Public Document Pack

Tameside Metropolitan Borough

ASHTON-UNDER-LYNE · AUDENSHAW · DENTON · DROYLSDEN · DUKINFIELD · HYDE · LONGDENDALE · MOSSLEY · STALYBRIDGE

EXECUTIVE CABINET

Day: Wednesday
Date: 29 August 2018
Time: 2.00 pm
Place: Dukinfield Town Hall

Item No.	AGENDA	Page No
1	**APOLOGIES FOR ABSENCE**	
2	**DECLARATIONS OF INTEREST**	
3	**MINUTES**	
3a	**EXECUTIVE CABINET**	1 - 12
	To consider the minutes of the meeting of Executive Cabinet held on 25 July 2018.	
3b	**STRATEGIC COMMISSIONING BOARD**	13 - 16
	To receive the minutes of the meeting of the Strategic Commissioning Board held on 25 July 2018.	
3c	**ENFORCEMENT CO-ORDINATION PANEL**	17 - 22
	To receive the minutes of the meeting of the Enforcement Co-ordination Panel held on 18 July 2018.	
3d	**ASSOCIATION OF GREATER MANCHESTER AUTHORITIES/GREATER MANCHESTER COMBINED AUTORITY**	23 - 42
	To receive the minutes of the meeting of the Greater Manchester Combined Authority held on 27 July 2018.	
4	**RECOMMENDATIONS OF THE STRATEGIC COMMISSIONING BOARD**	
	To receive any recommendations made by the Strategic Commissioning Board previously considered at the earlier meeting at 1pm on 15 August 2018 in relation to the following reports:	
5	**FINANCE REPORTS**	
5a	**REVENUE MONITORING REPORT**	43 - 90
	To consider the attached report of the Deputy Executive Leader/Director of Finance.	
6	**CUSTOMER SERVICES EXCELLENCE**	91 - 102
	To consider the attached report of the Deputy Executive Leader/Chief	

From: Democratic Services Unit – any further information may be obtained from the reporting officer or from Robert Landon, Head of Democratic Services, to whom any apologies for absence should be notified.

Item No.	AGENDA	Page No
	Executive/Director of Governance and Resources	
7	**HOUSING NEEDS ASSESSMENT**	103 - 132
	To consider the attached report of the Executive Member (Strategic Development and Highways)/Director of Growth	
8	**URGENT ITEMS**	
9	**SCHOOL STRATEGY**	133 - 178
	To consider the attached report of the Executive Member (Lifelong Learning)/Director of Children's Services.	

From: Democratic Services Unit – any further information may be obtained from the reporting officer or from Robert Landon, Head of Democratic Services, to whom any apologies for absence should be notified.

EXECUTIVE CABINET
-
20 JUNE 2018

Commenced: 2.30pm **Terminated: 3.45pm**

Present:	**Councillor Warrington (in the Chair)**	
	Councillors Bray, Cooney, Fairfoull, Feeley, Gwynne, Kitchen and Ryan	
In Attendance:	**Steven Pleasant**	**Chief Executive**
	Sandra Stewart	**Director of Governance & Pensions**
	Kathy Roe	**Director of Finance**
	Steph Butterworth	**Director of Adult's Services**
	David Moore	**Interim Director of Growth**
	Ian Saxon	**Director (Operations & Neighbourhoods)**
	Tom Wilkinson	**Assistant Director (Finance)**
	Sandra Whitehead	**Assistant Director (Adult Services)**
	Emma Varnam	**Assistant Director (Operations and Neighbourhoods)**

1. DECLARATIONS OF INTEREST

There were no declarations of interest submitted for this meeting.

2. MINUTES

a) Meeting of Executive Cabinet

Consideration was given to the Minutes of the Meeting of Executive Cabinet held on 20 March 2018.

RESOLVED
That the Minutes of the Meeting of Executive Cabinet held on 20 March 2018 be taken as read and signed by the Chair as a correct record.

b) Strategic Commissioning Board

Consideration was given to the Minutes of the Strategic Commissioning Board held on 17 April and 23 May 2018.

RESOLVED
That the Minutes of the Strategic Commissioning Board held on 17 April and 23 May 2018 be received.

c) AGMA Executive Board Meetings / Greater Manchester Combined Authority

Consideration was given to a report of the Executive Leader and Chief Executive, which informed Members of the issues considered at the Greater Manchester Combined Authority on 25 May 2018 and the Forward Plan of Strategic Decisions of the Greater Manchester Combined Authority and AGMA Executive Board.

RESOLVED
That the content of the report be noted.

3. RECOMMENDATIONS OF THE STRATEGIC COMMISSIONING BOARD

(a) Community Services Contract

Consideration was given to a report of the Executive Member (Performance and Finance)/Director of Finance which explained the proposed revised payment arrangements for the commissioning of community service provision by the Council and NHS Tameside & Glossop Clinical Commissioning Group across the locality from the Tameside and Glossop Integrated Care NHS Foundation Trust (ICFT). It was stated that the revised payment profiles would enhance the ICFT's cashflow position and allow it to avoid interest costs of £300k per annum. The Council would be compensated by £100k per annum for its own loss of interest caused by changing the payment profile.

Executive Cabinet was informed that the Strategic Commissioning Board had previously considered the report and supported the recommendations.

RESOLVED

(i) **That the advance payments arrangements set out in the report, intended to commence from 20 June 2018 for 2018/19 and from 1 April each financial year thereafter be agreed.**
(ii) **That it be noted that Tameside Council will continue to be the host organisation and accountable body for the Section 75 pooled fund agreement.**
(iii) **That the change, if expedient, be documented in the Section 75 and contracts between the CCG, ICFT and Council, otherwise through a separate agreement**.

(b) Outline Business Case For Transfer Of Adult Social Services Function

Consideration was given to a report of Executive Leader/Director of Adult Services which set out the draft Outline Business Case (OBC) for the transaction of a proportion of Adult Social Care services and staff into the ICFT. The OBC combined a high level Strategic Outline Case (SOC) and the OBC within one document as agreed with NHS Improvement.

It was explained that the Council, ICFT, and CCG had considered a number of integration options at the SOC stage and concluded that the options distilled in the OBC were the most effective ones to take at this time.

Details of the teams and functions that were included in the preferred option were set out in the report, including the benefits, dis-benefits and risks to both the Council and the ICFT.

The report described the economic, business, financial, commercial and management cases for the transaction of the services and functions identified in the preferred option.

Executive Cabinet was informed that the Strategic Commissioning Board had previously considered the report and supported the recommendations.

RESOLVED:

That the content of the report be noted and the proposals contained in Option 2 be supported.

(c) EXCLUSION OF PUBLIC AND PRESS

RESOLVED:
That under Section 100A of the Local Government Act 1972 (as amended) the public and press be excluded for the following item the grounds that it involve the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Local Government Act

1972. Information relating to the financial or business affairs of the parties (including the Council) had been provided to the Council in commercial confidence and its release into the public domain could result in adverse implications for the parties involved. Disclosure would be likely to prejudice the Council's position in negotiations and this outweighs the public interest in disclosure.

(d) Domestic Abuse Service

Consideration was given to a report of the Assistant Director for Operations and Neighbourhoods requesting that the existing contract for the provision of the Domestic Abuse Service be extended for 6 months until 31 March 2019 to enable the service to be retendered. It was explained that this was necessary because the contract had not been awarded following a recent tendering exercise. In addition, the availability of additional funding for the service had been confirmed during the tender period.

Executive Cabinet was informed that the Strategic Commissioning Board had previously considered the report and supported the recommendations.

RESOLVED

(i) **That the service be retendered in light of the results of the tender evaluation following confirmation that additional funding was available.**
(ii) **That approval be given for a six month extension of the existing contract with New Charter Homes (part of the Jigsaw Group) to facilitate the retender exercise.**

4. REVENUE MONITORING

Consideration was given to a report of Executive Member (Performance and Finance)/Assistant Director (Finance) which showed that the actual 2017/18 revenue budget outturn position for the Council was a net position of £3.342m under budget. This was a movement of £0.736m from the Period 10 monitoring report which reported a forecasted outturn position of £2.607m under budget.

It was stated that this movement was net of the release of some provisions within Governance and further cost pressures in Children's Services.

Members were informed that this overall position reflected the prudent planning taken when setting the 2017/18 budget, but also masked a number of pressures and savings challenges across the Directorates, including:

- The Director of Children's outturn was £8.655m in excess of budget due to demand on service provision in Children's Social Care. Specific mention of the management of this budget was included in section 3 the report.
- The Director of Governance outturn is within budget by £2.505m due to the effect of staff turnover, restrictions in spending, the release of some large one-off provisions and the bringing forward of savings in light of the service pressures being felt elsewhere within the Council.
- The Director of Finance and IT outturn is within budget by £0.928m due to delays in recruitment and other restrictions in spending.
- Corporate costs outturn is £8.263m under budget for 2017/18. This is due to a combination of the release of operational contingencies, which will be used to offset pressures in Children's Services, and receipt of one off additional grant income and additional Manchester Airport Dividend in excess of budget.

It was stated that the pressures within Children's Services in particular threaten the financial sustainability of future year's budgets, and whilst these have been absorbed through prudent contingency planning and proactive restrictions on spending elsewhere, further funding cuts and

inflationary pressures in 2018/19 and beyond erode the financial base and the Council's ability to sustain pressures of this size.
Given these significant pressures, which have been mitigated by mainly one-off measures, strong budget management is required across the Council to ensure that its financial plans are achieved, and to ensure that the Council is able to control budgetary pressures and deliver the required savings over the medium term.

RESOLVED:
(i) That the final actual revenue outturn position be noted.
(ii) That the detail for each service area be noted and that Directors be required to identify measures to ensure expenditure is maintained within the approved budget for the 2018/19 and future years.
(iii) That the position on the Integrated Commissioning Fund, including the transaction of the risk share be noted.
(iv) That the emerging risks and financial pressures (Section 6) be noted.

5. CAPITAL MONITORING

Consideration was given to a report of Executive Member (Performance and Finance)/Assistant Director (Finance) which reminded Members that the Strategic Planning and Capital Monitoring Panel at its meeting on 9 October 2017 had recommended to Cabinet a three year capital programme for the period 2017-2020 of over £174 million. Additional schemes had been approved in February and March 2018, bringing the total programme to £185 million.

The report summarised the 2017/18 capital expenditure outturn position at 31 March 2018, based on information provided by project managers.

The report showed actual capital investment in 2017/18 of £51.385m at 31 March 2018. This is significantly less than the original budgeted capital investment for 2017/18, and is in part due to project delays that are being experienced following the liquidation of Carillion.

The report summarised the financial position as follows:

- The outturn for 2017/18 was £51.385m compared to the revised 2017/18 budget of £55.370m;
- The original budget for 2017/18 was in excess of £89m but significant re-profiling was requested in previous reports due to slippage on a number of schemes. Some further slippage had occurred in the last two months of the year and further re-profiling requests of £3.449m into future year(s) to match expected spending profiles had been requested;
- The remaining £0.530m under budget could be returned to the central capital reserves and applied elsewhere.

It was stated that demand for capital resources exceeded availability and it was essential that those leading projects ensured that the management of each scheme was able to deliver them on plan and within the allocated budget.

Close monitoring of capital expenditure on each scheme and the resources available to fund capital expenditure was essential and was an integral part of the financial planning process. The liquidation of Carillion had resulted in some delays to a number of projects, resulting in slippage in the programme.

There was very limited contingency funding set aside for capital schemes, and any significant variation in capital expenditure and resources, particularly the delivery of capital receipts, would have implications for future revenue budgets or the viability of future capital schemes.

RESOLVED:
(i) That the reprofiling to reflect up to date investment profiles be agreed;

(ii) That the changes to the Capital Programme be agreed;
(iii) That the updated Prudential Indicator position be agreed.
(iv) That the capital outturn position be noted;
(v) That the resources currently available to fund the Capital Programme be noted;
(vi) That the updated capital receipts position be noted.
(vii) That the need for a full review of the Capital Programme in early summer 2018 be noted.

6. STAR PROCUREMENT

Consideration was given to a report of the Executive Member (Performance and Finance)/Assistant Director (Finance) which set out a business case to enter into a strategic shared procurement service with STAR procurement, as a fourth and equal member.

It was stated that the business case had been informed by the outcome and findings of the recent review of the Council's procurement arrangements by STAR procurement, who were commissioned by the Council in October 2017. The scope of the STAR commission was to review the operational arrangements and propose a long term strategic solution for the Council's procurement function.

It was explained that STAR procurement was a shared procurement service between Stockport, Trafford and Rochdale Councils, who each owned an equal share in the operation, which was hosted by Trafford Council.

It was stated that the Council had for a number of years operated a decentralised procurement function coordinated through a hub and spoke arrangement. Over a period of time the impact of austerity had seen procurement roles being restructured and merged with other roles within directorates and at the same time the central team had diminished in size to the extent that there was currently only one member of staff from the original procurement team. Furthermore there were no Chartered Institute of Procurement and Supply (CIPS) qualified staff within the Council directly responsible for procurement, which represented a risk in relation to compliance with EU Legislation and the efficiency of its procurement activities.

Members were informed that STAR procurement had a track record of delivering cashable procurement savings for its partner organisations. The business case pointed to on-going savings of £1m a year each year, which would form a key plank of the delivery of the Council's Medium Term Financial Plan.

A more streamlined procurement service would reduce the need for procurement waivers as procurement would be conducted on a more strategic and proactive basis than currently, meaning fewer waivers and greater value for money.

RESOLVED:
That following consideration of the business case for the future provision of procurement services at Tameside MBC that COUNCIL be requested to APPROVE the preferred option of partnership approach to deliver the Council's procurement function, delivered via STAR procurement as a Shared Service on the following basis:
(i) SUBJECT to Full Council, and existing STAR Councils' ratification, Tameside join STAR procurement as a fourth and equal member in the shared service.
(ii) the carry forward of £150k of Financial Management underspend from the 2017/18 financial year into 2018/19 to provide sufficient budget to cover the costs of implementation of the shared service;
(iii) a £55k contribution to STAR's reserves to provide working capital as a fourth and equal member, to be funded from the Council's own reserves;
(iv) that the first £150k of savings achieved from the delivery of procurement savings are utilised to establish the necessary recurrent base budget to fund the Council's contribution to STAR membership in 2019/20;

(v) **NOTE the business case that prudently predicts the delivery of annual recurred savings of £1m per annum;**
(vi) **an extension to the existing arrangements to a maximum cost of £120k to August 2018 to be met from existing budgets.**
(vii) **That Cllr Fairfoull, the Executive Member (Finance and Performance) be appointed as the Council's representative on the STAR Joint Committee and Tom Wilkinson, the Assistant Director (Finance) be appointed to the STAR Board.**

7. CHILDREN'S SERVICES OFSTED INSPECTION

Consideration was given to a report of the Executive Member (Children and Families)/Director of Children's Services which informed Members of the outcome of Ofsted's fifth monitoring visit which was carried out on 18 and 19 April 2018.

It was stated that this was a positive report for Tameside MBC and built upon "*the early signs of success"* noted by Ofsted at their last monitoring visit in January. In summary Ofsted was reporting to the public and to the DfE that the Council had demonstrated evidence of improvement in the pace of change whilst there still remained a huge amount to do.

The key specific findings in their overview summary were that:

- There had been an accelerated pace of change.
- The outcomes for children and families were improving.
- The Council had made Early Help a priority.
- Strategic leadership was driving positive progress.
- Partners were showing increased engagement.
- The Council's self-assessment and quality auditing were accurate.
- Practitioners were clear about their work with children and families, but the quality of practice was inconsistent.

The next monitoring visit would be carried out on 22 and 23 August 2018 and would be focused upon our services to Looked After Children.

RESOLVED:
That the update be noted.

8. ADULT COMMUNITY EDUCATION OFSTED INSPECTION 2018 OUTCOME

Consideration was given to a report of the Executive Member (Lifelong Learning)/Director of Place which informed Members that the Tameside Adult Community Education (ACE) service had been inspected by Ofsted between 26 February and 1 March 2018. The service had been judged as '2' or 'Good' moving up from the previous inspection grade of '3' or 'Requires Improvement' when last inspected in April 2016. This was an excellent outcome for the service, council, partner, learners and residents and is reflective of the hard work and improvements made by the service since the last inspection.

It was explained that Tameside ACE was a key service within the Council, responsible for delivering Adult and Community Education. Each year over 700 learners were educated and supported, helping them to move into employment, volunteering opportunities and further study. In the academic year 16/17, enrolments totalled 1,342. The Service was financially strong.

It was important to acknowledge that 74% of all learners were from the top 30% of the most deprived areas in Tameside. Therefore, an area of strength was the ability to engage and support the hardest to reach learners, building their self-esteem and confidence to help them reach their potential.

RESOLVED:
That the report be noted and those involved be congratulated on the success;

9. ADULT EDUCATION BUDGET

Consideration was given to a report of the Executive Member (Lifelong Learning)/Director of Children's Services which informed Members that the Greater Manchester Combined Authority was working towards the devolution of the Adult Education Budget from Central Government for the year 2019/20 onwards. To achieve devolution the Department for Education had advised that each constituent Greater Manchester Local Authority must give consent in conjunction with the Combined Authority to a statutory Order giving effect to the same. The final Order was not available until mid-June 2018 however consent must be provided by 30 June 2018. The report provided background and requested delegated authority to ensure Tameside Council could provide consent in line with timescales

RESOVED:
That Council be recommended to give consent to the order attached to the report and approve delegated authority to the Chief Executive in consultation with the Executive Leader to consent to the Order or any minor variations to give effect to the transfer of budget to the GMCA.

10. EQUALITY SCHEME

Consideration was given to a report of the Executive Leader/Director of Governance and Pensions which explained that the One Equality Scheme (2018-22) was the first joint Equality Scheme of the Tameside & Glossop Strategic Commission (Tameside Council and NHS Tameside and Glossop Clinical Commissioning Group).

The report provided an update on the development of the One Equality Scheme, including the final draft Scheme attached at Appendix 3 to the report, and its role in helping satisfy our obligations under the Specific Duties / Regulations of the Public Sector Equality Duty (Section 149 of the Equality Act 2010) which will now be undertaken jointly as a Strategic Commission.

The report sought formal adoption of One Equality Scheme by Executive Cabinet

RESOLVED:
That the One Equality Scheme and the equality objectives set out within it for Tameside & Glossop Strategic Commission be formally adopted.

11. MAKING WALKING AND CYCLING SAFER – AN INVESTMENT STRATEGY

Consideration was given to a report of the Executive Member (Neighbourhood Services)/Director of Operations and Neighbourhoods which outlined the proposals from Transport for Greater Manchester (TfGM) to develop a "Streets for All" Strategy across Greater Manchester. The report also provided details of the 'Made to Move' report, describing its aim and how this provided the foundation for the 'Streets for All' Strategy and the development of the Local Cycling and Walking Infrastructure Plan. The report explored how all these thematic strands were brought together to support the development of a delivery pipeline of schemes, detailing Tameside's ambition to develop strategic active travel and cycling schemes for the future.

In addition, the report explored all the current initiatives, strategies and proposals around active travel, walking and cycling, and how these interrelated with other GM strategies for tackling congestion, reducing air pollution, and improving health and outlined details of pipeline schemes that the Council had identified to support these initiatives, with a recommendation that should funding be made available, the Council supports future schemes from those proposed.

RESOLVED:
That the report be noted and that support be given to the proposed outline schemes identified in Appendix 6 to the report as the basis for a pipeline of schemes to be used as a basis for the Council to bid for funding, as and when such funding becomes available.

12. FOOD SAFETY AND FOOD STANDARDS SERVICE PLAN 2018/19

Consideration was given to a report of the Executive Member (Neighbourhood Services)/Assistant Director (Neighbourhoods and Operations) which provided information on the Food Safety and Food Standards Service Plan for 2018/19. It was explained that the plan set out the standard of performance that must be achieved by the Operations and Neighbourhoods Directorate in order to maintain high quality health protection. The work of the Service was to successfully balance service delivery between education, encouragement and enforcement. A copy of the Plan was appended to the report.

RESOLVED:

That Council be recommended to approve the Food Safety and Food Standards Service Plan 2018/19.

13. HOMELESSNESS

Consideration was given to a report of the Executive Member (Economic Growth and Housing)/Assistant Director (Operations and Neighbourhoods) which explained that the draft Preventing Homelessness Strategy aimed to bring about a borough wide cultural change in approach to tackling and preventing homelessness in Tameside. The Strategy advocated a holistic and integrated approach to preventing homelessness which tackled the complexity of issues which could result in homelessness. It aimed to broaden and deepen constructive collaboration between services, partner organisations, the Faith sector, and members of the community. It sought to foster capacity to cultivate creative solutions to the ever-increasing problem of homelessness and focused effort and resources to address the specific needs of the Borough. The Strategy complied with new statutory requirements which had been introduced through the Homelessness Reduction Act 2017.

It was stated that an inclusive and participatory approach had been taken to develop the strategy. At the outset, key stakeholders were given the opportunity to shape the development of the strategy. The Preventing Homelessness multi-agency forum and the Registered Providers Forum were at the centre of its development and a project team with representatives from key services, led by the Senior Housing Strategy Officer, had been set up.

The strategy supported the Council and its partners to deliver Tameside Borough priorities and the GM pledges to prevent homelessness. This strategy would have an action plan with resources allocated to it and officers assigned to each action. This was currently under development.

RESOLVED:
That the Preventing Homelessness Strategy for 2018 to 2021 be agreed.

14. VISION TAMESIDE PHASE 2 (TAMESIDE ONE) COMPLETION PLAN

Consideration was given to a report of the Executive Member (Performance and Finance) / Interim Director of Growth outlining proposals for the completion of the Vision Tameside Phase 2 (VTP2) project, following the appointment of the Official Receiver as liquidator to Carillion plc, who were contracted by the LEP to deliver the VTP2 project. The LEP and Robertson Construction Group, had worked with original sub-contractors to review the remaining work required to complete the

VTP2 project, with a view to remobilising the site to enable the completion of the construction project. This report sought approval of the approach set out therein and a recommendation to Council to vary the Capital Programme to provide additional funds to complete the project, some as a consequence of the Carillion liquidation and the remainder which would have been required at this stage to complete the project.

An accompanying presentation explained the strategic importance of the VTP2 project, emphasising that the move was part of a wider strategic asset management plan to invest in retained civic buildings across the Borough whilst most importantly noting the strength of the strategic, economic and commercial business case for the development in the interests of creating a thriving borough. Work had been ongoing to ensure that the Council's original vision of additional employment and investment in young people in the Borough was realised despite the unfortunate collapse of Carillion. In doing so work would be secured for the local supply chain and deliver the Council's pledge for apprentices working on the development to be able to complete their apprenticeships.

Following the liquidation of original building contractor Carillon, the Council moved swiftly to agree that Robertson replace Carillion and the LEP entered into an early works agreement to undertake necessary due diligence and to secure the employment of key construction staff and bring subcontractors back on site. By moving the project forward Vision Tameside would be one of the first public sector projects of its scale affected by Carillion's liquidation to have agreed arrangements to completion, with similar projects reporting delays of up to two years.

The Strategic Business Case had been independently reviewed by Genecon (a nationally recognised company specialising in economic development and place making) and confirmed that the project could generate net additional Gross Value Added benefits with a net present value of over £140 million, over a 30 year project lifetime.

The programme included the demolition of the previous Council administration building (which was 70% larger than required for staff and partners), and had a maintenance backlog of £4million, with a further £8million expected cost for refurbishment. The site was being redeveloped to include the proposed Advanced Skills Centre for Tameside College as well as a Shared Service Centre for the Council and its partners and new retail premises (proposed to be leased to Wilkinson's).

The development was expected to bring additional footfall and vitality into Ashton Town Centre and would secure the future of Tameside College as well as improving the provision of skills and supporting growth and regeneration across Tameside.

The Local Education Partnership had worked with Robertson and their sub-contractors to review the remaining packages of work, and to determine the additional costs of re-mobilising the site and completing the programme. The costs had been independently verified by Cushman and Wakefield, construction management specialists to check that the costs provided "value for money" and the costs outlined in the report were believed by the Local Education Partnership and its advisers to be as complete a representation of the costs to be incurred to complete the project as is possible in the circumstances presented by the collapse of Carillion.

Particular reference was made to the budget positon of the whole VTP2 programme, showing a requirement of £9.389m to complete the project and the key headlines were summarised in the report. Clearly, the revised budget required for this project as a consequence of the Carillion collapse would leave a funding shortfall in the Council's capital investment programme. It was considered imperative that the VTP2 programme was completed and it was proposed that a review of the whole capital programme be brought back to the next Executive Cabinet on 25 July 2018 to consider a revised capital programme that allowed the VTP2 programme to be completed within the resources available.

Once the construction phase had been approved and funding agreed, a further report on the operation of the whole administrative estate would need to be presented to Executive Cabinet outlining the recant strategy.

RESOLVED:
That the approach outlined in the report be agreed and:
(i) It be noted that the LEP entered into an early works Agreement with Robertson Construction Group to enable due diligence to be undertaken and has remobilised the site to enable the completion of the Vision Tameside Phase 2 construction project and the LEP has submitted a proposal to the Council (dated 1 June 2018) outlining its plans to complete the Vision Tameside Phase 2 construction project.
(ii) That COUNCIL be RECOMMENDED to approve an additional budget allocation of £8.289m from the Capital Programme for the Vision Tameside Phase 2 project from resources available to the Council, pending the outcome of a bid for additional Skills Capital funding to GMCA.
(iii) That COUNCIL be RECOMMENDED to agree a provisional risk and insurance budget up to £1.100m to manage any residual contract risk such expenditure to be approved by the Director of Finance subject to final due diligence; and
(iv) That the Director of Growth in consultation with the Borough Solicitor, be authorised to negotiate and approve the final terms of all associated agreements and oversee the delivery of the project to completion within the approved funding and to submit bids for external funding towards the additional costs of the project as appropriate.

15. VISION TAMESIDE PHASE 2 (TAMESIDE ONE) COMPLETION PLAN

Consideration was given to a report of the Director of Governance and Pensions and Assistant Director of Finance, which provided details of the progress being made in relation to transfer of former Carillion contracts to Robertson by the Local Education Partnership (LEP) and Private Finance Initiative (PFI) Project Companies and to outline the action required to provide certainty and direction in relation to the future of these contracts and of the LEP itself.

The report explained:
- PFI contractual arrangements;
- Impact on Facilities Management and Catering Service Delivery;
- Cost of the service since liquidation; and
- The future of the LEP.

RESOLVED:

1. **That the Council consents to the replacement of Carillion in the PFI Contracts to Robertson's subject to their being sufficient safeguards for the protection of the Council and the existing staff; and the Borough Solicitor (in consultation with the Director of Finance and Deputy Executive Leader) be authorised to enter into such arrangements to facilitate this noting the increased project risks that result as a consequence of the Carillion liquidation.**

2. **That the Council propose to extend the Council's arrangement with Inspired Spaces Tameside Ltd (the LEP) until 31 July 2019 to enable an orderly transfer of existing contracts to Robertson's as the preferred provider and to enable sufficient time to review the current arrangements with a view to securing a long term sustainable and affordable solution;**

3. **That the LEP proposal to transfer its existing additional services including Facilities management and catering contracts from Carillion to Robertson FM and to align these with the Council's arrangement with the LEP to end on 31 July 2019 to enable the continuing delivery of services be agreed;**

4. **That it be agreed that any schools receiving services under the catering contract remain until its expiry and/or alternative arrangements being agreed and any schools wishing to terminate sooner will pick up any termination/mobilisation costs to ensure that such costs are not subsidised or incurred by the remaining schools.**
5. **That the Borough Solicitor be authorised to enter into any contracts and or ancillary agreements such as Pension Admission Agreements to facilitate the arrangements proposed in the report.**
6. **That officers bring a further report to Executive Cabinet outlining the scope of the review of the LEP arrangements and a project timetable to enable a long term and sustainable solution to be in place following 31 July 2019;**
7. **That approval be given to the release of up to £100k from the Medium Term Financial Strategy Reserve to fund a detailed strategic review of the LEP and the services delivered by it in order for the Council to determine how best to deliver sustainable and affordable services going forward.**

CHAIR

This page is intentionally left blank

TAMESIDE AND GLOSSOP
STRATEGIC COMMISSIONING BOARD

25 July 2018

Commenced: 1.00 pm **Terminated: 1.45 pm**

Present: Dr Alison Lea (in the Chair) – NHS Tameside and Glossop CCG
Councillor Brenda Warrington – Tameside MBC
Councillor Bill Fairfoull – Tameside MBC
Councillor Warren Bray – Tameside MBC
Councillor Gerald Cooney – Tameside MBC
Councillor Leanne Feeley – Tameside MBC
Councillor Allison Gwynne – Tameside MBC
Councillor Oliver Ryan – Tameside MBC
Dr Jamie Douglas – NHS Tameside and Glossop CCG
Dr Ashwin Ramachandra – NHS Tameside and Glossop CCG
Carol Prowse – NHS Tameside and Glossop CCG

In Attendance: Sandra Stewart – Director of Governance and Pensions
Kathy Roe – Director of Finance
Gill Gibson – Director of Safeguarding and Quality
Jessica Williams – Interim Director of Commissioning
Debbie Watson – Interim Assistant Director of Population Health
Sandra Whitehead – Assistant Director (Adult Services)
Simon Brunet – Policy Manager

Apologies: Dr Alan Dow – NHS Tameside and Glossop CCG
Steven Pleasant – Tameside MBC Chief Executive and Accountable Officer for NHS Tameside and Glossop CCG
Councillor Jean Wharmby – Derbyshire CC

30. DECLARATIONS OF INTEREST

There were no declarations of interest submitted by members of the Board.

31. MINUTES OF THE PREVIOUS MEETING

The Minutes of the previous meeting held on 20 June 2018 were approved subject to the following addition to Item 15 – Declarations of Interest:

Members	Subject Matter	Type of Interest	Nature of Interest
Dr Kate Hebden	Item 6(a) – Community Cardiology Diagnostics	Personal	Member of Denton Medical Practice

32. FINANCIAL POSITION OF THE INTEGRATED COMMISSIONING FUND

Consideration was given to a report of the Director of Finance providing an overview on the financial position of the Tameside and Glossop economy in 2018/19 with a forecast projection to 31 March 2019 including the details of the Integrated Commissioning Fund for all Council services and the Clinical Commissioning Group. The total net revenue budget value of the Integrated Commissioning Fund for 2018/19 was currently £581 million. The report also included details of the financial position of the Tameside and Glossop Integrated Care NHS Foundation Trust to ensure members of the Board were aware of the overall Tameside and Glossop economy position.

The Strategic Commission risk share arrangements remained in place for 2018/19 as outlined in the report.

The Director of Finance made reference to the summary of the financial position analysed by directorate provided in Table 2 of the report and highlighted key savings proposals of £5.1 million currently at risk of non-delivery in 2018/19.

Year to date savings together with green rated schemes which related to savings in future months, meant there was certainty that at least £11.794 million savings would be achieved, representing 60% of the total target. If optimism bias was applied to the amber and red rated schemes, the total expected achievement in 2018/19 was £16.059 million, leaving a gap of £3.741 million of savings to identify. There were a number of emerging schemes which were currently unquantified and meetings with all budget holders would be used to identify further schemes to reduce the gap over the intervening period.

In addition, the Board discussed the emerging cost pressures of £3.6 million arising in 2018/19 outlined in the report relating to the following:

- Children's Social Care Placements;
- Special Educational Needs Transport;
- Carillion Liquidation;
- Continuing Health Care.

The economy had an efficiency sum of £35.7 million to deliver in 2018/19 of which £22.9 million was a requirement of the Strategic Commissioner. A summary of the associated risks related to the delivery of these savings for the Strategic Commissioner was provided including an overview for the Integrated Care Foundation Trust. It was worth noting that there was a risk of under achievement of this efficiency sum across the economy at this reporting period. It was therefore essential that additional proposals were considered and implemented urgently to address this gap on a recurrent basis thereafter.

In terms of Integrated Care Foundation Trust investment, the Director of Finance explained that a payment was proposed of up to £4.65 million to the Integrated Care Foundation Trust. Up to £4.4 million related to delayed transfers of care and would be financed via the Council's improved Better Care Fund grant allocation in accordance with the associated grant allocation guidance. It was evident that since the initial delayed transfers of care payment made to the Integrated Care Foundation Trust in 2017/18 that there had been a significant improvement alongside a reduced impact on Adult Social Care services.

A payment of up to £0.25 million related to the Integrated Care Foundation Trust's agreed share of the anticipated additional car parking income from the expansion of car parking around the hospital. The car parking income arrangements were agreed as part of the budget process on a non-recurrent basis, however, the slow progress on the laying of the car park would mean that this funding was unlikely to be achieved. This amount had been agreed as part of the contract.

RESOLVED

(i) That the significant level of savings required during 2018/19 to deliver a balanced recurrent economy budget together with related risks be acknowledged.

(ii) That the payment of up to £4.65 million to the Integrated Care Foundation Trust be agreed consisting of:

a) An approval of a maximum allocation of £4.4 million relating to Delayed Transfers of Care to be financed via the Council's improved Better Care Fund grant allocation; and

b) A RECOMMENDATION to Cabinet to approve the sum of up to £0.25 million to be paid as an agreed share of the anticipated additional car parking income from the expansion of care parking around the hospital (detailed in section 4.1 of the report).

33. CHILDREN AND YOUNG PEOPLE'S EMOTIONAL WELLBEING – MENTAL HEALTH LOCAL TRANSFORMATION PLAN UPDATE

The Interim Director of Commissioning presented a report which stated that the Tameside and Glossop Local Transformation Plan was finalised in October 2015 and assured at the end of 2015/16 through NHS England. There was a requirement for the Local Transformation Plan to be refreshed on an annual basis to reflect local progress and further ambitions.

The Local Transformation Plans refresh report set the ongoing achievements realised from the onset of the original plan and a number of actions identified for 2018/19 to continue the transformation and improved outcomes for children and young people with mental health problems in line with Future in Mind and the Five Year Forward View for Mental Health published in February 2016.

The report also detailed the proposed financial plan to support the national delivery of extra capacity and capability whilst also giving access to high-quality mental health care for children and young people.

The Interim Director of Commissioning outlined the current position relating to access, referrals, data quality, growth in CAMHS and community services, parent infant mental health and workforce training. Particular reference was made to 'The Talk Shop', a collaborative drop in service for children, young people and their families offering support, advice and advocacy, including access to face to face counselling, brief intervention counselling and a range of activities including drama and art workshops.

In term of priorities for 2018 and beyond, the following were highlighted:

- Community Eating Disorder Service – priority developments going forward to build links with schools and colleges, work closely with Healthy Young Minds for your people under 18 with complex needs and embedding family based treatment and training through a designated post.
- Perinatal Infant Mental Health – with the roll out of the new GM Specialist Community Perinatal Infant Mental Health Team into Tameside and Glossop in 2018 the integrated PIMH pathway would be reviewed.
- Access to Care in a Crisis – new crisis services were being developed at a GM level and as a result the support required at the local hospital, Tameside and Glossop Integrated Care Foundation Trust would change over the next three years.
- Transforming Care – for children and young people with a learning disability and / or autism and mental health needs.

The Interim Director of Commissioning also made reference to Greater Manchester strategic plans to improve children and young people's mental health services and aligning the Local Transformation Plans with GM approaches detailed in the report.

The Strategic Commissioning Board welcomed the report and indicated their support for the Local Transformation Plan refresh and finance plans for deliverables for 2018/19 based upon the need to improve and sustain access to children and young people's mental health provision through a whole-system approach.

RESOLVED

(i) That the progress outlined in the Local Transformation Plan be noted.

(ii) That the financial investment to support the Local Transformation Plan as detailed for allocated and unallocated spend against the total of funding of £931,000 for 2018/19 be agreed.

34. SEXUAL AND REPRODUCTIVE HEALTH SERVICE – TWO YEAR CONTRACT EXTENSION

Consideration was given to a report of the Interim Assistant Director of Population Health describing the rationale for the proposed extension of the above contract for a period of two years. The contract was issued by Stockport MBC on behalf of Stockport MBC, Tameside MBC and Trafford MBC and a partnership agreement was in place between all three parties.

Following a competitive tender process in 2016, Manchester University NHS Foundation Trust (MFT) was awarded the contract to deliver a sexual and reproductive health service for the three Boroughs with the Tameside service based at Ashton Primary Care Centre.

Whilst Manchester Foundation Trust was delivering Tameside's service under a joint contract and as part of the wider 'northern' service they had continued to respond to local needs and had local clinical leadership. The service had reviewed and implemented new processes for management and safeguarding patients and was implementing an action plan to improve awareness and contribution to the Tameside Safeguarding Children's Board Neglect Strategy, having completed a recent audit.

The service was subject to a performance framework and reported against a range of performance and quality indicators on a quarterly basis. The Interim Assistant Director of Population Health responded to a number of questions relating to the extract from the service quality report detailed in Appendix 1 where overall there was good performance in many areas.

Members of the Board commented favourably on the report and the open access to high quality sexual health services, together with improved choices for people's reproductive health. The Board was pleased to learn from the Interim Director of Population Health of a number of future developments including plans to reach new audiences online and a strong focus on improving the proportion of individuals who were able to make healthy, safe and sustainable sexual and reproductive choices.

RESOLVED
That approval be given to extend the contract with Manchester Foundation Trust for the provision of a Sexual and Reproductive Health Service for a period of two years from 1 April 2019.

35. URGENT ITEMS

The Chair reported that there were no urgent items had been received for consideration at this meeting.

36. DATE OF NEXT MEETING

It was noted that the next meeting of the Strategic Commissioning Board would take place on Wednesday 29 August 2018.

