

The Rt Hon Angela Raynor  
Minister of State for Housing, Communities and Local Government

Dear Secretary of State, Angela Raynor,

**Re: Cheshire & Warrington: Concerns regarding the Devolution Prioritisation Programme.**

As Leaders of the Conservative Councillor Groups of Cheshire East Council and Cheshire West and Chester Council, we support a sound Devolution Programme for Cheshire and Warrington Councils, however it is important that the MHCLG is aware of our significant concerns regarding Cheshire & Warrington's inclusion in the prioritisation programme.

These concerns are summarised as follows:

- **FISCAL SUSTAINABILITY:** All Local Authorities are currently experiencing financial hardship and we must recognise that our sub-region is affected more than most.
- **Cheshire East** is currently being monitored by your Department (MHCLG) and by the Department of Education in relation to:
  - A highly critical LGA Corporate Peer Review Challenge Report,
  - An “Inadequate” Ofsted Report and ongoing Improvement Programme.
  - A transformation programme that is still its early stages and is not yet delivering substantive improvement,
  - Requests for Exceptional Financial Support (2024/25, 2025/26, 2026/27),
  - An imminent request to introduce Excessive Council Tax flexibility of 5% on top of the current 5% maximum for 2025/26.
  - A DSG High Needs deficit reserve in excess of £110m. (Whilst the rate of growth is slowing, it is still growing and Cheshire East remains a significant national outlier in this regard).
- **Warrington Council** is still subject to an extended “Best Value Inspection” that is not due to be completed until 31<sup>st</sup> January 2025.
- **Cheshire West and Chester** is currently subject to similar acute challenges.
  - A new Director for Children’s Services has been appointed and recruitment continues for a new Head of SEND and Inclusion.
  - EHCP timeliness is the 14<sup>th</sup> worst in the country, the worst in the north-west and an LGA peer review scheduled prior to the end of 2025.
  - Recent Ofsted inspection into Children’s Services “Requires Improvement” in all but one area.
  - Transformation programme has entered a period of inertia and progress is currently stalled.
  - CWaC is currently projected to overspend by £9.5 million in 2024/25 which will result in the Council’s reserves dipping below recommended levels.
  - The impact of

the Chancellor's National Insurance increase is uncertain but financial assumptions have identified an additional £6 million pressures in 2025/26.

- Delaying the Mayoral election to 2027 gives the authority time to measure impact and compensate accordingly.

Clearly the focus for both Members and Officers is to resolve the financial, operational and performance challenges over the life of each MTF period, to free-up management time and expertise to ensure we create a devolution programme that works and delivers the best possible outcomes for our residents and the sub-region.

Elected members and residents must have confidence in the fiscal competence of their Councils to bring forward sustainable budgets, if they are to have confidence in their ability to deliver a robust Devolved Strategic Authority. This is not the case at the present time and realistically, is not going to be resolved by May 2026.

- **CAPACITY:**

- Cheshire East Council is currently recruiting 14 senior executive and director posts to address the capacity and experience void identified in their LGA Peer Review, This recruitment is in two phases. Phase one interviews commence in late January. These include a permanent Monitoring Officer, S151 Finance Officer (essential for fiscal confidence and integrity) and Director of Children Services amongst others. Consequently, appointees will not take up post until early summer, whilst Phase 2 appointments are unlikely to take up posts until Autumn.

Cheshire East simply does not have the capacity to manage effective Devolution Programme progression during this critical year and it is unrealistic to expect new staff, however experienced, to deal with such an important programme whilst acclimatising to what are already extraordinarily challenging unitary environments.

- **THE "ASK"**

We ask that MHCLG continues to consider Cheshire and Warrington as a realistic geography for a devolved strategic authority with an elected Mayor, but that we are provided with an additional 12 months to hold Mayoral Elections in 2027. This will ensure that;

- We are able to offer assurances that our fiscal recovery / transformation programmes are delivering substantive, sustainable results.  
(For example, we are persuaded, based on the current trajectories presented to Cheshire East's Finance Sub-Committee on 9<sup>th</sup> January 2025, that by 2027/28, no additional EFS will be required and that the Transformation Programme will be on track towards a balanced budget).
- By May 2027, all new appointees will have had at least eighteen months to establish themselves in their roles, develop their teams, implement the transformation programme and prepare for the new combined strategic authority. ○ This will enable elected members a more realistic timeframe, to become actively involved in the process and to positively engage with the public as Cheshire East and Warrington Councils' (in particular), turn their current financial crises around.

In summary, we do not seek to unnecessarily delay the Cheshire and Warrington devolution journey, but the proposal to postpone Mayoral elections by twelve months until May 2027, offers a beneficial and pragmatic solution to balancing our need to grow our strategic economies through devolution, whilst ensuring that we build essential capacity at both strategic, subregional and local authority levels and are at least “on track” to achieve fiscal sustainability.

Yours faithfully,

*Janet Clowes*

*Adrian Waddelove*

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CC:

Jim McMahon: Secretary of State MHCLG  
Cllr Louise Gittins: Leader: Cheshire West & Chester  
Cllr Hans Mundry: Leader: Warrington Council  
Cllr Nick Mannion: Leader: Cheshire East Council  
Cllr Michael Gorman: Deputy Leader: Cheshire East Council  
Rob Polkinhorne (CEX Cheshire East Council)  
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Professor Steven Broomhead (CEX Warrington Council)

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