

Steve Park Interim Chief Executive Warrington Borough Council *By email* James Blythe Deputy Director, Local Government Stewardship and Interventions

Ministry of Housing, Communities and Local Government 2 Marsham Street London SW1P 4DF

www.gov.uk/mhclg

9 July 2025

Dear Mr Park,

I am writing to inform you that after careful consideration, the Secretary of State for Housing, Communities and Local Government has today made Directions under section 15(5) and 15(6) of the Local Government Act 1999 ("the Act") in relation to your Authority. I enclose a copy of the Directions, together with an Explanatory Memorandum, which will also be published on gov.uk, together with this letter. These Directions will come into effect immediately.

The Directions implement an intervention package which is described below. You will see in the Directions and Explanatory Memorandum that the Secretary of State has nominated Sir Stephen Houghton, Harry Catherall, Carolyn Williamson, and Phil Brookes as Ministerial Envoys. These individuals are best placed to take up these roles due to their individual knowledge and experience in local authority leadership, decision-making, governance, finance, property management, procurement and commercial investments. The Secretary of State recognises the expertise of these appointees and is confident that they will be key to helping resolve Warrington Borough Council's issues as quickly and effectively as possible.

The intervention package is formed of actions that your Authority is directed to take, along with functions that some of the Ministerial Envoys will be able to exercise, with these powers treated by the Envoys as held in reserve. It remains for the Secretary of State to decide if changes are necessary to ensure that Warrington has the support required to accelerate recovery and protect the public purse.

The Directions will be in place for five years until 31 July 2030, reflecting the severity and size of the challenge at Warrington Borough Council. Subject to clear and sustained evidence of improvement, certain functions may be returned to the Council. The Ministerial Envoys are accountable to the Secretary of State in that they have been nominated by her and can have their nominations withdrawn by her. The Directions enable the Ministerial Envoys, who have been granted powers, to exercise the following functions, with such powers treated by the Envoys as held in reserve:

- To ensure the Council has the leadership, structures and systems in place to drive and sustain improvement including governance and scrutiny of strategic decision-making, oversight of financial management, and the appointment, dismissal and performance management of senior and statutory officer positions.
- To address the root causes of Warrington's challenges by strengthening the Authority's approach to commercial decision-making, property management, procurement and the management of commercial projects;

- To support financial sustainability by closing short- and long-term budget gaps, reducing reliance on high-risk commercial income, and strictly limiting further borrowing and capital spending;
- To enable transformation of the Authority's operating model and services to deliver value for money and long-term financial resilience;

The Secretary of State's clear expectation is that the Authority will retain responsibility for leading its own improvements, with the support, challenge, and advice from the Ministerial Envoys. Some of the Ministerial Envoys are granted powers to exercise specific and limited functions, which are to be treated by the Envoys as held in reserve and to be used if necessary to ensure compliance with the Best Value Duty, ensuring the Authority takes the steps required to improve outcomes for Warrington residents and safeguard the public purse.

The Directions require your Authority to take certain actions. In summary:

- To prepare and agree an Improvement and Recovery Plan within six months, with progress reports to the Ministerial Envoys after the first three months and ongoing reporting thereafter.
- To undertake recruitment for a permanent appointment to lead the improvement work in the Authority and progress against the Directions.
- To review, in the first 24 months, the roles and case for continuing with each subsidiary company and investment of the Authority.
- To work with the Local Government Association to agree a suitable time for a follow up review to their 2024 Corporate Peer Challenge.
- To fully co-operate with the Ministerial Envoys and take any reasonable action within the Authority's functions to prevent further failure, as reasonably determined by the Ministerial Envoys.

The Directions also require your Authority to pay the Ministerial Envoys reasonable expenses and such fees as the Secretary of State determines to be paid to them. The Secretary of State is mindful of the need for the remuneration to represent value for money for local taxpayers. In recognition of the nature and scale of the intervention, the Secretary of State has determined fees of £1,100 per day for the Ministerial Envoy, with a maximum of 120 days annually; and £1,200 per day for the leading Ministerial Envoy with powers to exercise functions, and £1,100 per day for the other Ministerial Envoys with powers to exercise functions, each with a maximum of 150 days annually. The Secretary of State also expects the Ministerial Envoys to be paid reasonable expenses in accordance with the rules for senior officers set out in your Authority's staff handbook.

The Directions will remain in force until 31 July 2030 unless the Secretary of State considers it appropriate to amend or revoke them at an earlier date.

Finally, you will wish to note that the Secretary of State has asked for a report from the Ministerial Envoys within six months and thereafter at six-monthly intervals, or at such other times agreed with the Ministerial Envoys. This allows for a process for regular review of whether it would be appropriate for any function exercisable by the Ministerial Envoys to be returned to the Authority. The Secretary of State has not ruled out the possibility that further actions be taken in the future.

I am copying this letter to your Authority's Section 151 Officer and Monitoring Officer.

Yours sincerely,

James Blythe Deputy Director, Local Government Stewardship and Interventions