CHAIR

ENFORCEMENT CO-ORDINATION PANEL

18 July 2018

Commenced: 10.30 am **Terminated:** 11.40 am

Present:	Councillors Bowerman, D Lane and Robinson	
In Attendance:	Aileen Johnson	Head of Legal Services
	Sharon Smith	Head of Public Protection
	Khush Ahmed	Environmental Services Manager
	Kevin Garside	Integrated Neighbourhood Services Manager
	Gary Mongan	Regulatory Services Manager
	Mike Pavasovic	Marketing and Communications Officer
Apologies for Absence:	Councillors Quinn, Gwynne and Ward	

Election of Chair

RESOLVED:
That in the absence of the Chair, Councillor Bowerman be appointed Chair for the duration of the meeting.

Councillor Bowerman in the Chair.

1. DECLARATIONS OF INTEREST

There were no declarations of interest.

2. MINUTES

The Minutes of the previous meeting of the Enforcement Co-ordination Panel held on 28 March 2018 were approved as a correct record.

3. ENFORCEMENT ACTIVITY UPDATE - STATISTICAL SUMMARY

The Assistant Director of Operations and Neighbourhoods submitted a report, which gave an update on the Single Regulatory Service and information on enforcement activities undertaken by the service during the period 1 April to 30 June 2018.

The Head of Public Protection reported that during the period the service had received 943 requests, the majority of which related to noise and general waste. The team had visited 396 fly-tipping complaints and 180 Fixed Penalty Notices had been issued for littering offences, which had a potential income of £14,400. The Fixed Penalty Notice process was currently under review and it was being considered for the full process to be completed by Neighbourhoods and Operations rather than the current arrangement of two different teams sharing the process.

It was reported that there had been 105 reports of abandoned vehicles, 61 scaffolding permits had been issued and 416 skip permits. Information was provided on the monthly income that was generated from issuing scaffolding and skip permits, which remained static. Statistical information was given with regard to Penalty Charge Notices issued in Pay and Display Car Parks, On-Street Car Parking and bus lane enforcement.

With regard to new roads and street works activities, it was reported that the number of utility openings had increased to 1239 although the number of defects had decreased to 52. There had been an increase in the number of banner permits issued and the number of illegal banners that had been removed had reduced to 2.

The Days of Action calendar was outlined to the Panel. Operation Nightsafe had recently concluded and a number of community clean up events had been held across the Borough.

With regard to bus lane enforcement, Members requested that future reports contain a comparison between the different towns in Tameside. With regard to abandoned vehicles, Members enquired if owners were fined. It was confirmed that a set process was followed and if a vehicle was not taxed or insured it was removed.

RESOLVED:
That the content of the report be noted.

4. ENFORCEMENT ACTIVITY UPDATE - ENVIRONMENTAL ENFORCEMENT

The Assistant Director of Operations and Neighbourhoods submitted a report summarising the key enforcement activities undertaken by the Environmental Enforcement Team during the period 1 April to 30 June 2018.

The Environmental Services Manager reported that four Hygiene Improvement Notices had been served during the quarter at two premises. Data had been uploaded to the Local Authority Enforcement Monitoring System and a table summarising the total interventions during 2017/18 was outlined in the report and highlighted to the Panel. A Food Service Plan had been produced following the audit that was undertaken last year.

It was reported that a routine inspection at a retail outlet in Ashton had uncovered a significant risk of food contamination with raw chicken being stored next to cooked and ready-to-eat food. A considerable amount of blood was also found on the floor and the structure, equipment and general cleanliness at the premises was poor. Two Hygiene Improvement Notices were immediately served with improvements required to the structure and flooring and a suitable documented Food Safety Management System to be implemented. The business was given a zero rating on the Food Hygiene Rating Scheme and officers continued to work with the business to ensure that the requirements were adhered to.

It was further reported that Officers found numerous Food Hygiene contraventions at a takeaway in Ashton during an inspection including risk of cross-contamination between raw and cooked food, poor hygiene practices, poor structure and cleaning practices, poor storage methods, a lack of food allergen information and a lack of Food Safety Training by staff. The business was given a zero rating on the Food Hygiene Rating Scheme. Officers had since revisited the premises and observed some improvements.

The Panel were told that 152kg of beef had been recalled by a wholesaler in Tameside as it had been discovered that the meat had been released from a cold store in Lancaster too early. The Food Standards Agency had been notified who planned to follow up the issue with Lancashire County Council.

As part of National Food Safety Week in June Tameside's Public Protection Team was partnered with the Food Standards Agency to highlight the people who worked behind the scenes to ensure that premises had acceptable hygiene standards and the food that the public bought was safe. The Manager was pleased to report that 95% of business that had been inspected in Tameside had a

Food Hygiene Rating of 3 or higher. Food Safety Week had received good publicity with a press release of the Leader of the Council accompanying officers on an inspection, which included a quote from a representative of the Food Standards Agency.

The Panel were informed that Trading Standards had inspected 7 shops across the Borough in conjunction with Greater Manchester Police and tobacco detection dogs as a result from complaints, intelligence reports or previous dealings with the premises. One arrest was made, tobacco was seized from two shops and investigations into the premises had commenced.

RESOLVED:
That the content of the report be noted.

5. ENFORCEMENT ACTIVITY UPDATE - ENVIRONMENTAL PROTECTION, HOUSING & PLANNING ENFORCEMENT

The Assistant Director of Operations and Neighbourhoods submitted a report summarising the key enforcement activities undertaken by the Environmental Enforcement Team during the period 1 April to 30 June 2018.

The Regulatory Services Manager provided an update on the illegal landfill site that had been discovered following a number of complaints regarding noxious odours. The Environment Agency, as the primary enforcement body, had served legal notices on both the land owner and occupier of the site requiring removal of the materials. In addition, the Council had also served legal notices to the land owner and occupier for statutory nuisance following numerous complaints regarding foul odours. The removal of waste at the site had commenced and was monitored to ensure that it was taken to an appropriately permitted facility. The number of odour complaints had reduced and residents in the locality of the site had been kept updated on progress.

In relation to Local Air Quality Management, an initial Strategic Outline Case had been submitted to the government for approval, which outlined a list of potential measures that would be considered to improve air quality across Greater Manchester. Work was now underway to develop an Outline Business Case that would be submitted to the government by 31 December 2018. However, clarity was needed from the government around a number of areas including the role of Highways England, the level of funding for preferred measures that Local Authorities would include in their Outline Business Case and funding for various national measures, such as scrappage schemes.

It was reported that a range of events had been held across the Borough to promote Clean Air Day on 21 June 2018. A large social media campaign asked members of the public to make a pledge to reduce air pollution and promotional events were run by Tameside General Hospital and Ashton Market Hall. One of the main aims of the campaign was to reduce the number of short car journeys – across Greater Manchester 1 in 3 trips less than 1km were made by car.

In the run up to Clean Air Day, Officers delivered a presentation on the effects of air pollution to pupils at Russell Scott Primary School, Denton and children at the school ran their own enforcement campaign targeting car users who left their engines running outside school or who parked inconsiderately. The children's campaign proved to be very successful therefore officers were considering promoting the scheme to other schools to adopt a similar approach. A presentation on how the Council had monitored air pollution over 40 years was given to the eco-committee at Gorse Hall Primary School.

The Panel were informed that Public Protection officers had been involved in monitoring air pollution levels that had been generated by the fires on Saddleworth Moor, which started on 24 June 2018. Equipment was deployed at 3 locations and information gathered was passed onto Public Health England to enable them to give appropriate health advice to members of the public. Local schools made the decision to close for several days due to the high temperatures in the classrooms and reopened once portable air conditioning units had been sourced. The Manager was pleased to report that the fires had been extinguished and air quality levels had returned to normal.

In relation to Planning Enforcement, there had been 110 requests for service during the period 1 April until 30 June 2018 and no formal notices had been issued. The vacant Senior Planning Enforcement Officer role had been filled and the officer was currently receiving planning enforcement training. Ten Regulatory Support Officers had recently been trained in the principles of planning enforcement in order to provide support to the Senior Planning Enforcement Officer.

RESOLVED:
That the content of the report be noted.

6. ENFORCEMENT ACTIVITY UPDATE - LICENSING

The Assistant Director of Operations and Neighbourhoods submitted a report, which provided an update on the key enforcement activities undertaken by Licensing during the period 1 April to 30 June 2018.

The Head of Public Protection notified the Panel that the Speakers Panel (Liquor Licensing) considered an application for a premises licence for Neha Stores, 66-68 Yew Tree Lane, Dukinfield on 9 April 2018. The premises was previously licenced but had surrendered their licence in May 2017 following the submission of a review application. Representations were submitted by Tameside MBC Licensing and Trading Standards in their role as a responsible authority. After hearing all the evidence the Panel determined to grant the licence subject to a number of conditions to ensure that the premises remained compliant in the future.

The Speakers Panel (Liquor Licensing) met on 13 April 2018 to consider a premises licence application for 112 Queens Road, Ashton-under-Lyne. Representations had been submitted by Tameside MBC Licensing and Trading Standards in their role as a responsible authority. After hearing all the evidence the Panel determined to refuse the application. A second application, which was almost identical to the first application, was then submitted by a different applicant and considered by the Panel on 2 July 2018. Representations had been submitted by Tameside MBC Licensing and Trading Standards in their role as a responsible authority. After hearing all the evidence the Panel determined to refuse the application.

The Panel were informed that Greater Manchester Police had submitted a premises licence review application for the Jolly Hatters Pub, 67 Stockport Road, Denton due to intelligence received. Officers met with the premises licence holder to discuss the issue and a number of conditions were added to the licence. The actions of the premises licence holder satisfied the Police therefore they withdrew their application for a review.

It was reported that on 24 June 2018 a serious incident occurred outside the Dog & Partridge Pub, Mottram Road, Stalybridge following the screening of the England World Cup game. A large brawl took place and Police had to deploy significant resources to deal with the disorder. Four arrests were made for public order offences. In response, the licensee voluntarily closed the premises and met with Licensing Officers and the Police. As a result of this meeting a number of management conditions were agreed to help prevent similar incidents occurring in the future.

The Panel were told that intelligence had been received about illicit tobacco sales at The Witchwood, Old Street, Ashton-under-Lyne and The Lazy Toad, Ashton Hill Lane, Droylsden. Officers visited both premises to carry out checks but no illegal products were found. On 21 June 2018 a Gambling Day of Action took place as part of national licensing week. A variety of premises were visited including 2 bookmakers, an adult gaming centre and a bingo premises. Serious failings were discovered at an independent bookmakers and the Licensing team would work with the Gambling Commission to ensure compliance at the premises. The other premises were well managed and compliant.

In relation to Licensing matters, the Panel were informed that there had been two immediate revocations of private hire driver's licences in May and June 2018. Following consultation with the Chair of the Speakers Panel (Licensing) and the Borough Solicitor, it was decided based on the evidence received that the drivers were no longer fit and proper and their licences were revoked in the interest of public safety. The driver whose licence had been revoked in May was appealing the decision at the Magistrates Court and the Panel would be advised of the outcome of that appeal in due course. The Head of Public Protection was pleased to announce that there had recently been a successful outcome in an appeal at Tameside Magistrates Court against the revocation of a private hire driver's licence.

RESOLVED:
That the content of the report be noted.

7. ENFORCEMENT ACTIVITY UPDATE - NEIGHBOURHOOD SERVICES

The Assistant Director of Operations and Neighbourhoods submitted a report, which provided an overview of the activities of Neighbourhood Services throughout the period 1 April to 30 June 2018.

The Integrated Neighbourhood Services Manager told the Panel that the reporting periods for Greater Manchester Police differed to the Council therefore he would be presenting data for the period ending 30 May 2018. During the 12 month period to 30 May 2018 Greater Manchester Police received 8,886 reports of hate crimes with 499 reported in Tameside (5.6%), which was slightly below the neighbouring boroughs of Oldham and Rochdale.

In the 3 month period to 30 May 2018, 135 reports of hate crimes were received in Tameside. The highest numbers of crimes were reported in Ashton town centre and top Mossley in the race hate category. It was explained that the figures for Mossley were unusually high due to repeat reports from the same individual that were incorrectly reported as hate crimes.

During the 3 month period there were two significant incidents in Ashton and Hyde. There was a disturbance at The Eritrean Cycle Festival on 16 June 2018 at Curzon Ashton Football Club. 30 Eritrean nationals infiltrated the event to protest about Human Rights issues and violence broke out resulting in 9 injuries and a number of arrests. In Hyde, tensions were raised through the use of social media regarding an allegation of racially motivated abuse in the grid-iron area. A march was organised to commence from The Cotton Bale pub on 23 June 2018. Neighbourhood Services officers supported by Greater Manchester Police de-escalated the situation and the march did not take place. A restorative justice meeting took place between the victim and offender on 26 June 2018 and extra patrols were carried out in the grid-iron area.

It was reported that the Tameside Hate Incident Panel, which was made up of representatives from the Council, Greater Manchester Police, local housing providers and community and voluntary groups, met quarterly to discuss hate incidents and crimes. A number of projects had been delivered including crime interactive drama sessions at St Damian's RC Science College, All Saints Catholic College, Alder Community High School, Whitebridge College and Denton Community College with sessions planned at Droylsden Academy and Great Academy. Over 1,000 students had participated in the sessions to date and feedback had been very positive from both students and teachers. In response to a number of anti-social behavior / hate crime incidents in the Ridgehill area of Stalybridge a Hate Crime play had been developed in conjunction with the young perpetrators who lived on the estate. The play was delivered at Silver Springs School to students, parents and residents and feedback was very positive.

With regards to anti-social behaviour, during the 3 month period Greater Manchester Police received 1718 reports. There were 950 reports in the North of the borough and 768 reports in the South, which equated to 55% in the North and 45% in the South. Incidents of anti-social behaviour had increased in St Peter's Ward mainly in King George's Playing Fields and Holy Trinity. As a result an operation was launched by Greater Manchester Police, New Charter Housing and Council

Officers to help tackle the problem. High visibility patrols were carried out in hot-spot areas and stop and search was utilised, work was undertaken in schools, parents were visited and diversionary work was facilitated. Work was also ongoing with Holy Trinity Church and Community Centre where a well-attended litter-pick was held and a long-term project to engage local young people and allow them to take ownership and responsibility of public facilities within their community had commenced. This approach was already seeing results with Council Officers invited to a youth club to discuss how funding could be raised within the community to improve a nearby football area.

RESOLVED:
That the content of the report be noted.

8. DATES OF FUTURE MEETINGS

RESOLVED:
That the dates of future meetings of the Enforcement Co-ordination Panel be held as follows, commencing at 10.30am:-

24 October 2018
23 January 2019
17 April 2019

9. URGENT ITEMS

There were no urgent items.

Report To:	**EXECUTIVE CABINET**
Date:	29 August 2018
Executive Member/ Reporting Officer:	Cllr Brenda Warrington, Executive Leader Steven Pleasant, Chief Executive
Subject:	**AGMA EXECUTIVE BOARD MEETINGS / GREATER MANCHESTER COMBINED AUTHORITY**
Report Summary:	To inform Members of the issues considered at the January and February meetings of the AGMA Executive Board and Greater Manchester Combined Authority meeting. Under the GMCA Constitution there are provisions to ensure that GMCA Executive deliberations and decisions are reported to the ten Greater Manchester Councils. In order to meet this requirement the minutes of AGMA Executive Board/Greater Manchester Combined Authority meetings are reported to Executive Cabinet on a regular basis. The minutes of the following meetings of the AGMA Executive Board and the Greater Manchester Combined Authority are appended for Members information: a) GM Combined Authority on 27 July 2018. b) AGMA on 27 July 2018.
Recommendations:	That Members note and comment on the appended minutes.
Links to Community Strategy:	The Constitution and democratic framework provides an effective framework for implementing the Community Strategy.
Policy Implications:	In line with council policies.
Financial Implications: (Authorised by the Section 151 Officer)	There are no budgetary implications other than any specific references made in the AGMA Executive Board/Greater Manchester Combined Authority minutes.
Legal Implications: (Authorised by the Borough Solicitor)	Consideration of the AGMA Executive Board/Greater Manchester Combined Authority minutes helps meet the requirements of the AGMA Constitution and helps to keep Members informed on sub-regional issues and enables effective scrutiny.
Risk Management:	There are no specific risks associated with consideration of the minutes.
Access to Information:	The background papers relating to this report can be inspected by contacting Robert Landon, Head of Democratic Services by: phone: 0161 342 2146 e-mail: robert.landon@tameside.gov.uk

This page is intentionally left blank

NOTICE OF DECISIONS AGREED AT THE AGMA EXECUTIVE BOARD HELD ON 27 JULY 2018

PRESENT:

Greater Manchester Mayor	Andy Burnham
Bolton	Councillor Ebrahim Adia
Bury	Councillor Rishi Shori
Manchester	Councillor Richard Leese
Oldham	Councillor Sean Fielding
Rochdale	Councillor Allen Brett
Salford	City Mayor Paul Dennett
Stockport	Councillor Alex Ganotis
Tameside	Councillor Brenda Warrington
Trafford	Councillor Andrew Western
Wigan	Councillor David Molyneux

OTHER MEMBERS IN ATTENDANCE:

TfGMC	Councillor Mark Aldred
Bury	Councillor Andrea Simpson
Manchester	Councillor Angeliki Stogia
Rochdale	Councillor Sara Rowbotham
Rochdale	Councillor Michael Holly
Salford	Councillor Paula Boshell
Stockport	Councillor Wendy Wild
Wigan	Councillor Jenny Bullen
Wigan	Lord Peter Smith

OFFICERS IN ATTENDANCE:

GMCA Chief Executive	Eamonn Boylan
GMCA –Deputy Chief Executive	Andrew Lightfoot
GMCA – Monitoring Officer	Liz Treacy
GMCA – Treasurer	Richard Paver
Office of the GM Mayor	Kevin Lee
Bolton	Sue Johnson
Bury	Geoff Little
Oldham	Carolyn Wilkins
Manchester	Joanne Roney
Rochdale	Steve Rumbelow
Salford	Ben Dolan
Stockport	Laureen Donnan
Tameside	Sandra Stewart
Trafford	Nikki Bishop

Wigan	Donna Hall
TfGM	Jon Lamonte
GMP	Ian Piling
GMFRS	Dawn Docx
GMCA	Sylvia Welsh
GMCA	Lindsay Dunn
GMCA	Nicola Ward
Cooperative Councils Innovation Network	Nicola Huckleby Councillor Sharon Taylor

APOLOGIES:

Bolton	Tony Oakman
Salford	Jim Taylor
Stockport	Pam Smith
Tameside	Steve Pleasant
GMP	Ian Hopkins

Agenda Item No.

4. MINUTES OF THE AGMA ANNUAL MEETING HELD ON THE 29 JUNE 2018

RESOLVED /-

That the minutes of the AGMA Annual Meeting held on the 29 June 2018 be approved, subject to the addition of Councillor Andrea Simpson to the list of attendees.

5. GREATER MANCHESTER POLICE AND CRIME PANEL – PANEL ARRANGEMENTS

RESOLVED /-

1. That the amended Panel Arrangements at Appendix 1 be agreed.

2. That it be agreed to refer the amended Panel Arrangements to the individual Greater Manchester constituent authorities for approval.

3. That it be agreed that subject to agreement of the revised arrangements to invite the constituent authorities to appoint a substitute member.

A link to the full agenda and papers can be found here:
https://www.greatermanchester-ca.gov.uk/meetings/meeting/571/agma_executive_board

This decision notice was issued on 31 July 2018 on behalf of Eamonn Boylan, Secretary to the Greater Manchester Combined Authority, Churchgate House, 56 Oxford Street, Manchester M1 6EU. The deadline for call in of the attached decisions is 4.00pm on Tuesday 7 August 2018.

Call-In Process

In accordance with the scrutiny procedure rules, these decisions will come into effect five days after the publication of this notice unless before that time any three members of the relevant Overview and Scrutiny Committee decides to call-in a decision.

Members must give notice in writing to the Chief Executive that they wish to call-in a decision, stating their reason(s) why the decision should be scrutinised. The period between the publication of this decision notice and the time a decision may be implemented is the 'call-in' period.

Decisions which have already been considered by an Overview and Scrutiny Committee, and where the GMCA's decision agrees with the views of the Overview and Scrutiny Committee may not be called in.

This page is intentionally left blank

NOTICE OF DECISIONS AGREED AT THE GMCA MEETING HELD ON 27 JULY 2018

PRESENT:

Greater Manchester Mayor	Andy Burnham
Bolton	Councillor Ebrahim Adia
Bury	Councillor Rishi Shori
Manchester	Councillor Richard Leese
Oldham	Councillor Sean Fielding
Rochdale	Councillor Allen Brett
Salford	City Mayor Paul Dennett
Stockport	Councillor Alex Ganotis
Tameside	Councillor Brenda Warrington
Trafford	Councillor Andrew Western
Wigan	Councillor David Molyneux

OTHER MEMBERS IN ATTENDANCE:

TfGMC	Councillor Mark Aldred
Bury	Councillor Andrea Simpson
Manchester	Councillor Angeliki Stogia
Rochdale	Councillor Sara Rowbotham
Rochdale	Councillor Michael Holly
Salford	Councillor Paula Boshell
Stockport	Councillor Wendy Wild
Wigan	Councillor Jenny Bullen
Wigan	Lord Peter Smith

OFFICERS IN ATTENDANCE:

GMCA Chief Executive	Eamonn Boylan
GMCA –Deputy Chief Executive	Andrew Lightfoot
GMCA – Monitoring Officer	Liz Treacy
GMCA – Treasurer	Richard Paver
Office of the GM Mayor	Kevin Lee
Bolton	Sue Johnson
Bury	Geoff Little
Oldham	Carolyn Wilkins
Manchester	Joanne Roney
Rochdale	Steve Rumbelow
Salford	Ben Dolan
Stockport	Laureen DoNnan
Tameside	Sandra Stewart
Trafford	Nickki Bishop
Wigan	Donna Hall

TfGM	Jon Lamonte
GMP	Ian Piling
GMFRS	Dawn Docx
GMCA	Sylvia Welsh
GMCA	Lindsay Dunn
GMCA	Nicola Ward
Cooperative Councils Innovation Network	Nicola Huckleby Councillor Sharon Taylor

APOLOGIES:

Bolton	Tony Oakman
Salford	Jim Taylor
Stockport	Pam Smith
Tameside	Steve Pleasant
GM Police	Ian Hopkins

Agenda Item No.

2. CHAIR'S ANNOUNCEMENTS AND URGENT BUSINESS

RESOLVED /-

1. That it be noted that Greater Manchester has been shortlisted, alongside Birmingham and Leeds, as a potential new base location for Channel 4. The Mayor thanked the team sourced from Manchester City Council, Salford and the GMCA, who have been working on the proposal.

2. That it be noted that the Mayor has recently been appointed as the President of the Rugby Football League, and that the Rugby Football League was also relocating to Greater Manchester. He would ensure that Greater Manchester would play a major role in hosting the Rugby Football League World Cup in 2021.

3. DECLARATIONS OF INTEREST

RESOLVED /-

a) That Councillor Brenda Warrington has disclosed a personal interest in item 30 as a member of the GM Pension Fund Board.

b) That City Mayor Paul Dennett has disclosed a personal interest in item 23b as a Director of the Growth Company.

c) That Councillor Ebrahim Edia has disclosed a personal interest in item 23b as a Director of the Growth Company.

d) That Councillor Richard Leese has disclosed a personal interest in item 23b as a Director of the Growth Company.

4. MINUTES OF GMCA ANNUAL AND ORDINARY MEETINGS HELD ON 29 JUNE 2018

RESOLVED /-

That the minutes of the GMCA Annual and Ordinary Meetings held on the 29 June 2018 be approved, subject to the addition of Councillor Andrea Simpson to the list of attendees.

5. 1GMCA APPOINTMENTS

RESOLVED /-

a) GMCA Waste & Recycling Committee

i. That the nomination of Councillor Alison Gwynne, Tameside (Labour), as the Chair of the Waste & Recycling Committee for 2018/19 be approved.

ii. That the appointment of Councillor Robin Garrido, Salford (Conservative), as a member of the GMCA Waste & Recycling Committee be approved.

b) GMCA Audit Committee

That Councillors James Grundy (Wigan) (Conservative) and Susan Haworth (Bolton) (Labour) be appointed as substitute members to the GMCA Audit Committee.

c) GMCA Overview & Scrutiny Committee substitutes Pool

That the appointment of Councillors Clint Phythion (Oldham) and Ari Leitner (Salford) the GMCA Overview & Scrutiny Committee substitute pool of members be approved.

6. TRANSPORT FOR GREATER MANCHESTER COMMITTEE MINUTES – 13 JULY 2018

RESOLVED /-

That the minutes of the Transport for Greater Manchester Committee held 13 July 2018 be noted.

7. GREATER MANCHESTER LOCAL ENTERPRISE PARTNERSHIP – 16 JULY 2018

RESOLVED /-

That the minutes of the GM Local Enterprise Partnership held 16 July 2018 be noted.

8. GMCA WASTE & RECYCLING COMMITTEE – 12 JULY 2018

That the minutes of the GM Waste and Recycling Committee held 12 July 2018 be noted.

9. GMCA OVERVIEW & SCRUTINY COMMITTEES – MINUTES: JULY 2018

a) Housing, Planning and Environment – 12 July 2018

That the minutes of the Housing Planning and Environment Overview and Scrutiny Committee held 12 July 2018 be noted.

b) Economy, Business Growth & Skills – 13 July 2018

That the minutes of the Economy, Business Growth and Skills Overview and Scrutiny Committee held 13 July 2018 be noted.

10. FIRE SERVICE UPDATE

RESOLVED /-

1. That the programme approach, scope and associated workstreams to the whole service review of GM Fire & Rescue Service be noted.
2. That it be noted that the appointment of the new Chief Fire Officer, Jim Wallace, was also confirmed this week at an organisational briefing on Tuesday 24th July 2018.
3. That Jim Wallace, as the incoming Chief Fire Officer be welcomed and that Dawn Docx, Interim Fire Officer, be thanked for her dedication and great leadership through a particularly difficult times for the Fire Service.

11. HEALTH & SOCIAL CARE – BI-MONTHLY UPDATE

RESOLVED /-

1. That the key developments in GM Health and Social Care over the last two months be noted.

2. That an update on the finding of the schools based pilot for the children's mental health support be submitted to a future meeting of the GMCA.

3. That the leadership of Lord Peter Smith, as GMCA Portfolio Holder for Healthy Lives & Quality Care, and Councillor Sean Fielding as GMCA Portfolio Holder for Skills, Employment and Apprenticeships, to ensure that adults with learning disabilities have the opportunity to access employment and improve the current levels of employment at only 3%, be welcomed.

4. That Councillor Peter Smith, Jon Rouse and the GM Health & Social Care Partnership Team be thanked for the progress of work to date.

12. GREATER MANCHESTER SPATIAL FRAMEWORK TIMETABLE

RESOLVED /-

That the move from the Joint Development Plan Process, (the current position) to a Spatial Development Strategy subject to the relevant Regulations being in place be GMCA agreed, in principle.

13. GREATER MANCHESTER LOCAL INDUSTRIAL STRATEGY UPDATE

RESOLVED /-

1. That progress to date on developing the Greater Manchester Local Industrial Strategy be noted.

2. That the approach and progress to date to develop the strong Greater Manchester bid to the Strength in Places Fund, submitted on 25 July, on behalf of Greater Manchester and its partners by the University of Manchester, based on health innovation and advanced materials be noted.

3. That thanks be recorded to Councillor Richard Leese, University of Manchester, Dame Nancy Rothwell in particular, for the work undertaken to date in bringing the Universities and business community together.

14. BREXIT MONITOR MONTHLY UPDATE

RESOLVED /-

1. That the report and the publication by the European Commission of their proposed EU Budget for 2021-27 be noted.

2. That a review of the GMCA's policy position on Brexit, together with guidance and advice for all Greater Manchester public bodies in advance of the

Parliamentary Vote on Brexit, be undertaken with a view submitting a report to the GMCA on 28 September 2018.

3. That it be noted that the Mayor of Greater Manchester would be making representations to Government on behalf of the GMCA regarding the clear requirement for Greater Manchester's Shared Prosperity Funding level to be retained at the current level of approximately £100M.

15. THE ROLE OF CO-OPERATIVES

RESOLVED /-

1. That the proposal for GMCA to join the Co-operative Councils Innovation Network be approved.

2. That the proposal to establish a Co-operative Commission for GM be approved.

16. GREEN SUMMIT SPRINGBOARD

RESOLVED /-

1. That the draft Spring Board report be agreed for publication and launch at the rise of the GMCA meeting.

2. That the proposed next steps, and the date of the planned future Green Summit, to be held on 25 March 2019 at the Lowry, be noted.

3. That thanks be recorded to all GMCA officers and partners, Green Summit Steering Group and Mark Atherton be recorded.

4. That the letter Mary Creagh MP, from the Chair of the Environmental Audit Committee, to the Greater Manchester Pension Fund regarding climate related financial disclosures be noted.

17. FULL FIBRE PROGRAMME UPDATE

RESOLVED /-

1. That the indicative locality capital requirements required to maximise Government Local Full Fibre Network Funding, as set out in this report, be noted.

2. That it be confirmed that the indicative site numbers and local capital requirements would be presented to the Department of Digital, Culture, Media and Sport (DDCMS) to secure a conditional Grant offer letter by the end of July.

3. That the requirement to secure local agreement for budget approvals prior to entry into an agreement with GMCA, which would facilitate draw down of the grant, be noted.

4. That the release of £1.5m from the business rates reserve to fund programme management costs be agreed.

5. That it be noted that funding for Fire & Rescue elements would be presented for consideration once costs were finalised.

6. That it be noted that there were a number of finance considerations to be resolved with Health colleagues.

7. That thanks be recorded to the former portfolio leaders (Councillors Sean Anstee and Richard Farnell) and Phil Swan and the GMCA team for the work undertaken in progressing Full Fibre work programme.

18. NORTHERN & TRANSPENNINE RAIL PERFORMANCE UPDATE

RESOLVED /-

That the report be noted and that a letter be sent to the Secretary of State for Transport, to be circulated to all members of the GMCA for signature, reminding him of the priority works, he himself identified, required on the Castlefield Corridor, Oxford Road Rail Station platform extensions and platforms 15 & 16 at Piccadilly Rail Station to enable the May 2018 timetable to be delivered and seeking a resolution as soon as possible.

19. BUS REFORM

RESOLVED /-

1. That the procedural steps and requirements of the Act in so far as they relate to the Assessment be noted.

2. That TfGM be instructed to undertake the following actions in performance of the GMCA's functions under the Transport Act 2000:

    a) to secure the conditional availability and preliminary briefing of a suitably qualified independent audit organisation ("Auditor") so that after having prepared the Assessment and should the GMCA wish to proceed with any proposed scheme, the Auditor may then be instructed to prepare a report in accordance with section 123D of the Act

b) determine, if required by the conclusions in the Assessment, when it considers that the Assessment is ready to be submitted for audit, whether in advance of such submission there are any matters arising from the disclosure of information by operators or the analysis in the Assessment that may impact the substantive nature of the proposed franchising scheme or any alternative proposals being considered under the Assessment that should be referred to the GMCA for consideration and further direction to TfGM before the Assessment is finalised and submitted for audit

c) ahead of completion of the audit to take all appropriate steps to prepare the materials necessary to allow the GMCA to undertake the consultation process under section 123E of the Act, so that as soon as reasonably possible after obtaining a report in accordance with section 123D of the Act, TfGM may submit to the GMCA for consideration the Assessment and any report of the Auditor so that the GMCA may:

   i. Review the Assessment and audit report;
   ii. Determine whether to proceed to consultation or to remit the Assessment for further consideration and audit;
   iii. Subject to 2 above, instruct TfGM to undertake a consultation in accordance with section 123E of the Act on its behalf; and
   iv. Issue further directions to TfGM as appropriate.

20. MAYOR'S CYCLING & WALKING CHALLENGE FUND (KEY DECISION)

RESOLVED /-

1. That the first tranche of cycling and walking schemes, be approved and granted Programme Entry for inclusion in the Mayor's Cycling & walking Challenge Fund.

2. That it be noted that the schemes would be further developed and would be subject to subsequent approval by the GMCA, as appropriate.

3. That the release of up to £1.5 million funding to fund programme management and associated costs in 2018/19 be approved and the GMCA Treasurer be authorised to make the necessary capital-revenue 'switch'.

4. That the release of £1.5 million for scheme development and design in 2018/19 be approved and the GMCA Treasurer be authorised to make appropriate grants to Greater Manchester District Councils to facilitate this.

21. INTRODUCTION OF A ZONAL FARES STRUCTURE ON THE METROLINK NETWORK (KEY DECISION)

RESOLVED /-

1. That the approach to the public engagement exercise that ran between 1 June and 17 June and the response rate and the wider engagement activity undertaken be noted.

2. That the results of the public engagement exercise be noted.

3. That the proposed change to the proposal which has arisen from the engagement activity be noted.

4. That the final proposal to introduce a zonal fare structure across the Metrolink network in early 2019 be approved.

22. CO-ORDINATING TAXIS & PRIVATE HIRE LICENSING IN GREATER MANCHESTER

RESOLVED /-

1. That the report and the proposal for informal engagement of the Taxi and Private Hire trade on the proposed approach to Greater Manchester minimum standards be noted.

2. That the informal public engagement exercise being undertaken by TfGM on behalf of Greater Manchester District Councils to secure a fuller understanding of the key concerns and issues of passengers and non- users be noted.

23. BUDGET MONITORING REPORTS

a) Capital Programme Approval (KEY DECISION)

RESOLVED /-

1. That the current 2018/19 forecast compared to the 2018/19 capital budget be noted.

2. That the delivery of projects which were part of the Department for Transport Early Measures Fund of £3 million be approved and that the addition to the 2018/19 Capital Programme of this Scheme be noted.

3. That the addition to the Capital Programme of the Cycling and Walking Commissioner's Cycling and Walking Infrastructure Proposals and the proposal to procure 27 trams and associated infrastructure funding as part of the Transforming Cities Fund, as approved by GMCA in June be noted.

4. That the budget increase of £7.377 million for Capital Highways Maintenance in relation to additional Pot-Hole, National Productivity Fund and Congestion plan funding be approved.
5. That the addition to the 2018/19 Capital Programme for additional Investment activity of £8.1 million for Greater Manchester Loans Fund to be funded from Prudential Borrowings be noted.

b) Revenue Budget Approval (KEY DECISION)

RESOLVED /-

1. That the budget adjustments as detailed in paragraphs 3.1, 3.7 to 3.27 and 3.30 to 3.31 be approved.

2. That the grant of £0.513 million to the Business Growth Hub to deliver business support services funded by BEIS on behalf of GM LEP for 2018/19 be approved.

3. That the Mayoral General revenue outturn position for 2018/19 which was in line with budget be noted.

4. That the Mayoral General – Fire revenue outturn position for 2018/19 which was in line with budget be noted.

5. That the Economic Development and Regeneration revenue outturn position for 2018/19 which shows an underspend against budget of £0.1 million be noted.

6. That the transport revenue outturn position for 2018/19 which was in line with budget be noted.

7. That the Greater Manchester Waste revenue outturn position for 2018/19 which was in line with budget be noted.

8. That the TfGM revenue outturn position for 2018/19 which was in line with budget be noted.

24. GREATER MANCHESTER INVESTMENT FRAMEWORK PROJECTS UPDATE (KEY DECISION)

RESOLVED /-

1. That the funding applications received from Float Glass Industries Limited (loan of £396k) and The Black Dress Company Limited (loan of £150k) be granted conditional approval to progress to due diligence.

2. That authority be delegated to the GMCA Treasurer and GMCA Monitoring Officer to review the due diligence information and, subject to their satisfactory review and agreement of the due diligence information and the overall detailed commercial terms of the transactions, to sign off any outstanding conditions, issue final approvals and complete any necessary related documentation in respect of the loans.

3. That authority be delegated to the GMCA Chief Executive and GMCA Treasurer for the period 30 July 2018 to 27 September 2018, in consultation with the Mayor of Greater Manchester and the Deputy Mayor, to approve funding requests for projects in the absence of a GMCA meeting in August and to approve any urgent variations on amounts and terms for already approved loans.

4. That recommendations approved under the delegation would be subject to the usual due diligence processes and would be reported to the GMCA at the next available meeting.

5. That an update on the Greater Manchester Investment Loans Fund and Greater Manchester Housing Investment Loans Fund performance be submitted to a future meeting of the GMCA.

25. GREATER MANCHESTER HOUSING INVESTMENT LOANS FUND (KEY DECISION)

RESOLVED /-

1. That the requests to the Greater Manchester Housing Investment Loans Fund loans be approved as contained within the table below:

BORROWER	SCHEME	DISTRICT	LOAN
Bowdon Homes Ltd	Carrhill, Mossley	Tameside	£5.410m
Brunswick Living Limited	Brunswick Street, Manchester	Manchester	£2.088m
Slateacre Partnership Limited	Slateacre Road	Tameside	£1.916m
HS Property Group	HSPG	GM region	£1.000m

2. That the consideration of the application for funding from RP Joint Venture be withdrawn for consideration at a future meeting of the GMCA.

3. That authority be delegated to the GMCA Treasurer and the GMCA Monitoring Officer to prepare and effect the necessary legal agreements.

4. That authority be delegated to the GMCA Chief Executive and GMCA Treasurer, for the period 30 July 2018 to 27 September 2018, in consultation with the Mayor of Greater Manchester and the Portfolio Leader for Planning, Housing & Homelessness to approve funding requests for projects in the absence of a GMCA meeting in August and approve any urgent variations on amounts and terms for already approved loans.

