lights	(145)	-	(15)	(130)	-	-	-
Street lighting	(253)	-	-	(153)	-	(100)	-
Highways Staffing efficiencies	(132)	-	(132)	-	-	-	-
Capitalisation of highway repairs and professional services through Colas contract	(430)	-	(430)	-	-	-	-
Review of provision of printed timetables at bus stops	(12)	-	-	-	-	-	(12)
Shuttle Services	(19)	(19)	-	-	-	-	-

Place and Growth

Appendix E

Housing Investment Account income	(29)	-	(29)	-	-	-	-
Reducing the use of hotels for temporary accommodation	(500)	-	(50)	-	-	(450)	-
Housing Operations	(116)	(116)	-	-	-	-	-
Maximise use of external funding - Economy & Housing	(102)	(40)	(62)	-	-	-	-
Non-pay budget savings - Economy & Housing	(40)	(40)	-	-	-	-	-
Total Place and Growth	(3,227)	(438)	(1,720)	(367)	-	(690)	(12)

Strengthening Enforcement (£0.090m slipped) - Moving traffic enforcement is now in operation and a 6-month grace period for drivers began 20th May, penalty charge notices began to be issued mid-November. Slippage also takes into account that there are savings relating to prior years which are still to be achieved.

Household Waste Recycling Centre secondary site review (£0.050m slipped) - The secondary site review work has not been undertaken and will require full public consultation in 2025. The slippage has been mitigated in year.

Street lighting (£0.100m slipped) - Partially slipped due to contractor delivery delays. This is mitigated in year and full savings will be achieved in 2025-26.

Review of provision of printed timetables at bus stops – (£0.012m non-deliverable) - Following a further review, it has been established that printed timetables are more cost effective and therefore will continue. The pressure is mitigated in year and will be permanently resolved as part of the budget setting process.

Reducing the use of hotels for temporary accommodation – (£0.450m slipped) - Slipped due to levels of temporary accommodation costs through use of hotels while other more appropriate and less costly alternative accommodation initiatives are implemented. Once fully implemented during 2024-25 will result in full delivery of savings in 2025-26. 2024-25 pressure will be mitigated in year through utilisation of grant funding

Capital Delivery

The table below sets out the forecast expenditure for the Place and Growth capital programme.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Climate Emergency					
Climate Emergency Fund	One Off	1.341	0.019	0.364	This investment supports the delivery of the Climate Emergency Response Plan. The Chester Registry Office scheme is complete and the community projects administered via Cheshire West Crowd/Spacehive now awarded. Other schemes due to complete this financial year include Ellesmere Port Civic Hall LED and solar upgrades, Vivo solar project, Tarporley scouts energy measures, Wild Flowers in your Ward Project and Grosvenor Museum LED lighting. Subject to delegated decision there is a £0.977m reprofiling of budget for the Mersey Forest Trees for Climate match, depot EV charging project and Northwich Memorial Court - energy systems Improvement.
Energy and Carbon Reduction - Street Lighting	One Off	0.536	0.128	0.536	This scheme is to implement a part-night switching regime for street lighting. The project is still on target for the agreed completion deadline with the remaining budget being spent this financial year.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Biodiversity Net Gain	One Off	0.626	(0.014)	0.144	Biodiversity Net Gain schemes are fully funded by Section 106 agreement receipts. The works involve delivering a programme of new or improved species rich grassland, wetland and woodland biodiversity units within the Borough. Many of the units have been agreed with developers as part of the planning process. Subject to a delegated decision the budget will be reprofiled to align with spending plans.
Regeneration					
Dee House	One Off	0.022	0.011	0.022	Investigation works are being delivered which will help the development of future requirements.
Heritage Action Zone	One Off	0.009	(0.001)	0.009	This scheme is complete. Remaining budget is being held as contingency for another Rows related scheme being funded by Shared Prosperity Fund.
Northwich Townscape Heritage Initiative	One Off	-	(0.004)	-	This scheme is complete with final retention payments outstanding.
Winsford Town Centre	One Off	11.245	6.832	10.895	The new Costa unit opened in May 2024 and the second unit (new B&M) is on track to be completed for handover in February 25, with anticipated opening date in May 25. Works to the existing Winsford Cross roof have been delayed due to access issues, a request to carry forward funding will be made.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Winsford Cross	One Off	0.310	0.001	0.310	Enabling works to the ex-DW Sports (ground floor) unit will commence shortly to complete the new letting and reduce the vacant space at Winsford Cross. Fire compartmentalisation works will be carried out by the end of the financial year.
Northgate Development - Phase 1	One Off	3.776	2.415	3.266	Some incentive payments will now be incurred in 2025-26 due to slower than anticipated letting of some units resulting in a request to carry forward funding of £0.510m. The project includes £0.95m expenditure to replace the curtain wall damaged in the gas explosion. Work on this is complete and an insurance claim has been submitted for evaluation.
Northgate Development - Phase 2	One Off	0.235	0.030	0.235	Good progress is being made, external commercial and legal support have been secured. Procurement process commencing pre Christmas.
Transforming Ellesmere Port Town Centre	One Off	3.084	0.381	2.714	The main works for various elements of the scheme (Civic Way demolition, market improvements and active travel routes) is due to commence in early 2025 with work also continuing the assembly of the Coronation Road site for future development. There will be a £0.361m reprofiling request due to delays following extended contract discussions. There is a fully funded budget increase of £0.010m from a Section 106 contribution to the active travel scheme along with a transfer of £0.019m to the Whitby Hall Lodge scheme.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Market Town/Regeneration Schemes	One Off	0.070	0.070	0.070	Helsby Community Sports Club solar project complete.
Lache Community Centre	One Off	0.378	0.019	0.393	Following tender returns the budget is being increased by £0.015m (fully funded by Shared Prosperity Fund grant). Work has now started on site and is expected to take 12 weeks.
Little Sutton Community Hub	One Off	0.191	0.002	0.183	Detailed design works have been produced and the budget is being increased by £0.030m (fully funded by Shared Prosperity Fund grant). A planning application is due to be submitted with most works due to complete by March 2025. It is expected that work to install cycle stands in the car park will be done in early 2025-26 resulting in a reprofile of some of the funding.
Weaver Square	One Off	0.497	0.011	0.405	The project is currently on track with users due to vacate the Information Centre. Some costs related to the market are now expected to be incurred in 2025-26 with a funding profile change being requested through delegated decisions.
Highways & Transport					

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Asset Management - Environment	Annual	1.138	0.527	1.275	Work is progressing with delivering the category D assets, these are assets which are identified as requiring replacement, programme and pathways work continues to take place. Bridge works have also taken place, and there has been some health and safety work carried out at the public conveniences and cabin at Marbury Park. The service also continues to check Section 106 balances and utilise where possible. An increase in the budget will be requested at third review for Dukes Drive (CIL unparished and S106), Kissing Gates (S106), Localities (S106) and River Weaver (S106).
Network Development	Annual	3.996	0.311	3.112	<p>The programme aims to support planning, providing and promoting well maintained, safe, integrated and sustainable transport system through the development of relevant capital policies, projects and programmes. Examples include, Bus Service Improvement Plan, Park and Ride CCTV, Design and delivery of LCWIP (Local Cycling and Walking Infrastructure Plans) routes and the Local Transport Plan 4.</p> <p>Following public consultation, feedback has led to some design changes for the Active Travel Scheme Tranche 3 (Northwich), this has delayed the completion, with construction to start early 2025-26. To support this project, funding of £0.884m will be requested for carry forward through delegated decisions.</p>

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Network Management	Annual	15.160	8.027	15.160	The project is to maintain the highway asset through a programme of works that targets deterioration/decline. Examples of schemes include lighting and signal structural maintenance, preventative treatments, resurfacing schemes and pothole repairs.
Soot Hill	One Off	0.023	(0.004)	0.023	The scheme addressed a land slip involving a substantial retaining wall that supported the highway and is now complete. The funding in 2024-25 is in relation to final consultancy fees on the scheme.
Winnington Corridor	One Off	-	(0.014)	-	This scheme is wholly S106 funded and implemented a new cycle/pedestrian route between Winnington and Northwich to improve accessibility and connectivity between the new Winnington Urban Village and Northwich town centre. The scheme included the construction of new paths, ramps, a toucan crossing, bridge improvements, signing and lining and other associated measures.
Installation of ANPR Cameras	One Off	0.024	0.017	0.017	ANPR cameras encourage the free movement of traffic and road safety on busy routes in Cheshire West and Chester. The scheme is now complete with an underspend of £0.007m

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Vehicle Replacement	Annual	1.179	0.509	1.179	Delivery of all vehicles expected within the financial year, subject to potential manufacturing delays with the gritter chassis.
A540 Road Safety	One Off	0.986	(0.058)	0.986	This scheme is to address road safety concerns. The scheme will start on site in January 25 and then complete in May 25.
Housing					
HRA Existing Stock	Annual	10.641	(2.016)	9.141	All capital programmes have been procured and have contracts in place. Works on site are progressing well. Due to contractor capacity, two contracts have been delayed (Fire Sprinkler System and Stock Condition Surveys) and work on these will carry over into 2025-26. Work continues with For Housing to get up to date with valuations and several are due to be paid shortly.
HRA – Sutton Way	One Off	2.859	1.159	2.159	Delays have been encountered whilst various wayleaves and legal agreements for drainage works are put in place. The impact of this delay is the scheme will now likely complete May 2025 with a funding reprofile being requested to complete the scheme.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Private Sector Housing	Annual	0.500	0.087	0.350	The Private Housing scheme is forecasting to underspend, however, recent promotion of Decent Homes Loans and Safe and Warm Grants is increasing referrals, and the Landlord Energy Efficiency Grant pilot scheme has the potential to be extended. Promotion of empty property grants to raise awareness is underway.
Housing Delivery	One Off	1.605	0.734	2.620	Due diligence on pipeline housing sites including 4 housing needs surveys are running to schedule. All properties funded through the Local Authority Housing Fund rounds 1 and 2 have now been purchased. There are some outstanding costs to complete renovation works and refurbishments. The budget increase reflects grant funding and Council match funding for round 3 of the Local Authority Housing Fund. Offers accepted and surveys and valuations carried out on 4 properties to be purchased using this funding.
Supported Housing - Curzon House	One Off	1.591	1.193	1.591	Practical completion and handover from contractor to the Council achieved on 7 November. Handover from Council to Forum Housing took place on 8 November. A phased occupation will take place from 18 November with full occupation expected by early December.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Supported Housing - Hooton Development	One Off	0.485	0.000	0.485	Construction work is ongoing, with completion forecast to be January 2025, at which point the Council will purchase the 4 units and then lease them to ForHousing for onward letting to tenants from the common housing register.
Supported Housing - Mulberry Centre	One Off	2.031	(0.013)	0.559	Following successful completion of Curzon House and the seven dispersed properties for homeless people, both supported by the SHAP programme, the Council is currently engaging in positive discussions with Homes England re: funding for The Mulberry Centre. Given the commitment by them to an early decision on support, it has been decided to delay entry into contract on The Mulberry Centre until January 2025, at which point the outcome of any funding decision will be known. A reprofile of the scheme will be requested through delegated decisions.
Supported Housing - dispersed families	One Off	0.575	0.010	0.150	This scheme has delivered 7 properties for the SHAP (Single Homeless Accommodation Programme) scheme. The final property was delivered in May 2024. The scheme has come in under budget for the acquisitions and under budget for the renovation works (some of which are still to be invoiced). It is expected that the underspend will reduce the amount of Housing Revenue Account contribution required. The properties are now all occupied with a revenue grant funded support worker in place to support the tenants to live independently for an initial 3 year period.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Supported Housing - other schemes	One Off	0.289	0.104	0.169	Work at Mulberry Bungalow has been delayed pending the tendering of contracts for the Mulberry Centre, a reprofile request will be made through the third review process.
Culture & Play Spaces					
Archives Facility	One Off	7.634	0.307	4.791	Crewe's main construction now due to start mid Jan 2025 and there is a need to reprofile to reflect this delay. Chester construction will start in November 2024. Construction in both sites is due to complete in April 26 and will be followed by a handover period.
Libraries ICT Infrastructure	One Off	0.305	0.137	0.165	Delivery of self-service machine replacement in libraries and new scanners for the public computers in libraries. Plans to develop an events module for libraries on the CW&C website which will allow for better promotion of our events and activities to residents and are awaiting work to being on this. Further £0.150m assigned to next phase 2 of the self-service machine replacement, final work on the printing upgrade in libraries allowing non-members to use wi-fi printing and a new self-service printing function. Plans to put hearing loop tech into some sites and visitor counters to provide robust usage figures. Reprofileing is due to delays on some projects due to ICT and Tech teams working on migration and not being able to support service projects

