

Report To:	BUDGET COUNCIL
Date:	27 February 2018
Executive Member/ Reporting Officer:	Cllr Brenda Warrington - Executive Leader Cllr Bill Fairfoull – Executive Member (Performance and Finance) Kathy Roe – Director of Finance
Subject:	COUNCIL BUDGET 2018/19
Report Summary:	The report sets out the detailed revenue budget proposals for 2018/19 and the Medium Term Financial Plan for the period 2018 to 2022, including the proposed council tax increase for 2018/19.
Recommendations:	That the recommendations outlined in Section 11 of the report are approved.
Links to Community Strategy:	The Council Budget aligns with the priorities of the Corporate Plan.
Policy Implications:	The Council budget reflects the policy choices that the Council intends to pursue to support the Corporate plan and Medium Term Financial Strategy.
Financial Implications: (Authorised by the Section 151 Officer)	These are the subject of the report.
Legal Implications: (Authorised by the Borough Solicitor)	As set out in section 10 of the report.
Risk Management:	A risk assessed approach has been a major part of ensuring the adequacy of the budget. The report makes reference to a number of risks and the approach taken in framing the budget.
Access to Information:	For background information contact the report author: Tom Wilkinson – Assistant Director of Finance Telephone: 0161 342 3802 e-mail: tom.wilkinson@tameside.gov.uk

Tameside MBC

Budget Report

2018/19

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1. INTRODUCTION

- 1.1. The purpose of this report is to set out and seek approval for the setting of a balanced budget for the Council for the financial year 2018/19, and forecasts for the years up to 2021/22. This proposed budget is set in the context of cuts in Government funding to all councils. This will be the 9th year of reductions in funding, with further cuts expected in 2019/20.
- 1.2. Officers and Members have approached the budget process this year considering the overall budget and service provision for the Strategic Commission, which oversees the Council and Tameside and Glossop Clinical Commissioning Group (CCG). The budget approach for balancing the 2018/19 to 2019/20 budget has for the first time, looked at the position for the Strategic Commission. Due to the different statutory requirements, this report is focused on the budget requirement for the Council and a separate report is considered by the CCG.
- 1.3. In 2016 the Government offered any council that wished to take it up, a four year funding settlement to 2019/20, making a commitment to provide minimum funding allocations for each year of the Spending Review period. This offer was subject to the Council choosing to accept the offer and publishing an efficiency plan by October 2016, which the Council chose to comply with.
- 1.4. The four year funding settlement provides the Council with greater certainty over its funding allocations to the end of 2019/20. However, the position beyond 2020 falls outside of this four year settlement and no indicative information is yet available for future periods. Prudent assumptions have therefore been made about assumed further reductions in central government funding, increasing costs and demands for services to 2021/22.
- 1.5. This report reflects the Council's provisional Finance Settlement from the Government, announced on 19 December 2017. At the time of writing this report the final settlement is still awaited and will be reported to Members before final budget decisions are made on 27 February 2018.
- 1.6. The budget draws together the Council's many service plans and delivery strategies and sets out an overall plan in financial terms. The budget also ensures that we use our resources to deliver services to local people in line with the agreed priorities of the Council and its partners. Some key messages are:
 - In the eight years since the beginning of Local Government funding reductions in 2010, the Council will have had to make efficiency savings in excess of £140 million, due to a combination of reductions in funding and an increase in the cost of providing services;
 - The Council has managed this difficult challenge by taking tough decisions, early, and will continue to do this;
 - The budget approach for balancing the 2018/19 to 2019/20 budget has for the first time, looked at the position for the Strategic Commission, made up of the budgets of Tameside MBC and Tameside and Glossop CCG;
 - The Council is committed to growing Tameside as outlined in the Corporate Plan – to building houses, attracting businesses, creating jobs and promoting better health, skills and education for our communities. By doing so we will seek to tackle the causes of service demand, and so continue to reduce the overall cost of Council services;
 - The Council budget for 2018/19 has been prepared following a review of the resources required to support and deliver the services of the Council. It takes account of the pressures that services are facing as well as increasing demographic demands to enable the Council to achieve its desired outcomes;

- The Council continues to find new ways to deliver services that are sustainable and even more efficient; and
- We will continue to increase our partnership working with the NHS which will require a change in risk sharing in order to see transformational changes in service delivery in Health and Social Care. Funding of £23 million has been received from the GM Health and Social Care Partnership to assist with implementing some of these changes.