5. That recommendations approved under the delegation would be subject to the usual due diligence processes and would be reported to the GMCA at the next available meeting**.**

26. EXCLUSION OF PRESS AND PUBLIC

RESOLVED /-

That, under section 100 (A)(4) of the Local Government Act 1972 the press and public should be excluded from the meeting for the following items on business on the grounds that this involves the likely disclosure of exempt information, as set out in paragraph 3, Part 1, Schedule 12A of the Local Government Act 1972 and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

27. FULL FIBRE PROGRAMME UPDATE

RESOLVED /-

That the report be noted.

28. GREATER MANCHESTER INVESTMENT FRAMEWORK AND CONDITIONAL PROJECT APPROVALS

RESOLVED /-

That the report be noted.

29. GREATER MANCHESTER HOUSING INVESTMENT FUND – INVESTMENT APPROVAL RECOMMENDATIONS

RESOLVED /-

That the report be noted.

30. WASTE DISPOSAL CONTRACT & PENSION ARRANGEMENTS FOR CONTRACTOR STAFF

RESOLVED /-

1. That the steps being undertaken to simplify the pension arrangements of current waste contract employees be noted as follows:

   a) Active Defined Benefit members currently in the Citrus sections of the Viridor scheme are provided with access to the GMPF;

   b) Members past service liabilities in the Citrus schemes are bulk transferred into the GMPF, (either with or without member consent). The GMCA would meet the associated legal and advisory costs of this process (with VWGM retaining its obligation to make good deficits on the existing schemes in respect of active DB members), and that that process is expedited so as to allow for the process to be completed before April 2019;

   c) That successful bidders become admitted bodies of the GMPF, under a formal GMCA guarantee;

   d) That bidders be required to price on the basis of a separate Waste and Resources sub scheme with employer contribution rates for the contract period being set in bidder instructions (with any adjustment to costs being a pass through);

   e) That bidders be required to assume the full risks associated
      - with early retirement costs on redundancy;
      - any other additional benefits awarded at the employer's discretion; and;
      - costs of ill health retirements on a fixed fee basis with residual costs as a risk to the future waste contractors.

2. That it be agreed that the GMCA would be prepared to give the appropriate guarantees to the Greater Manchester Pension Fund in request of Admissions agreement with the current interim contract and the three contract lots post 1 April 2019. The precise details of the contractors and the detail of their Admission Agreements would become clear through the procurement process and be included in the report to GMCA on the contract award later in the year.

A link to the full agenda and papers can be found here: https://www.greatermanchester-ca.gov.uk/meetings/meeting/569/greater_manchester_combined_authority

This decision notice was issued on 31 July 2018 on behalf of Eamonn Boylan, Secretary to the Greater Manchester Combined Authority, Churchgate House, 56 Oxford Street, Manchester M1 6EU. The deadline for call in of the attached decisions is 4.00pm on Tuesday 7 August 2018.

Call-In Process

In accordance with the scrutiny procedure rules, these decisions would come into effect five days after the publication of this notice unless before that time any three members of the relevant Overview and Scrutiny Committee decides to call-in a decision.

Members must give notice in writing to the Chief Executive that they wish to call-in a decision, stating their reason(s) why the decision should be scrutinised. The period between the publication of this decision notice and the time a decision may be implemented is the 'call-in' period.

Decisions which have already been considered by an Overview and Scrutiny Committee, and where the GMCA's decision agrees with the views of the Overview and Scrutiny Committee may not be called in.

Report to:	**EXECUTIVE CABINET**
Date:	29 August 2018
Executive Member/ Reporting Officer	Cllr Fairfoull – Executive Member (Performance and Finance) Kathy Roe – Director of Finance Tom Wilkinson – Assistant Director of Finance
Subject:	**STRATEGIC COMMISSION AND NHS TAMESIDE AND GLOSSOP INTEGRATED CARE FOUNDATION TRUST – CONSOLIDATED 2018/19 REVENUE MONITORING STATEMENT AT 30 JUNE 2018 AND FORECAST TO 31 MARCH 2019**
Report Summary:	This report has been prepared jointly by officers of Tameside Council, NHS Tameside and Glossop Clinical Commissioning Group and NHS Tameside and Glossop Integrated Care Foundation Trust (ICFT). The report provides a consolidated forecast for the Strategic Commission and ICFT for the current financial year. Supporting details for the whole economy are provided in **Appendix 1.** Detailed analysis for service areas is provided in **Appendix 2.** The Strategic Commission is currently forecasting that expenditure for the Integrated Commissioning Fund will exceed budget by £5,848k by the end of 2018/19 due to a combination of non-delivery savings and cost pressures in some areas.
Recommendations:	Executive Cabinet is recommended to: 1. Acknowledge the significant level of savings required during 2018/19 to deliver a balanced recurrent economy budget together with the related risks which are contributing to the overall adverse forecast. 2. Acknowledge the significant cost pressures facing the Strategic Commission, particularly in respect of Continuing Healthcare, Children's Social Care and Growth. 3. Agree that officers work to identify and action offsetting savings and efficiencies to bring the budget back into balance. 4. Lobby local MP's to raise the issue in Parliament of the extortionate and opaque liquidation charges that PWC are charging the local taxpayer following the collapse of Carillion.
Links to Community Strategy:	Budget is allocated in accordance with the Community Strategy.
Policy Implications:	Budget is allocated in accordance with Council Policy.
Financial Implications: **(Authorised by the statutory Section 151 Officer & Chief**	This report provides the 2018/19 consolidated financial position statement at 30 June 2018 for the Strategic Commission and ICFT partner organisations. For the year to 31 March 2019 the report forecasts that service expenditure will exceed the

Finance Officer)	approved budget in a number of areas, due to a combination of cost pressures and non-delivery of savings. These pressures are being partially offset by additional income in corporate and contingency which may not be available in future years. The report emphasises that there is a clear urgency to implement associated strategies to ensure the projected funding gap in the current financial year is addressed and closed on a recurrent basis across the whole economy. The Medium Term Financial Plan for the period 2019/20 to 2023/24 identifies significant savings requirements for future years. If budget pressures in service areas in 2018/19 are sustained, this will inevitably lead to an increase in the level of savings required in future years to balance the budget. It should be noted that the Integrated Commissioning Fund (ICF) for the Strategic Commission is bound by the terms within the Section 75 and associated Financial Framework agreements.
Legal Implications: **(Authorised by the Borough Solicitor)**	The Council and CCG want to work together in a collective and integrated way to maximise vfm and create the most efficient and effective service delivery and best outcomes for residents. This is important to avoid a saving achieved by one organisation becoming a cost for the other. However, it is constrained by the separate legal and financial frameworks in which it works. Whilst this should not be a reason or justification for not delivering or working jointly in order to ensure it meets its legal and regulatory compliance requirements and avoid expensive legal /reputational challenge/risk we must be very clear on what basis we are spending any budget and on whose authority and there must be clear governance to demonstrate this. Accordingly, we need to ensure we have aligned and agreed accountancy rules and principles and we clearly show where the accountability and governance for such spend. This is particularly important given the joint/shared Chief Executives/accountable officer role and the finance/s151 officer to ensure any conflicts are addressed transparently. I would strongly recommend that in light of the conflicts of two of the statutory officers that any payments to the ICFT are approved by the external auditors and there is a clear record and we are able to demonstrate vfm.
Risk Management:	Associated details are specified within the presentation. Failure to properly manage and monitor the Strategic Commission's budgets will lead to service failure and a loss of public confidence. Expenditure in excess of budgeted resources is likely to result in a call on Council reserves, which will reduce the resources available for future investment. The use and reliance on one off measures to balance the budget is not sustainable and makes it more difficult in future years to recover the budget position.
Access to Information :	Background papers relating to this report can be inspected by contacting : Tom Wilkinson, Director of Finance, Tameside Metropolitan Borough Council

Telephone:0161 342 5609

e-mail: Tom.Wilkinson@tameside.gov.uk

Tracey Simpson, Deputy Chief Finance Officer, Tameside and Glossop Clinical Commissioning Group

Telephone:0161 342 5626

e-mail: tracey.simpson@nhs.net

David Warhurst, Associate Director Of Finance, Tameside and Glossop Integrated Care NHS Foundation Trust

Telephone:0161 922 4624

e-mail: David.Warhurst@tgh.nhs.uk

1. INTRODUCTION

1.1 This report aims to provide an overview on the financial position of the Tameside and Glossop economy in 2018/19 at the 30 June 2018 with a forecast projection to 31 March 2019. Supporting details for the whole economy are provided in **Appendix 1.** Detailed analysis for service areas is provided in **Appendix 2.**

1.2 The report includes the details of the Integrated Commissioning Fund (ICF) for all Council services and the Clinical Commissioning Group. The total net revenue budget value of the ICF for 2018/19 is currently £581.963 million.

1.3 It should be noted that the report also includes details of the financial position of the Tameside and Glossop Integrated Care NHS Foundation Trust. This is to ensure members have an awareness of the overall Tameside and Glossop economy position. Reference to Glossop solely relates to health service expenditure as Council services for Glossop are the responsibility of Derbyshire County Council.

1.4 Please note that any reference throughout this report to the Tameside and Glossop economy refers to the three partner organisations namely:

- Tameside and Glossop Integrated Care NHS Foundation Trust (ICFT)
- NHS Tameside and Glossop CCG (CCG)
- Tameside Metropolitan Borough Council (TMBC)

2. FINANCIAL SUMMARY

2.1 Table 1 provides details of the summary 2018/19 budgets and net expenditure for the ICF and Tameside and Glossop Integrated Care NHS Foundation Trust (ICFT) projected to 31 March 2019. The Strategic Commission is currently forecasting that expenditure for the Integrated Commissioning Fund will exceed budget by £5,848k by the end of 2018/19 due to a combination of non-delivery savings and cost pressures in some areas. Supporting details of the projected variances are explained in **Appendix 1**. Further detailed analysis for service areas is provided in **Appendix 2**.

Table 1: Summary of the ICF and ICFT – 2018/19

Organisation	Net Budget £000s	Forecast £000s	Variance £000s
Strategic Commission (ICF)	581,963	587,811	(5,848)
ICFT	(19,149)	(19,149)	0
Total	**562,814**	**568,662**	**(5,848)**

2.2 The Strategic Commission risk share arrangements remain in place for 2018/19. Under this arrangement the Council has agreed to increase its contribution to the ICF by up to £5.0m in 2018/19 in support of the CCG's QIPP savings target. There is a reciprocal arrangement where the CCG will increase its contribution to the ICF in 2020/21.

2.3 Any variation beyond is shared in the ratio 68 : 32 for CCG : Council. A cap is placed on the shared financial exposure for each organisation (after the use of £5.0m) in 2018/19 which is a maximum £0.5m contribution from the CCG towards the Council year end position and a maximum of £2.0m contribution from the Council towards the CCG year end position. The CCG year end position is adjusted prior to this contribution for costs relating to the residents of Glossop (13% of the total CCG variance) as the Council has no legal powers to contribute to such expenditure.

2.4 A summary of the financial position of the ICF analysed by service is provided in Table 2. The projected variances arise due to both savings that are projected not to be realised and emerging cost pressures in 2018/19. Further narrative on key variances is summarised in sections 3 and 4 below with further detail in **Appendix 1** and **Appendix 2**.

Table 2: 2018/19 ICF Financial Position

Service	Net Budget £000s	Forecast £000s	Variance £000s
Acute	205,388	205,436	(48)
Mental Health	32,827	32,827	(1)
Primary Care	84,534	84,361	173
Continuing Care	14,569	17,552	(2,982)
Community	30,040	30,041	(0)
Other	22,915	20,057	2,859
CCG TEP Shortfall (QIPP)	0	2,537	(2,537)
CCG Running Costs	5,175	5,175	0
Adults	40,492	40,548	(56)
Children's Services	47,013	50,255	(3,242)
Population Health	16,232	16,197	35
Operations and Neighbourhoods	50,379	50,861	(482)
Growth	7,858	9,961	(2,103)
Governance	9,164	9,164	0
Finance & IT	4,488	4,589	(101)
Quality and Safeguarding	67	73	(6)
Capital and Financing	9,638	9,225	413
Contingency	(2,660)	(3,388)	728
Corporate Costs	3,841	2,339	1,502
Integrated Commissioning Fund	**581,963**	**587,811**	**(5,848)**
CCG Expenditure	395,449	397,986	(2,537)
TMBC Expenditure	186,514	189,825	(3,311)
Integrated Commissioning Fund	**581,963**	**587,811**	**(5,848)**
A: Section 75 Services	266,722	270,075	(3,354)
B: Aligned Services	241,547	243,255	(1,708)
C: In Collaboration Services	73,694	74,480	(786)
Integrated Commissioning Fund	**581,963**	**587,811**	**(5,848)**

3. BUDGET VARIATIONS

3.1 The forecast variances set out in Table 2 includes a number of variances driven by cost pressures arising in the year and risks or non-delivery of savings. The key variances by service area are summarised below.

Continuing Care (£2,982k)

3.2 Growth in the cost and volume of individualised packages of care is amongst the biggest financial risks facing the Strategic Commission. Expenditure growth in this area was 14% in 2017/18, with similar double digit growth rates seen over the previous two years. When benchmarked against other CCGs in GM on a per capita basis spend in Tameside &

Glossop spends significantly more than average in this area. A continuation of historic growth rates is not financially sustainable and should not be inevitable that the CCG is an outlier against our peers across GM in the cost of individualised commissioning. Therefore budgets which are reflective of this and assume efficiency savings have been set for 2018/19.

3.3 A financial recovery plan is now in place and progress against this is reported to the Finance and QIPP Assurance Group on a regular basis. Significant work is underway to look at potential savings and schemes which are being actively pursued include:

- Moving away from spot purchasing to block contracts for individualised commissioning packages across both the CCG and Council
- Management of fast track (end of life patients expected to live less than 90 days) placements
- Efficiencies through use of 'Broadcare' – a new IT system to manage CHC patients
- Changes to the governance of MDT meetings
- Dowry Income
- Renegotiation of contract rates

3.4 Further work is required to develop and realise the savings associated with these schemes. However there is clear evidence that progress is being made on fast track placements where marked reductions in both the number of active packages and the duration of each package can be seen

CCG Other £2,859k

3.5 Services within this directorate such as BCF, estates, safeguarding and patient transport are spending broadly in line with budget and do not present a risk to the CCG position. We have received £1.6m of the approved £6.3m transformation funding so far this year. Allocations for the remainder will be transacted later in the year and we have plans in place to spend.

3.6 The significant favourable variance has been calculated in order to balance the CCG position and can only be delivered if the CCG is able to fully achieve the £19.8m TEP target. As reported in Appendix 1, there is a £2.5m risk attached to fully closing the QIPP gap.

CCG TEP Shortfall (£2,537k)

3.7 The CCG has a Targeted Efficiency Plan (TEP), also known as the QIPP, of £19,800k for 2018/19. Against this target, £7,599k (38%) of the required savings have been achieved in the first three months of the year. A further £5,595k is rated green and will be realised in future months. After the application of optimism bias, we anticipate further savings of £4,069k from schemes currently rated as amber or red, reducing the net gap to £2,537k. Further detail is provided in **Appendix 2.**

Children's Services (£3,242k)

3.8 The Council continues to experience extraordinary increases in demand for Children's Social Care Services, placing significant pressures on staff and resources. The number of Looked after Children has gradually increased from 612 at 31 March 2018 to 640 at 30 June 2018.

3.9 Despite the additional financial investment in the service in 2017/18 and 2018/19, the service is projecting to exceed the approved budget by £2.990m; mainly due to additional placement costs £3.012m and other minor variations across the service.

3.10 It should be noted that the 2018/19 placements budget was based on the level of Looked After Children at December 2017 (585); the current level at 30 June 2018 is 640; a resulting increase of 55 (9.4%). This should also be considered alongside the current average weekly cost of placements in the independent sector with residential at £3,628 and foster care £765.

3.11 There are also pressures arising from increased demand for Special Education Needs Transport (£0.3m) and an increase in statutory work regarding Education Healthcare Plans (EHCP) Assessments (£0.3m), which is being partially offset by some savings in other areas.

Operations and Neighbourhoods (£482k)

3.12 The new Car parking provision around the hospital on Darnton Road was expected to generate additional income of £500k per annum. A delay in the construction of the spaces means that the forecast for additional income has been reduced to £225k. Construction costs have been greater than originally anticipated and there have also been additional pressures in respect of the waste disposal levy, which is increasing the overall budget pressures in this area.

Growth (£2,103k)

3.13 Following the liquidation of Carillion the appointed liquidator PwC has been managing the contracts to enable the smooth transfer to other providers. The costs of this service were not budgeted for, and will continue to be incurred until everything is finalised. PwC are charging a weekly management fee which has increased significantly since period 2, and this is reflected in the deterioration of the forecast to a cost pressure of £0.9m. The Council is currently disputing this increase.

3.14 Significant pressures are also being experienced in relation to loss of income resulting in a forecast overspend of £0.7m. Budgeted rental income is not being recovered due to the sale of assets and utilisation of assets for Council purposes, income from advertising is currently forecast to be less than budget, and income from Building Control and Development Control is currently forecast to be less than budget due to a reduction in numbers of applications.

3.15 Non delivery of savings is also creating further pressures of £0.5m. The additional Services contract with the Local Education Partnership (LEP) was due to end at the end of October 2018, it was anticipated that savings as a result of a new provision would be achievable. As a result of the collapse of Carillion the existing contract with the LEP has been extended until July 2019 to enable a full review of the Service. Savings anticipated will therefore not materialise in 2018/19. In addition, the purchase of the Plantation Industrial Estate is no longer proceeding and the anticipated additional income will not be realised.

Capital Financing £413k, Contingency £728k and Corporate Costs £1,502k

3.16 Capital Financing additional investment income (£413k) - The 2018/19 budget did not include any budget for additional investment income relating to the Manchester Airport Investment approved by Executive Cabinet in February 2017 due to uncertainty around the timing of the investment. The forecast reflects the estimated additional interest now expected as a result of investment drawdowns in July and December 2018.

3.17 Contingency (£728k) Additional Adult Social Care grant income notified after the 2018/19 budget was set. The grant has been allocated to contingency pending decisions regarding utilisation.

3.18 Corporate Cost savings and additional income (£1,502k). Savings are anticipated on Pension Increase Act contributions (£0.3m) and the contribution to the Association of Greater Manchester Authorities (£0.4m). The projected level of income regarding the Manchester Airport dividend has been calculated in line with the dividend payments received during 2017/18, increasing forecast income by £0.8m. The dividend is not guaranteed and the forecast will be reviewed on receipt of the 18/19 interim dividend, due in December 2018.

4. TARGETED EFFICIENT PLAN (TEP)

4.1 The economy wide savings target for 2018/19 is £35,721k. This consists of:

- CCG £19,801k
- TMBC £3,119k
- ICFT £12,801k

Table 3: 2018/19 Targeted Efficiency Plan (TEP)

SAVINGS	Opening Target	RED	AMBER	GREEN	Savings Posted	Forecast	Variance
CCG	19,801	2,330	7,672	5,595	7,599	17,263	(2,538)
TMBC	3,119	1,071	602	790	656	1,854	(1,265)
Strategic Commission	**22,920**	**3,401**	**8,274**	**6,385**	**8,255**	**19,117**	**(3,803)**
ICFT	12,801	2,111	1,903	6,622	2,650	11,174	(1,627)
Total	**35,721**	**5,512**	**10,176**	**13,007**	**10,906**	**30,292**	**(5,429)**

4.2 Against this target, £10,906k of savings have been realised in the first quarter, 30% of the required savings. Expected savings by the end of the year are £30,292k, a shortfall of £5,429k against target. Slides 8 and 9 of **Appendix 1** provide a summary of the associated risks relating to the delivery of these savings for the Strategic Commission. It is worth noting that there is a risk of under achievement of this efficiency sum across the economy at this reporting period.

4.3 More work is required to identify new schemes and turn red and amber schemes green. As things stand we would need to fully deliver all of the amber rated schemes and half of the red rated schemes to fully close the gap. It is therefore essential that additional proposals are considered and implemented urgently to address this gap on a recurrent basis thereafter.

4.4 There are estimated savings proposals of £ 5.512 million which are currently at risk of non-delivery in 2018/19. Appendix 2 provides further detail on progress against savings in each organisation and slide 8 in Appendix 1 summarises risks by service area, which for the Strategic Commission includes:

- £2,150k CCG Emerging Pipeline Schemes have not yet been sufficiently developed. More work is required to develop these schemes and assess viability.
- Growth Savings of £533k will not be delivered in 2018/19. These included forecast savings from the re-provision of the Additional Services contract with the Local Education Partnership (LEP) which has been extended as a result of the collapse of Carillion, and additional income from the purchase of the Plantation Industrial Estate which is no longer proceeding.
- Operations and Neighbourhoods £275k - Most of this savings target relates to the new Car parking provision at Darnton Road which was expected to generate additional income of £0.500m per annum. A delay in the construction of the spaces has resulted in the forecast additional income for this financial year being reduced to £225k.

5 RECOMMENDATIONS

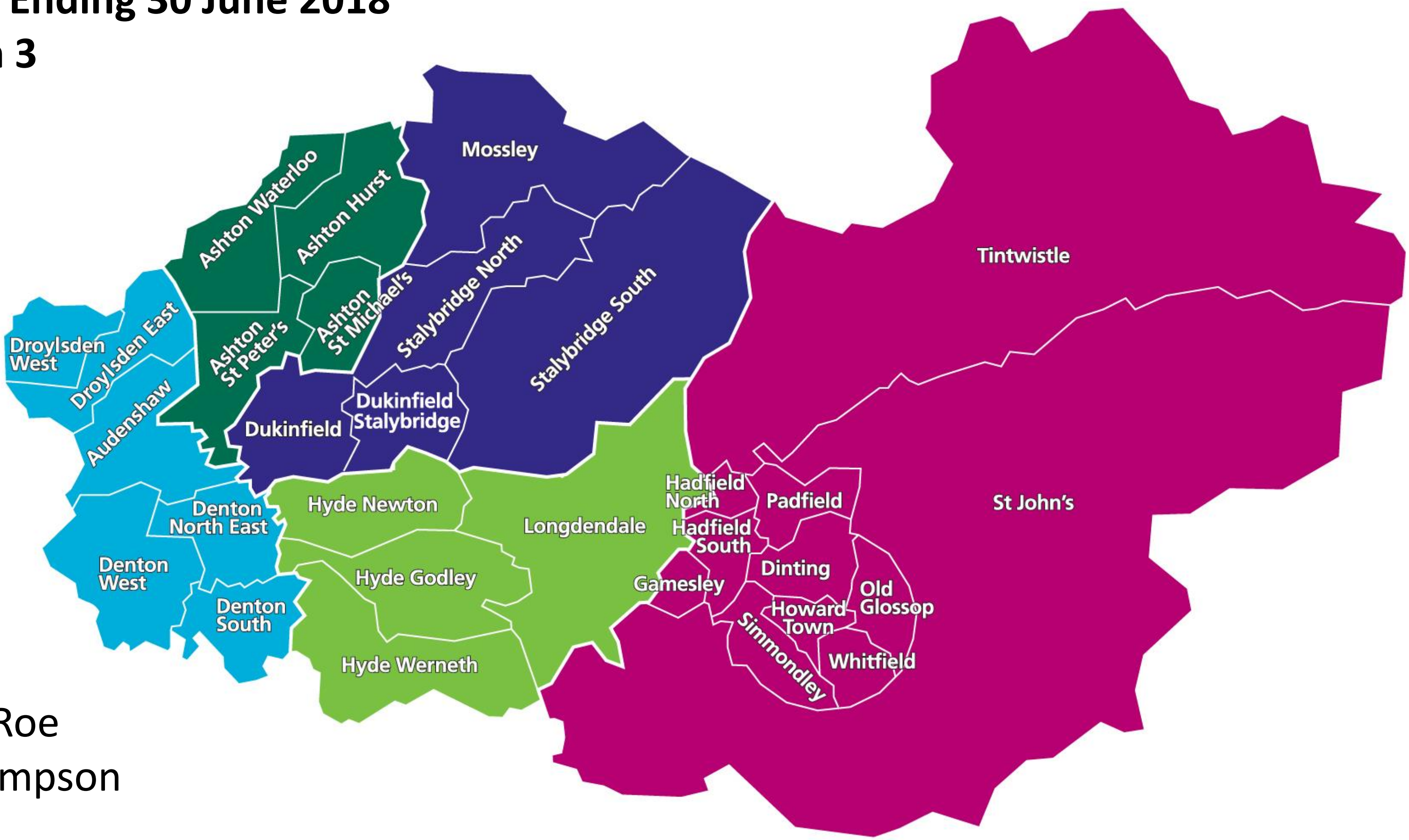
5.1 As stated on the report cover.

Tameside and Glossop Integrated Financial Position

financial monitoring statements

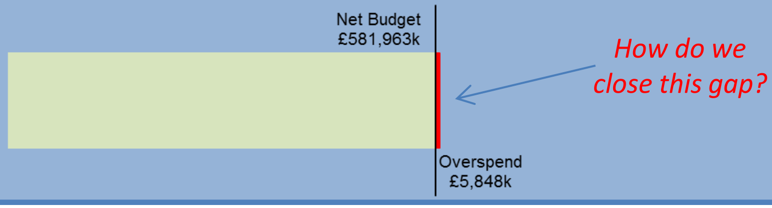
Period Ending 30 June 2018
Month 3

Page 51



Kathy Roe
Sam Simpson

In 2018/19 the Tameside & Glossop economy still has a £5,848k financial gap to close



£10.9m

TEP Achieved

Savings realised in first quarter. 30% of the overall savings target for 2018/19.

£6.3m

Transformation Fund

Money available to spend in 18/19. Return sent to GMHSCP on 13th July showing all financial targets being met.

£4.4m

DTOC Funding

Non recurrent funding approved by SCB on 25th July.

£19.1m

ICFT Control Total

Agreement of Control Total by ICFT. Allowing access to sustainability funding and improved interest rates.

Message from the DOFs

In the first quarter of this year we have made meaningful progress toward the implementation of our Care Together vision. Across the economy as a whole we have realised £11m of savings and are on track to save £30m by the end of the year. Key achievements to date include:

- Ahead of trajectory for savings against Investment Fund
- Imminent agreement of ICFT financial control total
- RTT targets at met at ICFT
- Awarded HFMA finance team of the year
- In region of 320 individual savings schemes being pursued

However there is still significant financial risk in the economy, both this year and in the medium to long term. We recently submitted the latest 'roll up' to GMHSCP, this showed a 'do nothing' gap across health and social care of £101m by 20/21.

Even in a 'do something' scenario our plan showed a residual economy wide financial gap of £45m. Our economy must now come together and address this financial gap and rise to the challenge of implementing large scale transformational change that results in a clinically and financially stable system.

Over the next few months our priorities include:

- Continued negotiation with NHS Improvement in respect of our refreshed 5 year plan.
- Pursuit of capital funding to allow full implementation of our Care Together transformation programme.
- Relaunch of Targeted Efficiency Programme across the strategic commissioner to increase pace and scale of savings initiatives and continued focus on financial recovery plans for CHC and children's services.

Tameside & Glossop Integrated Commissioning Fund

- At the start of the year the opening ICF was £911m
- Budget movements since this (including transformation funding and PFI budget adjustments) have seen the gross value of the ICF increase to £950m
- After council income is taken into account the net value of the ICF is £582m.
- Detailed monitoring is done against this net position
- At present a £5.8m overspend is currently forecast against this net budget.
- The forecast outturn has improved since month 2 due to an improved TEP position, and additional income and savings in financing and corporate costs.

	Forecast Position					Net Variance	
Forecast Position £000's	Expenditure Budget	Income Budget	Net Budget	Net Forecast	Net Variance	Previous Month	Movement in Month
Acute	205,388	0	205,388	205,436	-48	23	-71
Mental Health	32,827	0	32,827	32,827	-1	0	-1
Primary Care	84,534	0	84,534	84,361	173	18	155
Continuing Care	14,569	0	14,569	17,552	-2,982	-2,990	8
Community	30,040	0	30,040	30,041	-0	-0	0
Other	22,915	0	22,915	20,057	2,859	2,949	-91
CCG TEP Shortfall (QIPP)	0	0	0	2,537	-2,537	-3,741	1,204
CCG Running Costs	5,175	0	5,175	5,175	0	0	0
Adults	82,590	-42,098	40,492	40,548	-56	-213	157
Children's Services	76,125	-29,112	47,013	50,255	-3,242	-3,215	-27
Individual Schools Budgets	127,944	-127,944	0	0	0	0	0
Population Health	16,353	-121	16,232	16,197	35	88	-53
Operations and Neighbourhoods	76,377	-25,998	50,379	50,861	-482	-765	283
Growth	45,153	-37,295	7,858	9,961	-2,103	-1,564	-539
Governance	97,679	-88,515	9,164	9,164	0	0	0
Finance & IT	5,839	-1,351	4,488	4,589	-101	0	-101
Quality and Safeguarding	355	-288	67	73	-6	0	-6
Capital and Financing	10,998	-1,360	9,638	9,225	413	0	413
Contingency	4,163	-6,823	-2,660	-3,388	728	729	-1
Corporate Costs	10,698	-6,857	3,841	2,339	1,502	0	1,502
Integrated Commissioning Fund	**949,723**	**-367,761**	**581,963**	**587,811**	**-5,848**	**-8,681**	**2,833**
CCG Expenditure	395,449	0	395,449	397,986	-2,537	-3,741	1,204
TMBC Expenditure	554,275	-367,761	186,514	189,825	-3,311	-4,940	1,629
Integrated Commissioning Fund	**949,723**	**-367,761**	**581,963**	**587,811**	**-5,848**	**-8,681**	**2,833**
A: Section 75 Services	308,841	-42,120	266,722	270,075	-3,354	-3,051	-303
B: Aligned Services	340,665	-99,118	241,547	243,255	-1,708	-5,191	3,483
C: In Collaboration Services	300,218	-226,523	73,694	74,480	-786	-439	-347
Integrated Commissioning Fund	**949,723**	**-367,761**	**581,963**	**587,811**	**-5,848**	**-8,681**	**2,833**

Note that while this report talks about the integrated economy wide position, it does not capture any Local Authority spend for residents of Glossop. All spend at Tameside & Glossop Clinical Commissioning Group, Tameside Metropolitan Borough Council and Tameside & Glossop Integrated Care Foundation Trust is captured. But no spend from Derbyshire County Council is included.

Tameside & Glossop Integrated Economy Financial Position

- Using the net ICF, the strategic commissioner is £13,898k overspent against profiled budgets 4at M3.
- By year end it is expected this will reduce to £5,848k.
- However in order to meet financial control totals this needs to reduced to zero. More work is required to identify and progress schemes to deliver these savings.
- The ICFT have an agreed a control total with NHSI . This means than an authorised deficit is in place.
- Current forecasts show this will be achieved.
- The economy wide deficit at year end is currently forecast to be £24,997k against a budget of £19,149k
- Savings of £5,848k are required to meet the economy wide target.

	YTD Position			Forecast Position			Variance	
Forecast Position £000's	Budget	Actual	Variance	Budget	Forecast	Variance	Previous Month	Movement in Month
Acute	50,489	51,189	-701	205,388	205,436	-48	23	-71
Mental Health	7,971	7,972	-1	32,827	32,827	-1	0	-1
Primary Care	20,050	19,906	143	84,534	84,361	173	18	155
Continuing Care	3,276	3,878	-603	14,569	17,552	-2,982	-2,990	8
Community	7,509	7,443	66	30,040	30,041	-0	-0	0
Other	7,513	6,427	1,085	22,915	20,057	2,859	2,949	-91
CCG TEP Shortfall (QIPP)	0	0	0	0	2,537	-2,537	-3,741	1,204
CCG Running Costs	993	984	9	5,175	5,175	0	0	0
Adults	10,123	11,573	-1,450	40,492	40,548	-56	-213	157
Children's Services	11,753	14,050	-2,297	47,013	50,255	-3,242	-3,215	-27
Population Health	4,058	8,119	-4,061	16,232	16,197	35	88	-53
Operations and Neighbourhoods	12,595	14,480	-1,885	50,379	50,861	-482	-765	283
Growth	1,965	4,912	-2,947	7,858	9,961	-2,103	-1,564	-539
Governance	2,291	2,752	-461	9,164	9,164	0	0	0
Finance & IT	1,122	1,511	-389	4,488	4,589	-101	0	-101
Quality and Safeguarding	17	81	-65	67	73	-6	0	-6
Capital and Financing	2,410	0	2,410	9,638	9,225	413	0	413
Contingency	-665	1,027	-1,692	-2,660	-3,388	728	729	-1
Corporate Costs	960	2,022	-1,061	3,841	2,339	1,502	0	1,502
Integrated Commissioning Fund	**144,428**	**158,326**	**-13,898**	**581,963**	**587,811**	**-5,848**	**-8,681**	**2,833**
CCG Expenditure	97,800	97,800	0	395,449	397,986	-2,537	-3,741	1,204
TMBC Expenditure	46,628	60,526	-13,898	186,514	189,825	-3,311	-4,940	1,629
Integrated Commissioning Fund	**144,428**	**158,326**	**-13,898**	**581,963**	**587,811**	**-5,848**	**-8,681**	**2,833**
A: Section 75 Services	66,442	70,714	-4,273	266,722	270,075	-3,354	-3,051	-303
B: Aligned Services	59,934	66,666	-6,732	241,547	243,255	-1,708	-5,191	3,483
C: In Collaboration Services	18,053	20,946	-2,893	73,694	74,480	-786	-439	-347
Integrated Commissioning Fund	**144,428**	**158,326**	**-13,898**	**581,963**	**587,811**	**-5,848**	**-8,681**	**2,833**
ICFT - post PSF Agreed Deficit	-7,069	-7,047	22	-19,149	-19,149	0		
Economy Wide In Year Deficit	**-7,069**	**-20,945**	**-13,876**	**-19,149**	**-24,997**	**-5,848**		

Tameside Integrated Care Foundation Trust Financial Position

Summary

- For the financial period to the **30th June 2018**, the Trust has reported a net deficit of c.£2.0m (Post PSF), which is c.£10k worse than plan.
- Cumulatively the Trust has reported a net deficit of c.£7.1m (post PSF), which is c.£22k better than plan.
- The Trust delivered c.£917k of savings in month, this is an overachievement against target by c.£0.3m in month and c.£0.7m cumulatively.
- To date the Trust has spent c.£2.1m on Agency spend, against a plan of £1.9m; based on this run rate, we spend within the agency cap of £9.5m.

	Month 3			YTD			Outturn
Financial performance metric	Plan (£000)	Actual (£000)	Variance (£000)	Plan (£000)	Actual (£000)	Variance (£000)	Plan (£000)
Pre PSF Normalised Surplus/(Deficit)	-£2,606	-£2,616	-£10	-£7,702	-£7,680	£22	-£23,370
Provider Sustainability Fund	£633	£633	£0	£633	£633	£0	£4,221
Post PSF Normalised Surplus/ (Deficit)	-£1,973	-£1,983	-£10	-£7,069	-£7,047	£22	-£19,149
Capital Expenditure	£202	£224	-£22	£724	£434	£290	£5,600
Cash and Equivalents	£1,220	£1,308	£88				
Trust Efficiency Savings	£647	£917	£270	£1,912	£2,650	£738	£13,000
Use of Resources Metric	3			3			4

Key risks

- **Control Total –** The Trust now has an agreed control for 2018/19 of c£19.2m, this assumes the Trust will be in receipt of the full Provider Sustainability fund and deliver the performance and financial requirements set by NHSI.

- **Provider Sustainability Fund** - The Trust must achieve its financial plan at the end of each quarter to achieve 70% of the PSF, the remainder is predicated on achievement of the A&E target for each quarter.

- **TEP** – The Trust is currently forecasting an underachievement against its in year TEP delivery of **c£1.7m** and recurrently of **c£2.4m**. **Failure to achieve TEP will result in the Trust not achieving its plan**. Work is on-going with Theme groups to develop high risk schemes and generate hopper ideas to improve this forecast position.

- **Loan Liability -** The Trust currently has a loan of **£75.4m** at the end of 2017/18. The Trust may be required to repay part of this liability in 2018. To do this the Trust would require a new loan, now the Trust has agreed a control total this now would be at the standard borrowing rate of 1.5%.

Strategic Commissioner Financial Position

£3,242k

Children's Services

Forecast overspend of £3.242 million due mainly to additional placement costs for Looked After Children, and pressures in Education.

£2,982k

Continuing Care

Growth in individualised packages of care remains the CCGs biggest financial risk with an overspend of £2,982k against core budgets.

£900k

Carillion

Facing significant cost pressures following the demise of Carillion due to fees being charged by the liquidator.

£800k

Airport Dividend

Forecast built into position based on actuals in 17/18. Dividend is not guaranteed, but forecast will be reviewed on receipt of interim dividend in December 2018

Individualised Commissioning R

- Growth in the cost and volume of individualised packages of care is the amongst the biggest financial risks facing the Strategic Commissioner.
- Expenditure growth in this area was 14% in 2017/18, with similar double digit growth rates seen over the previous two years.
- Spend in T&G is significantly higher on a per capita basis when benchmarked against other CCGs in GM.
- A continuation of historic growth rates is not financially sustainable and should not be inevitable that T&G is an outlier against our peers.
- Currently forecasting £2,982k overspend in 2018/19 against core CHC budgets.
- A financial recovery plan is now in place, with the next detailed update due to be presented at Finance & QIPP Assurance Group in August.