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Play Strategy	One Off	0.544	0.278	0.563	Sycamore Fields, Lache has been completed in year and all relevant data gathering has taken place with regards to the identified schemes for this year's programme, such as Elizabethan Way, Northwich, Sandy Lane Aqua Park, Westminster Park outdoor gym, quotations for schemes are being sought, and work is being commissioned, this budget will be fully spent this financial year. A request will be made at third review to increase the budget for West Vale and Cherry Grove Play Area fully funded by Spacehive and CIL Unparished allocation
Northwich Library	One Off	0.538	0.080	0.165	Due to increasing costs identified during RIBA stage 3 design this has impacted on moving to the next RIBA stage of design. The delay has resulted in a forecast of £0.165m for the financial year and a request to carry forward the unspent balance in 2025-26 to ensure delivery of the scheme.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Football Pitch Investment Programme	One Off	1.533	0.212	1.696	<p>The second phase grass pitch improvements at Whitby Park are complete and will be rested for 12 months before being available again for club use. Several grass pitches in the Tarvin area including KGV Tarvin, Doddleston & Barrow have pitch surface renovations as has Johnston Recreation area. Stanney Oaks new pitch has been constructed and again will rest for 12 months and be opened by the next football season. Drainage improvements have been completed at Leftwich High School community use pitches which will bring a junior pitch back into use. Access improvements at Huntington will improve safety for maintenance vehicles accessing the site from the busy B5130.</p> <p>The Moss Farm 3G artificial grass pitch (AGP) is on schedule to be completed by the end of March 25. Moss farm car park ancillary works can be tendered once the Hartford Sub Aqua club vacate their workshop and relocate to one of the refurbished barns facilities on the site. Knights Grange Ecological survey have taken place for the changing facilities and listed building consent will be required for works, these will take place in summer 25 pending approval. Request to bring the SUD allocation into the main programme at third review and to reprofile £0.452m in relation to Verdin Pitches.</p>

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Moss Farm	One Off	2.873	0.116	3.014	Property specialist Cushman & Wakefield are two third along with dialogue with current lessees for new management & maintenance leases. The recently constructed new grass rugby pitch is now open for club use this season. Schedule of works will be advertised on the CHEST before the end of the year for refurbishment of the 2 barns on the site that will be utilised for storage/workshop. The sand dressed artificial grass pitch (AGP) refurbishment has been tendered and evaluated with the successful contractor due to commence in February 25. Improvements to Rugby Club changing facilities are scheduled for summer 25 along with refurbishment of the football changing facility. A request to reprofile £0.141m from future years will be requested through delegated decisions.
Asset Management					
Asset Management - Property	Annual	3.650	2.305	3.639	This budget is expected to be fully spent. The scheme is delivering 32 individual projects across the Council's estate, including structural repairs or internal replacements such as boilers/fire alarms, and there are 3 annual Bulk Allocations (Operational, Commercial and Fire Risk Assessment Remedials). There is a proposed funding transfer of £0.011m for the Whitby Hall Lodge scheme.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Ellesmere Port Public Sector Hub	One Off	0.055	0.001	0.055	Outstanding costs are linked to legal work associated with phone mast relocation. Conversations between partners are ongoing to resolve this.
Chester Rows Fire Protection	One Off	0.259	0.194	0.259	Installation is complete. Final commissioning of the system and testing to take place with final completion early in the new year.
Chester Walls	One Off	3.196	1.287	2.700	In 2020 a partial section of the inner face of the City Walls collapsed, preparatory work has taken place since the collapse. Site vegetation removal has been completed, contracts have now been signed, and the compound has now been established at Dee House for Stage 1 temporary works to commence, with a completion date of May 2025. Delays in contract signing has resulted in £0.496m of expenditure being re-profiled in 2025-26.
Grosvenor Park Lodge	One Off	0.027	0.000	0.027	The project is to separate the ground floor cafe area from the remainder of the building which would become mess facilities for streetcare operatives and office space for depot staff. Work has commenced and is due to complete by the end of December

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
CCTV	One Off	0.094	0.031	0.129	The CCTV replacement programme progressed well last year and ahead of the original schedule. Through delegated decisions, £0.033m is to be reprofiled to 2025-26 due to a cloud based system being under development and only a portion of costs materialising this financial year. There is a budget increase of £0.068m for the installation of 5 new CCTV cameras in Neston.
Northwich Train Station	One Off	0.000	0.000	0.316	The required works are largely the result of a collapse in 2020 of the ticketing office to the western end of the building. Notice has been served by the Arch Company following an inspection of the property in July 2023 which revealed a number of items required to be repaired under covenants in the lease. The budget will be a call on unknown pressures funding held in Schemes Under Development.
Waste Strategy	One Off	0.990	0.737	0.854	The final 2 vehicles as part of the fleet improvement programme have now been delivered. There are ongoing discussions with the contractor around completion of the Material Recovery Facility; works will now be completed in 2025-26.
Total		87.100	26.158	76.895	

Forecast Revenue Outturn

The table below sets out the forecast outturn position for Corporate Services.

Director	Budget (£000)	Forecast (£000)	Mitigating actions (£000)	Variance (£000)
Finance	8,040	8,169	(388)	(259)
Governance & Chief Executive	7,096	7,095	0	0
Transformation and Strategy	8,581	8,619	(709)	(671)
Human Resources	970	1,130	(81)	79
Corporate Budgets	6,276	6,442	(47)	119
Property	2,319	2,458	0	139
Commercial Development	(3,920)	(3,366)	0	554
Directorate Total	29,361	30,547	(1,225)	(39)

Finance

The service is forecasting a £0.259m underspend at third review, which is in line with the position reported at mid-year review.

The position includes an underlying overspend of £0.129m which is offset by £0.388m of mitigating actions.

The overspend position is linked to slipped savings proposals including delayed savings related to the government's national rollout of Universal Credit (£0.02m), demand management reduction (£0.02m), digital solutions for council tax (£0.01m) and additional advertising income pressures (£0.1m).

To offset these pressures and contribute towards wider Council pressures, there are additional mitigations of £0.3m from utilisation of grant funding (Appointeeships £0.1m, Homes for Ukraine £0.15m, UK shared prosperity fund £0.01m and Afghan resettlement assistance programme £0.02m) and additional vacancy management savings (£0.1m).

Governance & Chief Executive

The service is forecasting a balanced position at third review which is line with mid-year review, with no pressures currently being reported.

Transformation and Strategy

The service is forecasting an underspend of £0.671m at third review, which is an increase of £0.039m compared to the position reported at mid-year review.

The service has identified savings through vacancy management within Transformation and Technology (£0.17m) and through ICT Shared Service contract cost savings (£0.5m) related to the provision of a temporary £0.5m budget included as part of the budget setting process to meet expected pressures prior to the redesign of a new ICT service due to be in place in 2025, which is currently forecast to be no longer required.

These savings contribute towards mitigating wider Council pressures and offset a service pressure relating to delays in implementing a service review (£0.02m) and income pressures within communications.

Human Resources

The service is forecasting an overspend of £0.079m which is in line with the position reported at mid-year review.

The position includes an underlying overspend of £0.160m which is offset by £0.081m of mitigating actions.

The overspend position includes slippage in savings proposals due to delays in implementation of a service review (£0.1m).

The service has identified mitigating actions through additional income, mainly through increased working rewards and service buyback income streams (£0.08m).

Corporate Budgets

The service is forecasting a £0.119m overspend which has increased by £0.03m from the position reported at mid-year review.

The position includes an underlying overspend of £0.166m which is offset by £0.047m of mitigating actions.

The overspend position includes slippage in saving proposals related to capitalisation of salaries (£0.05m) and income pressures associated with the early supplier payment solution which has now been implemented (£0.12m).

Property

The service is forecasting an overspend of £0.139m which in line with position reported at mid-year review.

This is due to a loss of income following farm disposals (£0.1m) and non-pay pressures from across the corporate estate (£0.04m).

Commercial Development

The forecast position for the service is a £0.554m net overspend at third review attributable to a shortfall in income on the commercial estate. Further details are available in appendix G – Commercial Developments

Budget Proposals

The table below sets out the forecast outturn position of budget proposals for Corporate Services.

Budget Proposal	Total 2024-25	Delivered / on Target			High Risk of non- delivery (Red)	Slipped	Non Deliverable
		Delivered	Green	Amber			
	£000	£000	£000	£000	£000	£000	£000
Universal Credit Roll Out	(105)	-	(84)	-	-	(21)	-
Capitalisation of Governance & Support Team	(47)	-	-	-	-	(17)	(30)
Supplier Early Payment Solution	(80)	-	-	-	-	(80)	-
Procurement Low Value Spend	(50)	-	-	-	-	(50)	-
Digital solution for Council Tax processing	(43)	-	(31)	-	-	(12)	-
Salary Sacrifice AVC scheme	(45)	-	(45)	-	-	-	-
Unit 4 license reduction	(30)	-	(30)	-	-	-	-
Transactional Services / Assessment Team - Modernisation & Demand Management reduction	(33)	(18)	-	-	-	-	(15)
Maximise use of external funding - Finance	(74)	(20)	-	(54)	-	-	-
Client Finance efficiencies	(61)	-	-	(61)	-	-	-
Income from Advertising	(30)	-	-	-	-	(30)	-
Insurances	(548)	(548)	-	-	-	-	-
Review of support to formal decision-making processes	(57)	-	(57)	-	-	-	-
Companies, Compliance and Assurance review	(81)	-	(55)	(26)	-	-	-
Legal Services review	(104)	(104)	-	-	-	-	-
Maximise use of external funding for Legal Services	(144)	-	-	(144)	-	-	-

Reconfigure Insight and Intelligence service	(87)	(50)	(18)	-	-	(19)	-
ICT Review – temporary investment	(500)	(500)	-	-	-	-	-
Reconfigure the Communications Service	(93)	(93)	-	-	-	-	-
Reconfigure the Personal Assistant team	(95)	(95)	-	-	-	-	-
Telephony	(50)	(50)	-	-	-	-	-
Non-pay budget savings - Public Service Reform	(90)	(40)	(50)	-	-	-	-
Capitalisation of staff working on system development	(71)	(71)	-	-	-	-	-
ICT Review Savings	(34)	(34)	-	-	-	-	-
Reconfigure Human Resources and Organisational Development support	(162)	(53)	-	-	-	(79)	(30)
Reconfigure Learning and Development priorities	(50)	(50)	-	-	-	-	-
National Graduate Development Programme	(38)	(38)	-	-	-	-	-
Workforce Modernisation	(208)	(8)	(200)	-	-	-	-
Commercial Estate	(364)	(105)	(50)	-	-	(209)	-
Estate Rationalisation (Invest to save) *	(100)	-	(100)	-	-	-	-
Total Corporate Services	(3,474)	(1,877)	(720)	(285)	-	(517)	(75)
Digital Channel Shift	(369)	-	(290)	(79)	-	-	-
Council Companies savings target	(750)	-	(525)	-	-	(225)	-
Review of Fees & Charges	(4,105)	(3,252)	(129)	(525)	-	(199)	-
Pension Liabilities	(5)	-	(5)	-	-	-	-
Mutually Agreed Resignation Scheme	(499)	(405)	-	-	-	-	(94)
Chief Officer Structure	(126)	(126)	-	-	-	-	-
Total Council Wide and Cross Cutting	(5,854)	(3,783)	(949)	(604)	-	(424)	(94)

Universal credit rollout – (£0.021m slipped) – The saving has partially slipped and is now anticipated to be fully delivered in 2025-26. This slippage is mitigated in year.