2. CURRENT POSITION

Services the Council provides

2.1. The budget report will inevitably focus on the budget pressures and savings that are required, however the Council continues to provide a wide range of services to residents on a daily basis and at various stages throughout their lives, including:

- Registration Services registered 2,668 births and 2,191 deaths. They conducted 386 civil ceremonies and 116 individuals attended civil ceremonies (2016/17 financial year).
- 2,038 children were supported to become school ready for the 2016/17 school year.
- 61.5 per cent of our school children achieved a 9-4 pass in their English and Maths GCSEs in 2017 (2016/17 school year).
- We offered 5,034 people aged 40 to 74 a health check, and 2,266 received one (2016/17 financial year).
- Our health professionals helped 958 people quit smoking (2016/17 financial year).
- We support 584 Looked After Children, 456 on a child protection plan and a further 1,433 children in need (At 31 March 2017).
- Welfare Rights opened 2,400 cases throughout 2017. This has generated £3,148,480 in extra benefits, tax credits and grants for our residents, with a further £492,991 in anticipated gains. We advised residents on a total of £693,984 of debt (2017 Calendar year).
- We maintain 8 libraries, 1 local studies and archive centre, 1 museum and 2 art galleries.
- Our Greenspace team looks after 35 playgrounds, 24 sport pitches and 26 parks.
- We maintain 750km of road.
- In the 2016/17 financial year our Customer Services team accommodated 31,411 visits, and our call centre answered 137,352 calls, including 61,817 regarding Council tax, 46,344 regarding benefits and 11,915 planning enquiries.
- We empty 145,000 refuse bins every week.
- Our cultural services team put on 123 events in our museums and galleries, parks and countryside and 91,585 individuals attended (2016/17 financial year).
- We maintain over 25,000 streetlights.

Financial Performance in 2017/18

2.2. The Council's revenue budget is monitored on a regular basis throughout the year, with monthly reporting of the Health and Social Care Economy to the Strategic Commissioning Board, and reports to the Council's Executive Cabinet on all Council services four times per year. The latest report on all Council Services was provided to Executive Cabinet in December 2017.

2.3. The second monitoring report for 2017/18 forecast an outturn position for the Council of £0.738m under budget. This net position is due to a combination of budget savings, release of contingencies and additional grant income, but masks a number of pressures

and challenges in some Directorates. The third formal monitor of the year is due to be report to Executive Cabinet on 21 March 2018, however, an early review of the monitoring position reveals an indicative projected outturn of £178.450m resulting in an overspend of £1.054m.

- 2.4. The projected outturn for 2017/18 is summarised in Table 1 below. The main changes to the forecast outturn are due to an increase in the forecast overspend in Children's Services and changes to the waste levy. The Director of Children's forecast outturn is £7.8m in excess of budget due to unprecedented demand on service provision in Children's Social Care, and this continues to be a high risk budget area for the Council. The Neighbourhoods and Operations, Environmental Services budget is also expected to exceed budget by £1.039m due to changes to the waste levy and associated tonnages during the year, which will be funded from the levy smoothing reserve.
- 2.5. These pressures are being absorbed in 2017/18 through prudent contingency planning, savings and proactive restrictions on spending elsewhere, however unless further savings can be identified before the year end, the current forecast position will result in a call on reserves.
- 2.6. These and future cost pressures in 2018/19 and beyond, and anticipated further funding cuts, mean that the financial sustainability of future years budgets are now at risk.

Table 1 – Projected outturn revenue position for 2017/18

Directorate	Service	2017/18 Budget £000	Forecast Outturn £000	Variation to Budget £000
Children	Children's Social Care	35,192	42,992	7,800
	Education	3,385	3,565	180
Director of Children's Services		38,577	46,557	7,980
Adults	Adult and Early Intervention Services	44,184	43,989	(195)
Director of Adults Services		44,184	43,989	(195)
Population Health	Population Health	16,707	16,523	(184)
Director of Population Health		16,707	16,523	(184)
Place	Development Growth & Investment	2,231	2,166	(65)
	Asset & Investment Partnership Management	6,184	6,754	570
Director of Place		8,415	8,920	505
Neighbourhoods & Operations	Environmental Services	40,663	41,702	1,039
	Stronger Communities	7,730	7,724	(6)
Director of Neighbourhoods and Operations		48,393	49,426	1,033
Governance	Governance	7,186	5,936	(1,250)
Director of Governance		7,186	5,936	(1,250)
Finance & IT	Finance	2,466	1,879	(587)
	Digital Tameside	1,909	1,910	1
Director of Finance and IT		4,375	3,789	(586)
Total Service Position		167,837	175,140	7,303