Operations and Neighbourhoods R

- Currently forecasting that budget will overspend by £482k.
- The new Car parking provision around the hospital on Darnton Road was expected to generate additional income of £500k per annum. Delays in the construction of the spaces has resulted in the non delivery of the saving in 2018/19 of £275k. There have been additional pressures of £207k due to waste disposal levy and construction costs

Children's Services R

- The Council continues to experience extraordinary increases in demand for Children's Social Care Services, placing significant pressures on staff and resources. The number of Looked after Children has gradually increased from 612 at 31 March 2018 to 640 at 30 June 2018.
- Despite the additional financial investment in the service in 2017/18 and 2018/19, the service is projecting to exceed the approved budget by £2.990m; mainly due to additional placement costs £3.012m and other minor variations across the service below £0.050m (£22k).
- It should be noted that the 2018/19 placements budget was based on the level of Looked After Children at December 2017 (585) ; the current level at 30 June 2018 is 640; a resulting increase of 55 (9.4%). This should also be considered alongside the current average weekly cost of placements in the independent sector with residential at £3,628 and foster care £765.
- There are also pressures arising from increased demand for Special Education Needs Transport (£0.3m) and an increase in statutory work regarding Education Healthcare Plans (EHCP) Assessments (£0.3m), which is being partially offset by some savings in other areas.

Strategic Commissioner Financial Position

Growth Directorate R

- Following the liquidation of Carillion the appointed liquidator PwC has been managing the contracts to enable the smooth transfer to other providers. The costs of this service were not budgeted for, and will continue to be incurred until everything is finalised. PwC are charging a weekly management fee which has increased significantly since period 2, and this is reflected in the deterioration of the forecast to a cost pressure of £0.9m. The Council is currently disputing this increase.
- Significant pressures are also being experienced in relation to loss of income resulting in a forecast overspend of £0.7m. Budgeted rental income is not being recovered due to the sale of assets and utilisation of assets for Council purposes, income from advertising is currently forecast to be less than budget, and income from Building Control and Development Control is currently forecast to be less than budget due to a reduction in numbers of applications.
- Non delivery of savings is also creating further pressures of £0.5m . The additional Services contract with the Local Education Partnership (LEP) was due to end at the end of October 2018, it was anticipated that savings as a result of a new provision would be achievable . As a result of the collapse of Carillion the existing contract with the LEP has been extended until July 2019 to enable a full review of the Service. Savings anticipated will therefore not materialise in 2018/19. In addition, the purchase of the Plantation Industrial Estate is no longer proceeding and the anticipated additional income will not be realised.

Acute A

- Only 2 months of 18/19 activity data are currently available, making it difficult to establish trends in activity. We have seen are small pressures at some of the associate providers , but these do not pose a significant concern at this stage in the year.
- However overspend at Manchester FT is of more concern. There is a £300k overspend in the first two months of the year:
  - £169k of this relates to excess bed days and critical care, both areas where spend can be very volatile, driven by the discharge of high cost long length of stay patients.
- Other areas contributing to the pressures on the Manchester FT contract include macular (£86k pressure) and outpatients with an overspend of £115k. Time will tell if this is a non recurrent anomaly or part of a sustained trend, but in response to the YTD pressure the QIPP forecast for associate providers has been reduced by £300k to £1,000k.
- Underspend on independent sector contracts (mainly cataracts and musculoskeletal) offsets much of the associate provider pressure.

Capital Financing, Contingency and Corporate Costs G

- £0.4m Capital Financing additional investment income - The 2018/19 budget did not include any budget for additional investment income relating to the Manchester Airport Investment approved by Executive Cabinet in February 2017 due to uncertainty around the timing of the investment. The forecast reflects the estimated additional interest now expected as a result of investment drawdowns in July and December 2018.
- £0.7m Contingency – Additional Adult Social Care grant income notified after the 2018/19 budget was set. The grant has been allocated to contingency pending decisions regarding utilisation.
- £1.5m Corporate Cost savings and additional income. Savings are anticipated on Pension Increase Act contributions (£0.3m) and the contribution to the Association of Greater Manchester Authorities (£0.4m). The projected level of income regarding the Manchester Airport dividend has been calculated in line with the dividend payments received during 2017/18, increasing forecast income by £0.8m. The dividend is not guaranteed and the forecast will be reviewed on receipt of the 18/19 interim dividend, due in December 2018.

Primary Care G

- £590k released to TEP this month for prescribing, which relates to cross year benefit from higher than expected achievement against schemes in February and March.
- At time of writing we only have April data from 18/19, but early indications are encouraging and on the assumption the trend continues we will be in a strong position to bank further QIPP savings next month.

TEP – Targeted/Trust Efficiency Plan

£1,240k

Cross Year Benefit

Impact from 17/18 calculated and transacted. Combination of both pressures and benefits. Net effect is positive for the CCG position.

£300k

Associate Providers

Targets set on the basis of stopping all growth. YTD overspend (particularly on outpatients and critical care) has reduced expected TEP.

£313k

Facilities Management

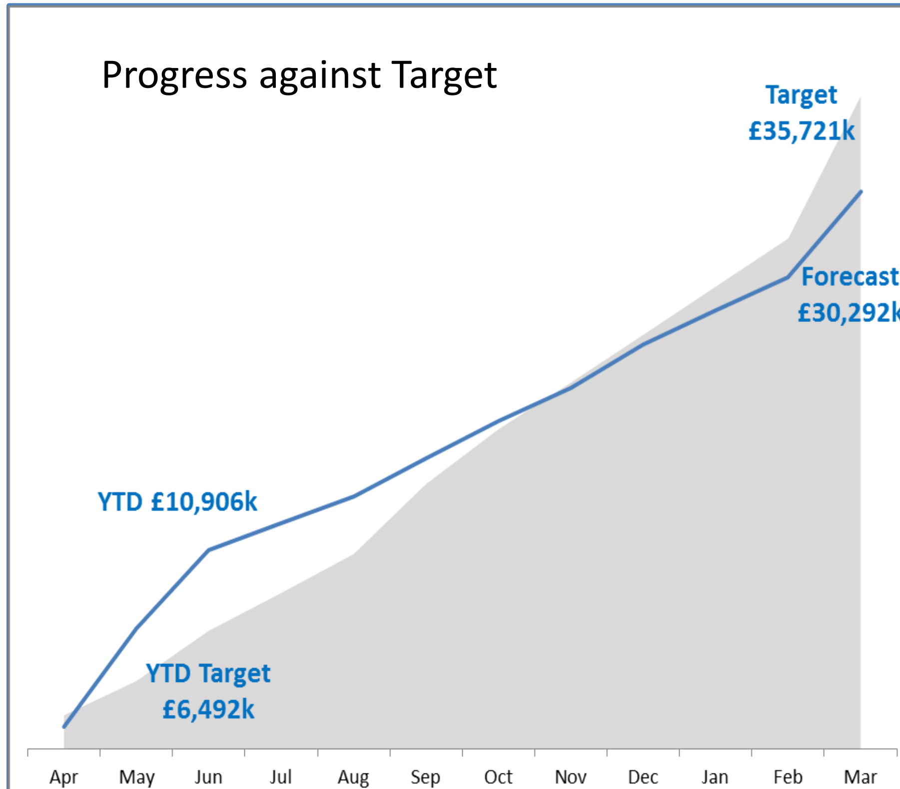
Following collapse of Carillion the Local Education Partnership has been extended. Forecast savings from re-tendering this service will therefore be delayed.

£130k

Nursing

Increase of £130k in expected savings for nursing within the ICFT, primarily driven by non recurrent savings on vacant posts.

- The economy wide savings target for 2018/19 is £35,721k:
  - Commissioner £22,919k (£19,800k CCG & £3,119k TMBC)
  - Provider £12,801k
- Against this target, £10,906k of savings have been realised in the first quarter, 30% of the required savings
- Expected savings by the end of the year are £30,292k, a shortfall of £5,429k against target.
- More work is required to identify new schemes and turn red and amber schemes green. As things stand we would need to fully deliver all of the amber rated schemes and half of the red rated schemes to fully close the gap.
- £17,828 (59%) of these savings are expected to be delivered recurrently
- A sample of the most significant changes over the last month are highlighted in the boxes above. Because of early realisation of non recurrent schemes, we are significantly ahead of the planned savings trajectory at M3, but unless new schemes are identified we still struggle to maintain this performance in the months to come.



TEP – Targeted/Trust Efficiency Plan

Organisation	High Risk	Medium Risk	Low Risk	Savings Posted	Total	Opening Target	Post Bias Expected Saving	Post Bias Variance
CCG	2,330	7,672	5,595	7,599	23,196	19,801	17,263	(2,538)
TMBC	1,071	602	790	656	3,119	3,119	1,854	(1,265)
Strategic Commissioner	**3,401**	**8,274**	**6,385**	**8,255**	**26,315**	**22,920**	**19,117**	**(3,803)**
ICFT	2,111	1,903	6,622	2,650	13,285	12,801	11,174	(1,627)
Economy Total	**5,512**	**10,176**	**13,007**	**10,906**	**39,600**	**35,721**	**30,292**	**(5,429)**

Org	Theme	High Risk	Medium Risk	Low Risk	Savings Posted	Total	Opening Target	Post Bias Expected Saving	Post Bias Variance
CCG	Emerging Pipeline Schemes	2,150	35	0	0	2,185	3,274	233	(3,041)
	GP Prescribing	180	1,640	180	590	2,590	2,000	1,608	(392)
	Individualised Commissioning Recovery Plan	0	750	249	83	1,082	1,327	707	(620)
	Other Established Schemes	0	2,247	443	1,458	4,148	4,248	3,025	(1,223)
	Tameside ICFT	0	0	1,860	620	2,480	2,480	2,480	0
	Technical Financial Adjustments	0	3,000	2,863	4,848	10,711	6,472	9,211	2,739
CCG Total		**2,330**	**7,672**	**5,595**	**7,599**	**23,196**	**19,801**	**17,263**	**(2,538)**
TMBC	Adults	213	272	12	200	697	697	369	(328)
	Growth	533	25	340	0	898	898	406	(492)
	Finance & IT	50	0	0	122	172	172	127	(45)
	Governance	0	0	129	25	154	154	154	0
	Childrens (Learning)	0	0	90	0	90	90	90	0
	Operations & Neighbourhoods	275	305	0	0	580	580	180	(400)
	Pop. Health	0	0	219	309	528	528	528	0
TMBC Total		**1,071**	**602**	**790**	**656**	**3,119**	**3,119**	**1,854**	**(1,265)**
Strategic Commissioner Total		**3,401**	**8,274**	**6,385**	**8,255**	**26,315**	**22,920**	**19,117**	**(3,803)**
ICFT	Corporate	0	169	437	360	966	1,100	966	(134)
	Demand Management	662	117	670	213	1,663	1,631	1,000	(630)
	Estates	89	50	232	65	436	450	347	(103)
	Finance Improvement Team	290	300	648	316	1,554	1,067	1,264	198
	Medical Staffing	375	348	0	24	747	1,103	372	(731)
	Nursing	321	66	644	324	1,355	1,250	1,034	(216)
	Paperlite	117	71	35	16	238	250	121	(129)
	Pharmacy	0	221	187	23	431	450	431	(19)
	Procurement	257	411	89	19	776	752	519	(233)
	Transformation Schemes	0	0	2,500	750	3,250	3,400	3,250	(150)
	Technical Target	0	150	131	44	325	0	325	325
	Vacancy Factor	0	0	1,048	496	1,544	1,350	1,544	194
ICFT Total		**2,111**	**1,903**	**6,622**	**2,650**	**13,285**	**12,801**	**11,174**	**(1,627)**
Economy Total		**5,512**	**10,176**	**13,007**	**10,906**	**39,600**	**35,721**	**30,292**	**(5,429)**

Mental Health – Deep Dive

Mental Health Investment Plan

Source of Funding	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Baseline budgets	41,389	42,290	43,739	44,626
GM MH Transformation Funding	219	438	438	0
Care Together Transformation Funding	187	280	280	93
Local Authority Transformation Funding	389	432	0	0
Total Source of Funds:	**42,184**	**43,440**	**44,457**	**44,719**
PH Investment Fund - Health and Wellbeing College	60	80	20	0
PH Investment Fund - Employment Support Workers	44	175	175	131
PH Investment Fund MH Key Workers	25	100	100	75
Self-management Education budget (CCG baseline)	27	27	27	27
Total Source of Funds including Public Health	**42,340**	**43,822**	**44,779**	**44,952**

Application of MH Funding	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Committed MH Expenditure in Baseline Budgets				
Pennine Care FT core contract	23,341	23,574	23,810	24,048
Individualised commissioning	6,640	6,796	7,020	7,184
Prescribing	3,456	3,551	3,649	3,749
Other	4,954	5,472	5,421	3,822
Total Commitments:	**38,391**	**39,393**	**39,900**	**38,803**

Proposed New Mental Health Investment	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Increasing access to MH support for children & young people	308	554	804	1,552
IAPT Plus/Psychological therapies	550	640	740	830
Early Intervention in Psychosis	180	350	450	450
Neighbourhood Developments	208	550	550	571
AMPH, Recovery	211	251	251	251
Mental Health Crisis	478	833	833	1,268
LD Transforming Care	200	200	200	200
Neurodevelopmental Adult	70	170	170	170
Dementia in neighbourhoods	134	275	275	275
Specialist Perinatal Infant MH	0	224	224	224
Health and Well-being College	60	107	107	107
PH Investment Fund MH Key Workers	25	100	100	75
MH Employment Support Workers	25	175	175	175
Total Proposed New MH Investment:	**2,449**	**4,429**	**4,879**	**6,148**
Grand Total of Proposed MH Expenditure/Investment:	**40,840**	**43,822**	**44,779**	**44,951**
Slippage/(Shortfall) in MH Funding:	**1,500**	**0**	**0**	**0**

Footnote:

Additional MH Funding Approved January SCB over and above POE	**1,777**	**1,950**	**1,844**	**3,329**

Update and Overview

GMHSCP have endorsed the GM MH finance sub group that is chaired by T&G CCG. The focus of this group is to oversee the delivery of the specific contracts, business intelligence and funding release across localities (including meeting the MHIS) across Greater Manchester CCGs, Local Authorities and Provider Trusts. This group is a formal subgroup of the GM CCG CFOs who will hold each other to account for the delivery in MH services.

Since the last update in October 2017, a number of agreements have been concluded. These are;

- Costing principals across the 5 core CCGs with Pennine Care have been agreed.
- CCGs agreed to support and fund the IG beds for quarter 4 of 17/18, of which £33k was T&G share.
- 12 IG beds at PCFT to be commissioned for a further 12 months until March 2019.
- PCFT agreed to credit all 121 Obs invoices relating to 2017/18, c£70k.
- The current investment plan (tabled to the left) does not include anything towards PCFT sustainability request. However the CCG has invested an additional £400k into the core contract for 121 Obs/Safer Staffing in 2018/19.
- Work is progressing between the CCG and LA for scoping all out of area placements and the categorisation of needs and local provisions
- Not all elements of the 5YFV have been approved and will be subject to further business case and SCB approval.
- LD Transforming Care – NHSE have confirmed that a new process is being developed, which will add some clarity around the criteria for eligibility, since the CCG had 2 cases for funding rejected.
- PCFT CQUIN 17/18 – The CCG is in the process of finalising the CQUIN performance with PCFT. As such monies due back are not included in the current financial position. There is likely to be a return to T&G of anything between £59k to £169k dependent on final reconciliations.

Mental Health – Deep Dive

QIPP Refresh

In January 2018 the MH investment plan went to SCB for approval to close the funding gap in order to meet the 5YFV and MHIS. The gap in 18/19 started at £1.7m which took the total additional recurrent investment into Mental Health to be £2.5m. Since then there has been significant delays in recruitment and delivery of service plans. As a result, the refreshed plans identify an in-year non-recurrent slippage of £0.6m. This has been moved to QIPP in Month 2 and is now banked. A further £0.4m towards QIPP is expected over the next couple of months on a non-recurrent basis and will be green rag rated with a further £1m QIPP in MH as amber.

Challenges and Risk

In order to deliver both the MHIS and 5YFV, there still remains a number of challenges and risks associated with the delivery of these plans. This includes, but is not exhausted to;

- Funding assumed over the next 4 years with long term recurrent commitments
- Recruitment
- Increasing access in line with national targets.
- Delivering community eating disorders access/waiting time standards.
- SLR (Service Line Reporting) Refresh is due and the unknown impact of this.
- Procurement and the ability to stimulate local markets
- National repatriation agenda and OOA placement. This should deliver longer term savings but could have short term financial pressures due to new estates/capital costs.
- Increasing evidence based outcomes in mental health.
- GM Crisis Care model and delivery

Key Priorities for 2018/19

	GM MH Group - 5 Principal Objectives	RAG
1	Support commissioner & provider colleagues to deliver 5YFVMH objectives GMMH Investment Strategy for GM, including GMTF	G
2	Re-basing historic MH block contracts and unpicking historic cross-funding across 10 GM localities, including SLR and alignment of costs to service specs	R
3	Development of MH finance and activity schedules for GM MH contracts, ensuring compliance with NHS guidance	A
4	Vfm review of GM MH OOAPs: (i) NHS organisations within GM, (ii) NHS org outside GM, and (iii) non-NHS/private sector orgs.	A
5	Support development of new payment & contract models for MH services across GM in line with guidance [discourages use of unaccountable block contracts and encourages models that rewards and incentivises providers, linking payment to quality and outcomes]	R

Recap and Overview

Mental Health Investment Standard – to ensure that as a minimum spend on MH grows at the same rate as allocation growth.

Five Year Forward View – which sets a series of targets and 'must dos' around provision of mental health services.

- The FYFV makes 58 separate recommendations to improve MH services across a number of priority areas.
- In order to meet these requirements, GMHSCP have set aside £52.2m of transformation funding to be spent across GM over the next 4 years:

£10.8m to fund:	£34.6m to fund:	£6.8m to fund
- Crisis Care - Integrated IAPT £1.1m will be received by T&G to manage locally	- Liaison MH Core 24 - Perinatal & parent-infant MH model - Building capacity and resilience of communities - iThrive & MH workforce development - CYP crisis care To be managed at a GM level	- Suicide prevention - Work & health across the life course - Dementia United - Health & Justice To be managed at a GM level

- The locality has worked closely with GMHSCP to build an investment model which incorporates both baseline MH spend and additional investment required to meet the requirements of the FYFV. (See table on page 1)
- Further clarity is required around recurrent funding streams from 20/21 onwards, after the non recurrent transformation has been exhausted. There are rumours that funding will continue, in which case will bring down the investment gap that the CCG has funded.

This page is intentionally left blank

APPENDIX 2 – Strategic Commissioner Detailed Analysis

Contents:

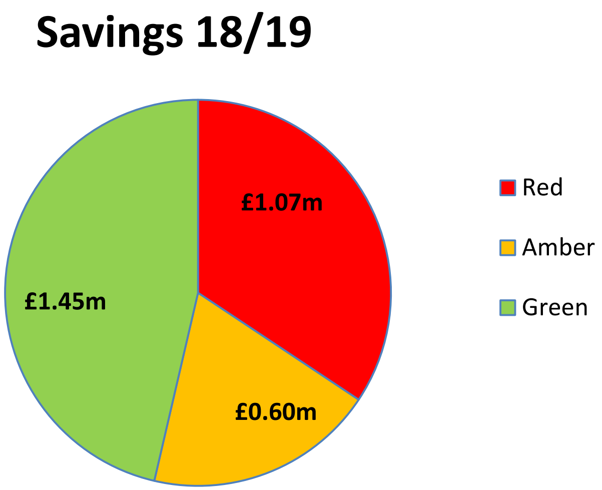
Local Authority Savings Progress

SAVINGS PROGRESS - HEADLINES

The 2018/19 budget included £3,119m of savings to be delivered by management during the financial year. As at the end of period 3 a significant number of risks to the delivery of savings have been identified, resulting in a number of budget pressures.

- **£1.45m** (46%) of the savings target is rated **'green'** and has been delivered or is on track for delivery in the year.
- **£0.60m** (19%) of the savings target is rated **'amber'** with some risks or delays to delivery identified.
- **£1.07m** (34%) of the savings target is rated **'red'** due to significant risks or delays which means some or all of the savings amount is not expected to be delivered in year. This is resulting in budget pressures in a number of service areas.

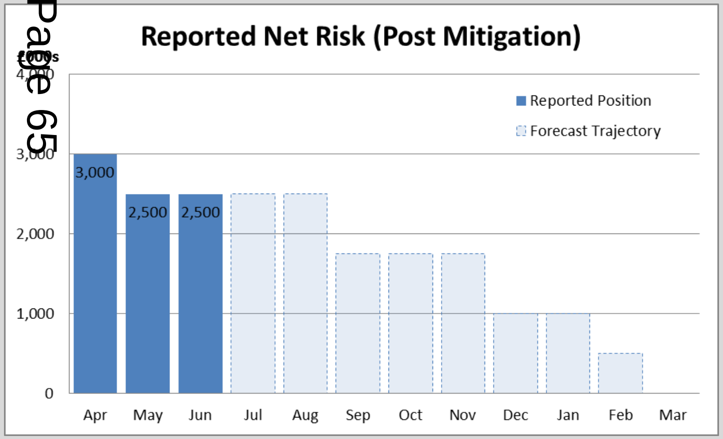
- Adults savings are at risk of delay or non-delivery in a number of areas, although other savings are being identified elsewhere in the service to offset these pressures.
- Within Operations and Neighbourhoods the new Car parking provision at Darnton Road was expected to generate additional income of £0.500m per annum. Delays in the construction of the spaces has resulted in the non delivery of the saving in 2018/19 of £0.275m.
- Growth savings of £0.533m will not be delivered in 2018/19. These included forecast savings from the re-provision of the Additional Services contract with the Local Education Partnership (LEP) which has been extended as a result of the collapse of Carillion, and additional income from the purchase of the Plantation Industrial Estate which is no longer proceeding.



SAVINGS	RED	AMBER	GREEN	TOTAL
Adults	213	272	212	**697**
Childrens (Learning)	0	0	90	**90**
Population Health	0	0	528	**528**
Operations and Neighbourhoods	275	305	0	**580**
Growth	533	25	340	**898**
Governance	0	0	154	**154**
Finance & IT	50	0	0	**50**
Corporate	0	0	122	**122**
Total	**1,071**	**602**	**1,446**	**3,119**

CCG Recovery Plan & TEP Update: June 2018 (M3)

- The CCG has a Targeted Efficiency Plan (TEP, also known as QIPP) target for 2018/19 of £19.8m.
- In our submitted plans, the CCG has reported that financial control totals will be met. However we have also reported a net risk against achieving this.
- Because of the size of the QIPP target and the reported risk against our overall financial position, an improvement plan has been requested by GMHSCP. These slides update on our progress.
- In the M3 position, a net risk of £2.5m has been reported, which is consistent with the position reported last month:



- The CCG has entered into a risk share agreement with the Local Authority as part of a wider ICF (Integrated Commissioning Fund). While there is scope to use the ICF to balance the CCG position on a non recurrent basis, any increase in council contribution in 18/19 would result in an increase in the CCG contribution in future years.
- As such, it is not appropriate to use the ICF risk share as justification to reduce reported net risk in 18/19 - an approach would ignore the true underlying position. That said the chart to the left includes an aspirational high level trajectory showing how we hope our reported risk will reduce in the months to come.
- Key to reducing the CCGs financial risk is achievement of the £19.8m QIPP target (internally branded as TEP). The table below summarises expected achievement at the end of June, together with a comparison to the position reported last month:

Planned Savings (before application of optimism bias)

	Recurrent	Non Recurrent	Total	Prior Month	Movement
High Risk	2,330,000	0	2,330,000	2,365,000	-35,000
Medium Risk	3,674,552	3,996,968	7,671,520	8,136,953	-465,433
Low Risk	2,547,051	3,048,000	5,595,051	7,311,967	-1,716,916
Saving Posted	2,234,949	5,364,487	7,599,436	4,442,087	3,157,349
Total	10,786,552	12,409,455	23,196,008	22,256,007	940,001

Expected Savings (after application of optimism bias)

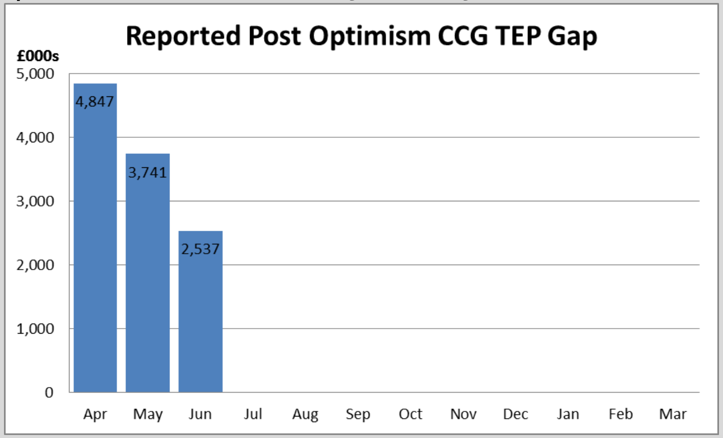
	Recurrent	Non Recurrent	Total	Prior Month	Movement
High Risk	233,000	0	233,000	236,500	-3,500
Medium Risk	1,837,276	1,998,484	3,835,760	4,068,477	-232,717
Low Risk	2,547,051	3,048,000	5,595,051	7,311,967	-1,716,916
Saving Posted	2,234,949	5,364,487	7,599,436	4,442,087	3,157,349
Total	6,852,276	10,410,971	17,263,248	16,059,031	1,204,217

QIPP Target	19,800,000	19,800,000	0
Savings Still to Find	2,536,753	3,740,969	1,204,217

Value of savings about which we are certain (i.e. blue & green schemes) 13,194,487

- Against an annual CCG target of £19,800k, £7,599k (38%) of the required savings have been banked in the first three months of the year.
- In addition to this there is a further £5,595k, which we are completely confident of realising in future months. This leaves savings of £6,606k still to find.
- After application of optimism bias, we anticipate making further savings of £4,069k from schemes currently rated as amber or red. Reducing the TEP gap to £2,537k.
- £6,852k (35%) of the expected savings will be delivered on a recurrent basis, contributing toward closing the recurrent economy wide gap.
- Overall the value of planned savings has increased by £940k since last month. The main drivers of this are:
  - **+£1,240k Cross Year Benefit**. Cross year impacts from 2017/18 have now been fully calculated and transacted. There have been a combination of both pressures and benefits, but the net effect is positive for the CCG position and this benefit has been released to QIPP on a non recurrent basis. Areas where we have taken a benefit include prescribing, continuing care, mental health and acute providers (both NHS and independent sector). These were offset by estates and some other NHS/independent sector acute contracts.
  - **-£300k Associate Providers**. Targets were set on the basis of stopping all growth. Only two months of activity data is currently available, so it is difficult to establish a trend. But there is some overspend in these early months (particularly on critical care and outpatients). We have reduced the QIPP forecast in response to this and will continue to monitor and re-assess risk as more data becomes available.

- The post optimism savings gap has reduced by £1,240k since last month. This improvement was driven through the changes already discussed (note the associate provider scheme is amber rated so only a £150k impact post optimism bias). Plus a re-assessment of risk for 'running costs' and 'budget management'.
- The post optimism TEP gap has reduced from £4,847k at the start of the year to £2,537k today (a reduction of £2,310k over 3 months).
- This reduction is a result of non recurrent quick wins in Q1 (cross year benefit, mental health slippage and release of reserves). The pace of improvement is expected to be slower in Q2 and Q3:



- We will continue to closely monitor our TEP schemes, with an aspiration of closing some of this gap as amber and red schemes are converted to green.
- Our detailed TEP database includes a number of 'Emerging Pipeline Schemes', some of which are unquantified. But these, together with any new schemes identified through our financial savings programme will be used to further reduce the gap in forthcoming months

Adults Services A

ADULTS	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
Adults Senior Management	544	0	544	143	536	9
Joint Commissioning & Performance	1,474	(132)	1,342	204	1,300	43
Improved Better Care Fund	3,299	(3,299)	0	(1,201)	0	(0)
Long Term Support	70,200	(37,510)	32,690	11,221	32,892	(203)
Mental Health	3,160	(288)	2,872	707	2,860	12
Urgent Integrated Care	3,913	(869)	3,044	499	2,960	84
TOTAL	**82,590**	**(42,098)**	**40,492**	**11,573**	**40,548**	**(56)**

BUDGET VARIATIONS

The net variance reflects a number of underspends and pressures including:

Underspends:

- £0.115m - Vacant posts in Learning Disabilities Day Services expected to be filled part year
- £0.071m – Vacant posts in the Integrated Urgent Care Team expected to be filled part year.
- £0.100m - Independent Living Fund (ILF) expenditure forecast to be under budget due to hours being delivered by in-house service (Homemakers)

Pressures:

- (£0.141m) - Increase in Direct Payments in line with Government expectations.

SAVINGS

The 2018/19 budget included £0.697m of savings to be delivered by management during the financial year.

- **£0.212m** is rated **'green'** and has been delivered or is on track for delivery in the year.
- The remaining £0.485m of the savings target is rated **'red'** or **'amber'** with some risks or delays to delivery identified.
- Other savings are being identified across the service which it is expected will compensate for non-delivery of the planned savings.

	RED	AMBER	GREEN	TOTAL
Savings	213	272	212	**697**

Children's Services – Children's Social Care

R

CHILDREN'S SERVICES	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
CHILDREN'S SOCIAL CARE						
Assistant Executive Director - Children's	1,066	0	1,066	241	1,099	(33)
Specialist Services	27,620	(755)	26,865	5,392	30,159	(3,295)
Childrens Safeguarding	1,589	0	1,589	285	1,469	120
Early Intervention & Youth Justice	4,272	(1,993)	2,280	256	1,932	347
Looked After Children	4,385	(300)	4,085	897	4,153	(68)
Performance and Development	0	0	0	(0)	0	(0)
Child Protection & Children In Need	7,534	0	7,534	1,758	7,420	114
	46,466	**(3,048)**	**43,418**	**8,829**	**46,233**	**(2,816)**

Page 68

BUDGET VARIATIONS

The net variance reflects a number of underspends and pressures including:

Underspends:

- Vacant posts within the structure that are not currently filled are resulting in projected underspends in some areas.

Pressures:

- The Council continues to experience extraordinary increases in demand for Children's Social Care Services, placing significant pressures on staff and resources. The number of Looked after Children has gradually increased from 612 at 31 March 2018 to 640 at 30 June 2018.
- Despite the additional financial investment in the service in 2017/18 and 2018/19, the service is projecting to exceed the approved budget mainly due to additional placement costs £3.012m and other minor variations across the service below £0.050m .
- It should be noted that the 2018/19 placements budget was based on the level of Looked After Children at December 2017 (585) ; the current level at 30 June 2018 is 640; a resulting increase of 55 (9.4%). This should also be considered alongside the current average weekly cost of placements in the independent sector with residential at £3,628 and foster care £765.

Children's Services – Education

R

CHILDREN'S SERVICES	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
EDUCATION						
Access & Inclusion	11,877	(9,638)	2,238	4,777	2,464	(225)
Assistant Executive Director - Education	239	0	239	12	108	131
Schools Centrally Managed	205	(217)	(12)	(248)	(12)	1
Schools Centrally Managed - DSG Funded	9,457	(9,457)	0	2	0	0
School Performance and Standards	417	(178)	240	(36)	223	17
Pupil Support Services	7,463	(6,573)	890	715	1,239	(349)
	29,659	**(26,064)**	**3,596**	**5,221**	**4,021**	**(426)**

Page 69

BUDGET VARIATIONS

The variance is a net position and reflects a number of underspends and pressures including:

Underspends:

- £0.345m - Vacant posts across the whole service.
- £0.110m - budgetary saving to be utilized to offset overspending in other areas of Education

Pressures:

- (£0.346m) - Special Educational Needs Transport due to increase in children eligible for statutory support, and other minor variations .
- (0.338m) - Increase in statutory work regarding Education Healthcare Plans (EHCP) Assessments, and other minor variations less than 50k.

SAVINGS

The 2018/19 budget included £90k of savings to be delivered by management during the financial year.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	0	0	90	**90**

- **£0.090m** is rated **'green'** and has been delivered or is on track for delivery in the year.

Population Health G

POPULATION HEALTH	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
Population Health	16,353	(121)	16,232	8,119	16,197	35
TOTAL	**16,353**	**(121)**	**16,232**	**8,119**	**16,197**	**35**

SAVINGS

The 2018/19 budget included £0.528m of savings to be delivered by management during the financial year.

- **£0.528m** is rated **'green'** and has been delivered or is on track for delivery in the year.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	0	0	528	**528**

Page 70

Quality and Safeguarding G

QUALITY AND SAFEGUARDING	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
Quality and Safeguarding	355	(288)	67	81	73	(6)
TOTAL	**355**	**(288)**	**67**	**81**	**73**	**(6)**

Operations and Neighbourhoods

R

OPERATIONS & NEIGHBOURHOODS	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
Community Safety & Homelessness	5,011	(1,025)	3,986	292	3,961	25
Cultural and Customer Services	3,425	(264)	3,162	581	2,893	268
Design and Delivery	11,450	(9,438)	2,012	1,703	1,723	289
Environmental Services Management	30,339	(247)	30,093	10,685	30,771	(678)
Highways & Transport	7,997	(8,209)	(211)	631	108	(319)
Environmental Services (Management &	1,217	(2,442)	(1,225)	(452)	(1,203)	(22)
Neighbourhood Services	0	0	0	0	0	0
Operations and Greenspace	7,011	(2,006)	5,006	377	5,175	(169)
Poverty and Prevention	381	(381)	0	(42)	0	0
Environmental Services (Public Protection)	3,893	(830)	3,063	639	2,712	351
Waste Management	5,649	(1,156)	4,494	66	4,721	(227)
TOTAL	**76,377**	**(25,998)**	**50,379**	**14,480**	**50,861**	**(482)**

BUDGET VARIATIONS

The net variation reflects a number of underspends and pressures across the service, including:

Underspends:

- Part year vacancies due in part to retirements and difficulties in recruitment in Cultural and Customer Services, Design and Delivery, Environmental Services (Public Protection) are resulting in the forecast underspends in these areas.
- Vacancies in Operations & Greenspace, and in Highways & Transport are reducing the net pressures being reported in these areas.

Pressures:

- Pressures in Environmental Services Management relate to the Waste Levy and Passenger Transport Levy due in part to a late notification of a final adjustment relating to 2017/18.

Operations and Neighbourhoods

BUDGET VARIATIONS

Pressures (continued):

- Highways & Transport - Pressure of £0.275m relates to the Darnton Road Car park income, as it is unlikely the Council will be able to fully achieve the additional income forecast as a saving. Additional construction costs relating to Darnton Road have created a further pressure of £0.122m, and the car parking service is currently projecting a shortfall in income from car parks income of £0.156m.
- Operations & Greenspace are forecasting a continued shortfall in income from Ashton Market due to the ongoing development works in Ashton Town Centre. There are also additional waste disposal costs within the street cleansing service.
- Waste Management have incurred expenditure on caddy liners to encourage recycling of food waste, however there is no budget provision for this.

SAVINGS

The 2018/19 budget included £580k of savings to be delivered by management during the financial year.

- The £0.580m savings target is rated **'red'** or **'amber'** with some risks or delays to delivery identified.
- Most of this savings target relates to the new Car parking provision at Darnton Road which was expected to generate additional income of £0.500m per annum. Delays in the construction of the spaces has resulted in the forecast additional income for this financial year being reduced to £0.225m.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	275	305	0	**580**

Growth

R

GROWTH	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
School Catering	3,975	(3,970)	5	1,944	28	(23)
Corporate Landlord	8,011	(1,960)	6,052	1,616	7,408	(1,356)
Development Growth Investment	430	(161)	269	(307)	356	(87)
Ecology Unit	367	(367)	0	(132)	(156)	156
Employment & Skills	1,800	(882)	918	(52)	911	7
Environmental Development	510	(90)	419	107	422	(3)
Estates	1,431	(2,593)	(1,163)	(43)	(594)	(569)
Investment & Development	1,548	(863)	685	81	697	(12)
Planning	1,310	(1,084)	226	(11)	442	(217)
Strategic Infrastructure	608	(160)	448	58	447	0
BSF, PFI & Programme Delivery	25,165	(25,165)	0	1,651	0	0
TOTAL	**45,153**	**(37,295)**	**7,858**	**4,912**	**9,961**	**(2,103)**

BUDGET VARIATIONS

The net variation reflects a number of underspends and pressures across the service, including:

Underspends:

- The Ecology Unit is a GM wide hosted service funded by contributions from AGMA. The unit also receives income from Grants and Trading. Any surplus in 2018/19 will be taken to reserves to fund ongoing Ecology projects and ensure the service is self-funding.

Pressures:

- Corporate Landlord pressures relate mainly to additional fees being charged by PwC and non delivery of savings. Following the liquidation of Carillion the appointed liquidator PwC has been managing the contracts to enable the smooth transfer to other providers. The costs of this service were not budgeted for, and will continue to be incurred until everything is finalised. Forecast savings from the re-provision of the Additional Services contract with the Local Education Partnership (LEP) will not be realised in 2018/19.

BUDGET VARIATIONS

Pressures (continued):

- Estates budget pressures relate to a shortfall in income due to a number of factors. Income is no longer being received on properties that have been sold and other income is not being realised because facilities are being used for Council purposes. Forecast savings following the purchase of the Plantation Industrial Estate will not be realised until the purchase is complete. The purchase is complex and expected to take several months to complete. Additional security costs are also being incurred following a fire.
- Within the Planning Service, Building Control income is forecast to be less than budget due to a reduction in the number of applications. Development and Control income is also forecast to be under budget.

