



Ministry of Housing, Communities & Local Government

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BEST VALUE NOTICE ISSUED TO CHESHIRE EAST COUNCIL 15 JULY 2026

The Department issued a non-statutory Best Value Notice to your Authority on 8 May 2025 which is now due to be formally reviewed.

The Department has considered all available evidence to assess your Authority's improvement in response to the Notice and ability to comply with the Best Value Duty under Part 1 of the Local Government Act 1999 ("the 1999 Act"), including all engagement and material shared with the Department in response to the Notice, published Authority papers, and reports from Ofsted, the external auditor and the Chartered Institute of Public Finance and Accountancy.

The Department recognises the senior team's constructive engagement through the period of the current Notice and early signs of improvement, including transitioning to a Cabinet model of governance from May 2026, an improving trajectory in your Children's Services as recognised by Ofsted following their April 2026 visit, and your Authority's commitment to improving its medium-term financial position.

However, Ministers remain very concerned about the scale of challenge still facing the Authority. Long-standing gaps in key leadership roles, high turnover and reliance on interims have prevented the Authority from making and embedding substantial progress, and there is significant work still to do. There remain signs of resistance to cultural change, which cannot be made across the organisation without being driven by a strong and stable leadership team. It is also vital to translate plans to improve financial sustainability into sustained delivery.

Ministers require significant further assurance that the Authority is making arrangements to secure continuous improvement in the exercise of its functions and arrangements, having regard to economy, efficiency and effectiveness. They have therefore decided to issue the Authority with this revised Best Value Notice and will watch progress closely following recent support from us and the Local Government Association.

To provide further assurance of progress, the Authority should:

- Continue to deliver against the organisation's Improvement and Transformation Delivery Plan, regularly reviewing and reporting against set milestones.

- Address the recommendations made by the May 2026 CIPFA external assurance review, which will be shared formally with the Authority following the completion of the final fact-check with Authority officers, and provide associated updates as requested by the Department.
- Continue taking urgent steps to improve its financial sustainability, delivering identified savings and a medium-term financial strategy that removes the Authority's reliance on Exceptional Financial Support.
- Continue to work with the Department for Education and Children's Improvement Board to deliver appropriate and sustainable improvements in relation to the Authority's Children's Social Care services.
- Engage fully with the new chair of the Authority's independent assurance panel, ensuring the panel is strengthened and embedded in day-to-day operations so it can operate effectively, consistently and with clear impact.
- Continue to increase senior officer capacity and stability, by completing live recruitment and making permanent appointments where possible in a robust and timely manner and taking steps to reduce staff turnover in the longer term.
- Measure the effectiveness of, and evolve, the Cabinet model of governance adopted by the Authority in May 2026, engaging fully with sector support to ensure that arrangements are fit for purpose and decisions and improvements can be made at pace.
- Continue to encourage and embed cultural change across the whole organisation, driven by stabilised leadership, with focus on measuring impacts.
- Continue engaging with the Department on at least a quarterly basis to discuss progress.

Given their level of concern, Ministers would like the assurance panel chair to provide a formal report to them on progress by the end of September 2026, which the Authority should publish for transparency. The panel should also provide regular written updates to Full Council, to be published and shared with the Department.

Whilst your Authority may continue to receive and be awarded government funding whilst under this Notice, we would emphasise that receipt of funding does not indicate our broader view of the performance of the Authority, nor would it indicate any change in the status of this Notice, with individual funding programmes being managed and assured independently by their respective departments.

This Notice will remain in place until the Department confirms otherwise. It will be reviewed after six months from the original Notice's 12-month review point in May 2026, after which point we will confirm whether it has the necessary assurance or if further action is needed. The Notice may also be withdrawn or escalated at any point based on the available evidence.

This Notice is issued outside the statutory powers held by the Secretary of State under the Local Government Act 1999 to inspect or intervene in local authorities where there is evidence of best value failure. However, a failure to demonstrate continuous improvement may be judged to contribute to best value failure and the Secretary of State will consider using their statutory powers as appropriate.

It is important to ensure transparency in relation to the challenges faced by local authorities and the Department's engagement on these issues. A copy of this Notice will therefore be published on GOV.UK. We encourage you to make a copy of this Notice available on the Authority's website and to share a copy with the assurance panel, Full Council and the Audit Committee. We will also notify the Authority's external auditor of this action.

The Department encourages you to continue making use of a range of support including that offered by the Department and the Local Government Association. A member of the Local Government Stewardship team will be in touch with you to agree ongoing engagement and we look forward to receiving updates on your progress.

Yours sincerely,

James Blythe

Deputy Director, Local Government Stewardship and Interventions