Capitalisation of Governance & Support Team (£0.017m slipped and £0.030m non-deliverable) - Slipped due to vacancies reducing the value of capitalisation possible which is mitigated by vacancy management savings. Following a further review of the work undertaken within the team an element of the policy option has been identified as non-deliverable.

Supplier early solution (£0.080m slipped) - Pressure related to forecast savings generated through early supplier payment discount solution. The solution has been implemented however the rate at which suppliers are signing up is slower than was originally profiled.

Procurement Low Value Spend (£0.050m slipped) – The £50k saving to be achieved in 2024-25 is in addition to £408k savings that have slipped from previous years. Work is underway to ensure that all low value expenditure areas are identified and reviewed to ensure they offer value for money however at this stage, it is not considered possible to deliver the full amount of savings required during this financial year.

Digital solution for Council Tax processing (£0.012m slipped) - Digital solution is now in place, partial slippage relates to a delay in implementation of the service review. The slippage is mitigated in year.

Transactional Services / Assessment Team - Modernisation & Demand Management reduction (£0.015m non-deliverable) – This saving was originally intended to be delivered by a change in service delivery method. However, following further investigation this is no longer considered deliverable and alternative mitigating savings will be identified..

Income from advertising (£0.030m slipped) - Slipped due to bus shelter tender delay impacting 24-25 delivery - this slippage is mitigated in year.

Reconfigure Insight and Intelligence service (£0.019m slipped) - An element of this saving proposal is now slipped due to delays in implementing the service review. This is mitigated within the service.

Reconfigure Human Resources and Organisational Development support (£0.079m slipped and £0.030m non-deliverable)
This savings proposal has slipped due to delays in implementing the service review. The non-deliverable element will be permanently resolved as part of the budget setting process.

Commercial Estate (£0.209m) – Slipped at this stage due to resource capacity issues and reduced rental income forecast.

Council Companies savings target (£0.225m slipped) - Latest projections from Brio are for a £225k shortfall against recovery plan targets in 2024-25, primarily due to slippage in works at Northgate Arena. This will delay the full year savings until 2025-26. Impact will be mitigated through use of Shareholder Reserve to cover temporary gap.

Review of Fees and Charges (£0.199m slipped) – Delays in implementation to enable appropriate engagement and governance to be undertaken which should be completed over the next few months. Planning income lower than anticipated. The slippage has been mitigated in year.

Mutually Agreed Resignation Scheme (£0.094m non deliverable) – The original budget proposal was based on estimated savings and actual agreements are lower than anticipated. This will be addressed through the budget setting process.

Capital Delivery

The table below sets out the forecast expenditure on the Corporate Services and Council Wide capital programme.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
ICT & Digital					
Unit 4 Development	Annual	0.830	0.384	0.830	Good progress has been made on Unit4 development against council priorities. There is an expectation that the 24/25 budget will be fully used, but this is dependent on a decision relating to the output of the recent Unit4 System Optimisation review. Should phase 1 of this work be approved and progressed in 24/25 the full budget will be spent. Due to that there are no reprofiling requests at this stage but may be required if there is a delay in commencement.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
ICT Strategy Core Programme	Annual	1.915	0.402	2.400	Gemini programme continues to have an impact on proposed essential replacement spend. It is still expected that all elements will be fully spent for 24/25 as the modernisation and simplification of our ICT environment continues. It is also expected that the capital requirements for Phase 2 (some of those costs we'll see this year) will exceed that identified within the ICT Core Strategy Programme. Therefore, there is a proposal to transfer £0.485m of the proposed underspend from the Digital Channel Shift scheme into the Core Strategy Programme to offset this.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Digital Channel Shift	One Off	1.559	0.237	0.900	Digital developments for 24/25 are in implementation including improvements to Council Tax My Account and Alexa Skills. Future developments associated with the power platform (iLearn, PowerApps etc) and changes to our digital security environment are also planned but are at a reduced forecast cost. An Artificial Intelligence discovery piece is also almost concluded. The forecast underspend of £0.659m will be partially used to offset some of the additional pressures in the core ICT programme. This leaves a small underspend on the digital programme.
Data Strategy	One Off	0.665	0.108	0.550	Work is progressing well to deliver reporting for adult social care and the business intelligence (BI) review has been commissioned. Due to the delay in commissioning the BI review this will have an impact on when the remainder of the capital will be delivered as further data projects will be informed by the outcome of the review.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
ICT Operating Model	One Off	1.862	(0.144)	1.862	Excellent progress being made in delivering the ICT Hybrid Model (Gemini). Migration into new tenancy complete, project initiation document for Phase 2 complete and formal consultation for staff due to commence. Some recharges are required to make sure the current spend is more reflective of the current situation. The credit in actuals relates to work carried out in 23-24 that is yet to be invoiced. This is being discussed with the supplier.
Capitalisation of Equipment (ICT)	Annual	0.757	0.696	0.757	Device refresh numbers this year will mean this provision will be fully used.
Property					

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Commercial Property Reinvestment Programme	One Off	0.918	0.175	0.468	<p>Works are complete at Ion Path and HQ. Further works are due to take place to Merchants House and properties at Merseyton Road and Road 3, with work due to start in early 2025.</p> <p>Work at 10 Hartford Way has been delayed due to a change in occupation status and will not now start until 2025-26, there is a requested reprofile of budget to reflect this.</p>
Council Wide					
Transformational Projects	One Off	1.362	0.758	1.362	This scheme relates to staff time carried out by the Strategic Finance and Capital team and the Change and Technology team on transformational projects. It is anticipated that this budget will be fully spent.

Scheme Title	Scheme Type	Approved Budget £m	Actuals to end of November £m	Total Forecast Spend £m	Scheme Update
Shared Prosperity Fund (SPF) Funded	One Off	1.982	0.284	1.937	There are a number of capital projects that will be supported through the UK Shared Prosperity Fund grant. A significant number of projects have recently started or are due to start imminently and it is expected that the budget will be fully spent. The reduction in forecast spend relates to a transfer of funding for two regeneration projects, subject to a delegated decision.
Total		11.850	2.900	11.066	

Commercial Developments

Development Account Sites					
Summary of financial position	2024-25 Budget £000	2024-25 Net Cost (Before debt payment) £000	2024-25 Debt Repayments Funded £000	2024-25 Forecast Variance £000	2024-25 Total Debt Repaid to Date £000
Barons Quay	2,090	2,090	0	0	(2,487)
<p>The Barons Quay centre is forecast to generate net rental income of £1m in 2024-25, this is offset against a £0.3m operating cost and a £1m service charge cost on void units. These result in a £0.3m operational loss. Once factoring in interest charges of £1.8m net costs rise to £2.1m. Against a £2.1m budget this means an unchanged debt position.</p> <p>The balanced forecast position means the cumulative deficit on the Barons Quay Development Account remains at £2.5m. These deficits have been temporarily funded from the Long-Term Liability Reserve and this will need to be repaid from scheme surpluses before wider debts can start being paid down.</p> <p>Challenging trading conditions remain in Barons Quay and across the retail and leisure sectors. However, some new tenants have been attracted to the centre in recent years and discussions are progressing with interested parties regarding further vacant units at the centre. In addition, Northwich market is planned to relocate from Weaver Square to Barons Quay and expected to open in winter 2025.</p>					
Summary of financial position	2024-25 Budget £000	2024-25 Net Cost (Before debt payment) £000	2024-25 Debt Repayments Funded £000	2024-25 Forecast Variance £000	2024-25 Total Debt Repaid to Date £000
Winsford Cross	740	740	0	0	2,562
<p>The forecast position for Winsford Cross is a £0.74m net cost in 2024-25. The forecast reflects net rental income of £0.7m, offset by operating costs and voids of £0.8m and interest costs of £0.6m. Current forecasts reflect that there will be no repayment of debt during the year.</p> <p>Rent revenue reflects an improvement versus prior year following the opening of the new Costa Drive thru unit as part of the Winsford Future High Street project.</p> <p>Work continues to strengthen future performance of the centre which includes completion of the new development for 2025, progressing interest in vacant units and managing down voids and service cost pressures. When the new development is complete, the centre is expected to return to a net surplus position which will facilitate future debt repayments.</p>					

Non-Development Account – Commercial Property Budget				
Summary of financial position	2024-25 Budget	2024-25 Forecast	2024-25 Mitigating Actions	2024-25 Variance
	£000	£000	£000	£000
Northgate	(1,107)	(1,107)	0	0
<p>The Northgate development includes the new market hall, multi-storey car park, bars, restaurants and four office suites. The market hall, car park and initial restaurant units opened in late 2022, with the cinema and some further units opening since.</p> <p>The scheme had a budget target to deliver a £1.352m surplus in the current year but is currently projecting a reduced £1.107m surplus. In setting the Council's 2024-25 budgets it was recognised that it would take time for Northgate to build its income and a £0.45m contingency budget was set aside to reflect the risk of in year shortfalls. The revised budget reflects utilisation of £0.245m from that contingency. The forecast position for Northgate is balanced when this is considered.</p>				
Summary of financial position	2024-25 Budget	2024-25 Forecast	2024-25 Mitigating Actions	2024-25 Variance
	£000	£000	£000	£0007
Weaver Square	(30)	42	0	72
<p>The acquisition of Weaver Square was based on the principle it would give the Council overall ownership of a key site within Northwich town centre, allowing greater control over any future redevelopment.</p> <p>Whilst 24 of the 30 units are empty, the holding costs of empty units are minimal as they have been delisted as a rateable property due to the future redevelopment of the site. As a result Weaver Square Shopping Centre is currently forecasting a £72k overspend for the financial year due to void costs of holding empty units.</p>				
Summary of financial position	2024-25 Budget	2024-25 Forecast	2024-25 Mitigating Actions	2024-25 Variance
	£000	£000	£000	£000
Commercial Estate	(8,213)	(7,731)	0	482
<p>The commercial portfolio consists of property interests, including land holdings, with an objective to maximise income and release capital from disposals, when appropriate, whilst having regard to the potential in supporting regeneration and economic growth. For the 2024-25 financial year, the commercial property portfolio is forecasting a £0.482m shortfall against the target, mainly linked to Chester HQ building and part year effect of new tenancy agreements (£0.3m) and slippage in delivery of savings linked to rent reviews (£0.2m).</p>				

Strategic companies - Summary of finances and key issues

Summary of financial position	2024-25 Annual Business Plan Forecast		Projected outturn
	Turnover £m	Profit/(loss) before tax £m	Profit/(loss) before tax £m
Total strategic companies	£75.0m	-£0.6m	+£0.4m
After Council support		Balanced	+£0.4m

Overview

The Council owns an equity stake in a range of companies that deliver services back to the Council, to other customers, such as schools, or directly to the public. These are split into companies the Council wholly owns (Brio, Cheshire West Recycling (CWR)) and those where the Council is in partnership with another body (Qwest, Edsential, Avenue Services, PSP).