SAVINGS

The 2018/19 budget included £0.898m of savings to be delivered by management during the financial year.

- **£0.340m** is rated **'green'** and has been delivered or is on track for delivery in the year.
- The remaining £0.558m of the savings target is rated **'red'** or **'amber'** with some risks or delays to delivery identified.

Growth savings of £0.533m will not be delivered in 2018/19. These included forecast savings from the re-provision of the Additional Services contract with the Local Education Partnership (LEP) which has been extended as a result of the collapse of Carillion, and additional income from the purchase of the Plantation Industrial Estate which is no longer proceeding.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	533	25	340	**898**

Governance

G

GOVERNANCE	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
GOVERNANCE						
Executive and Business Support	1,399	(2)	1,397	292	1,397	0
Democratic Services	750	(24)	726	467	726	0
Governance Management	909	(88)	822	42	822	0
Legal	1,086	(113)	972	206	972	0
	4,145	**(227)**	**3,917**	**1,008**	**3,917**	**0**
EXCHEQUER						
Assess & Pay	85,635	(85,299)	336	307	336	0
Exchequer Management	226	0	226	57	226	0
Income & Collection	2,727	(1,856)	872	520	872	0
	88,588	**(87,155)**	**1,434**	**884**	**1,434**	**0**
PEOPLE & WORKFORCE DEVELOPMENT						
People & organisational development	3,368	(993)	2,375	614	2,375	0
	3,368	**(993)**	**2,375**	**614**	**2,375**	**0**
MARKETING & COMMUNICATIONS						
Policy, performance & communications	1,578	(140)	1,438	247	1,438	0
	1,578	**(140)**	**1,438**	**247**	**1,438**	**0**
TOTAL	**97,679**	**(88,515)**	**9,164**	**2,752**	**9,164**	**0**

SAVINGS

The 2018/19 budget included £0.154m of savings to be delivered by management during the financial year, which is all rated as **'green'** and has been delivered or is on track for delivery in the year.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	0	0	154	**154**

Finance and IT

R

FINANCE AND IT	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
FINANCE						
Financial Management	2,510	(399)	2,111	411	2,111	0
Risk Management & Audit Services	587	(221)	366	96	366	0
	3,097	**(620)**	**2,477**	**507**	**2,477**	**0**
IT						
Digital Tameside	2,742	(731)	2,011	1,004	2,112	(101)
	2,742	**(731)**	**2,011**	**1,004**	**2,112**	**(101)**
TOTAL	**5,839**	**(1,351)**	**4,488**	**1,511**	**4,589**	**(101)**

BUDGET VARIATIONS

The net variance reflects a number of underspends and pressures including:

Underspends:

- £0.044m - Staffing Vacancies and staff having not taken up the pension option.
- £0.089m – Additional MFD Income to the service. This is subject to a review that will be carried out.
- **Pressures:**
- (£0.036m) - School Income target - underachieved due to academy conversions.
- (£0.198m) - Additional year on year Corporate Costs increasing including additional Microsoft Licenses, Increase of back up costs, Wireless access point maintenance and increased security products.

SAVINGS

Savings

The 2018/19 budget included £0.050m of savings to be delivered by management during the financial year.

- **£0.050m** is rated **'red'** with some risks or delays to delivery identified. The saving relates to forecast procurement savings which are not expected to be delivered until future years.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	50	0	0	**50**

Capital Financing, Contingency and Corporate Costs

G

CAPITAL FINANCING, CONTINGENCY & CORPORATE COSTS	Gross Expenditure Budget £000's	Gross Income Budget £000's	Net Budget £000's	Actual to date £000's	Forecast Outturn £000's	Variance £000's
Capital and Financing	10,998	(1,360)	9,638	0	9,225	413
Contingency	4,163	(6,823)	(2,660)	1,027	(3,388)	728
Corporate Costs	10,698	(6,857)	3,841	2,022	2,339	1,502
TOTAL	**25,859**	**(15,040)**	**10,820**	**3,049**	**8,176**	**2,643**

BUDGET VARIATIONS

Underspends:

- The 2018/19 budget for capital and financing costs did not include any amounts for investment income on the Manchester Airport Shareholder Loan. The first installment of the Manchester Airport Investment took place in July 2018 with a second installment due in December. Net additional investment income of £0.413m is now expected in 2018/19 in respect of this investment.
- Additional Adult Social Care grant of £0.413m was notified after the 2018/19 budget was set. The grant has been allocated to contingency pending decisions regarding utilisation.
- Savings and additional income in corporate costs includes an additional £0.813m of dividends from Manchester airport following receipt of the final dividend for 2017/18. The dividend income is not guaranteed and will be reviewed again on receipt of the interim dividend in December 2018. Also included within corporate costs are forecast savings of £0.366m in respect of contributions to AGMA and £0.276m of savings relating to Pension Increase Act Contributions.

Page 77

SAVINGS

The 2018/19 budget included £0.122m of savings to be delivered by management during the financial year.

- The **£0.122m** is rated **'green'** and has been delivered or is on track for delivery in the year.

SAVINGS	RED	AMBER	GREEN	TOTAL
Savings	0	0	122	**122**

Capital Expenditure

	2018/19 Budget £000s	Actual to Date £000s	Projected Outturn £000s	Projected Outturn Variation £000s
Growth				
Estates	716	0	716	0
Vision Tameside	20,922	2,245	17,343	3,579
Development & Investment	5,768	353	4,415	1,353
Operations and Neighbourhoods				0
Engineering Services	15,269	1,468	15,269	0
Transport	362	0	260	102
Environmental Health	535	17	535	0
Corporate Landlords	86	31	97	-11
Stronger Communities	35	0	35	0
Children's Services				0
Education	14,505	0	14,148	357
Children	0	0	0	0
Finance & IT				0
Finance	11,300	0	11,300	0
Digital Tameside	4,607	236	4,535	72
Population Health				0
Active Tameside	17,667	373	8,588	9,079
Adults	605	0	605	0
Governance				0
Exchequer	10	0	0	10
Total	**92,387**	**4,723**	**77,846**	**14,541**

Capital Expenditure

G

	2018/19 Budget £000s	Outturn £000s	Outturn Variation £000s
Vision Tameside	20,922	17,343	3,579
Development & Investment	5,768	4,415	1,353
Education	14,505	14,148	357
Active Tameside	17,667	8,588	9,079
Transport	362	260	102

SIGNIFICANT SCHEMES AND BUDGET VARIATIONS

Progress reports on major projects and significant areas of capital expenditure are provided to the Strategic Planning and Capital Monitoring Panel (SPCMP). A detailed capital expenditure monitoring report will be produced at month 4 and presented to the SPCMP in September 2018.

VISION TAMESIDE

- **Public Realm** - As a result of a delay in the completion of the Tameside One building, the Public Realms works will not be complete until 2019/20. Plans are being developed to give detailed proposals. The projected Outturn is £0.2m in 18/19 and £3.579m has been rephased into 19/20.

EDUCATION

- No individually significant variations over £0.100m.

TRANSPORT

- **Procurement of 58 fleet** - The vehicles now being procured have had a change to the original specification as no one could supply what was requested previously. The tender is still out so the exact cost cannot be confirmed however delivery should be before the end of the financial year.

DEVELOPMENT & INVESTMENT

- **Ashton Town Centre and Civic Square** - Works on this project cannot be completed until we have a confirmed programme for the Vision Tameside project. The projected outturn of £0.200m is based on the assumption we will be in a position to order materials within this financial year. The budget variation will need to be slipped into 2019/20.

ACTIVE TAMESIDE

- **Denton Wellness Centre -** Denton Wellness Centre : This scheme has been delayed to October 2018 and £9.079m will need to be re-phased in 19/20. Subject to Planning permission, the land purchase of £1.5m will take place in October 2018 before the build starts. The estimated development spend is £5.500m in 18/19.

Acute

A

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
Acute Commissioning	**47,253**	**47,933**	**-679**	**191,785**	**191,698**	**87**
Tameside & Glossop ICFT	31,910	32,351	-441	129,501	129,501	0
Manchester FT	7,683	7,984	-300	31,288	31,588	-300
Stockport FT	2,596	2,618	-22	10,385	10,385	0
Salford Royal FT	1,327	1,327	-1	5,340	5,340	0
Pennine Acute	920	920	-0	3,561	3,561	0
The Christie	459	503	-44	1,837	1,837	0
BMI Healthcare	372	399	-27	1,703	1,703	0
Wrightington, Wigan & Leigh	306	332	-26	1,154	1,154	-0
Spamedica	285	237	48	1,138	1,080	58
Other Providers	1,395	1,262	133	5,877	5,549	328
Ambulance Services	**2,061**	**2,094**	**-34**	**8,243**	**8,378**	**-135**
NCAS/OATS	**411**	**411**	**-0**	**2,060**	**2,060**	**0**
Winter Resilience	**399**	**399**	**-0**	**1,598**	**1,598**	**0**
Clinical Assessment & Treatment Centres	**309**	**296**	**12**	**1,481**	**1,481**	**0**
High Cost Drugs	**52**	**52**	**-0**	**206**	**206**	**0**
Collabarative Commissioning	**4**	**4**	**0**	**15**	**15**	**0**
Total - Acute	**50,489**	**51,189**	**-701**	**205,388**	**205,436**	**-48**

Notes:

- Acute healthcare contract performance is based on only 2 months of 18/19 activity data, making it difficult to establish trends in activity. We are seeing small pressures emerge at some of the associate providers, but these do not pose a significant concern at this stage in the year.
- However overspend at Manchester FT is of more concern. £169k of the £300k YTD pressure relates to excess bed days and critical care, both areas where spend can be very volatile, driven by the discharge of high cost long length of stay patients. Other areas contributing to the pressures on the Manchester FT contract include macular (£86k pressure) and outpatients with an overspend of £115k. Time will tell if this is a non recurrent anomaly or part of a sustained trend, but in response to the YTD pressure the QIPP forecast for associate providers has been reduced by £300k to £1,000k. There is a risk that the adverse variance will increase if the level of activity at M2 persists.
- Budgets for ambulances were set based on advice received from lead commissioner for this service. Budgets did not include any allowance for settlement of an ongoing dispute around price. This dispute was settled in mediation and resulted in a £135k pressure for the CCG.
- Underspend on independent sector contracts (mainly cataracts and musculoskeletal) offsets much of the associate provider/ambulance pressure.

Mental Health

A

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
Mental Health Contracts	6,046	6,046	-0	23,966	23,966	0
Mental Health Services - Adults	1,242	1,242	-0	4,967	4,967	0
Mental Health Services - Other	680	681	-1	2,526	2,526	0
Learning Disabilities	150	150	-0	647	647	-0
MH - Specialist Services	147	147	0	587	587	0
Improving Access To Psychological Therapies	46	46	0	183	183	0
Mental Capacity Act	-1	-1	-0	120	120	-1
MH - Non Contracted Activity	18	18	0	71	71	0
MH - Collaborative Commissioning	-0	-0	-0	0	0	0
Child & Adolescent Mental Health	-356	-357	1	-241	-241	0
Total - Mental Health	**7,971**	**7,972**	**-1**	**32,827**	**32,827**	**-1**

Notes:

- In January 2018 the MH investment plan went to SCB for approval to close the funding gap in order to meet the 5YFV and MHIS. The gap in 18/19 started at £1.7m which took the total additional recurrent investment into Mental Health to be £2.5m. Since then there has been significant delays in recruitment and delivery of service plans.
- As a result, the refreshed plans identify an in-year non-recurrent slippage of £0.6m. This was moved to QIPP in Month 2 and is showing as banked savings. A further £0.4m towards QIPP is expected over the next couple of months on a non-recurrent basis and will be green rag rated with a further £1m QIPP in MH as amber.
- All assumptions around QIPP are built into the reported position above

Primary Care

G

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
Prescribing	9,875	9,875	0	42,583	42,583	0
Delegated Co-commissioning	8,072	8,057	15	33,041	32,919	121
Out of Hours	650	638	12	2,599	2,551	48
Local Enhanced Services	379	371	7	1,515	1,515	0
Primary Care IT	298	207	91	1,454	1,457	-3
Central Drugs	290	290	0	1,201	1,201	0
Primary Care Investments	219	217	2	875	875	0
Oxygen	95	82	13	514	514	0
Medicinces Management - Clinical	91	90	2	432	426	6
Commissioning Schemes	80	78	2	319	319	0
Total - Primary Care	**20,050**	**19,906**	**143**	**84,534**	**84,361**	**173**

Notes:

- At time of writing we only have April prescribing data available. Because of this we want to be cautious about establishing trends or reading too much into a reported underspend via PMD. Consequently we have set forecast to equal budget.
- However early indications are encouraging and on the assumption the trend continues we will be in a strong position to bank further QIPP savings at month 4. £590k of TEP has been posted this month for prescribing, which relates to cross year benefit from higher than expected achievement against schemes in February and March.
- In delegated Co-Commissioning the latest data relating to QOF (Quality Outcomes Framework) suggests that practices will not earn the originally anticipated quality payment in 2018/19.
- The forecast for Out of Hours has reduced, as charges for central infrastructure to support the IM&T hub are no longer being funded via CCG budgets.

Continuing Care

R

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
CHC Adult Fully Funded	2,267	2,580	-313	10,535	13,463	-2,928
Funded Nursing Care	424	450	-26	1,697	1,765	-68
CHC Assessment & Support	241	224	18	965	952	14
CHC Adult Personal Health Budgets	210	309	-99	840	840	0
CHC Adult Joint Funded	97	293	-197	387	387	0
Children's Continuing Care	29	16	13	117	117	0
Children's CHC Personal Health Budgets	7	6	1	29	29	0
Total - Continuing Care	**3,276**	**3,878**	**-603**	**14,569**	**17,552**	**-2,982**

Notes:

- Growth in the cost and volume of individualised packages of care is the amongst the biggest financial risks facing the Strategic Commissioner.
- Expenditure growth in this area was 14% in 2017/18, with similar double digit growth rates seen over the previous two years.
- Spend in T&G is significantly higher on a per capita basis when benchmarked against other CCGs in GM.
- A continuation of historic growth rates is not financially sustainable and should not be inevitable that T&G is an outlier against our peers.
- Currently forecasting £2,982k overspend in 2018/19 against core CHC budgets, most of which related to fully funded CHC for adults.
- A financial recovery plan is now in place, with the next detailed update due to be presented at Finance & QIPP Assurance Group in August.

Community

G

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
Community Services	7,202	7,132	70	28,809	28,809	0
Hospices	148	148	-0	592	592	0
Wheelchair Service	129	129	-0	515	515	0
Palliative Care	30	34	-4	124	124	-0
Total - Community	**7,509**	**7,443**	**66**	**30,040**	**30,041**	**-0**

Notes:

- The £28.8m community services budget relates to services provided by the ICFT within the scope of the block contract. Payments are fixed and will not change throughout the year.
- Commissioning responsibility for £23.9m of these community services has switched from the CCG side of the strategic commissioner to the Council side. Formal approval to transact this change did not exist at the start of the year and consequently invoices were paid at historic rates and via historic routes. This has created YTD variances against the ICFT block both in the community and acute directorates. Formal approval for changes to the community budgets is now in place and payments in M4 will be adjusted to align actuals to budgets.
- Other services within the community directorate are on track to spend in accordance with budget.

Other

R

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
Better Care Fund	3,202	3,202	-0	12,800	12,797	3
Property Services	911	911	0	3,645	3,645	0
Transformation Funding	1,510	1,500	10	1,585	1,585	-0
Patient Transport	330	331	-0	1,321	1,321	0
Safeguarding	191	174	17	763	730	33
NHS 111	163	170	-6	653	654	-1
Clinical Leads	90	82	8	359	331	28
Programme Projects	21	7	14	273	217	55
Commissioning - Non Acute	38	38	-0	150	150	0
Interpreting Services	14	14	0	54	54	0
Nursing and Quality Programme	-0	-0	-0	-0	0	-0
Commissioning Reverve	1,044	0	1,044	1,313	-1,427	2,740
Total - Other	**7,513**	**6,427**	**1,085**	**22,915**	**20,057**	**2,859**

CCG TEP Shortfall (QIPP)					2,537	-2,537

Page 85

Notes:

- Services within this directorate such as BCF, estates, safeguarding and patient transport are spending broadly in line with budget and do not present a risk to the CCG position.
- We have received £1.6m of the approved £6.3m transformation funding so far this year. Allocations for the remainder will be transacted later in the year and we have plans in place to spend.
- On the face of things we appear to reporting a significant favorable variance against the commissioning reserve line. However, it is important to understand that this forecast has been calculated in order to balance the CCG position. This forecast can only be delivered if the CCG is able to fully achieve the £19.8m TEP target.
- As reported in the recovery plan slides earlier in this report, there is a £2.5m risk attached to fully closing the QIPP gap.

CCG Running Costs

G

	YTD Budget £000's	YTD Actual £000's	YTD Variance £000's	Annual Budget £000's	Forecast Outturn £000's	Forecast Variance £000's
QIPP	0	0	0	976	976	0
Finance	223	223	0	925	925	-0
Commissioning	182	182	0	799	740	59
CEO/Board Office	113	113	0	495	476	19
Corporate Costs & Services	93	93	0	348	348	-1
IM&T	73	76	-2	282	274	8
ADMINISTRATION & BUSINESS SUPPORT	46	46	0	283	251	32
Corporate Governance	48	47	1	206	201	5
General Reserve - Admin	0	0	0	4	173	-169
Communications & HR	50	50	0	201	166	35
Chair & Non Execs	39	37	2	157	150	7
Nursing	34	33	1	135	131	4
Contract Management	30	29	1	120	120	-0
IM&T Projects	28	22	6	114	114	0
Estates & Facilities	26	26	-0	104	104	0
Equality & Diversity	6	6	0	26	26	0
Human Resources	0	0	-0	1	1	0
Total - CCG Running Costs	**993**	**984**	**9**	**5,175**	**5,175**	**0**

Notes:

- The CCG receives an earmarked allocation of £5.2m to fund running costs. We are not allowed to exceed this limit, but any underspend on running costs can be used to offset pressures in our programme budgets.
- In the first quarter of the year we have made QIPP savings of almost £1m. Much of this is the result of recurrent schemes carried forward from 2017/18 (e.g. New Century House, Chief Operating Officer and Shared Services).
- We are forecasting that full year savings in the region of £1.2m are possible in this area.

APPENDIX 3

IRRECOVERABLE DEBTS OVER £3000

1 April 2019 to 30 June 2019
Note individuals are anonymised

REF:	DEBT:	FINANCIAL YEAR(S)	BALANCE	REASON
65540864	Business Rates	Battleball Ltd 5 Townend Street Hyde SK14 1PT Company Dissolved 04/12/2018	2016 – 2017 £4096.55 2017 – 2018 £8504.50 2018 – 2019 £6054.00	£18,655.05
65548240	Business Rates	Pitta Pocket Ltd Waterside Mill Texas Street Ashton under Lyne OL6 6UJ Company Dissolved 13/11/2018	2017 – 2018 £5044.53 2018 – 2019 £170.05	£5214.58
65513213	Business Rates	Newton Auctioneers Ltd Unit B4 & B5 Newton Business Park Talbot Road Hyde SK14 4UQ Company Dissolved 08/01/2019	2013 – 2014 £4770.45 2014 – 2015 £11,568.00 2015 – 2016 £10,021.64	£26,360.09
65569322	Business Rates	Fast Fashion Supplies Ltd Unit 11 – 12 Arcades Shopping Centre Warrington Street Ashton under Lyne OL6 7JE Company Dissolved 12/02/2019	2018 – 2019 £19,180.46	£19,180.46
65565641	Business Rates	Fab Furnishings Ltd 1 Wharf Point Market Street Droylsden M43 6DD Company Dissolved 12/02/2019	2017 – 2018 £3404.66 2018 – 2019 £11,682.25	£15,086.91
65558131	Business Rates	Penguin Parcel Pick Up Services Ltd Unit 2 Old Hall Street Dukinfield SK16 4RG Company Dissolved 05/03/2019	2017 – 2018 £3860.78 2018 – 2019 £5563.94	£9424.72
BUSINESS RATES		**SUB TOTAL – Company Dissolved**	**£93,921.81**	
65500767	Business Rates	Genus UK Ltd, T/A Select Alpha House Regis Road Kentish Town London NW5 3EW Company Voluntary Arrangement 13/04/2018	2018 - 2019 £50,928.89	£50,928.89
65495230	Business Rates	Genus UK Ltd, T/A Select Unit 17A Crown Point North Shopping Centre Worthington Way Denton M34 3JP	2018 – 2019 £26,210.99	£26,210.99

		Company Voluntary Arrangement 13/04/2018		
65055816	Business Rates	Genus UK Ltd, T/A Select 24 Greenside Shopping Centre Greenside Lane Droylsden M43 7YY Company Voluntary Arrangement 13/04/2018	2018 - 2019 £11,039.99	£11,039.99
BUSINESS RATES		**SUB TOTAL – Company Voluntary Arrangement**	**£88,179.87**	
65558285	Business Rates	Quinn Ltd C/O Refresh Recovery Ltd West Lancs Investment Centre Maple View White Moss Business Park Skelmersdale WN8 9TG Company in Liquidation 15/09/2016	2015 - 2016 £9548.84 2016 - 2017 £15,898.55	£25,447.39
65552850	Business Rates	Vericom Services Ltd Midland Bank Ltd Market Place Hyde SK14 2QN Company in Liquidation 03/10/2018	2017 – 2018 £1888.32 2018 – 2019 £5498.35	£7386.67
65560868	Business Rates	Film Star Paint Protection Ltd Unit 6 Hyde Point Dunkirk Lane Hyde SK14 4NI Company in Liquidation 17/12/2018	2016 – 2017 £6615.54 2017 – 2018 £9669.50 2018 – 2019 £10,083.50 2019 – 2020 £10,188.25	£36,556.79
BUSINESS RATES		**SUB TOTAL - Company in Liquidation**	**£69,390.85**	
BUSINESS RATES IRRECOVERABLE BY LAW			**£251,492.53**	
710400	Sundry Debts, Charges for Works in Default of a Notice	2011 - 2012 £4958.51	£4958.51	Bankruptcy Order made 04/12/2012
SUNDRY DEBTS		**SUB TOTAL – Bankruptcy**	**£4958.51**	
SUNDRY DEBTS IRRECOVERABLE BY LAW			**£4958.51**	

DISCRETION TO WRITE OFF OVER £3000

1 April 2019 to 30 June 2019
Note individuals are anonymised

17116700	Council Tax	2017 – 2018 £2604.32 2018 – 2019 £701.25	£3305.57	Absconded, no trace
15485544	Council Tax	2009 – 2010 £1011.32 2010 – 2011 £1734.23 2011 – 2012 £1741.23 2012 – 2013 £1669.23 2013 – 2014 £1731.44 2014 – 2015 £1735.07 2015 – 2016 £862.31	£10,484.83	Absconded, no trace

COUNCIL TAX		**SUB TOTAL – Absconded, no trace**	**£13,790.40**	
COUNCI L TAX DISCRETIONARY WRITE OFF TOTAL			**£13,790.40**	
4020548	Sundry Debts, Homecare charges	2016 – 2017 £443.49 2017 – 2018 £15,896.85 2018 – 2019 £10,434.20	£26,774.54	Deceased 28/08/2018 no estate
418133	Sundry Debts, Homecare charges	2016 – 2017 £4421.45 2017 – 2018 £136.56	£4558.01	Deceased 10/05/2017 no estate
4008999	Sundry Debts, Homecare charges	2014 – 2015 £280.96 2015 – 2016 £272.32 2016 – 2017 £507.64 2017 – 2018 £5254.92 2018 – 2019 £5733.75	£12,049.59	Deceased 19/09/2018 no estate
4020511	Sundry Debts, Residential Care charges	2016 - 2017 £18,995.70	£18,995.70	Deceased 06/02/2017 no estate
4010050	Sundry Debts, Residential Care charges	2014 – 2015 £2949.55 2015 – 2016 £3458.74	£6408.29	Deceased 01/05/2016 no estate
712576	Sundry Debts, Residential Care charges	2014 – 2015 £4386.34 2018 - 2019 £591.86	£4978.20	Deceased 03/12/2018 no estate
4003122	Sundry Debts, Residential Care charges	2012 – 2013 £16,762.83 2013 – 2014 £18,963.71	£35,726.54	Deceased 14/12/2013 no estate
672182 & 4006812	Sundry Debts, Residential Care charges	2011 – 2012 £3355.59 2012 – 2013 £20,833.13 2013 – 2014 £2532.92 2014 – 2015 £814.53	£27,536.17	Deceased 16/01/2015 no estate
475703	Sundry Debts, Residential Care charge	2008 – 2009 £14,733.46 2009 – 2010 £2726.18	£17,459.64	Deceased 14/04/2009 no estate
4004235	Sundry Debts, Overpaid Direct Payment	2012 – 2013 £43,860.28	£43,860.28	Deceased 27/01/2015 no estate
SUNDRY DEBTS		**SUB TOTAL – Deceased, no estate**	**£198,346.96**	
689887	Sundry Debts Overpaid Direct Payment	2010 – 2011 £7119.80	£7119.80	No further recovery action permitted in accordance with Legislation.

SUNDRY DEBTS	**SUB TOTAL – No further recovery permitted**	**£7119.80**	
SUNDRY DEBTS DISCRETIONARY WRITE OFF TOTAL		**£205,466.76**	

SUMMARY OF UNRECOVERABLE DEBT OVER £3000		
IRRECOVERABLE by law	Council Tax	Nil
	Business Rates	£251,492.53
	Overpaid Housing Benefit	Nil
	Sundry	£4958.51
	TOTAL	**£256,451.04**

DISCRETIONARY write off – meaning no further resources will be used to actively pursue	Council Tax	£13,790.40
	Business Rates	Nil
	Overpaid Housing Benefit	Nil
	Sundry	£205,466.76
	TOTAL	**£219,257.16**

Report To:	**EXECUTIVE CABINET**
Date:	29 August 2018
Executive Member/Reporting Officer:	Councillor Bill Fairfoull - Deputy Leader, Executive Member (Performance and Finance) Steven Pleasant – Chief Executive Sandra Stewart - Executive Director - Governance & Pensions
Subject:	**CUSTOMER SERVICE EXCELLENCE ASSESSMENT 2018**
Report Summary:	The purpose of this report is to advise and update Executive Cabinet members on the recent Customer Service Excellence Assessment and the recommendations to be noted by Centre for Assessment – Accredited Body for the assessment.
Recommendations:	That Executive Cabinet note the award of the Customer Service Excellence standard which has been achieved for the whole of the council.
Links to Community Strategy:	The Customer Service Excellence standard links across all aims of the Sustainable Community Strategy. The standard is a tool that shows that the council and its services put the customer at the heart of service delivery.
Policy Implications:	It is an essential component for the organisation to have external validation to view the way that we deliver our services and that we constantly review and continually strive to improve.
Financial Implications: **(Authorised by Section 151 Officer)**	There are no direct financial implications as a result of this report.
Legal Implications: **(Authorised by the Borough Solicitor)**	It is important particularly as the Council addresses its significant budget reductions that we have external measures of performance and delivery of services to residents.
Risk Management:	High standards of customer care impacts significantly on the customer's perceptions of the council and their satisfaction with our services.
Access to Information:	The background papers relating to this report can be inspected by contacting the report writer Julie Speakman Head of Executive Support. ☎Telephone:0161 342 2142 email: julie.speakman@tameside.gov.uk

1. BACKGROUND

1.1 The aim of the Customer Service Excellence standard is to encourage, enable and reward organisations that are delivering services based on a genuine understanding of the needs and preferences of their customers and communities.

1.2 The foundation of this tool is that the Customer Service Excellence standard tests in great depth those areas that research has indicated are a priority for customers, with particular focus on delivery, timeliness, information, professionalism and staff attitude. Emphasis is also placed on developing customer insight, understanding the user's experience and robust measurement methods.

1.3 There are five criteria within the standard that we are judged against. These are:-

a) Customer Insight
b) Culture of the Organisation
c) Information and Access
d) Delivery
e) Timeliness and Quality of Service

1.4 Once accredited with the standard the organisation is subject to annual review for the next two years followed by a full review after year three of the cycle.

1.5 Since the initial accreditation of the standard in 2009 whereby the council was one of the first in the country to gain the accreditation as a whole council, we have gone from strength to strength in terms of the continued compliance and a summary of the achievements are outlined below:-

a) 2009 Full Assessment – 100% compliance and 2 areas of Compliance Plus.
b) 2012 Full Assessment – 100% compliance and 6 areas of Compliance Plus.
c) 2013 Surveillance – continued compliance and a further 1 area to Compliance Plus to add to the existing 6.
d) 2015 Full Assessment – 100% compliance and 8 areas of Compliance Plus
e) 2016 on site surveillance - continued compliance with a further 1 area to Compliance plus to add to existing 8.
f) 2017 off site surveillance – continued compliance with a further 1 area to Compliance plus to add to existing 9.

(Compliance plus is a discretionary element that can be awarded for parts of a criteria and recognises exceptional best practice.)

2. THE PROCESS FOR 2018 ACCREDITATION

2.1 The reaccreditation process for 2018 began some months ago, when service areas began preparing and collating written submissions of evidence to outline how we thought we would meet the standard. As it is full assessment any achievements in the past have been removed, in essence starting afresh, but at a higher benchmark to achieve.

2.2 With the information provided an overall council submission was developed and sent for an initial pre assessment known as a Desk-Top Review. The process allows the assessors to check remotely our evidence against the standard's criteria and provide us with some feedback on how far we faired against the standard requirements at that moment in time. This also aided us in planning the assessment site visit timetable.

2.3 The next and final stage of the process involved a 5 day onsite assessment. The onsite visits gave our lead assessor Andrew Mackey and his colleague Hugh Keachie the opportunity to meet with over 120 people from elected members, staff, partners and customers to gain an understanding and demonstration of how we work together to place the customer at the heart of all our service provision. An outline of the visits that took place can be found at **Appendix A.**

3. OUTCOME OF THE ASSESSMENT

3.1 The assessment was received very positively across the organisation and with our partners and customers. Final overall feedback provided at the end of the last day of visits was excellent, with extremely positive comments reported by the lead assessor including:-

"there was no doubt in our mind that you meet the standard with 100% compliance"

"for all visits there has been a wow factor to them"

"continued development and improvement across areas is so evident to see…. Such a range of significant improvement, not just tinkering round the edges"

"passion and engagement of staff is very high"

"the sense of doing more with less is very clear"

"strength of partnership working across the piece is a real feature this time"

3.2 The recommendation made by the lead assessor was that the council should be awarded the standard with 100% compliance against all criteria which is a phenomenal achievement.

3.3 On this occasion, the lead assessor Andrew confirmed that not only was he recommending the council met the full requirements of the standard, but that the council be awarded a minimum of ***ten*** new areas of Compliance Plus (a discretionary element that can be awarded for parts of a criteria and recognises exceptional best practice). This is a tremendous outcome and Andrew said ***"this is a remarkable achievement to be recommending 10 areas of compliance plus, each year it gets harder and harder for you as you are starting the assessment from a higher benchmark"***

Noted below are the criteria recommended for the Compliance Plus with some of the examples that were highlighted as best practice:-

1*.1.3* ***We have an in-depth understanding of the characteristics of our current and potential customers groups based on recent and reliable information.***
The work showcased around Dementia Friends initiative and the joint work with Dementia Champions and the Dementia Action Alliance was notable in supporting this compliance.

The Supported Internship Programme, collaboration between Tameside Council, Active Tameside, Pure Innovations and Tameside College that provides a range of wrap around support for the young people in finding work placements/employment was also a standout feature with the assessor, both areas going over and above what the council as an organization had to do.

1.2.1 ***We have a strategy for engaging and involving customer using a range of methods appropriate to the needs of identified customer groups.***
The way in which the council engages with customer groups was a particular stand out feature and more specifically the work of the Partnership Engagement Network that was established in the autumn of 2017, a multi-agency approach to provide the

public and our partners with an identified and structured method to influence the work of public services and to proactively feed in issues and ideas.

1.2.2 ***We have made the consultation of customers integral to continually improving our services and we advise customers of the results and action taken.***
There were many examples showcased as part of the assessment visit, however standout consultation areas included that of libraries regarding Open+, access to services out of hours, improvements to Hattersley Public Realm and the redevelopment of the Museum of the Manchester Regiment including the creation of Mini Museum Makers, which involved two local primary schools visiting Ashton Town Hall to see what could potentially be in the new museum and engaged them in coming up with ideas for content.

1.2.3 ***We regularly review our strategies and opportunities for consulting and engaging with customers to ensure that the methods used are effective and provide reliable and representative results.***
It was evident for this criterion there was a strong consistency in the application of how the council consults and engages with customers many examples shared including those topics noted in 1.2.1 and 1.2.2.

1.3.5 ***We have made positive changes to services as a result of analyzing customer experience, including improved customer journeys.***
There was a general overall consensus that you could tangibly see and feel the differences made as a result of engaging and reviewing customer feedback. Ongoing “you said, we did” in services like Customer Services, Libraries, Museums and in the planning of new developments like Tameside Wellness Centre are a testament to this.

2.1.1 ***There is corporate commitment to putting the customer at the heart of service delivery and leaders in our organisation actively support this and advocate for customers.***
The assessors met a variety of people during the assessment days and reported that there is corporate commitment in the values of putting customers at the heart of service delivery. The Executive Leader was very clear in reiterating this, whilst the staff who took part in visits/meetings, you could tangibly feel their commitment to their customers. You could not help but recognize the work of Tameside Youth Council and their place in leading change in delivering services for children and young people, fighting the cause on many grounds, more recently notable for accessible, affordable travel.

2.1.6 ***We empower and encourage all employees to actively promote and participate in the customer-focused culture of our organisation.***
It was extremely evident through not only the written evidence, but the visits too that people were seen to go the “extra mile” and “over and above” in the delivery of services to the customer. This was a consistent strength felt across all areas.

3.4.1 ***We have made arrangements with other providers and partners to offer and supply co-ordinated services, and these arrangements have demonstrable benefits for our customers.***
As noted earlier in the report, the strength of partnership working across the piece was a real strength on this assessment. It has always been something that the council has been recognized for over the years, none more so than this year. The work of the Care Together Integrated Care programme with Tameside & Glossop Clinical Commissioning Group and IC Foundation Trust, in addition to the Children’s Improvement Board and joint working to fight the recent moorland fires were held up as exemplars to this criterion.

3.4.3 We interact within wider communities and we can demonstrate the ways in which we support those communities.

Whilst again there were so many examples shared during the visits, key features in support of this area included the work to empower our neighbourhoods to deliver added value like Ridge Hill Big Local who have through working with the council taken over the lease of the boating lake and fishing at Stamford Park whilst encouraging residents from the local area to volunteer. In addition the work with Tameside Armed Forces Services who is the partner to Tameside Metropolitan Borough Council in delivering the Armed Forces Covenant. The Armed Forces Covenant was signed by Tameside Council at Armed Forces Day 2012. More recently TASC was recently awarded the Armed Forces Covenant Employer Recognition Scheme's Silver Award. This recognises the excellent progress the authority's Armed Forces Covenant Team has made in developing pathways and providing opportunities for service-personnel.

5.2.3 We promptly share customer information with colleagues and partners within our organization whenever appropriate and can demonstrate how this has reduced unnecessary contact for customers.

Work relating to the Partnership Engagement Network was a good example of best practice in this criterion. The joint arrangements for the delivery of support by the ICFT and Welfare Rights to the MacMillan Unit were also recognized as demonstrating unnecessary contact for customers. Work to support the veterans is also an area felt supported this and it was felt these areas of work was an enhanced "tell us once" scenario.

3.4 The recommendations have since been externally ratified by the Customer Service Excellence Panel at the Centre for Assessment, the accreditation body.

4. SUMMARY

4.1 Service areas will continue to ensure that excellence in customer service is intrinsic in future deliver models and through the Big Conversation the organisation will continue with its commitment to listen to customer's views and feedback. The CSE model will also continue to be used as a delivery tool for informing service development and improvement.

4.2 The outcome of the assessment is to be shared through our communication channels to communicate with our employees, elected members and partner and to widely publicise the outcome of the assessment which has now been fully ratified.

4.3 The council will be subject to a 12 month on site surveillance visit in the summer 2019 and this is currently scheduled to take place 25 and 26 July 2019.