	Corporate Costs, Capital and Financing and Other Cost Pressures	9,559	3,310	(6,249)
Total		177,396	178,450	1,054

Budget Preparation

- 2.7. The 2018/19 budget and forecasts for future years have been prepared following a detailed review of all budget assumptions, savings and service pressures to assess the budget requirement going forward.
- 2.8. The starting point for the setting of this budget was the February 2017 budget report, which set a balanced budget for 2017/18, as required by statute, with the forecasts for future years at that point highlighting a budget gap of £8.25m for 2018/19 which increased to £14.432m in 2019/20. Whilst the focus of this report is on 2018/19, the budget preparation process has included reviewing the forecasts for future years and the MTFP has been extended to cover a four year period to 2021/22.
- 2.9. The Medium Term Financial Plan (MTFP) is routinely refreshed throughout the year to update forecasts for known and anticipated cost pressures, savings, and funding changes. Emerging pressures are also identified through the in-year budget monitoring process and factored into future year budget forecasts.
- 2.10. A detailed review of all budget assumptions and pressures took place in late Autumn 2017. This review identified cost pressures across the services which have been reviewed and challenged by senior officers. Services have also been asked to identify efficiencies which have again been subject to review and scrutiny to ensure plans are realistic and achievable.
- 2.11. Each Service Director has produced a summary for their services, setting out the key service priorities and challenges for the coming year, cost pressures and proposed savings. Summaries for each Director can be found in the appendices B to H of this report.

Future Challenges, Risks and Initiatives

- 2.12. The Council, together with Tameside and Glossop CCG, faces a number of significant challenges and uncertainties in 2018/19 and future years. We continue to pursue a range of initiatives to improve outcomes and deliver vital services for residents. These challenges and initiatives include:
- 2.12.1 Funding reductions and uncertainties: 2018/19 is the third year of a four year funding settlement for the Council, which whilst providing some certainty, has nonetheless resulted in year on year funding reductions, and the financial forecasts beyond 2019/20 have made prudent assumptions about further reductions to funding allocations. The announcement of the Fair Funding Review and anticipated partial reset of the business rates baseline means that funding beyond 2019/20 is increasingly difficult to forecast. We have experienced reductions in our business rate income as a result of appeals and we are not forecasting any significant growth in business rates in the medium term. Future losses due to appeals are expected, resulting in a deficit on the collection fund. The Council continues to review the delivery of services to secure effective cost reductions whilst seeking to meet the needs of our population, despite the increasingly uncertain financial position.
- 2.12.2 Demand for Children's Services: The Council has experienced extraordinary increases in demand for Children's Services during 2017, placing significant pressures on staff and resources. Despite the additional financial investment in the service in 2017/18, current projections indicate that the service will exceed the approved budget by more than £7.8m by 31 March 2018. The Council appointed a new interim Director of Children's Services in October 2017, and approved a new improvement plan in November 2017, which together are intended to drive the required improvements in the service. The ambition is to deliver services that are

good or outstanding, and the new improvement plan for the next twelve months is focused on delivering consistent basic standards as the secure foundation for further improvement in future years. This budget commits further significant additional non recurrent investment in Children's Services in 2018/19 and 2019/20 to support this improvement journey.

2.12.3 Care Together: There continues to be an increasing number of people that need access to adult social care services. This is a national challenge and Tameside is not unique in facing growing demands for NHS and social care services as a result of people living longer. There is a national recognition that the response to this growing demand is to invest more in social care, and some additional investment was made available through the Adult Social Care grant announced in March 2017. Our response to this growing demand in Tameside is Care Together. Care Together is a transformational approach which aims to significantly improve the health and wellbeing of residents, and deliver a clinically and financially sustainable health and social care service through a Strategic Commissioning Function and Integrated Care Foundation Trust. Delivery of this transformational approach provides an opportunity to address the financial challenge presented by rising demand for Adult social care services, but also exposes the Council to a greater degree of risk in the short term.

2.12.4 Capital Investment: In October 2017 the Council approved a three year Capital Programme of over £174m for the three year period 2017–2020. This Capital Investment Programme is intended to deliver significant investment in the borough to support the delivery of the key priorities for Tameside. Delivery of this ambitious investment programme to intended timescales will be challenging and recent past spending performance has been disappointing. The programme is also dependent on the realisation of a significant level of capital receipts from land sales. Further detail on the three year capital investment programme is set out section 8 of this report.