During 2024, the Council has been undertaking a review of each of the companies to ensure that the current legal structure continues to be the best approach to delivering on the council's strategic objectives. The reviews of Qwest, CWR and Brio have been completed and reported to Cabinet. The review of Edsential is expected to be completed in early 2025.

Each year these companies provide Business Plans setting out their priorities, planned activities and financial and performance targets. For 2024-25, the business plans forecasted a neutral position for CWR with Brio still reporting an underlying loss. The other companies were forecasting to break even or to generate a moderate profit.

The forecast at Third Review is an improvement on the business plan projections, primarily due to CWR now projecting a profit of £0.4m for the year and Brio breaking even.

The Council also provides its companies with access to loans to help them to manage cashflows and short-term losses. Those loans currently amount to £0.86m.

While projecting an underspend in 2024-25, changes to National Insurance from April 2025 will have a significant impact on all the companies' finances from next year. Each company will set out their approach to dealing with these cost pressures in their annual business plans for 2025/26, which will be shared with the council in early 2025.

Wholly Owned Council Companies

These companies are essentially an extension of the Council and any financial pressures or risks they face will directly impact on the Council.

Cheshire West Recycling (CWR)

CWR provide waste collection services across the borough on behalf of the Council. The company is forecasting a profit for the year of £0.4m, which is unchanged from Mid-Year.

Summary financial information	Budget 2024/25 £000	Forecast 2024/25 £000
Operating costs	-17,493	-17,463
Income from council contract	14,968	15,079
Sale of materials and other income	2,525	2,804
Net Profit/(Loss)	0	420

The underspend is largely driven by relatively high recycled materials income in the early parts of 2024-25, however prices have since fallen significantly highlighting the volatility of this income source. The new Materials Recycling Facility in Ellesmere Port continues to be an area of focus with ongoing testing and remedial works required to ensure the facility continues to meet performance targets.

Cabinet recently approved a long-term extension of CWR's waste collection contract beyond April 2026, and the new award of the contract for operating the Council's Household Waste Recycling Centres (HWRCs) from 2025-26 onwards. These complementary contracts and a longer-term planning horizon will provide the opportunity for CWR to offer the Council further service improvements and efficiencies.

Key risks for 24/25 and beyond

- Prices for recycled materials continue to be volatile. While these were strong in early 2024, prices have since fallen back and the longer-term trajectory is still uncertain. These prices are cyclical and the projected surpluses in 2024-25 are only sufficient to offset equivalent losses made in 2023-24.
- During 2025-26 CWR will need to work with the outgoing provider and prepare itself to mobilise the HWRC service from April 2026, without impacting on the effectiveness of their existing waste collection service.

Brio Leisure

Brio provides health and wellbeing services for the Council through operating its leisure sites across the borough and Ellesmere Port Civic Hall. The figures in the table below reflect the second year in an initial three-year recovery plan as the company rebuilds its financial sustainability following the legacy of Covid and cost inflation pressures.

The Council provided additional temporary funding for Brio in 2023-24 and 2024-25 while actions to deliver £2.5m of savings were undertaken. At present, Brio is slightly behind target, largely due to delays to the Northgate Arena refurbishment programme and the wider savings programme, with the full savings now expected by 2026-27.

The overall forecasted position of the company has marginally improved since Mid-Year Review, with a slightly lower overspend of £225k being offset by use of reserves.

Summary financial information	Budget 2024/25 £000	Forecast 2024/25 £000
Income from Members/Customers	13,293	12,970
Other income	650	1,414
Core Council funding	3,332	3,332
Total turnover	17,275	17,716
Operating costs	-15,006	-15,673
Energy costs	-3,070	-2,268
	-18,076	-17,941
Net loss before tax	-801	-225
Offset by use of Brio reserves	250	225
Cost to Council	-551	-

The forecast does not include additional costs resulting from the partial closure of Northgate Arena on 6th January for refurbishment works. These one-off closure costs will be funded separately from the Council's Shareholder Reserve.

In December 2024, Cabinet gave approval to Brio to move to an agency model from April 2025. This will enable the company to make significant savings in relation to irrecoverable VAT, reducing the cost of the service to the Council from that point.

Key risks for 24-25 and beyond

- Sustaining memberships and usage of sites while wider pressures continue to squeeze household disposable incomes.
- Delivery of significant savings programme through income growth and efficiencies.
- Successful delivery of the Northgate Arena refurbishment and improvements to Moss Farm Leisure Complex and the need to rebuild and grow memberships and usage of the sites following completion of the planned works.
- The agency changes will see the Council taking on a greater responsibility for the income generated from Brio operated sites and will directly hold the risks associated with achieving income targets.

Part Owned Council Companies

These companies are typically joint ventures or wider partnerships where the Council owns a share of the company but one or more third parties own the remainder. These partners may be other Councils, public sector bodies or private companies. This affects the Council's financial relationship and degree of control as risks and returns are shared between parties on a pre-agreed basis.

As these companies are not wholly CW&C owned, there is a greater need to respect partner and commercial sensitivity. As such the information relating to these companies is presented at a more summarised level.

Company	Council interest	Other partner
Edsential	50%	Wirral MBC
Qwest	49%	Equans
PSP CW&C (Build & Thrive)	50%	Chartway Group
Avenue Services	49%	Sanctuary Housing

Edsential

Edsential offers school support services to over 100 schools across the borough and in Wirral. It also provides residential services from local sites and the Conway Centre on Anglesey. Edsential generates just over £21m in turnover each year, funded directly by the schools who buy their services.

The company is forecasting a small profit in 2024-25 in line with its business plan. The market, especially for catering is very competitive. Edsential continues to look at opportunities to broaden the base of schools it supports to improve efficiency.

Qwest

Qwest is a joint venture with a private sector partner (Equans) delivering services including property maintenance, business support, cleaning and a contact centre for the Council. The company is forecasting a small operating surplus in 2024-25, in line with its annual business plan. Under the terms of the joint venture the Council does not carry risks on Qwest's losses or directly benefit from its surpluses but instead receives a rebate based on turnover. This rebate is estimated at £0.29m in 2024-25.

The Council's contract with Qwest ends in Mar-25, after which customer services, digital and some business support services will move back to the Council and estates and facilities management services will be provided under a new contract with Equans. Qwest will cease to trade on 31 March 2025, although the company will continue to exist in the short-term while its affairs are wound down.

PSP Cheshire West and Chester (Build and Thrive)

Build and Thrive is a limited liability partnership (LLP) between the Council and Chartway (formerly PSP). In 2023, Chartway decided to withdraw from this market and to exit all such arrangements across the country once existing projects have been completed. The final development was a site on the Winsford Industrial Estate which was sold in August 2024. The LLP continues to oversee the post-sale activities at the site and discharge all outstanding obligations to the Council. On completion of that work the LLP will be wound up. On wind-up, the Council anticipates receiving approximately £0.2m as a dividend from the surpluses made by the company during its existence.

The process of winding down PSP has already started, and this process is expected to be completed in the next 12-18 months as the final tasks related to previous site disposals are discharged.

Avenue Services

Avenue Services provide local maintenance and caretaking services and regeneration schemes to the residents of Blacon. These services are largely funded by its members, the Council and Sanctuary Housing, with annual turnover of approximately £2.3m a year. Any surpluses made by Avenue Services are reinvested into community and social projects within the Blacon area, in 2024-25 the forecast is £50k in line with the annual business plan.

The primary period of the council's contract with Avenue Services expired in Mar-23. The contract has already been extended to Mar-25 and will be extended again to Mar-26 to allow time for a full review of the council's relationship with the company.

Other Interests

The council also has minor holdings in the companies listed below. These companies are not included in this report as they are not involved in direct service delivery and, as a minority shareholder, the council has limited influence over the company's operations.

- LGPS Central
- Enterprise Cheshire and Warrington
- UK Municipal Bonds Agency
- Entep Properties Ltd

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Debt Management

1. This appendix provides further detail on the Sundry Debt position at the end of November 2024.
2. Sundry Debts exclude:
 - Council Tax
 - Housing Benefit
 - Business Rates
 - Parking Fines
 - Housing Rent
3. The table below provides a summary of the value of sundry debts overdue at November 2024 in comparison to previous years.

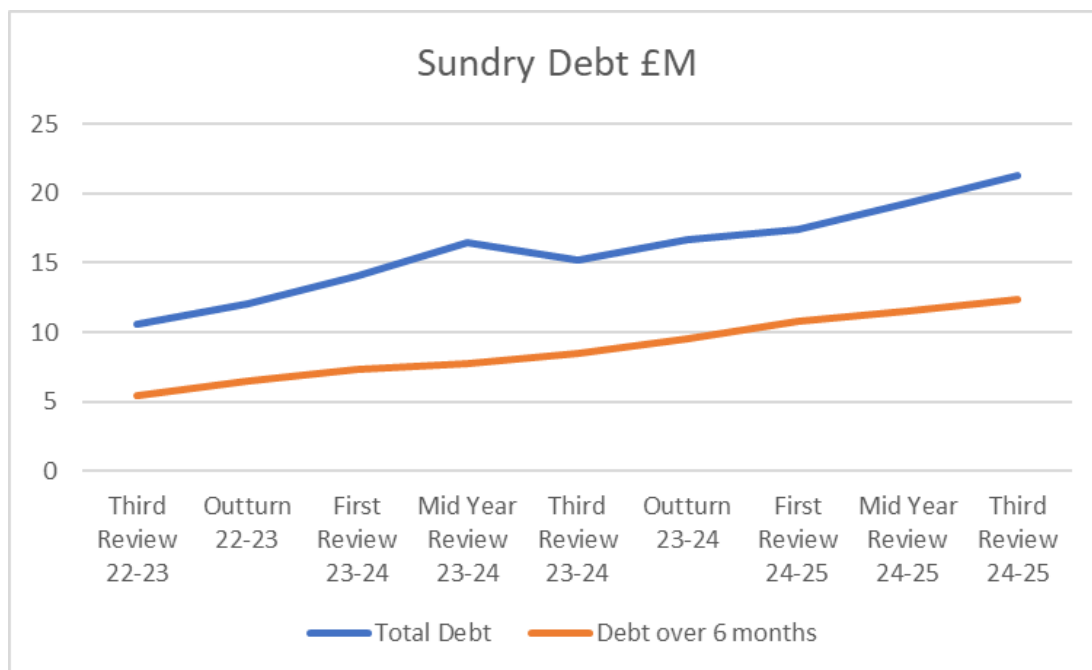
Date	Value of Invoices Raised in Year £m	Debt Overdue £m	Increase / (Decrease) £m	Sums Written Off in Year £m	Debt Overdue (6 months +) £m
Nov 24	126.6	21.3	6.1	0.2	12.4
Nov 23	153.9*	15.2	4.4	0.2	8.5
Nov 22	142.9*	10.8	0.7	0.3	6.0

*Nov 22 and Nov 23 are full years and Nov 24 are values up to the end of November 2024

4. The overdue debt due to the Council is currently £21.3m which has increased from the £19.3m reported at mid year review and compares to £15.2m at the same time last year. Debt that is over 6 months old is £12.4m compared to £8.5m at this point last financial year.