5. RECOMMENDATION

5.1 As set out on the front of the report.

Customer Service Excellence

On site surveillance Wednesday 25 – Friday 27 July 2018

Time **Wednesday 25 Andrew**	**Topic**
9.15am – 10.00am	Set up meeting and plan for the assessment Sharing of extra evidence
10.00am – 10.15am	Travel to Ashton
10.15am – 10.50am	Customer Services
10.50am – 11.00am	Travel to ICFT
11.00am – 11.45am	Integrated Care Foundation Trust Digital Health
11.45am – 12.00pm	Walk to Stamford Park
12.00pm – 12.30pm	Ridgehill Big Local Volunteer Programme
12.30pm – 1.20pm	Lunch
1.20pm – 1.30pm	Travel to Stalybridge Civic Hall
1.30pm – 2.10pm	Call Centre update
2.10pm – 2.15pm	Walk to Stalybridge Library
2.15pm - 2.45pm	Time for Rhyme Open +
2.45pm – 3.00pm	Travel to Tame Street
3.00pm – 3.30pm	Rights of Way Forum
3.30pm – 3.45pm	Travel to Dukinfield Town Hall
3.45pm – 4.30pm	Operational Engagement
4.30pm – 5.00pm	Summary and confirmation of any extra evidence required from the day

Time Wednesday 25 Andrew	Topic
5.30pm	Travel to Stalybridge
6.00pm – 6.45pm	Tameside Youth Council

Time **Thursday 26 - Andrew**	**Topic**
9.15am – 9.30am	Briefing of the day ahead
9.30am – 10.00am	Executive Leader – Cllr Brenda Warrington
10.00am – 10.15am	Travel to ICFT
10.15am – 11.00am	Macmillan Unit – Welfare Rights
11.00am – 11.15am	Travel to Portland Basin
11.15am – 12.00pm	Visit to Portland Basin Museum Little Hands Consultation
12.00pm – 1.00pm	Lunch
1.00pm – 1.15pm	Travel to Dukinfield Library
1.15pm – 1.45pm	Storymakers/Bookstart
1.45pm – 2.00pm	Travel to Dukinfield Town Hall
2.00pm – 3.00pm	Tameside Children's Services Improvement Board
3.00pm – 3.30pm	Dementia Friends
3.30pm – 4.15pm	Strategic Engagement
4.15pm – 4.30pm	Scam Awareness
4.30pm - 5.00pm	Chair of Scrutiny
5.00pm	Summary and confirmation of any extra evidence required from the day

Time **Thursday 26 - Hugh**	**Topic**
9.15am – 9.30am	Briefing of the day ahead
9.30am –10.15am	Tameside Registrars Services
10.15am – 10.45am	Communications
10.45am – 11.00am	Travel to Cooper Street/Furnace Street
11.00am – 11.45am	Balsam Control& Clean Up Coopers Ride Celebrating volunteers
11.45am – 12.00pm	Travel
12.00pm – 1.00pm	Lunch
1.00pm – 1.30pm	Travel to Hattersley
1.30pm – 2.15pm	Denton Wellness Centre
2.15pm – 2.45pm	Travel to Jubilee Gardens
2.45pm – 3.30pm	Supporting Internships
3.30pm – 3.45pm	Travel to Denton
3.45pm – 4.30pm	Shared Lives
4.30pm – 4.45pm	Travel to Dukinfield
5.00pm	Summary and confirmation of any extra evidence required from the day

Time Friday 27 - Andrew	Topic
9.15am – 9.30am	Briefing of the day ahead
9.30am - 9.45am	Travel to Carrbrook
9.45am – 10.30am	Moorland Fires
10.45am – 11.00am	Travel to Hattersley
11.00am – 11.45am	Hattersley & Mottram Public Realm
11.45pm – 12.00pm	Travel
12.00pm – 1.00pm	Lunch
1.00pm – 1.15pm	Travel to Juniper
1.15pm – 2.00pm	Juniper
2.00pm – 2.15pm	Travel to Droylsden
2.15pm - 3.00pm	Greater Manchester Pension Fund
3.00pm – 3.15pm	Travel To Dukinfield
3.15pm - 3.45pm	Assessor time catch up
3.45pm	Summary and feedback from assessment

Time Friday 27 - Hugh	Topic
9.15am – 9.30am	Briefing of the day ahead
9.30am – 9.45am	Travel to Denton
9.45am – 10.30am	Armed Forces Covenant
10.30am – 10.45am	Travel to Dukinfield Crematorium
10.45am – 11.30am	Bereavement Services
11.30am – 11.45am	Travel to Dukinfield Town Hall
11.45am	Break
12.00pm – 12.45pm	Round the World in 80 days - Trafficking intervention project with Looked After Children
12.45pm – 1.15pm	Lunch
1.15pm – 1.30pm	Travel
1.30pm – 2.15pm	Community Short Breaks
2.15pm – 2.30pm	Travel to Dukinfield
2.30pm – 3.15pm	People Plan - Staff Engagement
3.15pm – 3.45pm	Assessor time catch up
3.45pm	Summary and feedback from assessment

Report To:	**EXECUTIVE CABINET**
Date:	29 August 2018
Executive Member/Reporting Officer:	Councillor Gerald P Cooney – Executive Member (Economic Growth, Employment and Housing) Peter Taylor - Head of Planning
Subject:	**HOUSING NEEDS ASSESSMENT (HNA) 2017**
Report Summary:	The purpose of this report is to inform Executive Board of the completion of the recent Housing Needs Assessment for Tameside. The Tameside Housing Needs Assessment (HNA) was carried out independently by Arc4 Consultants and provides the latest available evidence to help shape the future planning and housing policies of the Borough. The study will inform the production of the Council's emerging local plan and housing strategy. The research provides an up-to-date analysis of the social, economic, housing and demographic situation across the area. Based on current and future demand, the HNA recommendations are made along five key themes: • Diversification of the local housing offer • Creating a higher value residential offer • Delivering new affordable housing • The role of the local Private Rented Sector (PRS) • Delivering homes for an ageing society
Recommendations:	(i) To note the content of this report regarding the outcome of the 2017/18 Housing Needs Assessment (in terms of type and tenure) and the need to seek a level of affordable housing as set out in section 7.2 with immediate effect on all new planning applications. (ii) To inform Executive Board of the evidence base to support the emerging Local Plan and as a material consideration in the determination of new planning applications with immediate effect. (iii) To note the importance of the Private Rented Sector in providing housing but to ensure that quality standards are appropriate where we have the ability to license/approve. (iv) To ensure that the identified need for older persons accommodation is taken in to account as part of any new development proposal (v) To ensure sustainable construction and energy efficiency opportunities are a material consideration in any future planning applications for housing
Links To Community Strategy:	Housing growth is one of the cornerstones of building the economic, social and cultural vibrancy of the borough's neighbourhoods. A diversified housing market based on high quality design is closely linked to building sustainable, attractive

and economically vibrant neighbourhoods, which are all key priorities within Tameside Sustainable Community Strategy.

Policy Implications:

The HNA provides evidence to support the immediate application of policy H4 of the adopted Unitary Development Plan which required an up to date assessment for implementation, and is still relevant policy. The revised National Planning Policy Framework (NPPF) published on 24 July 2018 has supportive policies and the recommendations in the report, with the evidence provided, both comply with and exceed those. The requirement to assess the type, mix and tenure of housing for the area as set out in paragraphs 61 – 64 of the revised NPPF will be achieved through this report.

The overall quantity of housing growth in basic numbers is a distinct and separate matter through the new government methodology to define Local Housing Need (a target for new housing overall). This report advises on what the Council should be seeking now and in the foreseeable future as mix and type, regardless of the overall target may be.

Financial Implications:

(Authorised By Section 151 Officer)

There are no direct financial implications as a result of this report.

Legal Implications:

(Authorised By The Borough Solicitor)

The assessment of the type, mix and tenure of housing for the area is a requirement of paragraphs 61 – 64 of the revised National Planning Policy Framework (NPPF).

Risk Management:

Without an up to date assessment of need the Council is at risk of not securing appropriate new development for the future population profile of the Borough.

The provision of appropriate housing cannot be based on new build alone but without the evidence to seek affordable homes from new development the risk will increase. This assessment will minimise the risk as it clearly sets out the need for homes across the borough in terms of type and tenure.

Access To Information

The background papers relating to this report can be inspected by contacting the report writer: Peter Taylor, Head of Planning

Telephone: 0161 342 5242

e-mail: peter.taylor@tameside.gov.uk

1.0 INTRODUCTION

1.1 The National Planning Policy Framework states that local planning authorities should 'use their evidence base to ensure that their Local Plan meets the full objectively assessed needs for market and affordable housing'.[1] The HNA 2017 provides a robust evidence base to help the Council 'plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community'.[2]

1.2 For the purpose of this report, 'Housing Need' is defined as the housing that households are 'willing and able to buy or rent, either from their own resources or with assistance from the state'.[3]

1.3 The HNA was completed by Arc4 in November 2017. It is a mixed method study which included household surveys, stakeholder consultations, interviews and secondary data including the 2011 census, house prices data, private rental data and Homes England household projections.

1.4 Five key themes for Tameside's Housing Market Area have been identified, including:

- Diversification of the Current Offer
- Creating a Higher Value offer
- Delivering new Affordable Housing
- The role of the Private rented Sector
- Delivering for an Ageing Society

2.0 CONTEXT

2.1 There are three key drivers influencing our current and future housing market: demographic, economic, and dwelling stock characteristics (discussed fully in Section 3).

2.2 Demographic pressures include the changing number of households, household structure and ethnicity in Tameside:

- An increasing population size overall during the forecast period, with a projected 7.4% increase (16,400 additional people) between 2017 and 2039

- Whereas there is a slight projected increase in the 15-29 years age cohort of (3.5%), the 80+ age cohort will increase by 96.9%.

- The number of people aged 65 and over is projected to increase by 30.2% (19,000 additional people), with the proportion of the total population aged 65 and over increasing from 17.8% of the population in 2017 to 24.5% of the population in 2039. The proportion of the total population aged 80 years and over is projected to increase from 4.3% in 2017 to 7.9% in 2039.

2.3 Economic pressures, including jobs, income and unemployment include:

- Office for National Statistics (ONS) Annual Survey of Hours and Earnings, lower quartile earnings in 2016 across Tameside were £17,995 each year which compares with £19,001 for the North West region and £20,253 for England. Median incomes were

[1] DCLG, *National Planning Policy Framework* (2012), Paragraph 47
[2] Ibid, Paragraph 50
[3] Planning Advisory Service, *Objectively Assessed Need and Housing Targets* Technical Advice Note, (2014)

£23,414, compared with a regional median of £26,178 and a national median of £28,503.

- The HNA identifies that 25.1% of households receive less than £13,000 per annum, 37.8% receive more than £13,000 and less than £26,000 per annum and 37.0% receive more than £26,000 per annum. Analysis demonstrates that incomes are lowest amongst lone parents and older singles (single adults 65+); and highest amongst couples and couples with children.

3.0 CURRENT HOUSING OFFER

3.1 Tameside has 104,840 households. The vast majority of occupied properties are houses (81.5%). Flats, apartments and maisonettes make up 11.8%, with bungalows and other alternatives contributing 5.9% of occupied properties.

3.2 There are currently 1,851 empty homes, with 1,043 long-term vacant (1.8% of current stock).

3.3 **Owner Occupation**

- 63.4% of occupied dwellings are owner-occupied (66,426), some 30.1% of all households (31,542) own outright and 33.3% of all households (34,884) have a mortgage. 19.8% of owner occupied homes are detached and 41.8% are semi-detached, while only 1.8% are flats/apartments.

- In terms of household profile, over one-third (34.5%) of owner occupiers are couples with children and a quarter (25.4%) are couples without children. Most Household Reference People (HRPs) living in owner occupation are in employment (67.7%) and a further 26.9% are retired. Incomes tend to be high, with around 37.0% of households earning over £500 per week.

- Estate agents reported that the home purchase market is buoyant and looks likely to continue to be so. Housing markets in 2017 have largely recovered from the last recession with sales increasing gradually over the past three years. The greatest demand for detached and semi-detached houses with three or four bedrooms and gardens, and across the area demand for this type of property generally exceeds supply.

3.4 **Private Rented Sector**

- 14.2% (14,916) of occupied dwellings are private rented (including tied accommodation and student housing). While three-quarters (75.1%) of privately rented properties are houses, only 3.9% are detached while 47.7% are terraced. 21.2% are flats and maisonettes.

- Median rents across the Metropolitan Borough were £524 per month and lower quartile rents were £477 per month (in 2016). The minimum indicative income required is £22,896 for lower quartile or entry-level renting in Tameside as a whole.

- Over one-third of privately renting households (35.4%) are couples with children. A further 21.5% are lone parents. Over half of PRS properties include children.

- The rental market in Tameside has grown considerably over recent years. The volume of properties available for rent has increased through greater interest from investors (especially buy-to-let investors). There is a good supply of all types of rental properties which are in high demand in all of the towns in the Borough. Demand looks likely to continue to be very strong.

3.5 **Affordable Housing**

- Affordable housing, including social housing, affordable rented and intermediate housing, accommodates 22.4% of households in Tameside (23,498). Houses account for 57.0% of occupied affordable stock, while 34.2% are flats/apartments. .

- 18.6% of households living in affordable accommodation are couples with children and 18.5% are lone parents. 20.8% are older singles and couples.

3.5 **Trends in House Prices**

- Since 2000, the median house price in Tameside has increased 133% from £48,000 to £112,000 in 2016. The median price in Tameside has tracked below the regional median, which in turn is below the national trend. Similarly, the lower quartile house price in Tameside has increased from £35,000 in 2000 to £83,500 in 2016, an increase of 138.6%.

- Median house prices vary considerably across Tameside, with relatively lower prices in St Peters, Longdendale and Ashton St Michaels and higher prices in Stalybridge South, Ashton Hurst, Denton West, Audenshaw and Hyde Werneth.

3.6 **Housing Delivery**

The delivery of new build housing (all tenures) has fluctuated since 2006/07. The highest number completed was in 2007/08 (789) and the lowest was in 2009/10 (253). The average over the ten-year period was 444 completions. This compares with an annual target of 650 dwelling completions

4.0 DIVERSIFYING THE HOUSING OFFER

4.1 The current offer is focused around 2 and 3-bed properties with very few smaller and larger properties and although overall the percentage of terraced property is far lower than in the other authorities in the NE HMA for Greater Manchester, some property types are disproportionately represented in some locations and a ‘better balance’ in terms of property type, size and tenure is required.

4.2 Estate agents confirmed that the greatest demand is for detached and semi-detached houses with 3 and 4 bedrooms and gardens. Arc4 also noted the potential for alternative provision of housing, including co-living (particularly for developments catering for an ageing population) and custom self-build options.

5.0 CREATING A HIGHER VALUE OFFER

5.1 Of households moving, most would like to move to a house (83.3%). This compares with 90.4% who expect to move to a house. A high proportion would like to move to a detached house (40.9%) but only 21.5% expect to. In contrast, higher proportions expect to move to a semi-detached house (44.4%) than would like to (30.4%).

5.2 70% of Council Tax revenue comes from B and A-C properties.

5.3 Future development should focus on delivering to address identified mismatches, to reflect household aspirations and to take account of density and making the best use of land.

5.4 70.8% of moves within Tameside are from households already in Tameside; this makes it a self-contained housing market. Attracting and retaining higher incomes earners is likely to require an improved and better choice of housing.

5.5 Although it is difficult to define executive housing, distinctive features include:

- High property values linked to desirable locations, with high incomes/equity required to support the purchase; and
- High quality construction including exterior and interior fittings.

6.0 THE PRIVATE RENTED SECTOR

6.1 The evidence presented in the HNA suggests that one of the key main policy areas that require special attention, from both a planning policy and social policy perspective, is the challenge of driving up the quality of the private rented sector and increasing the sustainability of tenancies.

6.2 The Council should consider this agenda within a Greater Manchester approach; the private rented sector is recognised at GM level as being a strategic tenure, that needs to be well managed and to grow. Quality is a central theme and there is to be a GM-led approach to delivering an ethical letting agency between RPs.

6.3 Tameside must continue to:

- Meet its legal requirements with respect to licensing Houses in Multiple Occupation and responding to complaints under the Environmental Protection Act;
- Maintain an up to date stock condition survey to get a detailed understanding of where the problems are in the Borough and what type of problems they are;
- Encourage developers who build new homes for private rent to engage Registered Providers as managing agents in order to provide a professional landlord service to tenants;
- Continue to work and expand their landlord forum to solve any problems found or to employ legal powers as appropriate (including new ones in the Housing and Planning Act 2016) to tackle poor landlords who have committed particular housing offences.

7.0 DELIVERING NEW AFFORDABLE HOUSING

7.1 It is apparent that demand for affordable housing remains strong. However, the 2017 household survey confirms that 22.4% of homes in Tameside are affordable and that in some local markets this figure is much higher. From a regional perspective, Tameside remains a relatively affordable housing market.

7.2 The aspiration of the Council is to secure 20% affordable housing, through different tenures, across all new housing development proposals. The HNA study suggests that an initial proportion of between 10% and 15% affordable accommodation across new developments should be considered. The Council expects all new development to meet the Council's aspirations but will not accept anything less than 15% except in exceptional circumstances. .

7.3 The HNA suggests that affordable housing proportions are delivered across a wider programme of delivery.

7.4 Where the Council is unable to negotiate affordable housing requirements, options such as the Greater Manchester Housing Investment Fund should be utilised to subside viability as required.

8.0 DELIVERING FOR AN AGEING POPULATION

8.1 Tameside has a burgeoning older population. 2.2 The HNA identifies that the majority of older people (61.3%) want to stay in their own homes with help and support when needed.

Renting sheltered accommodation (22.7%) and renting from a housing association (21.6%) were the most popular alternative options.

8.2 A key challenge for the Council is to ensure a greater diversity of support services are made available to older people wanting to stay in their own home and develop funding mechanisms to achieve this. Particularly noted is the need for help with practical tasks and repairs and maintenance.

8.3 Housing options that enable older people to 'right size'[4] and free up equity and larger family housing should be targeted. Estate agents confirmed that across the borough there is also substantial and continuing demand from older people for properties to 'downsize' with preferences being for bungalows rather than flats. This may require additional work to consider a compromised solution. Building large numbers of bungalows is unlikely to be a viable option.

8.4 The Council could partner with a housing association in developing products for older people that enables older owners the opportunity to access an ethical equity release product on their existing home. The equity released could be used to invest in a long-term care package or to pay for on-going maintenance and repairs.

8.5 The Council needs to consider the wider social and environmental impacts of growing old, particularly those associated with loneliness and feeling safe. Work across housing, health and social care to develop age inclusive communities is crucial.

8.6 Innovative solutions should be developed further.[5] Such measures hold a number of benefits, such as offering additional good quality accommodation without significant capital investment. At the same time, it enables older people to access additional income, security and support whilst remaining in their homes.

8.7 Given the projected rise in residents aged 80+, a more detailed review of the housing needs of people over 75 may be necessary.

9.0 RECOMMENDATIONS

9.1 As detailed on the front cover of this report

[4] 'Rightsizing' (or 'downsizing') describes when older people decide to move from larger family housing to smaller age-friendly accommodation which is more suitable for their changing needs.

[5] Homeshare, for example, works by the Council offering a 'vetting' and management service for older people prepared to offer a room for rent to young people, particularly those affected by the increased age of the single room rate.

APPENDIX 1

Response Document

Tameside Council

February 2018

Main Contact: **Helen Brzozowski**
Email: **Helen.brzozowski@arc4.co.uk**
Telephone: **07721 011276**
Website: **www.arc4.co.uk**

Table of Contents

1. Introduction

1.1 This report complements the Housing Needs Assessment 2017 evidence base recently prepared for Tameside Council and recommends a series of policy and practical responses that the Council need to implement to address the key strategic findings.

1.2 The report is structured around a number of the key findings within the evidence base and uses the data sources within it. The paper is not designed to develop solutions and options for all of the housing priorities within the Borough but focuses on a smaller number of significant elements within the evidence base that require strategic intervention from the Council. The Housing Needs Assessment did not include the GTAA update. This is being undertaken as part of the Greater Manchester Partnership

1.3 arc4 would be pleased to discuss any of these ideas in further detail.

2. Areas for policy consideration and further work

Population growth and new housing provision

Key messages

2.1 The following demographic drivers will continue to underpin the operation of the Tameside Housing Market Area:

2.2 An increasing population size overall during the forecast period, with a projected 7.4% increase (16,400 additional people) between 2017 and 2039[6];

2.3 There is a projected increase in the 15-29 years age cohort of (3.5%) and most notably an increase of 96.9% in the 80+ years age cohort;

2.4 The 2017 Household Survey indicates that the following range of household groups currently live in Tameside: singles under 65 (6.2%); couples (under 65 with no children) (23.1%); couples with children under 18 (23.7%); couples with adult children (8.8%); couples 65 or over (10.7%); singles aged 65 or over (8.9%), lone parents with children under 18 (8.4%); lone parents with adult children (5.0%) and other household types including students (5.2%).

2.5 The delivery of new build housing (all tenures) has fluctuated since 2006/07. The highest number completed was in 2007/08 (789) and the lowest was in 2009/10 (253). The average over the ten-year period was 444 completions. This compares with an annual target of 650 dwelling completions.

Recommended action by the Council

2.6 The Council needs to ensure that its delivery is increased and there is a need to diversify the housing offer.

2.7 Whilst there is a need to deliver a range of housing offers in different locations to 'better balance' some markets, the Council needs to ensure that housing supply is achieved and should consider its role in delivery in the future to create a revenue stream from development in the future.

2.8 The strategic question is what the Council must do to bring forward housing supply and ensure that the right type of housing is delivered.

2.9 Housing delivery has undergone a fundamental shift since 2007 and there are many new models of funding and delivery that are being implemented elsewhere. The Council will need to learn from these models if it is to be successful in delivering the planned housing and affordable housing numbers with the right housing mix.

[6] According to ONS 2014-based sub-national population projections

2.10 Elsewhere, Local Planning Authorities are working closely with funders, developers and others to create new funding sources and delivery models. Innovative solutions are needed to bring more money into the system - and to reduce costs - and the Council will have to be prepared to think radically, to form effective partnerships and to maximise the efficiency of funding and development.

2.11 The Council should consider new ways of delivering housing supply, which can include:

2.12 Council led approaches whether directly or through a wholly owned subsidiary or joint venture vehicles which enable the Council to take risk and profit from development. A development company that can deliver new development without the need for a developer (usually 20%) profit can have a significant impact on delivery and in particular on the type of development that can be achieved.

Wakefield MBC and WDH have worked in partnership to establish Bridgehomes Yorkshire. Bridgehomes is a private LLP, completely brand blind from the council or association and acts as a developer in Wakefield.

- Wakefield MBC was having significant problems with viability on a number of sites, particularly when developers required a 20% profit level; added to this, the Council was dissatisfied with the quality of property that was being built.
- This is the reason Bridgehomes was established. Acting as a developer it buys land from the Council at market rates and develops it out as a developer would. However, the developer does not need to make a profit, only cover its costs which are particularly low because it only employs one person. Other services are provided (without charge) by the Council and WDH. The one employee is from a commercial development background.
- Both the Council and WDH jointly contributed £5m to establish the company. If profit is made, it is reinvested into Bridgehomes or is distributed between the Council and WDH through a legal agreement.
- The company has delivered one site and will start two more soon. The full 30% affordable housing required by Wakefield MBC is being delivered and the quality of the homes is superior to those being developed elsewhere in the borough. The developer is focusing on delivering the type of units required by the Council rather than those preferred by developers and profit is being reinvested into the company so that other types of development such as specialist older person housing can be delivered with subsidy in the future.

2.13 Other approaches include:

- Taking the opportunity as the public-sector contracts (e.g. by rationalised NHS and LA neighbourhood facilities) and as town centre retail uses decline, to re-vision the use of land and assets to create new housing opportunities. This would include dedicated resources to create sites including detailed examination of public sector and social landlord held assets and land to explore radical options for creating new sites. This could be funded through the homes eventually delivered.

- Accessing less familiar forms of funding where Governments/banks no longer provide it, such as New Homes Bonus, prudential borrowing and the new funding announced in the recent budget which includes a total of £15.3bn of new capital funding, guarantee and loan based funding including £8bn of guaranteed debt funding, £400m for estate regeneration and £1.1bn on unlocking strategic sites.
- Engaging with key housing associations to explore how they might grow their market and non-market offer in the light of the Government plans for a new generation of council and housing association homes. Funding for affordable homes will be increased by a further £2 billion to more than £9 billion. The numbers of homes will be determined on type and location of housing, and bids received for funding. With a typical £80,000 subsidy, this £2 billion investment can supply around 25,000 more homes at rents affordable for local people.
- Developing a Housing Fund to target development utilising S.106 contributions, sale of assets etc. Tameside should consider developing a 'Housing development fund' by consolidating funding from several sources including the £300m GM fund use this to invest strategically to create the mix of housing types, sizes, tenures and affordability required. Funding could include prudential borrowing, new homes bonus and commuted sums.
- Maximising self-build opportunities/custom build.

3. Diversifying the current housing offer

Key messages

3.1 In terms of dwelling stock, the 2017 Household Survey reports that, across the Tameside Metropolitan Borough area:

- 81.5% of properties are houses, 11.8% are flats/maisonettes, 6.0% are bungalows and 0.7% are other property types (e.g. park homes or caravans);
- 7.3% have one bedroom/bedsit/studio, 32.0% have two bedrooms, 46.4% have three bedrooms and 14.4% have four or more bedrooms;
- 15.7% of properties were built before 1919, a further 18.4% were built between 1919 and 1944, 23.4% between 1945 and 1964, 20.7% between 1965 and 1984, 14.4% between 1985 and 2004 and 7.4% have been built since 2005; and
- 72.7% of properties are owner-occupied, 12.3% are private rented (including tied accommodation and student lets) and 15.0% are affordable (including rented from a social landlord and intermediate tenures).

3.2 The current offer is focused around 2 and 3-bed properties with very few smaller and larger properties and although overall the percentage of terraced property is far lower than in the other authorities in the NE HMA for Greater Manchester, some property types are disproportionately represented in some locations and a 'better balance' in terms of property type, size and tenure is required.

3.3 This analysis of the 2017 Household Survey findings suggests that on the basis of household aspirations (likes), demand for the delivery of 3 and 4+-bedroom houses is highest.

3.4 Agents confirmed that the greatest demand is for detached and semi-detached houses with 3 or 4-bedrooms and gardens, and across the area demand generally exceeds supply. Overall, there is pressure on all types of larger family housing (3-bedrooms +), and in most areas there is an excess of demand for 4-bed properties (exceeding supply). There is good demand for all property types across the borough, however, some agents, as in other popular areas, perceive there may be a difference between what buyers want and what is available, maybe leading to a situation where properties sell quickly because they are available rather than popular.

Recommended action by the Council

3.5 If the Council funds or delivers housing directly, it is more able to deliver the 'type of housing' required in each location.

3.6 Identifying what is required where, is the starting point for Tameside and we are recommending that housing plans are created for the individual and distinct towns that are located across Tameside.

3.7 These housing plans will explain how new housing development will, over time, change the housing make-up in each location, and in doing so, how it will contribute to developing the role and identity of that place. The plans should pay regard both to the viability of developing the planned mix of homes and to certain policies within the GM Strategy including:

- where appropriate, to develop higher density homes around the tram and train hubs;
- to bring a broader range of homes and households to town centres;
- to support development of suburban areas as attractive locations to attract a highly skilled workforce[7].

3.8 Each 'housing plan should:

- set out both (1) the current and (2) future target mix of type, size, tenure and affordability of homes relative to local incomes, together with any non-traditional residential forms envisaged;
- set out the contribution that the future target mix for that place will make to ensuring that no household has to pay more than 30% of their household income on housing costs – taking into account lower quartile earnings data for Tameside (this is a commitment in the Greater Manchester Strategy 2017). It is expected that parts of the borough that are currently least affordable will make a larger contribution to achieving this commitment than those parts that currently have higher levels of affordable homes;
- set out the number of new homes of each type, size, tenure and affordability (income) required in order to move from the current to the new position;
- provide a description of the types of households that are likely to live in the new homes including their contribution to the economies of Tameside, GM and wider NW;
- explain how this mix of new homes, the people who live in them and any other local development and infrastructure will create a better balance for the market.

3.9 The borough needs smaller homes and the Council should embrace innovation.

3.10 In particular the 'sharing economy' is growing, enabled by digital technologies, and more people are considering sharing their space. For example, older people occupying larger homes sometimes take lodgers, both to supplement their income and often for company too. Co-living, where young people live 'independently together' having their own private space as well as shared facilities, is becoming more popular: https://www.thecollective.co.uk/coliving/old-oak, as is co-housing which is similar but with a different balance of private and shared space.

3.11 In addition to looking at sharing possibilities we will explore new concepts such as:

- **Self-build options** – in which people commit to a number of hours of 'sweat-equity' and work alongside our house-builders to build their homes, learning construction skills along the way;
- **Community Land Trust** – The Council most pro-actively develop sites that are suitable for CLT development

[7] GM Strategy 2017 s8.6 and s8.7

- **Co-operative housing;** and
- **Custom-build.-**Whilst the Council holds a list, this requires proactive management to market its potential, encourage applicants and provide advice and support to bring homes forward. These homes are likely to for part of a higher value offer.

4. Creating a higher value offer

Key Messages

4.1 Of households moving, most would like to move to a house (83.3%), 9.7% would like to move to a bungalow, 4.6% to a flat and 2.4% to other property types. This compares with 90.4% who expect to move to a house, 0.8% to a bungalow, 7.2% a flat an 1.7% to other property types. A high proportion would like to move to a detached house (40.9%) but only 21.5% expect to. In contrast, higher proportions expect to move to a semi-detached house (44.4%) than would like to (30.4%).

4.2 Future development should focus on delivering to address identified mismatches, to reflect household aspirations and to take account of density and making the best use of land.

4.3 Whilst it is very positive that Tameside offers an affordable housing market, with excellent connectivity to other surrounding locations, 70.8% of moves within Tameside are from households already in Tameside; this makes it a self-contained housing market.

4.4 Attracting and retaining higher incomes earners is likely to require an improved and better choice of housing.

4.5 Although it is difficult to define executive housing, distinctive features include:

- High property values linked to desirable locations, with high incomes/equity required to support the purchase; and
- High quality construction including exterior and interior fittings.

4.6 The Household Survey can be used to explore the housing options being considered by higher income groups although the executive housing market is a niche market, reviewing the housing aspirations of high income groups is an appropriate way of investigating the potential demand for executive housing.

Recommended action by the Council

4.7 This potentially requires further work.

4.8 The Council needs to create this offer and needs to define what the higher value offer looks like its value and location. Often only small numbers are built per development, but could form part of a custom build programme. The 2017 Household Survey identified 83 households planning to move in the next five years who would like to move into a self-build property. The Household Survey identified the characteristics of households considering self-build:-

- All were owner occupier households;
- All were couples under 65;
- All were on incomes of over £950 per week;
- Mainly aspired towards 2 bedrooms.

4.9 Income levels are of a scale to warrant a much higher value offer and this could be in part supported through self/custom build

5. The private rented sector

Key messages

5.1 According to the Household Survey 2017, the private rented sector accommodates around 14.2% (14,916) of households across Tameside. Of these households, 13,389 rent unfurnished properties, 1,041 rent furnished accommodation and 487 rent with their job (tied accommodation).

5.2 Most private rented properties (75.1%) are houses (of which 47.7% are terraced, 23.5% are semi-detached and 3.9% are detached); a further 21.2% are flats/maisonettes, 3.1% are bungalows and 0.6% are other property types. 7.4% of privately rented properties have one bedroom/bedsit, 50.4% have 2 bedrooms, 35.1% have 3 bedrooms and 7.0% have 4 or more bedrooms.

5.3 The evidence presented in the HNA suggests that one of the key main policy areas that require special attention from both a planning policy and social policy perspective is the challenge of driving up the quality of the private rented sector and increasing the sustainability of tenancies.

5.4 Letting agents told us that the rental market in Tameside has grown considerably over recent years. The volume of properties available for rent has increased through greater interest from investors (especially buy-to-let investors). There is a good supply of all types of rental properties which are in high demand in all of the towns in the Borough. Agents felt that rental demand looks likely to continue to be very strong. However, more recently, there has been a slowing down of investor activity which agents believe has removed some competition for first time buyers, and maybe explain the reporting by agents that first time buyers are more able to purchase properties at up to £250k.

5.5 Zoopla data confirms that median rents have increased during the seven-year period, from £494 per month in 2010 to £524 per month in 2016. Lower quartile rents have also increased, from £446 pcm in 2010 to £477 pcm in 2016. This remains a lower value offer.

5.6 The characteristics of private sector tenants are diverse and in particular the private rented sector in Tameside accommodates singles under 65 (5.2%), lone parents (21.5%), couples (no children) (27.4%) and couples with children (35.4%).

5.7 Agents report some concern, however, at the proposed ban on up-front fees, which it is felt could affect the quality of property coming onto the market, as agents may pass the cost onto the landlord who will either raise rents or reduce the amount spent on property maintenance.

Recommended action by the Council

5.8 Further work and commitment is required to identify:

- The gaps in provision and the potential locations for new provision.

- The appetite for developer and investment interest and how this might link to wider development and investment across the area.
- A management model and rental offer that meets the needs/demands of this client group; likely to include longer tenancies and stable and predictable rent levels.
- Registered Provider appetite for delivery and management of this sector.
- The potential to attract institutional investment and potential GM funding; whilst work has been undertaken we are unclear of the progress made.

5.9 The Council should consider this agenda within a Greater Manchester approach; the private rented sector is recognised at GM level as being a strategic tenure, that needs to be well managed and to grow. Quality is a central theme and there is to be a GM led approach to delivering an ethical letting agency between RPs.

5.10 Tameside must consider and work toward the commitments made in the line with the GM Strategy which says:

- *We will also work with private landlords and tenants to improve the standards of housing in the private rented sector. Improving the quality of private rented stock can have a major impact on the sustainability of a local area, making it a neighbourhood of choice where people want to live. (s8.11)*
- *A core principle running through all our housing policy is that nobody should live in unsafe housing – owner-occupier, private rented, or social rented – and Greater Manchester partners will work together to ensure all our housing stock is safe. Good quality housing is a key factor in ensuring the health and wellbeing of the population and a new Health and Housing programme will target improvements in poor quality housing which is detrimental to resident health. (s8.11)*

5.11 Tameside must continue to:

- Meet its legal requirements with respect to licensing Houses in Multiple Occupation and responding to complaints under the Environmental Protection Act;
- Maintain an up to date stock condition survey to get a detailed understanding of where the problems are in the Borough and what type of problems they are;
- Encourage developers who build new homes for private rent to engage Registered Providers as managing agents in order to provide a professional landlord service to tenants;
- Continue to work and expand their landlord forum to solve any problems found or to employ legal powers as appropriate (including new ones in the Housing and Planning Act 2016) to tackle poor landlords who have committed particular housing offences.

6. Delivering new affordable housing

Key messages

6.1 The scale of affordable requirements has been assessed by taking into account the annual need from existing and newly-forming households within each ward and comparing this with the supply of affordable (social/affordable rent and intermediate tenure dwellings). The overall gross need for affordable housing is 1,811 dwellings each year. However, when the likely annual affordable supply is taken into account, the overall net imbalance is 421 affordable dwellings each year.

6.2 In terms of the size of affordable dwellings required, the analysis indicates a need for 35% smaller one and 2-bedroom general needs, 53.4%, 3 or more bedroom general needs and 11.6% older person dwellings. These proportions should be sought on new schemes but this may not always be possible. T is recommended that:

- The proportions are delivered across a wider programme of delivery
- That the size of units is linked to existing local provision
- Where the Council is unable to negotiate these proportions, the Housing Investment Fund is utilised to subside viability as required. Creating the right size of property is essential

6.3 A tenure split of 63.9% social/affordable rented and 36.1% intermediate tenure is suggested.

6.4 It is apparent that demand for affordable housing remains strong. However, the 2017 household survey confirms that 22.4% of homes in Tameside are affordable and that in some local markets this figure is much higher. In Denton South for example, affordable housing makes up 36.1% of all tenures with very small levels of owner occupation (54.1%). In some locations, affordable housing provision is as low as 9.1% (Hyde Werneth).

Recommended action by the Council

6.5 Whilst new affordable need has been identified, the solution should not simply focus on providing more affordable housing in all locations. Instead, we are proposing a more flexible use of affordable housing; not only based on viability but also based on existing provision. There are some locations that do not require more affordable housing to be provided.

6.6 The Housing Needs Assessment has established an annual imbalance of affordable housing. The number of affordable dwellings to be delivered would be subject to economic viability and the local market. However, based on studies elsewhere we would be recommending around 10-15% of new dwellings should be affordable. This will help to offset affordable need and also support tenure diversification across Tameside. We are recommending that the priority is for on-site provision based on current affordable housing definitions.

However, where a local market already has provision in terms of numbers/property type and size, the policy will provide for:

- Off-site commuted sum;
- If need can be proven, temporary affordable housing provision;
- Alternative products.

6.7 The proposal is designed to maximise the products available for those in housing need and to extend that definition to squeezed middle households whose needs are very real but whom have higher income levels; too high to ever access affordable housing.

6.8 It is recommended that the affordable housing that is negotiated on site is redefined to include a wider definition that includes affordable housing for rent delivered in perpetuity but extends to enable negotiations to deliver alternative products within the requirements. Whilst this will require additional evidence and updated planning documents, the proposed products include:

- Traditional affordable rented products;
- Shared ownership;
- Affordable rented housing units on a time limited basis; say 10 years and then reverting the properties to a higher rental market/sale;
- A sub market rent product (95%), higher than affordable rent but lower than market rent levels, potentially focused around higher value markets such as Stalybridge.

6.9 Generally, where new affordable housing need is identified, the Council must take a more innovative approach to ensure that affordable housing is delivered in the future. This should consider:

- Maximising opportunities to access increased funding from Homes England.
- Allowing affordable housing contributions to be made in the form of funding for households to buy properties in the existing housing market or elsewhere out of the Borough.
- The Council could consider the option of delivering affordable rented housing units on a time limited basis; say 10 years and then reverting the properties to a higher rental market/sale. This is likely to enable schemes to improve their financial viability and potentially provide an opportunity for other forms of investment, particularly around the institutional investment.
- Developing land packaged sites that link good quality sites with more challenging sites to bring new schemes forward.
- Identifying the potential to create new delivery models such as the Community Land Trust model or co-operative and self-build options.

6.10 The Council is trying to deliver new affordable housing and regeneration with limited financial resources and creating a Housing Investment Fund would enable the Council to have increased flexibility to deliver its wider housing agenda.

