REPORT TO FULL COUNCIL

CEC COUNCILLORS' REPORT

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Agenda Item 6
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REPORT OF CLLR TONY DEAN

FINANCIAL SITUATION

The general opinion amongst the senior officers and Councillors in the joint administration (Labour and Independent) is that our financial crisis is now under control, which it isn't in reality. This belief is mostly due to CE not needing every last penny of the £35m extra borrowing the government had allowed us last financial year (also known as Exceptional Financial Support (EFS), which of course is a misnomer - it all has to be paid back!), and the fact that the Treasury has said they will pay off 90% of all local authorities' Direct School Grant (DSG) overspends. Cheshire East's DSG account stands at over £125m debt, so it is a significant promise if it happens.

However, the Council still has not tackled its in-built overspending in many areas - most notably adult and children's social services - we will need more EFS this year. There was a 'Transformation' Programme instigated in 2024, after pressure from the LGA and Government, to tackle this by streamlining the organisation for more efficient working, but this has got precisely nowhere to date, after all this time. The Transformation Programme has now been coalesced with all the other smaller initiatives to save money into an over-arching 'Improvement Programme'. We await announcements (achievements) from this 'new' programme, but do any of you know anything with the word 'over-arching' in its title that has ever succeeded?

All of the above seems to put all the blame on the Council, and this is unfair. The fact is that national policies are creating much of the massive overspends in children's and adult social care, and frankly the whole country needs a complete re-set in this area as well as other areas of welfare spending, especially if the new PM's promised new expenditures are to be funded. The national borrowing burden needs to be reduced substantially, as well as all Councils' debt. End of rant.

NET ZERO

The race to net zero for the Council's operations has slowed down somewhat, mostly due to external factors like grid connectivity constraints, but is still aiming for 2030 (originally 2025). There are some notable achievements - CE has the highest percentage of fully electric HGVs in its waste collection fleet of all the local authorities, is met its tree planting target a whole year ago (120 hectares) but has plans to go further.

The heat pump boiler replacement programme is nearing completion and solar panels have been fitted to most large municipal buildings. The first solar farm at Leighton has been operating since spring and has outperformed expectations, other solar farms are in preparation (although grid connections remain a difficult issue). The Council's efforts to help bring the whole area into a net zero position by 2050 are starting to bear fruit, with the 'Solar Together' offer and other initiatives starting to bite.

PLANNING

In the development planning arena, the government continues to make major changes to the national planning rules and planning guidance, with the aim of promoting house building. This has meant almost 'open house' for planning applications, especially for housing.

The latest changes were made last month to the planning rules and guidance (NPPF), making it even more difficult for officers or committees to refuse applications. Almost all councils have had their housing targets doubled or more, leaving them all with less than a five-year housing supply. This means that that the 'tilted balance' now applies to all applications, even more in favour of approval.

This would be great for our youngsters if it solves the housing shortage, but it isn't showing results yet because it fails to consider the financial issues and labour shortages in the construction businesses. Basically, house builders want to build 4–6-bedroom houses in fashionable areas (e.g. Knutsford, Wilmslow, Alderley Edge, Prestbury) and not affordable 1–3-bedroom affordable starter homes in any area. So we will see an increase in the number of more expensive properties in the short to medium term until the market is over-supplied, but not the hoped for dramatic increase in 'affordable' houses we need.

LIBRARIES AND LEISURE CENTRES

Nothing known but a further Leisure Centre review is under way - I expect further service reductions may be proposed in the near future.