The increase of £3.9m in debt over 6 months old compared to the same point last year is due to the volume and value of invoices raised especially in Adult Social Care. The actual charges created for Adult Social Care every 4 weeks has increased in value therefore a proportion of this increase has translated into arrears. The value of these invoices at November 2024 is £22.7m compared to £20.8m at the same point in 2023. We are currently achieving a 91% collection rate based on volume of invoices (83% collection based on value) of invoices raised in 2023-24 and a collection rate of 87% on volume (73% based on value) of invoices raised in 2024-25.

5. The following graph illustrates the level of debt since 2022-23 third review and the proportion that is over 6 months old.



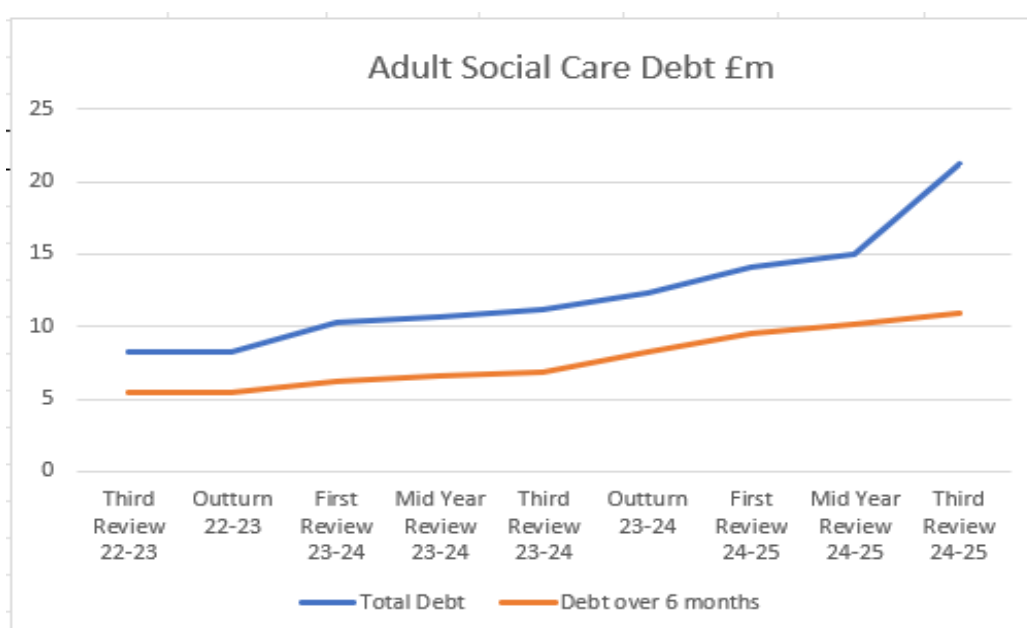
Adult Social Care Debt

6. Outstanding Adult Social Care debt forms a significant proportion (currently 73%) of the Council's overall Sundry debt position.
7. Adult Social Care debt continues to be an ever increasing and problematic area of debt. The Council has less options for recovery due to its responsibility to provide financial support under the Care Act (the Council cannot stop providing the service even if payments are not made). A large proportion of Adult Social Care debt is over 6 months old. We are continually monitoring this debt type and trying new strategies to support the recovery, however, we are continuing to see a steady increase in debt levels.
8. The Council continues with joint monthly meetings held with Director of Finance and Director of Adult Social Care and Health to review and monitor the debt position and a review of service processes is ongoing to assist with improving the delivery of accurate and timely invoices. There is currently 38.02% of the whole ASC debt with the Council's Legal Services which have been triaged through this process. Two Financial Assessment Debt Recovery Officers (FADRO) in Client Finance have been in post since January 2024, these roles have been successful in preventing debt to escalate, ensuring debts are paid following referrals and confirming financial assessments are correct. A third FADRO has been appointed and is due to start shortly.

9. The following table provides information on the status of the Adult Social Care debt within the recovery process:

Action on Debt > 6 months old	% of Debt	Value £m
Legal Services escalating recovery action	38.0%	4.18
Family / Organisations awaiting deputyship / appointeeship	16.8%	1.84
Family / Organisations obtained deputyship / appointeeship and working with them to secure funds	16.3%	1.79
Council liaising with executors to identify funds	14.9%	1.64
Debt to be written off	2.1%	0.23
Ongoing recovery	11.9%	1.31

10. The graph below illustrates the position of Adult Social Care debt since 2022-23 third review and the proportion that is over 6 months old.



Deferred Debt

11. A Deferred Payment Agreement (DPA) allows service users to defer the cost of their care support to a later date and becomes a debt when the person dies, and the amount is then due to be repaid to the Council from their estate. These debts are not included in the Adult Social Care debt position.
12. As at the end of November 2024, there are currently 63 service users who have a DPA, with a total of £3.4m in deferred charges being paid on their behalf. Of the 63 service users, there are 14 deferred debt cases with a total debt of £0.7m, with 7 (£0.3m in value) of these cases being over 12 months old. The Client Finance team are actively pursuing these debts including engagement with Legal Services for the more complex cases.

Major Regeneration Schemes (Barons Quay, Winsford, Northgate)

13. Debt recovery for the major regeneration schemes is outsourced to a property management agent, who invoice tenants and receive payments on the Council's behalf. The table below provides a summary of the value of debts overdue in comparison to the previous year.

Date	Total Debt Overdue £m	Increase / (Decrease) £m	Sums written off in year £m	Debt Overdue (6m+) £m
Nov-24	1.2	0.2	0.0	0.8
Nov-23	1.0	-0.5	0.0	0.8

14. The overdue debt due to the Council is £1.2m at end of November 2024, which is a £0.2m increase from the £1.0m overdue at November 2023. Debt that is over 6 months old is £0.8m compared to £0.8m in November 2023.
15. Joint monthly meetings are held with the property management agent to understand debt recovery status and determine actions. This work is ongoing, with the current status of over six month debt shown in the table below.

Status	£m
Ongoing recovery	0.2
Debt to be written off	0.3
Other (disputed invoices/recovery on hold)	0.3
TOTAL	0.8

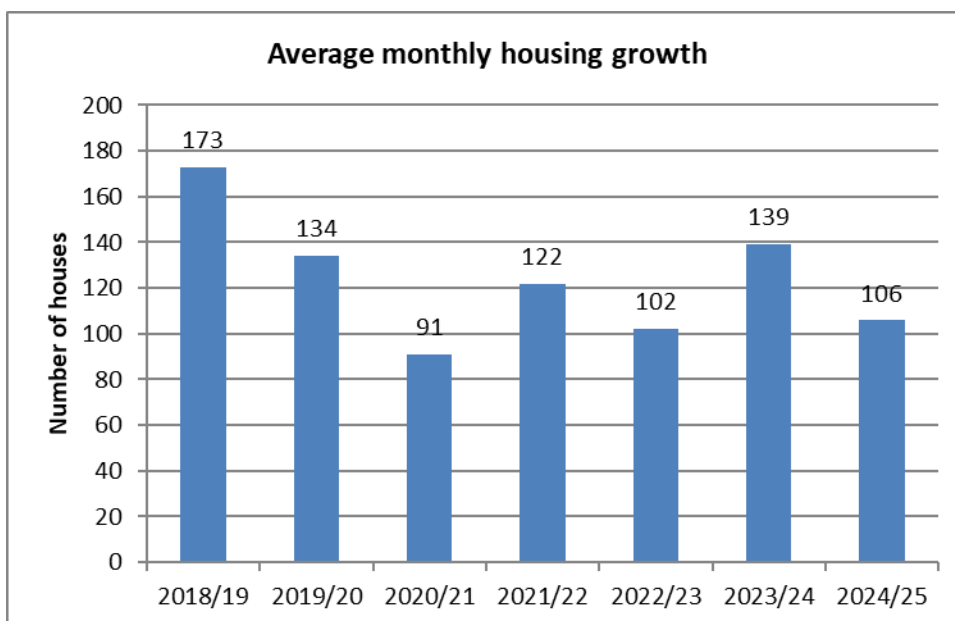
Collection Fund

Business Rates

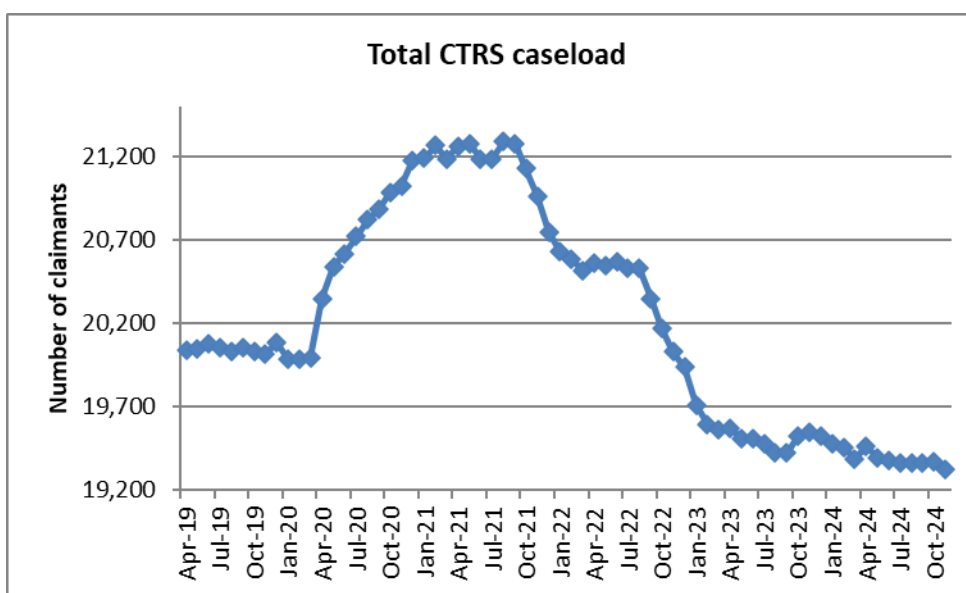
1. Business rates income remains volatile because of the potential for significant rateable value adjustments outside of the Council's control following successful checks, challenges, appeals and other Valuation Office Agency (VOA) decisions.
2. A new rating list started in April 2023 and so far, the Council has seen an increase in the total rateable value of business properties on this list of £11.04m (2.8%) due to significant new additions to the ratings list. It should be noted however, that the historic trend is a reduction in total rateable value, as the previous rating list which started in April 2017 had reduced by £5.0m (1.28%) to the end of 2022-23.
3. As at 30 November 2024 there have been backdated refunds in this financial year of over £6m. All of the 2010 appeals have now been resolved, however there are 67 outstanding challenges against the 2017 list and 528 checks and challenges have already been received against the 2023 list, of which 129 are outstanding. The Council has created a provision based on expected loss over the life of the rating list and this is currently expected to be sufficient.
4. At the end of November, the in-year collection rate for business rates was 74.5%. This is in line with previous years' rates; therefore, it is expected that the full year collection rate will be similar to the last two years at around 98%.
5. It is currently expected that there will be an in year surplus on the Business Rates Collection Fund due to the new business properties that have been added to the ratings list since the budget was set in February, and the associated backdated business rates received in year. The Council's share of this is expected to be around £3.9m and this would be available to distribute in 2025-26. The position will continue to be closely monitored on a regular basis.