6.11 The Housing Investment Fund would fund affordable housing, regeneration priorities and to fund access products to homeownership.

6.12 The Housing Investment Fund would be used as investment funding and financial returns would be required, but with returns lower than commercial rates of return. As the fund grows and the Council expands its expertise, the fund may be used to purchase land and the Council acts as a profit-making developer. The potential sources of funding include:

- All future New Homes Bonus;
- Funding from Commuted Sums;
- Prudential borrowing as agreed by the Council;
- The sale of land or assets (buildings) owned by the Council.

7. Delivering for an ageing population

Key messages

7.1 Tameside has a burgeoning older population. The number of people aged 65 and over is projected to increase by 30.2% (19,000 additional people), with the proportion of the total population aged 65 and over increasing from 17.8% of the population in 2017 to 24.5% of the population in 2039.

7.2 The proportion of the total population aged 80 years and over is projected to increase from 4.3% in 2017 to 7.9% in 2039.

7.3 The 2017 Household Survey identifies that the majority of older people (61.3%) want to stay in their own homes with help and support when needed. Renting sheltered accommodation (22.7%) and renting from a housing association (21.6%) were the most popular alternative options.

7.4 A key challenge for the Council is to ensure a greater diversity of support services are made available to older people wanting to stay in their own home and develop funding mechanisms to achieve this. Particularly noted is the need for help with practical tasks and repairs and maintenance.

7.5 Additionally, the range of housing options available to older people needs to be diversified, for instance through the development of open market housing marketed at older people and the development of sheltered housing, Extra Care accommodation and co-housing.

7.6 In terms of adaptations, of those aged 65 years or older, 10.6% said that they will require a stair lift, 6.3% said that they would require adaptions to access their property and 5.2% said that they will need a wheelchair (either now or within the next five years). It is recommended that the Council considers an appropriate policy response to ensure that new developments for older people are designed to standards that provide appropriate levels of accessibility.

7.7 National data suggests that around 3.3% of households contain at least one wheelchair user[8].

7.8 Currently, around 5% of dwellings across the Borough were either purpose-built or adapted for someone with a long-term illness, health problem or disability. This would be reasonable to suggest that at least 5% of dwellings should be built to support people with disabilities.

Recommended action by the Council

7.9 There are major implications of an ageing population that the Council needs to consider and plan for. The increase in the numbers of older people and the fact that those people are living longer in itself poses a significant challenge. Alongside this is a clear message from Government about the key role that housing plays in maintaining people's

[8] DCLG Guide to Disability Data March 2015

independence, health and well-being, placing older persons housing high on the policy agenda.

7.10 Stakeholders identified the need for new older person's accommodation as a high priority including much needed provision of new, specialist accommodation. Whilst this is likely to be the case, older people are living longer, and generally prefer to do so in their own homes before seeking specialist accommodation and the Council should consider a range of possible actions.

- Housing options that enable older people to right size and free up equity and larger family housing; potentially offering financial incentives around support to move etc. Agents confirmed that across the borough there is also substantial and continuing demand from older people for properties to 'downsize' with preferences being for bungalows rather than flats. This may require additional work to consider a compromised solution; building large numbers of bungalows is unlikely to be a viable option.
- The Council could consider partnering with a housing association to develop a product for older people that enables older owners the opportunity to access an ethical equity release product on their existing home. The equity released could be used to invest in a long-term care package or to pay for ongoing maintenance and repairs.
- Extending the reach of Home Improvement Agency services to encourage efficiency, innovation and social enterprise in service design and to ensure that the Green Deal works for older people.
- Consider the wider social and environmental impacts of growing old, particularly those associated with loneliness and feeling safe, and work across housing, health and social care to develop age inclusive communities.
- The potential to support the development of innovative solutions, such as Homeshare. Where older people are under-occupying homes, the Council should offer a 'vetting' and management service for older people prepared to offer a room for rent to young people, particularly those affected by the increased age of the single room rate. This has a number of benefits; it offers additional good quality accommodation to the Council without significant capital investment and enables older people to access additional income, security and support whilst remaining in their homes.
- However, the increase in 'older' old people is very substantial and there will certainly be a requirement for specialised housing provision for some people and the Council will need to explore the feasibility and economic benefits of new housing options models. The Council may wish to consider a more detailed review of the housing needs of people over 75.
- Additionally, the range of housing options available to older people needs to be diversified, for instance through the development of open market housing marketed at older people and the development of sheltered housing, extra care accommodation and co-housing. Long term suitable homes and independent living should be included on all new build sites, and also on small sites in all parts of the borough so that people can find a suitable home close to their existing home, friends and neighbours rather than facing the disruption of moving to a whole new neighbourhood.

8. Responding to poor quality housing and potential vulnerability

Key messages

8.1 Although the vast majority of households (87.2%) are satisfied with the condition of their dwellings, 4.1% of households were dissatisfied or very dissatisfied. Levels of dissatisfaction were highest amongst private and affordable renters, those in terraced houses and properties built pre-1919. It is estimated that 22.6% of properties are non-decent based on English housing Survey data, slightly higher than the national average.

8.2 It is likely that those people living in the worst housing conditions are most likely also those on lower incomes and vulnerable. The challenge for the Council is identifying where the worst cases are and tailoring what funding and support could be available.

8.3 For those that are renting privately, in terms of income, 39.5% of privately renting households receive less than £300 gross each week, 36.5% receive between £300 and £500 each week and 24.1% receive at least £500 each week, indicating that the private rented sector tends to accommodate lower income households. 75.7% of Household Reference People (Heads of Household) living in private rented accommodation are employed, 7.1% are wholly retired from work, 5.7% are permanently sick/disabled, 2.7% are unemployed and 7.5% are carers or looking after the home.

8.4 Homelessness statistics for 2015/16 indicate that a total of 2,298 decisions were made on households declaring themselves as homeless across Tameside. Of these households, 607 were classified as homeless and in priority need. Over the seven years 2009/10 to 2015/16, an annual average of 328 decisions has been made across Tameside and an annual average of 87 households have been declared as homeless and in priority need. These figures are likely to increase if trends elsewhere in the country are followed as welfare reform 'bites' and younger single people are squeezed further.

Recommended action by the Council

8.5 However, this is an on-going challenge and the Council should consider its strategic response. We recommend finding these households through better use of data:

8.6 Taking an increasingly targeted approach, identifying those households who are most vulnerable and providing them with personalised, asset-based support. This will enable the Council to spend limited resources in the best way possible.

8.7 Tameside Council, should partner with healthcare services to take a proactive, data-driven approach to identifying those who are most vulnerable to living in poor housing conditions and seek to address both their housing and other issues.

8.8 The Council should consider:

8.9 Undertaking a comprehensive stock condition survey to get an up-to-date analysis of the state of property condition across the borough.

8.10 Incorporate this information and information about income levels, into the data-systems of health care services to show the spatial patterns where people are at high risk of poor health, living in poor condition homes and are on low incomes.

8.11 The council can then (1) proactively make visits to people living in the area (2) gain a deeper understanding of the specific issues each is facing and (3) work with the individual to find solutions.

8.12 Where the property is in poor condition, the Council should be working with the householder to take action to reduce the negative impact on their health.

8.13 In terms of supporting vulnerable/homeless households, the Council should utilise its housing Investment Fund (Section 6) to purchase larger homes for de-conversion into smaller units which could be offered for vulnerable, homeless households on a temporary basis. The management of these properties would be by Registered Providers.

8.14 The properties could be reconverted in the future to family homes and sold on the open market. There are examples of where similar projects exist, particularly to support single households under 35. The income generated has enabled these schemes to be self-financing and with potential of growth in property values.

9. Summary of recommendations

It is recommended that the Council:

9.1 Ensures ensure that its delivery is increased. It must consider its future role in delivery and the extent to which it wishes to engage in risk-based development.

9.2 Pro-actively works to bring forward sites. This will mean considering assets carefully to create new housing opportunities; this may require a dedicated resource and include a detailed examination of public sector and social landlord held assets, focusing on brownfield opportunities.

9.3 Develops Housing Plans for each of its distinct local housing markets.

9.4 Creates the policy and strategic environment to take advantage of Government funding the Council and agrees the extent to which it will financially support development and in what form.

9.5 Needs to work with and explore the role and potential of housing associations in new delivery

9.6 Develop a Housing Fund to target development utilising S.106 contributions, sale of assets, prudential borrowing, new homes bonus and commuted sums.

9.7 Needs to define a high value offer and maximise self-build opportunities/custom build by marketing the opportunity as well as creating suitable sites for a higher value offer to be developed.

9.8 Recognises and manages the growth of the market rented sector, prepares a prospectus to attract investors and ensures a management model and rental offer that meets the needs/demands of this client group is implement. The Council should consider this agenda within a Greater Manchester approach.

9.9 Continues to meet its legal requirements with respect to licensing Houses in Multiple Occupation and responding to complaints under the Environmental Protection Act; maintains an up to date stock condition survey to get a detailed understanding of where the problems are in the Borough and what type of problems they are; continue to work and expand their landlord forum to solve any problems found or to employ legal powers as appropriate (including new ones in the Housing and Planning Act 2016) to tackle poor landlords who have committed particular housing offences.

9.10 Delivers future affordable housing based on viability and the local market. Where a local market already has provision in terms of numbers/property type and size, the policy should provide for:

- Off-site commuted sum;
- If need can be proven, temporary affordable housing provision;
- Alternative products.

9.11 Negotiates affordable housing that includes a wider definition than affordable housing for rent delivered in perpetuity but extends to enable negotiations to deliver:

- Traditional affordable rented products;
- Shared ownership;
- Affordable rented housing units on a time limited basis; say 10 years and then reverting the properties to a higher rental market/sale;
- A sub market rent product (95%), higher than affordable rent but lower than market rent levels, potentially focused around higher value markets such as Stalybridge.

9.12 Develops a strategy for older people, identifying the resources and support and role the Council is going to play in supporting the provision of accommodation for older people.

9.13 In supporting vulnerable people the Council needs to take an increasingly targeted approach, identifying those households who are most vulnerable and providing them with personalised, asset-based support. This will enable the Council to spend limited resources in the best way possible.

9.14 Tameside Council, should partner with healthcare services to take a proactive, data-driven approach to identifying those who are most vulnerable to living in poor housing conditions and seek to address both their housing and other issues.

Report to:	**EXECUTIVE CABINET**
Date:	29 August 2018
Executive Member / Reporting Officer:	Councillor Leanne Feeley – Executive Member (Lifelong Learning) Councillor Bill Fairfoull – Deputy Executive Leader James Thomas – Director of Children's Services (DCS) Tom Wilkinson – Assistant Director - Finance
Subject:	**TAMESIDE STRATEGY FOR SCHOOLS**
Report Summary:	The report sets out the strategic leadership proposed for Tameside MBC in relation to schools and school improvement, noting the complexity of the current education landscape. The strategic approach sets out the role of local authority leadership in a system of school-led improvement and the strategic aims in relation to academisation. The report also sets out the issues in relation to academisation of PFI schools.
Recommendations:	Executive Cabinet is asked to: 1. Note the content of the report and approve the strategic approach outlined, and the specific objective of working towards having a smaller number of larger more sustainable locally led Multi-Academy Trusts which will drive improvement and work collaboratively with the Council. 2. seek the necessary legal advice on the strength of the DfE's covenants / commitments set out in their standard documentation and the risks that would be retained by the Council, to enable the Cabinet to review its current stance on academisation of PFI schools in light of the external auditors concerns currently on record (AppendixB refers) with the cost of such legal advice being met by the Victorious Academies Trust, who are able to access such funding from the DfE under their Academies conversion process.
Links to the Corporate Plan:	The Corporate Plan outlines the priorities for improving the borough of Tameside including the quality of life for children and families.
Financial Implications: **(Authorised by Section 151 Officer)**	Contained in the body of the report.
Legal Implications: **(Authorised by Borough Solicitor)**	Contained in the body of the report.
Risk Management:	Contained in the body of the report.
Access to Information :	The background papers relating to this report can be inspected by contacting the report writers James Thomas and Tom Wilkson Telephone: 0161 342 3354 and 2062 e-mail: james.thomas@tameside.gov.uk or tom.wilkinson@tameside.gov.uk

1. CORE PURPOSE

1.1 The delivery of good and outstanding education to every one of our resident children is a key priority for Tameside MBC. This is because the future life chances of those who are currently children will in large part be determined by their educational outcomes, and because improved educational attainment is therefore a key means to reducing inequality. So our focus is not just upon our formal statutory responsibilities, important though those are, but upon providing effective strategic leadership to ensure that all those partners with a role to play are delivering effectively for our children.

1.2 This was well articulated by the Leader in her inaugural speech:

"Years ago we were below the average for Greater Manchester (on GCSE results), let alone the rest of the country. Now the M.E.N. is highlighting our schools performances as one of the reasons why families are choosing to move into the borough. There was no magic wand or quick fix. It took bringing everybody involved in education in Tameside together, investing in the areas that allowed them to use their skills in the most effective way, and bucket loads of good old-fashioned hard work. It's a model that works, and it's a model that can be applied elsewhere too. But there can be no room for complacency."

2. EDUCATION LANDSCAPE IN 2018

2.1 For a period the role of the Local Authority in education was seriously under question. The longstanding government policy of academisation set out an objective in which there would be no schools for which Councils were directly responsible. The wider impact of these policies diminished the role of Local Authorities, amidst a search for alternative middle leadership within a school led system, whether from Teaching Schools, Multi-Academy Trusts or Regional Schools Commissioners.

2.2 However the tide has turned. The Local Authority role as the systems leader for schools, on behalf of every one of their residents, including every child, is once again being recognised. In part this is due to the fact that the academisation programme has had to change, with the policy amended in 2016, the pace of change slowed and a developing body of evidence that in itself academisation is no panacea for lack of effective school leadership.

2.3 This reassertion of the Local Authority's role is also due to the fact that it now widely recognised that there is no alternative systems leader to replace that of the Local Authority, with its deep and overarching understanding of residents' needs and its democratic mandate

2.4 But of course this shift in the tide is happening in a changed context and a different schools landscape, and so the nature of the Local Authority's leadership is not a return to a previous era, but rather needs to be adapted to the current context. We need to have really effective relationships with all schools, with the DfE and RSC team - we need to plan together to ensure schools are part of a sustainable partnership with each other. And we need to be an honest and intelligent broker of school support and be the glue in the system for schools linking wider children's services to the education system.

3. TAMESIDE MBC'S SYSTEMS LEADERSHIP

3.1 In order to exercise effective leadership and ensure we deliver our legal obligations and oversee improvements in outcomes for there are four key functions:

- School Improvement – with a statutory responsibility for maintained schools, and a systems leadership role in respect of all schools – this function requires data capacity to ensure we know our schools well and school improvement capacity to engage credibly with schools to ensure that they know what needs to improve and to hold them to account for doing so.

- School System Leadership – with a particular focus upon the strategic leadership of each school, this function requires a detailed knowledge of the capacity that lies within each school's Governing Body and MAT Board where relevant, Headteacher and Senior Leadership Team; and the relationships and influence to be able to broker and shape decisions that lie with individual governing bodies or the RSC.

- Pupil Place Planning – a core duty to ensure sufficient school places which has been under pressure in recent years with a growing child population, and where we need the co-operation of schools in order to accommodate population bulges without ending up with too much capacity.

- Inclusion and SEND – core statutory responsibilities for SEND and vulnerable pupils[1] which can only be effectively delivered within a wider whole systems approach to inclusion, within which children's needs are identified early, high quality support is available and schools all see it as their responsibility to meet the needs of children with additional needs. There are significant financial pressures already upon the High Needs Block of the Direct Schools Grant, and an effective inclusion strategy will be key to keeping these under control.

3.2 The key to a revised and updated Tameside Schools Strategy is to exert more assertive and systematic leadership in order to deliver these key functions. To do this well we must be a credible, effective and responsive partner for schools and central government and we must have an effective and engaged relationship with all our schools. Our success is dependent on mutual co-operation.

3.3 To this end steps have already been taken to bring heightened rigour, structure and systematic analysis to our school improvement function – supported by the current Interim Head of Service – which will then be maintained and developed by the new Assistant Director and permanent Head of School Improvement. There should also be a greater willingness to use our statutory powers when a school fails to take appropriate action to deliver necessary improvements. Whilst Tameside has significantly reduced its school improvement capacity, this is no obstacle to the effective delivery of the function, as long as we maintain a clear and rigorous boundary between our role in knowing our schools and being able to hold schools to account, and schools and their governing bodies' responsibility to deliver the improvement activity that is required.

3.4 Tameside's current policy position on academisation is a neutral one that respects the role of School Governing Bodies as being best placed to determine the strategic plans which will best drive improvement for their school. This is a sound approach, which enables us to work effectively with the RSC and DfE, at the same time as supporting those which wish to remain as maintained schools. However in recent times, that neutrality has led to too much passivity as the Local Authority is simply the recipient of news about individual schools' decisions to academise and join a MAT of their choosing with no input from the Local Authority.

[1] Looked after Children, excluded pupils and young people with medical needs

Tameside's current profile of Academies and Academisation

3.5 **Secondary Schools**

- Majority of secondary schools are now academies – 9 out of 15
- 2 are part of the Great Academies Education Trust (4 schools in all, 3 in Tameside)
    - Great Academy
    - Copley Academy
- 2 make up the Aspire Plus MAT
    - Longdendale
    - Rayner Stevens
- 3 are standalone converter academies
    - West Hill
    - Fairfield
    - Audenshaw
- 2 are standalone sponsored academies
    - Droylsden
    - All Saints
- No current proposals for further academisation at this time

3.6 **Primary Schools**

- Minority of primary schools are academies – 19 out of 76
- 9 are part of the Enquire Learning Trust (23 schools in all; based in Wakefield):
    - Flowery Field
    - Endeavour
    - Manchester Road
    - Bradley Green
    - Dowson
    - Godley
    - Moorside
    - Oakfield
    - Linden Rad
- 3 make up the Victorious Academies Trust
    - Inspire
    - Discovery
    - Poplar Street
- 2 are standalone converter academies
    - Ashton West End
    - Denton West End
- 4 are the sole Tameside school in MATs based elsewhere:
    - Oasis Broadoak (Oasis MAT - 41 schools in total across the country)
    - Manor Green (Focus MAT – 14 other schools across the NW)
    - Waterloo (Prestolee MAT – 3 other schools all in Manchester)
    - St Pauls C of E (Chester Diocese MAT – 3 other schools all in Cheshire)
- Silver Springs is part of the secondary led Great Academies Education Trust
- Trend is one of steady further academisation in the primary sector with 14 Primary Schools known to be actively planning to academise:
    - 5 considering the Victorious Academies Trust (including 2 PFI schools)
    - 4 joining the Forward As One C of E MAT (with 3 schools in Bolton)
    - 4 considering non-Tameside based MATs
    - 1 unclear which MAT

3.7 The current position and current trends therefore are characterised by a preponderance of either small MATs or single converter academies which have none of the benefits of scale that strong Multi Academy Trusts provide, or membership of non-Tameside MATs where there is always likely to be a limit upon our influence. See attached graphic at **Appendix A.**

3.8 Our strategic objective should be for a relatively small number of outstanding locally led MATs who can work with the Local Authority to drive improvement, and for that we need a more assertive approach in which we expect to be a key influencer, we expect to be included in school's early thinking about academy conversion and their options, and we expect to work with the RSC's team to shape the MAT landscape in Tameside.

3.9 In pursuing this objective, there is a specific issue in relation to the complexities when PFI schools wish to convert and the need to secure sufficient assurance for the Council that no undue financial risk is transferred to the Council through academy conversion. The following section of the report deals with this issue from a Finance perspective.

4. PFI SCHOOL ACADEMISATION

4.1 A number of PFI schools have converted to Academy status across the country. The Department for Education (DfE) have produced some standard documentation to aid the novation of contracts and the governing body agreements, to ensure that the PFI contracts and associated payment profiles remain intact.

4.2 Tameside MBC has 10 schools that were built using the private finance initiative (PFI) in three schemes:

Pyramid Schools /Interserve
- Arundale Primary, Hattersley
- Pinfold Primary, Hattersley
- Alder High School, Gee Cross

PFI Project Co 1 – Amber Infrastructure
- St Damian's RC Science College Ashton
- Mossley Hollins High School

PFI Project Co 2 – Amber Infrastructure
- Denton Comunity College
- Hyde Community College
- Thomas Ashton Special School Hyde
- White Bridge College (PRU) Dukinfield
- Elmbridge School (PRU) Denton

The nature of PFI contracts, and in particular, the responsibility for the payment of the unitary charge to the PFI providers, is the Local Authority, who receive the government support for the building element of these schemes in the form of a grant known as PFI credits.

4.3 The academisation programme has not changed the PFI credit arrangements, with the Local Authority continuing to be the recipient of the PFI credits, even though the legal responsibility for the Academy and its operations transfers from the Council to a standalone Academy or MAT. The Council therefore remains responsible for ensuring the PFI providers are paid for the delivery of services and for ensuring that there are no authority breaches of the contract or in the event that the Authority is in default under the contract and the contract is terminated that any compensation due under the contract is paid. The contract sets out a number of matters including non-payment of PFI charges in which the contract can be terminated, including preventing access to the school site.

4.4 Typically, PFI funded schools have a number of cashflows that contribute to the payment of the unitary charge, including contributions from the schools' delegated budget, a top sliced element from the dedicated schools grant (DSG), any income collected for lettings or room hire at the schools, investment returns on the Council's PFI investments and interest from sinking funds associated with the contract.

4.5 The legal documentation issued by the DfE seeks to ensure that the Academy is liable for making the payments due to the Council for it to pass on to the PFI provider. In a circumstance when all PFI schools are academies, the Council would act as an intermediary between the academy and the PFI company and ultimately guarantor.

4.6 To date the Council's position has been that in order to consent to any PFI conversion the Council are held harmless/indemnified for (a) the legal costs to the conversion process and the Council insist that these be met by the converting schools and (b) all liabilities under the contract caused by the default of the school by the DfE on the basis that Academies and MATs generally have limited Funds to the extent of grant monies provided by the DfE whereas the liability under the PFI agreements extend to tens of millions of pounds.

4.7 A number of residual risks remain with the Council in its liability to pay the PFI provider, its reliance on the continued income in the form of PFI credits, the DSG regulations allowing the top slice and collection of the academy's contribution. This has not been a problem with those PFI schools that have converted elsewhere, but some residual risk remains. The likelihood of these materialising are low. However, in light of the Council's position and the residual liability, the Council's external auditor previously raised this as a risk in its annual report dated 28 August 2013 and received by the September 2013 Audit Panel and set out at **Appendix B.** Consequently, the Council agreed that it would only agree to circumstances where it was provided with a DFE indemnity. The DfE do not agree to provide an indemnity but advise that in the 5 years since the Council's external Auditors made their recommendation, they have given greater comfort to Local Authorities in their standard documentation.

4.8 On the 24 May 2018, representatives from the Council's legal, finance and education services met with the DfE, Academies Regional Delivery Group, and the Chief Executive, Victorious Academies Trust, and Headteacher of Arundale Primary School to discuss the potential conversion of Pinfold and Arundale PFI Schools to academy status and to join our Trust. It was confirmed at the meeting that:

- Tameside Council has no objections in principle to schools becoming academies but cannot subsidise any costs for any works associated with any conversions, particularly PFI's where the costs can be substantial.

- Where schools wishing to convert are PFI's the Council needs to ensure that once the schools have converted that the authority has no additional liabilities, cost or risks if the school or the Trust fails to make the payments or is in breach of the contract in any way.

- The DfE confirmed that they have worked with Councils, Trusts and schools to convert over 150 PFI schools to academies, some of which are local, in Salford and Oldham. There are more PFI conversions in the pipeline and they stated this is a well embedded process with a suite of standard documents, all available at Model PFI documents.

- Tameside confirmed their support for having a range of choice for families in Tameside and those academies within the Trust form part of this. The Authority is supportive of the Trust, particularly as the Trust works closely with the Council.

- The Trust confirmed that they, along with the schools are happy to fund the costs associated with the legal processes required by the Council for a PFI conversion but that they are a small Trust with limited funds and therefore it is imperative that they have an understanding of what these costs will be at the start of the process. *The Trust would also look to the Council to ensure that the costs provide value for money* *and will be cognisant that any costs required to be funded by the Trust will come from public money and we have a duty to ensure that it is spent with regularity, propriety and compliance.*

4.9 It was agreed that:

- The DfE will provide details about costs and timescales where other schools have converted to academy status where the funder is the same as that of the current schools together with some benchmark information for variation costs.

- Tameside would agree to undertake the appropriate governance process to enable the appropriate consideration by elected members with a view to reviewing the current position with a Cabinet meeting in August being targeted. The Cabinet Report will set out the risks linked with PFI schools becoming academies and recommend approval or otherwise to taking the process forward.

- In order to enable the Cabinet to review its current stance in light of the external auditors concerns on record, external legal advice will be obtained on the strength of the DfE's covenants/commitments set out in their standard documentation and the risks that would be retained by the Council, with the cost of such legal advice being met by the Victorious Academies Trust, who are able to access such funding from the DfE under their Academies conversion process. Should the Executive Cabinet be minded to proceed, then further information about the costs of the process will be obtained from the Funders and their lawyers to enable the Academy and Schools affected to consider their options with support from the DfE.

5.0 RECOMMENDATIONS

5.1 As set out on the front of the report.

This page is intentionally left blank

Overview of Academy Trusts in Tameside

Oasis Community Learning	Enquire Learning Trust	Focus Trust	Newbridge Trust	Great Academies Education Trust	Chester Diocese Academies Trust	Prestolee Academy Trust	Victorious Academies Trust	Aspire Plus Educational Trust	St Anselms Academy Trust
41	23	15	4	4	4	4	3	2	1

Total No. of schools in trust

Number of schools per trust in Tameside

Enquire Learning Trust	Great Academies Education Trust	Victorious Academies Trust	Aspire Plus Educational Trust	Oasis Community Learning	Focus Trust	Newbridge Trust	Prestolee Academy Trust	St Anselms Academy Trust	Chester Diocese Academies Trust
9	3	3	2	1	1	1	1	1	1

Convertor Academies

Denton West End Primary School
Ashton West End Primary School
Audenshaw School
West Hill School
Fairfield High School for Girls

Key to Academy Trust Schools

Godley Primary Flowery Field Primary Dowson Primary Endeavour Academy Linden Rd Primary Academy Manchester Rd Primary Academy Moorside Primary Oakfield Primary Bradley Green Primary	Silver Springs Primary Academy Copley Academy Great Academy Ashton	Discovery Academy Inspire Academy Poplar St Academy	Longdendale High School Rayner Stephens High School	Oasis Broadoak Academy	Manor Green Primary Academy	The Hawthorns School	Waterloo Primary	All Saints Catholic College	St Pauls CE Primary

Sponsor Academies

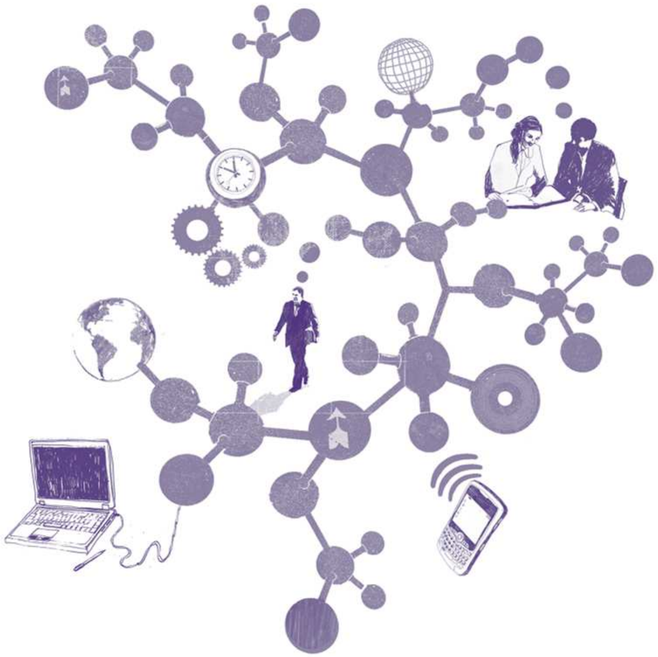
Droylsden Academy (sponsered by Tameside College)

This page is intentionally left blank

The Audit Findings
for Tameside Metropolitan Borough Council

Year ended 31 March 2013

28 August 2013



Mark Heap
Engagement Lead
T 0161 953 6900
E mark.r.heap@uk.gt.com

Gareth Mills
Engagement Manager
T 0113 200 2535
E gareth.mills@uk.gt.com

Mark Stansfield
Engagement In-charge
T 0161 234 6356
E mark.stansfield@uk.gt.com

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed primarily for the purpose of expressing our opinion on the financial statements. Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose defalcations or other irregularities, or to include all possible improvements in internal control that a more extensive special examination might identify.

We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

Contents

Page 145

Section 1: Executive summary

Executive summary

Purpose of this report

This report highlights the key issues affecting the results of Tameside Metropolitan Borough Council (the Council) and the preparation of the Council's financial statements for the year ended 31 March 2013. It is also used to report our audit findings to management and those charged with governance in accordance with the requirements of International Standard on Auditing (UK & Ireland) 260.

Under the Audit Commission's Code of Audit Practice we are required to report whether, in our opinion, the Council's financial statements present a true and fair view of the financial position. We are also required to reach a formal conclusion on whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources (the Value for Money Conclusion).

Introduction

We communicated in our Audit Plan, dated 3 May 2013, our planned audit approach. As we noted in the Plan we raised a recommendation in respect of the Council finalising its accounting approach to its investment in the two Inspiredspaces companies. The Council concluded that - as a result of the increased investment in year - group accounts should be produced for 2012-13. We discuss our findings on the Council's group accounts in section two of this report. There are no other changes to highlight from our Audit Plan presented to the Council in May 2013.

Our audit of the Council's financial statements is nearing completion although we are finalising our procedures in the following areas:

- completing our audit of the Collection Fund
- finalising certain elements of the group accounts and related party transactions audit work
- completing our journals testing
- finalising aspects of the income and expenditure and balance sheet audit work
- updating the manager and engagement lead review of our audit file
- review of the final version of the financial statements
- obtaining and reviewing the management letter of representation
- updating our post balance sheet events review, including key Council meeting minutes, to the date of signing the opinion.

We received the draft financial statements and accompanying working papers on 30 June - the statutory deadline. We are pleased to report that the financial statements and supporting working papers submitted for audit were of an improved quality from the prior year. However, we have raised some recommendations in relation to strengthening working papers to support provisions, contingent liabilities and consideration of post balance sheet events.

Key audit and financial reporting issues

Financial statements opinion

We identified and discussed a small number of adjustments affecting the Council's primary statements (details of the audit adjustments are recorded in section two of this report). The most significant change made to the accounts was an increase in the pension fund liability and associated reserve of £53m as a result of aligning the Council's pension fund calculation with all the other local authority members of the Greater Manchester Pension Fund. It is important to note that this adjustment - and indeed all other processed audit adjustments - do not impact on the General Fund or level of useable reserves of the Council.

In addition to the agreed audit adjustments, we also identified a small number of proposed adjustments which management is not proposing to adjust on the basis that they are immaterial to the Council's overall financial position. The 'unadjusted misstatements' are included in section two and the Overview (Audit) Panel should decide whether or not to process the proposed audit adjustments and minute the basis of its decision.

We also identified a small a number of amendments to enhance disclosures and the presentation of the accounts and some of the more significant presentational changes are detailed in section two.

The key messages arising from our audit of the Council's financial statements are:

- the draft accounts and working papers were an improvement from the prior year and we will be working closely with the finance team to further enhance the process for 2013-14
- the audit did not identify any material misstatements that impacted on the level of useable reserves
- the audit identified a small number of adjustments and presentational changes and a small number of unadjusted misstatements.

Further details are set out in section two of this report.

Value for Money (VFM) conclusion

We are pleased to report that, based on our review of the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources, we propose to give an unqualified VFM conclusion.

Further detail of our work on Value for Money is set out in section three of this report.

Whole of Government Accounts (WGA)

Our WGA work is due to commence upon receipt of the Council's submission pack, expected at the beginning of September. We plan to carry out our work as soon as the pack has been received from the Council. We anticipate completing our WGA review alongside our completion work on the main accounts in order that we can issue our opinions on the accounts and WGA submission on the same date towards the end of September.

Controls

The Council's management is responsible for the identification, assessment, management and monitoring of risk, and for developing, operating and monitoring the system of internal control.

Our audit is not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify any control weaknesses, we report these to the Council.

Whilst our work has not identified any significant control weaknesses within the Council's financial systems our audit did identify a limited number of areas where controls and/or procedures could be enhanced. Further details are provided within section two of this report with corresponding recommendations highlighted in the Action Plan at Appendix A.

The way forward

Matters arising from the financial statements audit and review of the Council's arrangements for securing economy, efficiency and effectiveness in its use of resources have been discussed with the Assistant Executive Director of Finance and senior finance team throughout the audit.

This report has been discussed and agreed with the Assistant Executive Director of Finance and his senior finance team at the accounts meeting on 3 September 2013 and is due to be presented to the Overview (Audit) Panel on 16 September 2013. We will provide a verbal update to the Overview (Audit) Panel on any significant developments in our audit findings between the accounts meeting and the Panel.

We anticipate providing an unqualified opinion on the Council's financial statements, following approval of the accounts by the Audit Panel on 16 September 2013. Our proposed audit opinion is included at Appendix B and the draft Letter of Representation is attached at Appendix C.

Acknowledgement

We would like to take this opportunity to record our appreciation for the assistance provided by the finance team and other staff during our audit.

Grant Thornton UK LLP
August 2013

Section 2: Audit findings

Overview of audit findings

In this section we present our findings in respect of matters and risks identified at the planning stage of the audit and additional matters that arose during the course of our work. We set out on the following pages the work we have performed and findings arising from our work in respect of the audit risks we identified in our audit plan, presented to the Audit Panel in May 2013. We also set out the adjustments to the financial statements from our audit work and our findings in respect of internal controls.

Changes to Audit Plan

We have not made any changes to our Audit Plan as previously communicated to you except for the area of group accounts, as already discussed in the executive summary. We highlighted in our Audit Plan that the Council was considering how it should account for its investment in two companies (Inspiredspaces Tameside Holdings1 and Holdings2 Ltd). The Council concluded that the investments met group accounts requirements and consequently prepared group accounts for the first time.

Given that group accounts was a change to our audit approach, and a new accounting transaction for the Council, we have included the matter as an 'audit finding against a significant risk' on page 12 of this report.

Audit opinion

We anticipate that we will provide the Council with a standard unqualified opinion. Our proposed audit opinion is set out at Appendix B.

An audit focused on risks

A summary of our audit approach on the key areas of the Council's accounts is shown in the table below. The table represents an assessment of risk and resultant audit work carried out (if any) in relation to each item in the statement of accounts. The firm's overall audit methodology for metropolitan councils is tailored to reflect local circumstances at each audit.

Account	Transaction cycle	Material misstatement risk?	Description of risk identified in the Audit Plan	Change to the audit plan?	Audit findings
Cost of services - operating expenses	Operating expenses	Yes – medium risk	Operating expenses understated	No	Yes – see page 13 for summary of work done
Cost of services - employee remuneration	Employee remuneration	Yes – medium risk	Remuneration expenses not correct and tax obligations understated	No	Yes – see page 13 for summary of work done
Costs of services - Housing & council tax benefit	Welfare expenditure	Yes – medium risk	Welfare benefits improperly computed	No	Yes – see page 14 for summary of work done
Cost of services – other revenues (fees & charges)	Other revenues	No		No	None

Account	Transaction cycle	Material misstatement risk?	Description of risk identified in the Audit Plan	Change to the audit plan?	Audit findings
(Gains)/ Loss on disposal of non current assets	Property, Plant and Equipment	No		No	None
Payments to Housing Capital Receipts Pool	Property, Plant & Equipment	No		No	None
Precepts and Levies	Council Tax	No		No	None
Return on Pension assets	Employee remuneration	No		No	None
Impairment / Revaluation of Investments	Investments	Yes – medium risk	Revaluation measurements not correct	No	Yes – see page 14 for summary of work done
Investment properties: Income expenditure, valuation, changes & gain on disposal	Property, Plant & Equipment	No		No	None
Income from council tax	Council Tax	No		No	None
NNDR Distribution	NNDR	No		No	None
PFI revenue support grant & other Government grants	Grant Income	No		No	None
Capital grants & Contributions (including those received in advance)	Property, Plant & Equipment	No		No	None

Page 151

Account	Transaction cycle	Material misstatement risk?	Description of risk identified in the Audit Plan	Change to the audit plan?	Audit findings
(Surplus)/ Deficit on revaluation of non current assets	Property, Plant & Equipment	No		No	None
Actuarial (gains)/ Losses on pension fund assets & liabilities	Employee remuneration	No		No	None
Other comprehensive (gains)/ Losses	Revenue/ Operating expenses	No		No	None
Property, Plant & Equipment	Property, Plant & Equipment	Yes – medium risk	PPE activity not valid and/or improperly expensed	No	Yes – see page 14 for summary of work done
Property, Plant & Equipment	Property, Plant & Equipment	Yes – medium risk	Revaluation measurements not correct	No	Yes – see page 14 for summary of work done
Heritage assets & Investment property	Property, Plant & Equipment	No		No	None
Intangible assets	Intangible assets	No		No	None
Investments (long & short term)	Investments	Yes – medium risk	Revaluation measurements not correct	No	Yes – see page 14 for summary of work done
Debtors (long & short term)	Revenue	No		No	None
Assets held for sale	Property, Plant & Equipment	No		No	None
Inventories	Inventories	No		No	None
Cash and Cash Equivalents	Bank & Cash	No		No	None

Account	Transaction cycle	Material misstatement risk?	Description of risk identified in the Audit Plan	Change to the audit plan?	Audit findings
Borrowing (long & short term)	Debt	No		No	None
Creditors (long & short term)	Operating Expenses	Yes – medium risk	Creditors understated or not recorded in the correct period	No	Yes – see page 13 for summary of work done
Provisions (long & short term)	Provision	No		No	Yes – see page 16 for summary findings
Pension liability	Employee remuneration	No		No	Yes – see page 17 for summary findings
Reserves	Equity	No		No	Yes – see page 17 for summary findings

Page 153

Audit findings against significant risks

"Significant risks often relate to significant non-routine transactions and judgmental matters. Non-routine transactions are transactions that are unusual, either due to size or nature, and that therefore occur infrequently. Judgmental matters may include the development of accounting estimates for which there is significant measurement uncertainty" (ISA 315).