Council Tax

6. Council Tax income has been stable to date this year and the income for the year is forecast to be in line with the budget estimate made through the tax base calculation. However, this could still change over the remainder of the year and will continue to be monitored closely.
7. The number of new properties becoming liable for Council Tax this year so far is lower than at this point in the previous two years. 847 new properties have become liable for Council Tax up to 30 November 2024, compared to over 1,300 at the same point last year. The graph below shows the average monthly housing growth over the last six full years.



8. The number of Council Tax Reduction Scheme (CTRS) claimants has stabilised after the peak created by the pandemic, although numbers are still slowly reducing. There are currently 19,327 claimants which is 61 less than at the start of the year, and 236 less than the start of 2023-24. This is in line with the assumption in the tax base that claimant numbers would stabilise. This will be continue to be monitored closely throughout the rest of the year.



9. The Council Tax collection rate to 30 November is 73.7% which is similar to this time last year. By the end of the year the expectation is that the in year collection rate will be in line with last year at around 97%. An arrears collection project has collected 17.7% of previous year debts so far this year.
10. Given these conditions, there is expected to be a surplus in the Council Tax Collection Fund, as a result of the reduced costs of the CTRS and the successful collection of prior year debt arrears. The Council's share of this is

forecast to be £0.7m which will be available for distribution in the 2025-26 budget. The position will continue to be closely monitored on a regular basis.

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Prudential Indicators

The Council's treasury management and capital expenditure activities during the year to date have resulted in the Council remaining within all of the prudential indicators set for itself for the year 2024-25, as detailed in this appendix.

Treasury Management Indicators

The Council measures and manages its exposures to treasury management risks using the following indicators.

Liquidity risk exposure

This indicator monitors the amount of cash available to meet unexpected payments within a rolling three month period, without additional borrowing.

Liquidity risk indicator	Target £m
Total cash available within three months	40

The total cash available within three months has varied between £78m and £173m between April 2024 and November 2024, with an average balance of £133m.

Interest rate exposure

This indicator controls the Council's exposure to interest rate risk.

Interest rate risk indicator	Limit £m
Upper limit on one year revenue impact of a 1% <u>rise</u> in interest rates	2.4
Upper limit on one year revenue impact of a 1% <u>fall</u> in interest rates	2.4

The maximum impact of a 1% change in interest rates in the period April to November would have been £1.7m.

Maturity structure of borrowing

This indicator is set to control the Council's exposure to refinancing risk on its fixed rate borrowings.

General Fund

Maturity structure of fixed rate borrowing	As at end Nov 2024	As at end Nov 2024 (With indicative IFRS16 impact)	Lower Limit for 2024-25	Upper Limit for 2024-25
	%	%	%	%
under 12 months	1.5	2.9	0	55
12 months and within 24 months	2.1	2.3	0	55
24 months and within 5 years	9.1	9.4	0	60
5 years and within 10 years	21.8	21.6	0	70
10 years and within 20 years	31.5	30.3	0	75
20 years and within 30 years	26.5	25.6	0	70
30 years and within 40 years	7.5	7.3	0	60
40 years and within 50 years	0	0.6	0	55

HRA

Maturity structure of fixed rate borrowing	As at end Nov 2024	As at end Nov 2024 (With indicative IFRS16 impact)	Lower Limit for 2024-25	Upper Limit for 2024-25
	%	%	%	%
under 12 months	4.2	4.2	0	15
12 months and within 24 months	4.3	4.3	0	15
24 months and within 5 years	13.5	13.5	0	25
5 years and within 10 years	25.3	24.3	0	35
10 years and within 20 years	52.7	52.7	0	65
20 years and within 30 years	0	0	0	10
30 years and within 40 years	0	0	0	10
40 years and within 50 years	0	0	0	10

Principal sums invested for periods longer than a year

This indicator controls the Council's exposure to the risk of incurring losses as a result of seeking early repayment of its investments.

Price risk indicator	2024-25 Limit £m	Actual at end November 2024 £m
Limit on principal invested beyond year end	20	8

Authorised Limit

The Authorised Limit sets the maximum amount of external debt that the Council may have outstanding at any point in time during the year 2024-25.

Authorised Limit	2024-25 Limit £m	Actual at end November 2024 £m	Actual at end November 2024 (Updated for indicative IFRS16) £m
Long Term Loans	460	231	231
Other Long Term Liabilities	37	23	28

Operational Boundary

The Operational Boundary is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst-case scenario but without the additional headroom included within the Authorised Limit.

Operational Boundary	2024-25 Limit £m	Actual at end November 2024 £m	Actual at end November 2024 (Updated for indicative IFRS16) £m
Long Term Loans	389	231	231
Other Long Term Liabilities	37	23	28

Capital Expenditure Management Indicators

The Council measures and manages its exposure to capital expenditure risks using the following indicators.

Estimates of Capital Expenditure

This indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits. This considers both the approved capital programme for the year as well as the expenditure that it is anticipated will be incurred from within Schemes under Development in the year.

Capital Expenditure	2024-25 £m
General Programme	107.3
Waste Strategy	0.8
HRA	7.6
Total	115.7

Capital expenditure will be financed as follows:

Capital Financing	2024-25 £m
General Capital Receipts	8.8
Specific Capital Receipts	1.0
Grants Contributions and Reserves	54.8
Revenue and Service Contributions	1.2
HRA Contributions	10.0
Sub-Total	75.8
Core Borrowing	34.9
Ringfenced Borrowing	5.0
Total Financing	115.7

Ratio of financing costs to net revenue stream

This is an indicator of affordability and highlights the revenue implications of capital expenditure by identifying the proportion of the revenue budget required to meet borrowing costs.

	2024-25 Original Estimate	2024-25 Latest Estimate
Ratio of financing costs to net revenue stream	6.7%	6.7%

Ratio of net income from commercial and service investments to net revenue stream

This indicator measures the extent to which the Council relies on commercial and service investment income to support day to day spend.

	2024-25 Original Estimate	2024-25 Latest Estimate
Ratio of net income from commercial and service investments to net revenue stream	2.8%	2.5%

Capital Financing Requirement

This indicator measures the Council's underlying need to borrow for a capital purpose.

Capital Financing Requirement	2023-24 Actual* £m	2024-25 Original Estimate £m	2024-25 Latest Estimate £m
Non-HRA	463	501	485
HRA	74	70	70
Total CFR	537	571	555
Estimate of Gross External Borrowing	250	343	342
Estimate of Internal Borrowing	287	228	213

*The 2023-24 Capital Financing Requirement is draft and subject to the finalisation of the 2023-24 Statement of Accounts.

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Cheshire West and Chester

Report to Cabinet

Date	15 th January 2025
Report Author	Simon Riley - Chief Operating Officer
Cabinet Member	Councillor Carol Gahan - Cabinet Member for Finance and Legal
Report Title:	Disposal of Former Leftwich Green Day Centre, Northwich
Is this a Key Decision? [(one that affects finances over £1m or significantly affects two or more wards)]	Yes
Exempt Report:	No – (Excluding Appendix A – Information relating to the financial or business affairs of any particular person (including the authority holding that information))

1 What is the report about?

- 1.1 Leftwich Green is a former Adult Day Centre that closed in October 2022 following a Cabinet decision on 7 July 2021. The site is surplus to the Council's requirements. Cabinet approval is now being sought to dispose of freehold of the site following successful market engagement.

2 Recommendations

- 2.1 That Cabinet approve the freehold disposal of Leftwich Green, Northwich to the purchaser and on the terms outlined in the Heads of Terms at Appendix A and on such other terms as deemed appropriate by the Chief Operating Officer.

3 Reasons for the Recommendations

- 3.1 Leftwich Green ceased to provide operational service delivery in November 2022 following a Cabinet paper in July 2021. Leftwich Green is surplus to the requirements of the Council. Internal service consultation has been completed, and engagement with our partner Health organisations, and there were no confirmed expressions of interest in the site. The disposal aligns with the Council's Property Strategy.

- 3.2 Disposal of the asset will achieve a number of benefits for the Council and its residents that include; a capital receipt that will support our capital programme, redevelopment resulting in a beneficial use of an asset, removal of costs and liability associated with holding an asset with no determined required use for the Council, and removal of the blight caused by the mothballed asset which since closure has been subject to frequent and repeated anti-social behaviour both damaging the asset and causing significant nuisance in the locality.

4 Report Details

- 4.1 Leftwich Green operated as an Adult Day Centre and formed part of the Council's operational portfolio of assets, used for the delivery of Council services.
- 4.2 The Cabinet confirmed that the site should be redeveloped for the benefit of the people of Northwich. Consideration has been given to alternative Council service delivery and whether there would benefit from the Council redeveloping the site in line with their direct service delivery requirements. Service consultation was undertaken in July 2022, and no confirmed service requirements were identified for the site. This has been revisited with services as their needs have shifted or developed, and the site has been considered and rejected by the Strategic Housing Team in response to the Council's need for supported housing and the Adult Social Care Team for alternative delivery models. Engagement has also taken place with our partner Health organisations.
- 4.3 Ward Member consultation has been completed in connection with this disposal. It was agreed that the site be promoted on the open market, with direct reference to the decision of Cabinet July 2021 that the asset be redeveloped for the benefit of the people of Northwich.
- 4.4 Marketing of the site was undertaken by Beresford Adams Commercial and the particulars are available at Appendix B. The site received market exposure of a minimum of 8 weeks and an accompanied viewing day was conducted in October 2024. There was significant interest in the site and the Council's agents advised proceeding to best and final bids, with a closing date 8th November 2024. The proposed purchaser was the highest bid received and is representative of market value for the site.
- 4.5 All offers received in response to marketing provided additional information for their proposed use of the site in response to the Council's requirement that the redevelopment would benefit the of the residents of Northwich. All offers received met this criteria.

- 4.6 The intention of the proposed purchaser is to provide a 24-26 bed Brain Injury Rehabilitation (BIR) Care Home. It is also advised that the proposal will create between 50-60 highly skilled new jobs, benefitting local job seekers in Leftwich and the immediate surrounding areas.
- 4.7 Since closure the site has been subject to repeated and frequent anti-social behaviour. The building has been subject to a number of emergency service call outs relating to incidents of fire, criminal damage and burglary. The risk levels raised at this asset resulting from being vacant and attractive to ASB has raised concern with the Council's insurers, so there is a time imperative to progress the site disposal.
- 4.8 The prospective purchaser has expressed an intention for the sale to be completed to enable on site works to commence February 2025. It is their intention to open late spring, early summer 2025.

5 How does the decision contribute to the Borough Plan?

- 5.1 The Borough Plan's six missions aim to bring about many benefits within our Borough including to make savings against our Council Budget. Leftwich Green is an asset surplus to the Council requirements, and therefore its holding costs along with the risks and liabilities of asset ownership are an unnecessary pressure on our budget. Disposing of the asset supports this output of the Borough Plan.
- 5.2 The Council's invests in our Borough through our capital programme, and this supports the delivery of the Plan's six missions. The receipt from disposal of Leftwich Green will support the Council's capital programme.
- 5.3 The recommendation to dispose to proposed purchaser will also align with the Council in its mission to achieve 'Resilient people living their best lives' and 'Opportunity in a fair local economy'.

6 What engagement has taken place with partners?

- 6.1 The process to declare this asset surplus to Council requirements to enable it to be marketed for sale included engagement with NHS Property Services, Cheshire and Wirral Partnership Trust.
- 6.2 Engagement also took place with local charity organisations.

7 What are the financial implications?

- 7.1 On disposal of the freehold in Leftwich Green, the Council will be released from the significant costs of holding and securing an unused asset, will avoid

any further capital or operational maintenance on the site and removes wider risks associated with the ownership of this asset.

- 7.2 Since the Leftwich Green Adult Day Centre closed the asset has been managed under the Council's interim managed property portfolio which is a global budget for assets where there is no current Council use. This revenue budget covers costs such as business rates, standing charges with utility providers, minimal cyclical and statutory testing regime, response maintenance to ensure health and safety compliance and responding to damage caused by anti-social behaviour. Disposal of the asset will reduce the cost pressure on this revenue budget.
- 7.3 The capital receipt obtained for this asset will part fund the Council's Capital Programme. That programme is dependent on generating at least £20m of receipts over the next four years to fund Council investment priorities.
- 7.4 The proposed use of the asset as a Brain Injury Rehabilitation registered care home will generate employment in the area and bring an underutilised asset back into use, generating wider economic benefits and contributing business rates to support service delivery.

8 What are the legal implications?

- 8.1 Section 123 of the Local Government Act 1972 provides that the Council can only dispose of land for the best consideration reasonably obtainable unless the disposal is for a lease of less than seven years, or the consent of the Secretary of State is obtained.

9 What risks are there and how can they be reduced?

- 9.1 That the disposal fails to proceed to completion. The Council and its agent will remain engaged in the process of disposal. Should it fail to proceed the Council will consider re-marketing the asset or engagement with other bidders.

10 How does the decision contribute to the "All Together Fairer" priorities?

- 10.1 There is no direct implication of this disposal on the "All Together Fairer" priorities.
- 10.2 Indirectly via disposal of the asset to the proposed purchaser priorities of "All Together Fairer" will be achieved. The use of the asset as a Brain Injury Rehabilitation Care will support priorities including but not limited to 'create fair employment and good work for all' with their job creation, 'creating and developing healthy and sustainable communities', 'strengthening the role and

impact of ill health prevention' through a rehabilitation and promotion of supported independent living.

11 What is the impact of the decision on equality and diversity issues?

- 11.1 An equality impact assessment was completed and there are no adverse impacts of this decision of equality and diversity issues.

12 What are the implications of the decision on climate change?

- 12.1 The proposed purchaser has advised that their intention is to refurbish the existing building footprint, rather than demolish and redevelop the site. Refurbishment has a reduced carbon impact than that produced through the process of demolition and new construction.

13 Are there any other options?

- 13.1 The Council could retain the asset. This option would incur abortive fees in relation to the marketing process and would leave the Council with ongoing costs. There is no viable alternative use for Council service delivery so the property would remain unoccupied for some time, pending a use being identified. It is likely that the asset will be subject to further anti-social behaviour and fire damage. This option is not recommended.

For further information:

Cabinet Member: Councillor Carol Gahan

Officer: Laura Dutton, Senior Operational and Valuation Manager

Tel No: 01244 972192

Email: laura.dutton@cheshirewestandchester.gov.uk

Background Documents: None

SUBJECT HISTORY (last 3 years)

Provide information of what formal committees have considered the issue in the last three years.

Meeting	Date
Cabinet	7 July 2021

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FOR SALE

**FORMER ADULT DAY CENTRE
OLD HALL ROAD, LEFTWICH, NORTHWICH, CW9 8BE**

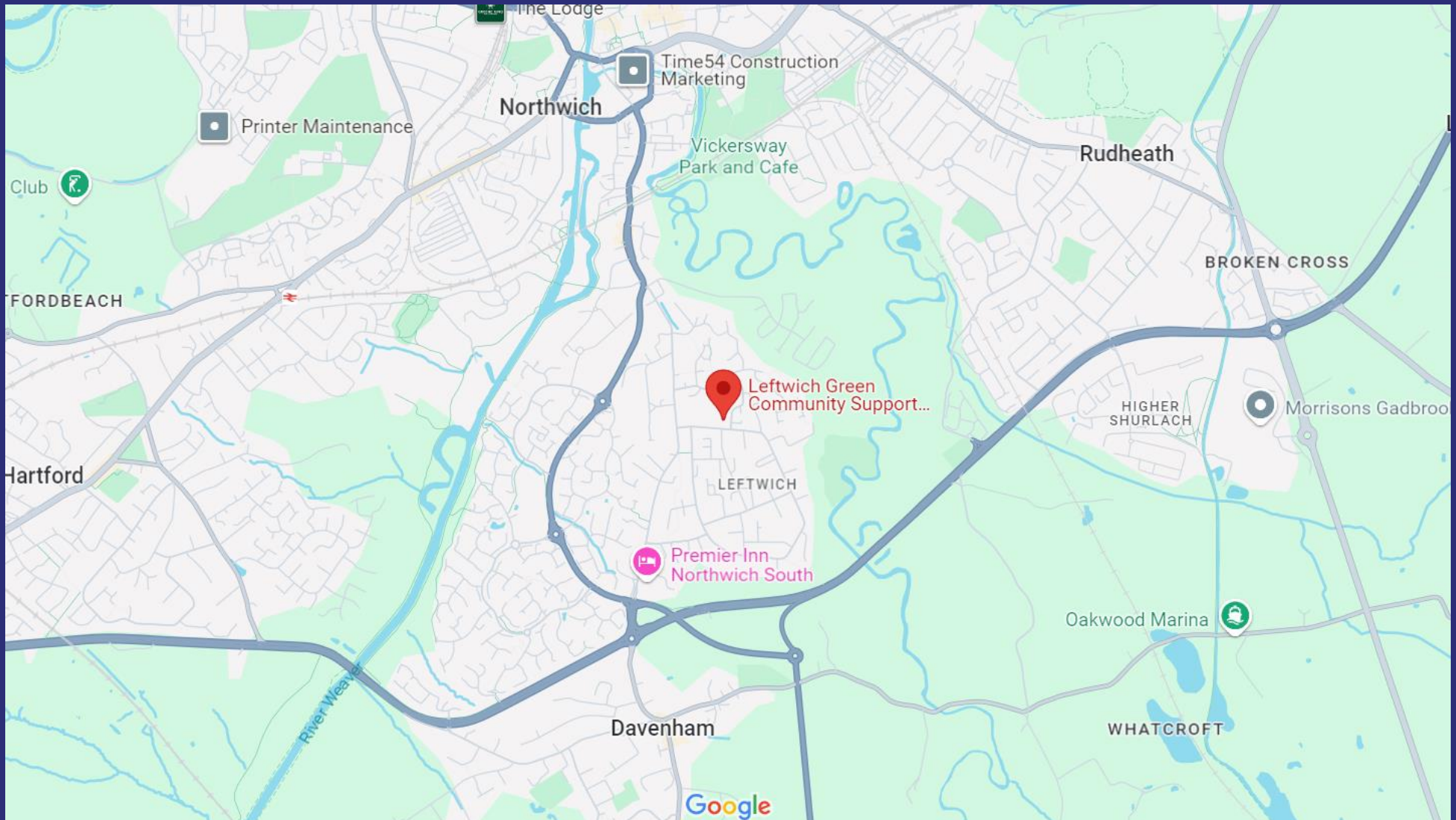
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**DEVELOPMENT OPPORTUNITY FOR SALE, SUBJECT TO PLANNING
LARGE FORMER ADULT DAY CENTRE IN NEED OF REFURBISHMENT
PRIVATE CAR PARK ADJACENT**

LOCATION

The property is located on Old Hall Road on the outskirts of Northwich in primarily a residential area.

The property is located on the south of Northwich town centre in Leftwich, but with good access being close to the A556. There is a large community park area at the rear of the property.



DESCRIPTION

The property provides for a two storey purpose built former adult day centre, with meeting rooms, kitchen, living rooms, communal areas and 32 bedrooms.

The property is in a poor state of repair and in need of refurbishment.

ACCOMMODATION/AREAS

The property has been measured in accordance with the RICS Code of Measuring Practice as follows.

GF GIA	900.92 sq m	9,698 sq ft
FF GIA	444.18 sq m	4,781 sq ft
Total	1,345.1 sq m	14,479 sq ft

Site area – 0.625ha (1.61 acres)

TENURE

Freehold

PRICE

£1,500,000

The Council is not obligated to accept the highest offer.

Offers made subject to planning will also be considered.

USE

The sale is intended so the future use of the site will benefit the people of Northwich.

RATES

TBC

SERVICES

All main services are understood to be available or connected to the property, but we cannot confirm if they are working.

VAT

All prices, rentals and outgoings will not be liable to Value Added Tax.

EPC

The Energy Performance Asset Rating for this property is B-40.

A full copy of the Energy Performance Certificate is available upon request from the agents.

LEGAL COSTS

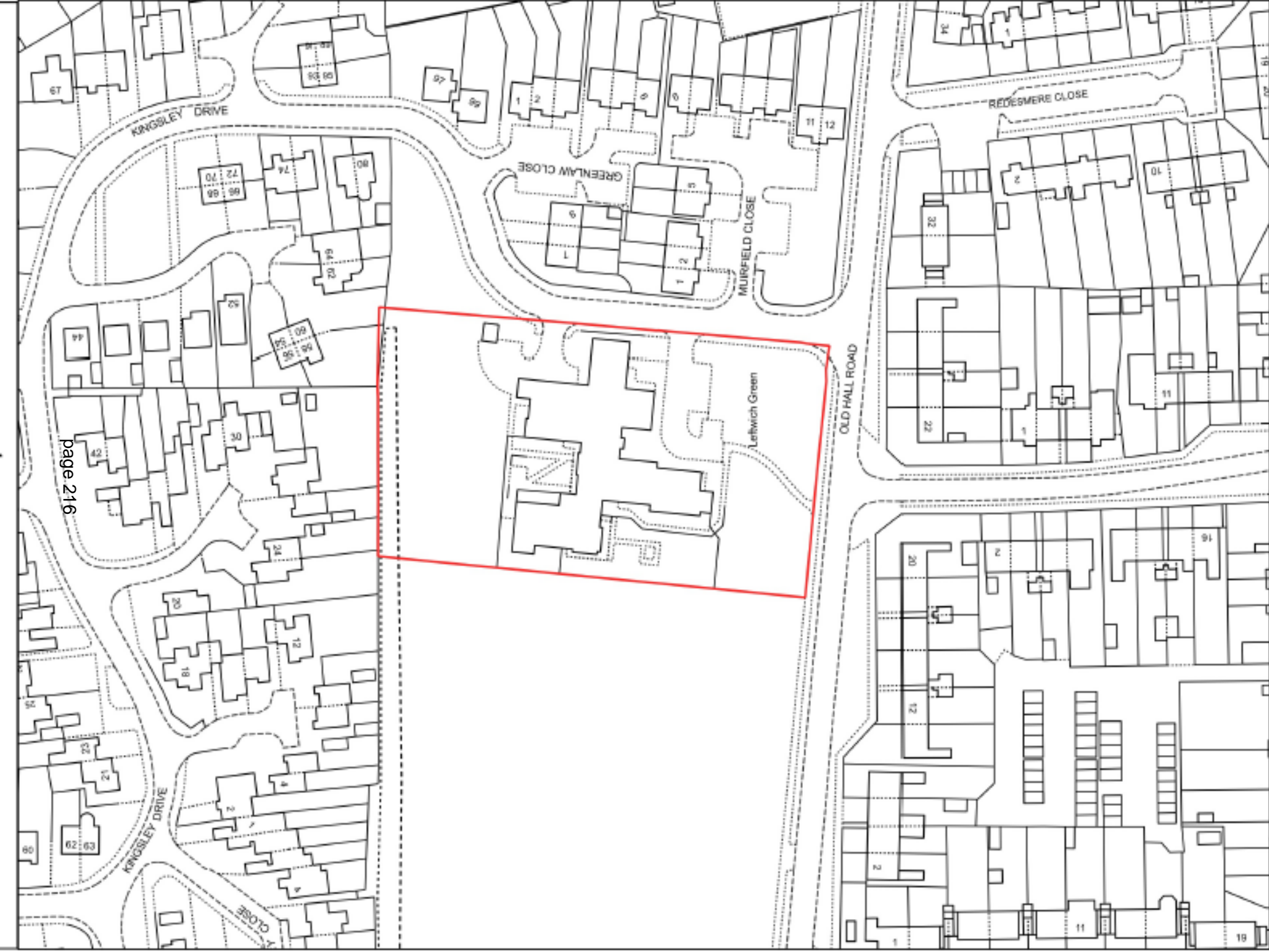
Each party is responsible for payment of their own legal costs incurred in documenting this transaction.