In this section we detail our response to the significant risks of material misstatement which we identified in the Audit Plan together with our summary of audit work and findings on the additional significant risk of the Council's newly constituted group accounts. As we noted in our plan, the first two are presumed significant risks which are applicable to all audits under auditing standards.

	Risks identified in our audit plan	Work completed	Assurance gained and issues arising
1.	**Improper revenue recognition:** Under ISA 240 there is a presumed risk that revenue may be misstated due to the improper recognition of revenue.	Our work to address this presumed risk included: • review and testing of revenue recognition policies • testing of material revenue streams • review of unusual significant transactions.	Our audit work has not identified any issues in respect of revenue recognition.
2.	**Management override of controls:** Under ISA 240 there is a presumed risk that the risk of management over-ride of controls is present in all entities.	Our work to address this presumed risk included: • review of accounting estimates, judgements and decisions made by management • testing of journal entries • review of unusual significant transactions.	Our audit work to date has not identified any evidence of management override of controls. We will update the Overview (Audit) Panel with the findings of our review of journal controls and testing of journal entries once this work is completed. We set out later in this section of the report our work and findings on key accounting estimates and judgements and associated recommendations.
3.	**Group Accounts:** The Council has prepared group accounts for the first time in 2012-13. This is as a result of the Council's acquisition of £2.36m of shares in Inspiredspaces Tameside (Holdings1) Ltd and Inspiredspaces Tameside (Holdings2) Ltd. Prior to 2012-13, the Council was represented on the Boards of both companies but only had a small stake in each of the companies which did not give rise to a significant controlling influence. Following the share purchase, the Council now has a significant influence over both companies.	Our work to address this additional significant risk included: • review of the work of the third party engaged by the Council to inform the group accounts production • review of the Council's consolidation adjustments against the Code and relevant Accounting Standards • review of the group disclosures in the accounts.	Our audit work completed to date has not identified any significant issues in relation to the risk identified. The Council has accounted for its group accounts in a materially appropriate manner.

Audit findings against other risks

In this section we detail our response to the other risks of material misstatement which we identified in the Audit Plan.

Page 155

Transaction cycle	Description of risk	Work completed	Assurance gained & issues arising
Operating expenses	Operating expenses understated	We have undertaken the following work in relation to this risk: • documentation of our understanding of processes and key controls over the transaction cycle • walkthrough of the key controls to determine if those controls are designed effectively • substantive testing of sample of expenses.	Our audit work to date has not identified any significant issues in relation to the risk identified.
Operating Expenses	Creditors understated or not recorded in the correct accounting period	We have undertaken the following work in relation to this risk: • documentation of our understanding of processes and key controls over the transaction cycle • walkthrough of the key controls to determine if those controls are designed effectively • substantive testing of creditors including post year end payment for cut-off.	Our audit work to date has not identified any significant issues in relation to the risk identified.
Employee remuneration	Remuneration expenses not correct and tax obligations understated	We have undertaken the following work in relation to this risk: • documentation of our understanding of processes and key controls over the transaction cycle • walkthrough of the key controls to determine if those controls are designed effectively • substantive testing of sample of 60 items of salary payments to employees, agreeing back to corroborating documentation, for example, job description and signed contracts.	Our audit work to date has not identified any significant issues in relation to the risk identified

Transaction cycle	Description of risk	Work completed	Assurance gained & issues arising
Welfare expenditure	Welfare benefits improperly computed	We have undertaken the following work in relation to this risk: • documentation of our understanding of processes and key controls over the transaction cycle • walkthrough of the key controls to determine if those controls are designed effectively • substantive testing of a sample of benefit payments to individual claimants to support our audit opinion on the accounts and our certification of the Housing Benefit Subsidy claim.	Our audit work has not identified any significant issues in relation to the risk identified. There are some issues noted from our testing of individual benefit claimants but these are not material to the Council's accounts. We will report our findings from the Housing Benefit work in our Grants Report later in the year.
Revaluation of Investments	Revaluation measurements not correct	We have reviewed the work of the Council's expert on the valuation of the Council's non voting minority shareholding in the Manchester Airport Group (MAG).	Our audit work has not identified any significant issues in relation to the risk identified. We are not minded to challenge the Council's view that a Prior Period Adjustment for the revaluation of MAG investments at 31 March 2012, is impractical with reference to recognised valuation standards as the Council was aware that the nature of the company in which the shareholding was held might change fundamentally. There is no impact on the Council's revenue position or useable reserves arising from this decision.
Property, Plant & Equipment (PPE)	PPE activity not valid or improperly expensed Revaluation measurement not correct	We have undertaken the following work in relation to this risk: • documentation of our understanding of processes and key controls over the transaction cycle • walkthrough of the key controls to determine if those controls are designed effectively • substantive testing of property, plant and equipment, including existence testing • a review of PPE additions and disposals to ensure that these occurred during the year and were correctly accounted for • work to gain assurance that the depreciation charge for the year has not been materially misstated • reviewed the work of the Council's expert property valuer and how its report has been accounted for by the Council.	Our audit work has not identified any material issues in relation to our work on PPE. However, there are some issues arising from our audit of PPE and these are referred to later in this report and in corresponding recommendations in the Action Plan. We have reviewed the Council's accounting treatment of the revaluation during our final accounts fieldwork. We have concluded that the revaluation of the Council's land and buildings has been accounted for in line with the Code and IAS16. Judgement has been applied by the Council's external valuer in revaluing the land and property assets. To provide us with assurance over the judgements used and reported results, we reviewed the work of the external valuer. We are satisfied that the valuation was performed by appropriately qualified experts in accordance with the RICS Valuation Professional Standards and that there is no significant risk that the values of the Council's land and buildings are materially misstated in the financial statements.

Accounting policies, estimates & judgements and other issues

In this section we report on our consideration of accounting policies, in particular key estimates and judgements made and included with the Council's financial statements and other issues that have arisen as part our year-end audit. Recommendations, together with management responses, are attached at Appendix A.

Accounting area	Summary of issue	Comments	Assessment
Revenue recognition	• Revenue from the provision of services is recognised when the Council can measure reliably the level of completion of the transaction and it is probable that benefits will flow to the Council • Government Grants are recognised when there is reasonable assurance that the Council will comply with any conditions attached to the payments.	The Council's policy is appropriate and consistent with the relevant accounting framework set out in the CIPFA Code. Minimal judgement is involved and the Council accounting policy is appropriately disclosed.	● Green
Judgements and estimates	• Key estimates and judgements include: – useful life of capital equipment – pension fund valuations and settlements – revaluations – impairments – provisions and contingent liabilities – review for post balance sheet events.	We have noted the 'accounting policies and estimates' paper that was presented to the Audit Panel in May 2013 and see this as good practice by the Council to highlight to members those areas of the accounts that are subject to estimate and judgement. In our audit work we have, however, noted that there is scope to improve the documentation of the Council's judgement in respect of accounting for provisions and contingent liabilities and reviewing for events after the balance sheet date. Given the potential impact that provisions and crystallising contingent liabilities could have on the Council's financial position, we recommend that formal consideration of these areas is reflected in working papers that assess each case against the Accounting Standard IAS37. **[Rec 1]**	● Amber
Accounting policies	• The Council has adopted accounting policies in accordance with the Local Government Code of Accounting Practice.	We have reviewed the Council's policies against the Code and do not have any comments to make. We note that the Council's accounting policies have been presented to and agreed by the Overview (Audit) Panel.	● Green

Page 157

Assessment
● Marginal accounting policy which could potentially attract attention from regulators
● Accounting policy appropriate but scope for improved disclosure
● Accounting policy appropriate and disclosures sufficient

Accounting policies, estimates & judgements and other issues

Accounting area	Summary of issue	Comments
Depreciation and impairment of surplus assets	During our review of the Council's £36.8m of surplus assets it was noted that no depreciation had been charged against these assets. The Council did not have a split of the land and buildings element of surplus assets (which would establish the proportion of land values that would not be subject to depreciation). In addition, over half the total valuation of surplus assets relates to two schools that are derelict following the building of new PFI funded schools in their place, suggesting that these assets should be subject to impairment review.	We are of the view that the surplus asset population should be subject to an impairment review and that an element of depreciation should be charged. The Council has acknowledged this and has agreed an adjustment of £15.2m to impair the two former schools to their residual value. The Council has not charged any depreciation on surplus assets on the basis that latest information to do this is not currently available. It should be noted that impairment charges and depreciation, whilst resulting in a charge to the Comprehensive Income and Expenditure Statement, does not impact on the Council's General Fund or its level of useable reserves. As such, we have raised a recommendation in the Action Plan to ensure this issue is resolved by the Council in time for the 2013-14 accounts. **[Rec 2]**
PFI schools gaining academy status – possible future accounting issue impacting on the Council	An emerging issue nationally relates to the treatment of liabilities currently held by councils towards PFI funded schools, should any of these convert to academy status. The issue is in relation to whether local authority PFI school schemes would constitute an onerous contract should any school convert to academy status and therefore move outside of local authority control. There are some suggestions that the service charge element of PFI school contracts should be written off to revenue upon transfer of status of the school as the local authority would no longer be receiving any benefit from the PFI contract as academies are outside of council control.	The issue of potential onerous contracts for PFI schools that convert to academy status is currently subject to national debate within the audit sector. We will update the Council in 2013-14 as soon as any formal decisions on this issue are taken. Although there are currently no PFI schools that have converted to academy status in Tameside, this could change in the future. We understand that the Council recognises the possible risks arising from PFI schools converting to academy status and this has partly resulted in the relatively low conversion rate of academies within the Borough. Given the potentially significant impact of this issue for the Council, we have raised a recommendation in the Action Plan in order to ensure the Council continues to review developments on this issue and to mitigate any potential liabilities. **[Rec 3]**
Unequal Pay Back Pay provision	The Council is showing a provision at 31 March 2013 in relation to equal pay back pay. We believe that it is highly uncertain that the full amount will need to be applied during the next 12 months.	Whilst we are satisfied that there is no material misstatement in the Council's equal pay provision, we have discussed the Council's calculation of the provision with the Borough Solicitor and Assistant Director of Finance. We believe that the Council should review the split of the provision between current and long-term liabilities and review the documentation and methodology used to calculate the Council’s best estimate of the provision.

Page 158

Adjusted misstatements

A small number of adjustments to the draft financial statements have been identified during the audit process. The table below summarises the adjustments arising from the audit which have been processed by management along with the impact on the key statements and the Council's reported financial position.

	Detail	Comprehensive Income & Expenditure Account £000	Balance Sheet £000	Impact on the level of useable reserves
1	**Accounting for the Pension Fund deficit:** The draft accounts showed a deficit on the Council's share of the Pension Fund of £228m. The Council initially asked the actuary to provide a valuation of its share of the Pension Fund based, in part, on a lower rate of increase in salaries by comparison to other Greater Manchester (GM) authorities. We discussed this matter with the Council and, ultimately, the Council requested an updated valuation on the same basis as other GM authorities. This resulted in an increase in the Pension Fund deficit within the Council's accounts by £53m to £281m. It is important to note that this adjustment does not affect the triennial valuation of the Fund.**[Rec 4]**		-53,000 (increase in the pension fund liability and decrease in the level of un-useable reserves)	No impact on the General Fund or useable reserves
2	**Four assets with a negative Net Book Value (NBV) of £1.3m:** During our review of the Council's PPE we noted four assets with a combined negative NBV of £1.3m. Given that assets cannot have a negative NBV we raised an adjustment to reverse this and to show the assets at their appropriate value – an adjustment of £2.56m was agreed. We recommend that the Council reviews its fixed asset register to ensure that negative assets values do not occur in 2013-14. **[Rec 5]**	-2,556 (reduction in depreciation in the CIES but subsequently reversed out before impacting on the general fund)	+2,556 (increase to PPE)	No impact on the General Fund or useable reserves
3	**Surplus Assets impairment & depreciation:** During our review of the Council's £36.8m of surplus assets it was noted that no depreciation had been charged against these assets. In addition, over half the total valuation of surplus assets relates to two schools that are derelict following the building of new PFI funded schools in their place, suggesting that these assets should be subject to impairment review. The Council has impaired the two former schools by £15.2m to reduce their value to their residual amount. The Council has not charged any depreciation against surplus assets as information to do this is not currently available.	+15,194 (increase to impairment charge in the CIES of £11.3m, then reversed out in order not to impact on the General Fund and impairment & impairment of £3.9m charged to the revaluation reserve)	-15,194 (reduction in surplus assets value in the balance sheet)	No impact on the General Fund or useable reserves
	Overall impact: A charge to the CIES of £12.9m and a reduction in the net worth of the balance sheet of £65.9m	**12,938**	**65,938**	**None**

Page 159

Misclassifications & disclosure changes

The table below provides details of misclassification and disclosure changes identified during the audit which have been made in the final set of financial statements. This excludes amendments of a typographical nature.

	Adjustment type	Value £'000	Account balance	Summary of the change and impact on the financial statements
1	Disclosure	2	School Balances Note 28	The Council prepared its draft accounts at a time when school balances were being finalised and an estimated balance was included. The process was completed during our audit and an adjustment of £2k to decrease the schools balances has been processed.
2	Disclosure	nil	Revaluations Note 16	The table showing the timing of the Council's revaluation of its property, plant and equipment has been amended to show the appropriate timings when revaluations took place.
3	Disclosure	5 (net change)	External Audit Costs Note 47	The presentation of this note was amended to reflect the level of audit and non-audit fees payable by the Council to Grant Thornton in 2012-13.
4	Disclosure	nil	Financial Instruments Note 21A	To include the description of 'Available for Sale' as a sub-category of the Council's investments in Manchester Airport and Inspiredspaces Tameside.
5	Disclosure	nil	Long Term Debtors Note 20	To include an additional sub-section of this note to explain the long term debtor in respect of Inspiredspaces Tameside.
6	Disclosure	nil	Critical Judgements Note 3	To expand on the section within note 3 on accounting for schools, to note that the land values of Voluntary Aided and Voluntary Controlled schools are included in the Council balance sheet even though the physical school buildings are not.
7	Disclosure	nil	Group Accounts	Given that the Council's group accounting arrangements commenced in 2012-13, we suggested that the comparative 'nil entries' for 2011-12 should be deleted.
8	Disclosure	nil	Annual Report & Summary Accounts	We were pleased that the Council has decided to prepare an Annual Report and Summary Financial Statements in order to make the accounts more accessible to the public. We discussed a small number of presentational changes to the document which were agreed and processed by the Council.
9	Disclosure	nil	Manchester Airport Note 21A	An update to the narrative disclosure to reflect that the financial statements for the airport become available during the period between the draft and final Council accounts.

Unadjusted misstatements

The table below provides details of the adjustment identified during the audit but which was not been made within the final set of financial statements. The Audit Panel is required to approve management's proposed treatment of the item recorded within the table below:

	Detail	Comprehensive Income and Expenditure Account £000	Balance Sheet £000	Reason for not adjusting
1	**Equal Pay provision:** The draft accounts show the full provision as 'current' and therefore due to be settled within 12 months of the balance sheet date. We believe that the Council should review the split of the provision between current and long-term liabilities.	-	Net nil (to decrease current provisions and increase long term provisions – note no impact on the Council's useable reserves)	The Council does not deem the potential difference between current and long-term liabilities to be material to the financial position. The Council confirmed this view to the audit team during the clearance meeting on 3 September 2013. The Council will consider the profile of the provision for the 2013-14 accounts.
	Overall impact	**-**	**Net nil**	

Page 161

Internal controls

- The purpose of an audit is to express an opinion on the financial statements.
- Our audit included consideration of internal control relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. The matters reported here are limited to those deficiencies that we have identified during the course of our audit and that we have concluded are of sufficient importance to merit being reported to you in accordance with auditing standards.
- These and other recommendations, together with management responses, are included in the Action Plan attached at Appendix A.

	Assessment	Issue and risk	Recommendations
1.	● Green	**Review of Information Technology (IT) controls:** Our information systems specialist has performed a high level review of the general IT control environment, as part of the overall review of the internal controls system. Our work on reviewing high level IT controls identified some minor weaknesses, principally in relation to IT access controls.	Following our review we issued a brief report, including a small number of recommendations to bring to management's attention. We have discussed and agreed the report with management and, given that the findings were not significant, we are not intending to present the report to Audit Panel. We will monitor the implementation of the IT recommendations as part of our 2013-14 audit.
2.	● Amber	**Follow up of prior year recommendations – the mosque constructed in 2011-12:** Whilst the Council can demonstrate progress in implementing the prior year recommendations raised, we note that the new mosque in Ashton-under-Lyne - constructed after the previous building had to be demolished to make way for the Northern Bypass - has still to be legally transferred over to the Trustees of the mosque.	The mosque was derecognised in the 2011-12 accounts and has no value or impact on the 2012-13 accounts. There is a risk that because legal ownership is yet to formally pass to the mosque Trustees, the Council could be liable for any structural or internal damages that may occur prior to the legal transfer. As a result, we have once again raised this issue in the Action Plan and we recommend the Council resolves this matter as soon as possible. **[Rec 6]**

Page 162

Assessment
● Significant deficiency – risk of significant misstatement
● Deficiency – risk of inconsequential misstatement
● Minor finding – best practice to implement

Other communication requirements

We set out below details of other matters which we, as auditors, are required by auditing standards to communicate to those charged with governance.

	Issue	Commentary
1.	**Matters in relation to fraud**	We have previously discussed the risk of fraud with the Audit Panel and have been made aware of a number of small non-material frauds as noted in the report of the Head of Risk Management and Audit Services. These frauds do not impact on our audit opinion and we have not been made aware of any other incidents in the period and no other issues have been identified during the course of our audit procedures.
2.	**Matters in relation to related parties**	We are not aware to date of any related party transactions which have not been disclosed.
3.	**Matters in relation to laws and regulations**	We are not aware to date of any significant incidences of non-compliance with relevant laws and regulations.
4.	**Written representations**	A standard letter of representation has been requested from the Council and is included at Appendix C. It is anticipated this will be signed at the Overview (Audit) Panel on 16 September.
5.	**Disclosures**	Our review found no material omissions in the financial statements. Management have amended the accounts and narrative notes for the disclosure changes noted on page 18.
6.	**Review of the Annual Governance Statement (AGS) & Explanatory Foreword (EF)**	We reviewed both the draft AGS and EF and noted a small number of points for amendment and inclusion in the final versions of both documents, principally including additional comments on the Council's new group accounts arrangements and its administering role for the Greater Manchester Pension Fund . We discussed our comments with the Associate Director of Finance (on the EF) and the Head of Risk Management and Audit Services (on the AGS) and note additional commentary and updated disclosures are expected to be included in the revised versions of both documents which are due to be discussed, reviewed and agreed at the Overview (Audit) Panel on 16 September. Overall, subject to the amendments agreed, the AGS and EF comply with CIPFA guidance and are in accordance with our knowledge of the Council.
7.	**Going concern**	We are not aware of any issues relating to going concern. The Chair of Audit Panel and Executive Director of Finance have formally considered this issue of going concern and presented a paper to us for review setting out the Council's assessment that it remains a going concern. Our work has not identified any indication that the accounts should not be prepared on a going concern basis. The Council's wider financial position has been reviewed by us as part of our financial resilience review to inform our VFM conclusion and our report on this will be presented to the Audit Panel on 16 September.
8.	**Audit of the Greater Manchester Pension Fund (GMPF)**	The Council has the administering role for the GMPF and we are the appointed auditors to the Fund. We will be providing a separate Audit Findings ISA260 Report for our audit of the GMPF and this report is due to be discussed at the GMPF Management Advisory Panel on 13 September. Our audit opinion for the Council, included at Appendix B, incorporates our proposed opinion on the GMPF. We anticipate providing an unqualified opinion on the GMPF accounts and will update the Audit Panel on 16 September with any issues arising from the GMPF meeting on 13 September.

Section 3: Value for Money

Value for Money

Value for Money conclusion

The Code of Audit Practice 2010 (the Code) describes the Council's responsibilities to put in place proper arrangements to:

- secure economy, efficiency and effectiveness in its use of resources
- ensure proper stewardship and governance
- review regularly the adequacy and effectiveness of these arrangements.

We are required to give our VFM conclusion based on two criteria specified by the Audit Commission which support our reporting responsibilities under the Code.

These criteria are:

The Council has proper arrangements in place for securing financial resilience.

The Council has robust systems and processes to manage effectively financial risks and opportunities, and to secure a stable financial position that enables it to continue to operate for the foreseeable future.

The Council has proper arrangements for challenging how it secures economy, efficiency and effectiveness.

The Council is prioritising its resources within tighter budgets, for example by achieving cost reductions and by improving efficiency and productivity.

Key findings

Securing financial resilience

We have undertaken a review which considered the Council's arrangements against the three expected characteristics of proper arrangements as defined by the Audit Commission:

- Financial governance
- Financial planning
- Financial control.

To support our VFM conclusion against the specified criteria we performed a risk assessment against VFM risk indicators specified by the Audit Commission. Following completion of our work we have not identified any significant residual risks to our VFM conclusion.

Our overall conclusion is that whilst the Council faces challenges - particularly from 2014-15 onwards - its current arrangements for securing financial resilience are good. The Council remains better placed compared to most peer authorities to deal with the current and anticipated financial environment within local government.

A separate report on our review of the Council's financial resilience arrangements has been prepared and agreed with management. It is due to be presented to the Overview (Audit) Panel on 16 September and forms a key part of our work to inform our overall VFM conclusion.

Challenging economy, efficiency and effectiveness

We have reviewed whether the Council has prioritised its resources to take account of the tighter constraints it is required to operate within and whether it has achieved cost reductions and improved productivity and efficiencies.

Our work concentrated on how the Council has delivered its £22m saving plan for 2012-13 and its plans for delivering savings of £39.5m over the next two years.

Our overall conclusion is that the Council is responding well to the challenges of the Local Government Finance Settlement, delivering savings and targeting its resources effectively.

Overall VFM conclusion

On the basis of our work, and having regard to the guidance on the specified criteria published by the Audit Commission, we are satisfied that in all significant respects the Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ending 31 March 2013.

Section 4: Fees, non audit services and independence

Fees, non audit services and independence

We confirm below our proposed final fees (net of VAT) charged for the audit .

Fees

	Per Audit plan £	Actual fees £
Council audit	138,553	143,553*
Grant certification	51,000	TBC**
Total audit fees	**189,553**	**TBC**

* An additional fee of £5,000 (exc VAT) has been discussed and agreed with the Executive Director of Finance in respect of the costs required to audit the first time group accounts for 2012-13. As the requirement to produce group accounts is new for 2012-13, the time and cost implications of this did not form part of the calculation of the 2012-13 scale fee - set by the Audit Commission - of £138,553. The additional fee has been agreed by the Audit Commission.

** The planned fee for certification of grant claims and returns is based on the Audit Commission's scale fee. At present we do not anticipate any changes to the grants scale fee, however, the final grants fee will be confirmed in the Grants Report 2012-13, due to be discussed with management in December 2013.

Fees for other services

Service	Fees £
Audit of Regional Growth Fund Grant	11,357
Due diligence work in respect of Ashton Moss, related to Regional Growth Fund bid	5,000
Forensic services provided during the year	19,079
Total non-audit fees	**35,436**

Independence and ethics

We confirm that there are no significant facts or matters that impact on our independence as auditors that we are required or wish to draw to your attention. We have complied with the Auditing Practices Board's Ethical Standards and therefore we confirm that we are independent and are able to express an objective opinion on the financial statements.

Ethical standards and International Standards on Auditing (ISA) 260 require us to give you full and fair disclosure of matters relating to our independence. In this context, we disclose the following to you:

- the audit of the Council's Regional Growth Fund grant (RGF) was performed by the audit engagement team. It is shown as non-audit work as the Audit Commission did not make certification arrangements for the RGF claim
- the due diligence work on Ashton Moss in relation to the RGF grant, was performed by Grant Thornton staff from outside the audit team, and was agreed with the Council, via a letter of engagement in August 2012, prior to our appointment as appointed auditors in September 2012
- the forensic services provided in the year were delivered by Grant Thornton staff from outside of the audit team (from our Forensic Investigatory Services team) in order to maintain the independence of the audit team. The forensic services provided were not in relation to any material areas of the accounts and related to two specific legal cases, one of which has been on-going since early 2010, prior to our appointment as the Council's external auditor.

All non-audit services had separate letters of engagement and were agreed with our Director of Audit Quality and Compliance. We confirm that we have implemented policies and procedures to meet the requirements of the Auditing Practices Board's Ethical Standards.

Section 5: Communication of audit matters

Page 168

Communication of audit matters to those charged with governance

International Standards on Auditing (ISA) 260, as well as other ISAs, prescribe matters which we are required to communicate with those charged with governance, and which we set out in the table opposite.

The Audit Plan outlined our audit strategy and plan to deliver the audit, while this Audit Findings report presents the key issues and other matters arising from the audit, together with an explanation as to how these have been resolved.

Respective responsibilities

The Audit Findings Report has been prepared in the context of the Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission (www.audit-commission.gov.uk).

We have been appointed as the Council's independent external auditors by the Audit Commission, the body responsible for appointing external auditors to local public bodies in England. As external auditors, we have a broad remit covering finance and governance matters.

Our annual work programme is set in accordance with the Code of Audit Practice ('the Code') issued by the Audit Commission and includes nationally prescribed and locally determined work. Our work considers the Council's key risks when reaching our conclusions under the Code.

It is the responsibility of the Council to ensure that proper arrangements are in place for the conduct of its business, and that public money is safeguarded and properly accounted for. We have considered how the Council is fulfilling these responsibilities.

Our communication plan	Audit Plan	Audit Findings
Respective responsibilities of auditor and management/those charged with governance	✓	
Overview of the planned scope and timing of the audit. Form, timing and expected general content of communications	✓	
Views about the qualitative aspects of the entity's accounting and financial reporting practices, significant matters and issues arising during the audit and written representations that have been sought		✓
Confirmation of independence and objectivity	✓	✓
A statement that we have complied with relevant ethical requirements regarding independence, relationships and other matters which might be thought to bear on independence. Details of non-audit work performed by Grant Thornton UK LLP and network firms, together with fees charged Details of safeguards applied to threats to independence	✓	✓
Material weaknesses in internal control identified during the audit		✓
Identification or suspicion of fraud involving management and/or others which results in material misstatement of the financial statements		✓
Compliance with laws and regulations		✓
Expected unmodified auditor's report		✓
Uncorrected misstatements		✓
Significant matters arising in connection with related parties		✓
Significant matters in relation to going concern		✓
Delay in certification of completion of audit		✓

Page 169

Appendices

Appendix A: Action plan

Page 171

Rec No.	Recommendation	Priority	Management response	Implementation date & responsibility
1.	**Documentation of estimates and judgements**: Given the potential impact that provisions and crystallising contingent liabilities could have on the Council's financial position, we recommend that formal consideration of these areas is reflected in working papers that assess each case against the Accounting Standard IAS37.	High	Agreed.	Beverley Stephens, Head of Resource Management 31 March 2014
2.	**Depreciation and impairment review of surplus assets:** The Council should ensure appropriate working papers are prepared in order to support the surplus assets balance in the 2013-14 accounts, including appropriate levels of depreciation charged and an impairment review.	Medium	Agreed. All surplus assets will be valued on an annual basis and the appropriate accounting treatment applied, including those assets that become surplus in the year in light of the Asset Management Policy.	Julie Hardman, Senior Resource Manager 31 March 2014
3.	**PFI schools that gain academy status:** The Council should ensure that it continues to review the PFI contract and establishes an appropriate agreement with PFI schools that convert to academy status in relation to on-going contract payments. This would mitigate the risk of liabilities associated with the PFI contract remaining with the Council (where potential elements of the liability could require write off) as opposed to transferring to the academy.	Medium	Agreed. The Council will continue its practice of reviewing PFI contracts and to support schools who wish to move to academy status, whilst ensuring that unnecessary liabilities for the Council are mitigated.	Elaine Todd, Assistant Executive Director – Asset Investment Partnership Management 31 March 2014

Rec No.	Recommendation	Priority	Management response	Implementation date & responsibility
4.	**Accounting for the Pension Fund:** Should the Council wish to pursue an alternative rate of salary increase, in order to inform the actuaries valuation of the Council's share of the Pension Fund, we recommend: • the Council discusses any change in approach with both ourselves and other GM authorities in order to ensure any change from the standard approach is appropriate • the core finance team responsible for production of the draft accounts is kept informed of any decisions to change the valuation methodology.	Medium	Agreed.	Julie Hardman, Senior Resource Manager 31 March 2014
5.	**Assets with a negative Net Book Value (NBV):** We recommend the Council reviews its fixed asset register processes in order to ensure that assets cannot have a negative NBV at the year-end and thus understating the value of the Council's asset base.	Medium	Agreed.	Julie Hardman, Senior Resource Manager 31 March 2014
6.	**Follow up of prior year recommendations – the mosque constructed in 2011-12:** There is a risk that because legal ownership is yet to formally pass to the mosque Trustees, the Council could be liable for any structural or internal damages that may occur prior to the legal transfer. As a result, we recommend the Council resolves this matter as soon as possible.	Medium	Agreed.	Julie Hardman, Senior Resource Manager 31 December 2013

Appendix B: Proposed audit opinion

We anticipate we will provide the Council with a standard unqualified audit report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TAMESIDE METROPOLITAN BOROUGH COUNCIL

Opinion on the financial statements

We have audited the financial statements of Tameside Metropolitan Borough Council for the year ended 31 March 2013 under the Audit Commission Act 1998. The financial statements comprise the Authority and Group Movement in Reserves Statement, the Authority and Group Comprehensive Income and Expenditure Statement, the Authority and Group Balance Sheet, the Authority and Group Cash Flow Statement, and Collection Fund and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012-13.

This report is made solely to the members of Tameside Metropolitan Borough Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Executive Director of Finance and auditor

As explained more fully in the Statement of the Executive Director of Finance Responsibilities, the Executive Director of Finance is responsible for the preparation of the Statement of Accounts, which includes the financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Authority and Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Executive Director of Finance; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the explanatory foreword to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of Tameside Metropolitan Borough Council as at 31 March 2013 and of its expenditure and income for the year then ended;
- give a true and fair view of the financial position of the Group as at 31 March 2013 and of its expenditure and income for the year then ended; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012-13.

Opinion on other matters

In our opinion, the information given in the explanatory foreword for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we report by exception

We report to you if:

- in our opinion the annual governance statement does not reflect compliance with 'Delivering Good Governance in Local Government: a Framework' published by CIPFA/SOLACE in June 2007;
- we issue a report in the public interest under section 8 of the Audit Commission Act 1998;
- we designate under section 11 of the Audit Commission Act 1998 any recommendation as one that requires the Authority to consider it at a public meeting and to decide what action to take in response; or
- we exercise any other special powers of the auditor under the Audit Commission Act 1998.

We have nothing to report in these respects.

Opinion on the pension fund financial statements

We have audited the pension fund financial statements of Greater Manchester Pension Fund for the year ended 31 March 2013 under the Audit Commission Act 1998. The pension fund financial statements comprise the Fund Account, the Net Assets Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012-13.

This report is made solely to the members of Tameside Metropolitan Borough Council in accordance with Part II of the Audit Commission Act 1998 and for no other purpose, as set out in paragraph 48 of the Statement of Responsibilities of Auditors and Audited Bodies published by the Audit Commission in March 2010. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Authority and the Authority's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Executive Director of Finance and auditor

As explained more fully in the Statement of the Executive Director of Finance Responsibilities, the Executive Director of Finance is responsible for the preparation of the Authority's Statement of Accounts, which includes the pension fund financial statements, in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom, and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the fund's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Executive Director of Finance; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the explanatory foreword to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on other matters

In our opinion, the information given in the explanatory foreword for the financial year for which the financial statements are prepared is consistent with the financial statements.

Opinion on financial statements

In our opinion the pension fund's financial statements:

- give a true and fair view of the financial transactions of the pension fund during the year ended 31 March 2013 and the amount and disposition of the fund's assets and liabilities as at 31 March 2013; and
- have been properly prepared in accordance with the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2012-13.

Conclusion on the Authority's arrangements for securing economy, efficiency and effectiveness in the use of resources

Respective responsibilities of the Authority and the auditor

The Authority is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources, to ensure proper stewardship and governance, and to review regularly the adequacy and effectiveness of these arrangements.

We are required under Section 5 of the Audit Commission Act 1998 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the Audit Commission requires us to report to you our conclusion relating to proper arrangements, having regard to relevant criteria specified by the Audit Commission.

We report if significant matters have come to our attention which prevent us from concluding that the Authority has put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

Scope of the review of arrangements for securing economy, efficiency and effectiveness in the use of resources

We have undertaken our audit in accordance with the Code of Audit Practice, having regard to the guidance on the specified criteria, published by the Audit Commission in November 2012, as to whether the Authority has proper arrangements for:

- securing financial resilience; and
- challenging how it secures economy, efficiency and effectiveness.

The Audit Commission has determined these two criteria as those necessary for us to consider under the Code of Audit Practice in satisfying ourselves whether the Authority put in place proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2013.

We planned our work in accordance with the Code of Audit Practice. Based on our risk assessment, we undertook such work as we considered necessary to form a view on whether, in all significant respects, the Authority had put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Conclusion

On the basis of our work, having regard to the guidance on the specified criteria published by the Audit Commission in November 2012, we are satisfied that, in all significant respects, Tameside Metropolitan Borough Council put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2013.

Certificate

We certify that we have completed the audit of the financial statements of Tameside Metropolitan Borough Council in accordance with the requirements of the Audit Commission Act 1998 and the Code of Audit Practice issued by the Audit Commission.

[Signature]

Mark Heap,
Director
for and on behalf of Grant Thornton UK LLP, Appointed Auditor

Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

xx September 2013

Appendix C: Letter of Representation

[To be placed on Council letter headed paper]

Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

xx September 2013

Dear Sirs

Tameside Metropolitan Borough Council
Financial Statements for the year ended 31 March 2013

This representation letter is provided in connection with the audit of the financial statements of Tameside Metropolitan Borough Council for the year ended 31 March 2013 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view in accordance with International Financial Reporting.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

i. We have fulfilled our responsibilities for the preparation of the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in Great Britain ("the Code") as adapted for International Financial Reporting Standards; in particular the financial statements give a true and fair view in accordance therewith.

ii. We have complied with the requirements of all statutory directions and these matters have been appropriately reflected and disclosed in the financial statements.

iii. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

iv. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

v. We are satisfied that the material judgements used by us in the preparation of the financial statements are soundly based, in accordance with the Code, and adequately disclosed in the financial statements. There are no further material judgements that need to be disclosed.

vi We confirm that we are satisfied that the actuarial assumptions underlying the valuation of pension scheme liabilities for IAS19 disclosures are consistent with our knowledge. We confirm that all settlements and curtailments have been identified and properly accounted for. We also confirm that all significant retirement benefits have been identified and properly accounted for (including any arrangements that are statutory, contractual or implicit in the employer's actions, that arise in the UK or overseas, that are funded or unfunded).

vii Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of the Code.

viii All events subsequent to the date of the financial statements and for which the Code requires adjustment or disclosure have been adjusted or disclosed.

ix We have not adjusted the misstatement brought to our attention on the audit summary of unadjusted differences, attached to the ISA 260 Report to those charged with governance, for the reasons stated. The issue is immaterial to the results of the Council and financial position at the year-end.

x Except as stated in the financial statements:
 a there are no unrecorded liabilities, actual or contingent
 b. none of the assets of the Council have been assigned, pledged or mortgaged
 c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.

xi We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.

xii We believe that the Council's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the Council's needs. We believe that no further disclosures relating to the Council's ability to continue as a going concern need to be made in the financial statements.

Information Provided

xiii We have provided you with:

a. access to all information of which we are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters
b. additional information that you have requested from us for the purpose of your audit
c. unrestricted access to persons within the entity from whom you determine it necessary to obtain audit evidence.

xiv We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

xv We have communicated to you all deficiencies in internal control of which management is aware.

xvi All transactions have been recorded in the accounting records and are reflected in the financial statements.

xvii We have disclosed to you our knowledge of fraud or suspected fraud affecting the entity involving:
a. management;
b. employees who have significant roles in internal control; or
c. others where the fraud could have a material effect on the financial statements.

xviii We have disclosed to you our knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators or others.

xix We have disclosed to you all known instances of non-compliance or suspected non compliance with laws and regulations whose effects should be considered when preparing financial statements.

xx We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Annual Governance Statement

xxi We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Council's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Approval

The approval of this letter of representation was minuted by the Council's Overview Audit Panel at its meeting on 16 September 2013.

Signed on behalf of the Overview Audit Panel

Name .... Name…………………………….

Position .... Position ……………………….

Date .... Date …………………………….

grant-thornton.co.uk