AGENTS NOTE

Under Money Laundering Regulations, we are obliged to verify the identity of a proposed purchaser/tenant once a sale/let has been agreed and prior to instructing solicitors. This is to help combat fraud and money laundering and the requirements are contained in statute. A letter will be sent to the proposed purchaser/tenant once the terms have been agreed.

PLANS/PHOTOGRAPHS

Any plans or photographs forming part of these particulars were correct at the time of preparation and it is expressly stated that these are for reference, rather than fact.



CODE FOR LEASING BUSINESS PREMISES

The attention of landlords and prospective tenants is drawn to the "RICS Code for Leasing Business Premises" which came into effect 1st September 2020. The full RICS Professional Statement is available for viewing on our website.

VIEWING

Strictly by appointment through the sole agents BA Commercial, Chester 01244 351212.



Dan Wild

dan.wild@bacommercial.com **07701 049826**



Mindy Bishop

mindy.bishop@bacommercial.com **07425 820035**

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SUBJECT TO CONTRACT

IMPORTANT NOTICE

BA Commercial conditions under which particulars are issued:

Messrs BA Commercial for themselves, for any joint agents and for the vendors or lessors of this property whose agents they are give notice that:

- i. the particulars are set out as a general outline only for the guidance of intending purchasers or lessees and do not constitute, nor constitute part of, an offer or contract.
- ii. all descriptions, dimensions, references to condition and necessary permissions for use and occupation, and other details are given in good faith and are believed to be correct but any intending purchasers or tenants should not rely on them as statements or representations of fact, but satisfy themselves by inspection or otherwise as to the correctness of each of them.
- iii. no person in the employment of Messrs BA Commercial or any joint agents has any authority to make or give any representation or warranty whatever in relation to this property.
- iv. all rentals and prices are quoted exclusive of VAT.

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Cheshire West and Chester

Report to Cabinet

Date	15 January 2025
Report Author	Simon Riley – Chief Operating Officer
Cabinet Member	Councillor Carol Gahan – Cabinet Member for Finance and Legal
Report Title:	Disposal – Kirkton House and 4a/4b Hunter Street, Chester
Is this a Key Decision? [(one that affects finances over £1m or significantly affects two or more wards)]	Yes
Exempt Report:	No – (Excluding Appendix 1 – Information relating to the financial or business affairs of any particular person (including the authority holding that information))

1 What is the report about?

This report seeks authority to dispose of Kirkton House, 4a Hunter Street and 4b Hunter Street, Chester on terms and conditions outlined in Appendix 1.

2 Recommendations

- 2.1 It is recommended that Cabinet approve the disposal of Kirkton House, 4a and 4b Hunters Street, Chester to the purchaser, subject to the terms and conditions as detailed in Appendix 1 and such other terms as deemed appropriate by the Chief Operating Officer.

3 Reasons for the Recommendations

- Disposal will facilitate regeneration of a brownfield, inner-city site.
- The proposed development will provide residential accommodation.
- Capital receipt will contribute to the Council's receipts target, which part funds the Councils capital programme.

4 Report Details

- 4.1 The proposed disposal site comprises three existing buildings, with associated car parking and garden space. The buildings are:
- Kirkton House – The primary building on the site. A two storey, red brick detached building used previously as a doctor's surgery and solicitors office.
 - 4A Hunter Street – Consists of a dilapidated 2 bedroom "Cottage" to the rear of the site.
 - 4B Hunter Street – Low quality prefabricated structure, used as a temporary doctor's surgery. The Council obtained authority to demolish this building in 2021.
- 4.2 The site was purchased as part of the Northgate phase 1 scheme.
- 4.3 The assets were not included as part of the phase 1 development and are not required within any further Northgate phases. The Northgate team has subsequently declared the assets surplus to their requirements. The site was marketed for disposal using a multi-national RICS surveying company, utilising their specialist inhouse development team.
- 4.4 A bid has been provisionally agreed, subject to receiving Cabinet approval. This was the highest bid and the proposed development deemed to be the most deliverable option submitted. The design included a lower number of apartments, incorporated onsite parking and restricted the number of floors to four. These elements will assist noticeably when seeking planning permission. The developer has a proven track record in delivering quality residential schemes, including a number in Chester.
- 4.5 The bid is conditional on the developer obtaining planning permission, which will be governed by the following conditions and timelines.
- 4.6 In summary, the purchaser will submit a pre-planning application at risk prior to Council approval. It is intended that exchange of contracts will occur no later than 26th March 2025 or 2 weeks following the pre application process, whichever is later. A full planning application will have to be submitted no later than 6 weeks from exchange of contracts. The purchaser will then have until 19th December 2025 ('Long Stop Date') to secure planning, with completion then being processed 4 weeks from the date of the planning decision notice being issued, subject to expiry of the Judicial Review period.
- 4.7 Further details of the conditions of contract, payment terms and timescales are set out in Appendix 1.

5 How does the decision contribute to the Borough Plan?

- 5.1 The proposal submitted will contribute towards Neighbourhood Pride, as it will be providing quality residential accommodation with an affordable element. This will help to ensure that residents live in well maintained, connected and safe places with good and affordable homes.

6 What engagement has taken place with partners?

- 6.1 The University of Chester was notified directly on the sale of the site due to a potential requirement to relocate services based in a suburban area, to the city centre. Regional social housing providers were also contacted through the Council's housing delivery team.

7 What are the financial implications?

- 7.1 The disposal will contribute to the Council's capital receipts target and reduce any residual holding costs and liabilities linked to these sites.
- 7.2 The purchase price offered demonstrates best value in accordance with the Local Government Act 1972 S123.

8 What are the legal implications?

- 8.1 Section 123 of the Local Government Act 1972 provides that the Council can only dispose of land for the best consideration reasonably obtainable unless the disposal is for a lease of less than seven years, or the consent of the Secretary of State is obtained.

9 What risks are there and how can they be reduced?

- 9.1 There is a risk that the developer will not obtain planning permission for the proposed design. To mitigate this risk, a planning brief was procured prior to marketing to guide proposals and subsequent preliminary planning feedback obtained to realign bids, which will enhance the probability in obtaining permission for the full scheme at formal application stage.
- 9.2 There is also a possibility that the number of residential units will be reduced or increased during the planning application stage. A pro rata value has been agreed to reduce or increase the original bid to cover this scenario and negate re-marketing. All bids would be subject to this condition and values reduced/increased in the same manner, so best value will not be affected.

10 How does the decision contribute to the “All Together Fairer” priorities?

10.1 The proposed development will realise quality residential accommodation, so will help to ‘create and develop healthy and sustainable places and communities’.

11 What is the impact of the decision on equality and diversity issues?

11.1 There are no direct impacts of the decision on equality and diversity issues.

12 What are the implications of the decision on climate change?

12.1 The proposed development’s green credentials will be dictated by planning legislation for residential development.

13 Are there any other options?

13.1 The site has been considered for inclusion in the Northgate phase 2 scheme, but due to location, deemed to be of no added value to that phase. Internal use has also been considered, but no feasible options identified. The site cannot be left in its current dilapidated condition as aesthetically detrimental to the city centre and a cost to the Council to manage and keep secure. Disposal of the site will facilitate regeneration and provision of much needed housing.

For further information:

Cabinet Member: Councillor Carol Gahan – Finance and Legal

Officer: Gareth Joyce – Senior Asset Manager

Tel No: 07789 941677

Email: Gareth.joyce@cheshirewestandchester.gov.uk

Background Documents:

None

SUBJECT HISTORY (last 3 years)

None

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Accessibility Protocol - Physical Meetings

The Public Sector Equality Duty

There is a duty on public sector bodies to remove or eliminate barriers that disabled people face, and to ensure that equality of opportunity and access is promoted. It is expected that Cheshire West & Chester Council employees will adhere to these protocols in line with the Equality Act 2010 and actively promote their use to help foster good relations between people who share a protected characteristic and those who do not.

The Physical Meeting Accessibility Protocols act as guidance for Members, Officers, and meeting attendees to ensure that meetings are available to and accessible to everyone at the same time. The Protocols include guidance on respecting an audience, speaking clearly and precisely, and the importance that information should be provided in accessible formats. Considerations are also made on the use of accessible premises with an imperative checklist necessitating the provision of level access, accessible toilets, hearing induction loop provision, and further considerations.

Further guidance is contained within the full Protocols to help Presenters at Physical Meetings; this includes advice on the use of visual tools such as a slideshow and encouragement that shared materials should be easy to digest and in an accessible format.

Meeting Room Accessibility

Where possible, rooms used for Public Meetings will have accessible entrances and lift provision for those areas on the first floor and above. Seating is provided and all accessibility needs will be considered when determining facility provision and room layout. Accessible toilets are available at all Council locations. Meeting participants are encouraged to read the Accessibility Protocols in full via the links below or via the Cheshire West and Chester Council website.

Further Information

The full Physical Meeting Protocol is accessible via the Council website at the following link:

<https://cmttpublic.cheshirewestandchester.gov.uk/documents/s77435/Accessibility%20Protocol%20Physical%20Meetings.pdf>

Supplementary Information to accompany the meeting protocols (including how to obtain accessible formats) can also be found on the Council Website via the following link:

<https://cmttpublic.cheshirewestandchester.gov.uk/documents/s77434/Accessibility%20Protocol%20Supporting%20Information.pdf>

Meeting Organisers are encouraged to use the 'Meeting Accessibility Checklist' that can be found at:

<https://cmttpublic.cheshirewestandchester.gov.uk/documents/s77433/AccessibilityProtocolMeetingChecklist.pdf>

For further information regarding disability and accessibility please contact the equalities mailbox at EQUALITIES@cheshirewestandchester.gov.uk or call 0300 123 8 123 Textphone: 18001 01606 275757. Web: www.cheshirewestandchester.gov.uk

Information is available in the following alternative formats - British Sign Language (BSL), Braille, Large print, Audio Language, Interpreter/Translator services, Telephone interpreting and Easy read documents.