2.12.5 Carillion: In January 2018 Carillion went into liquidation. The Council has contracts with the Local Education Partnership who subcontract to Carillion to provide a number of services such as school meals, project design and construction together with events and facilities management. The Government and the liquidators have provided assurances in relation to the continued delivery of public sector service and construction contracts, and so these services will continue on a business as usual basis in the short term. It is too early to assess the impact of Carillion on our medium term plans, and whilst our initial focus has been on securing continuity of service, a longer term solution is being worked on.

Integrated Commissioning Fund

- 2.13. The Strategic Commission (formerly Single Commission) of Tameside MBC and Tameside and Glossop Clinical Commissioning Group (CCG) has managed resource allocations relating to health and social care integration within an Integrated Commissioning Fund (ICF) since 1 April 2016.
- 2.14. The ICF has included the total annual (CCG) resource allocation and the Council has included budget allocations for Adult Services, Children's Social Care and Population Health.
- 2.15. The Strategic Commission is exploring the expansion of the ICF to a single integrated commissioning fund, subject to the restrictions of current legislation, which would look to include the total annual CCG resource allocation and Council budgets so far as legally possible for all health related services. The creation of a single ICF is expected to bring a number of benefits including:

- Streamlined governance and decision making
- Strengthening of cohesive Strategic Commission budget leadership
- Single Strategic Commission budget resource reporting
- Single accountable body for the ICF – the Council is currently the lead accountable organisation for the ICF
- Rationalisation of any existing joint funding arrangements between the Council and CCG
- Provides support to strategic place based service provision priorities
- Alignment to the Strategic Leadership structure
- All health and Council service resource decisions would be intrinsically linked to the corporate strategic priorities.

2.16 The Strategic Commission would be a national lead in this proposed single fund arrangement. The functions of NHS bodies and Local Authorities are covered by a wide range of legislation and further work will be undertaken to explore any potential issues including the impact on decision making and governance, grant funding and VAT issues, reporting requirements and existing risk share arrangements.

2.17 The ICF will be assigned to three component fund allocations:

Budget Allocation	Detail	Governance implications
Section 75	This relates to legislation that allows the establishment of pooled funds between NHS bodies and local authorities at a local level	The Strategic Commissioning Board will make decisions on this funding which are binding upon the two statutory partner organisations.
Aligned Services	Funding contributions for services that cannot be delegated for formal joint provision	The Strategic Commissioning Board will make recommendations on the spending of this funding. These recommendations will require ratification by the relevant statutory organisation. i.e. the Executive Cabinet for the Council and the Governing Body for the CCG
In Collaboration Services	Funding for services which cannot be included within Section 75 arrangements without a change in legislation. These specialised services are jointly commissioned with NHS England.	The Strategic Commissioning Board will make recommendations on the spending of this funding. These recommendations will require ratification by NHS England and the relevant statutory organisation.

3. BUDGET CONSULTATION

3.1 The Council has a statutory duty to consult with businesses and other representatives of non-domestic ratepayers on its annual spending proposals for 2018/19. The consultation with businesses and other representatives of non-domestic rate payers ran until the 14 February 2018.

3.2 The Council is utilised four channels for engaging with the target audience, which are:

- **Live Work Invest website** - Tameside's 'Live Work Invest' website has been developed by Tameside Enterprise Board to facilitate the creation, development and growth of businesses in the area and is one of the Council's main routes for engaging

with the business community. On the 24 January, a message was emailed to Live, Work and Invest members informing users of the consultation on the Council's draft budget.

- **Non-domestic ratepayers' database** - Exchequer Services hold a database of non-domestic ratepayers email addresses. An email was sent on 24 January to all those listed on the database, informing them of the consultation on the Council's draft budget.
- **Business representative organisations** - An email was sent on 24 January to all those listed on the database, informing them of the consultation on the Council's draft budget.
- **Town team chairs for onward distribution** - An email was sent on 24 January to all those listed on the database, informing them of the consultation on the Council's draft budget.

- 3.3 Respondents were asked to either complete the online survey, send comments to a dedicated email address at the Council or to respond by post by 14 February 2018. A summary of the responses can be found in appendix K.
- 3.4 Internal consultations have also taken place with scrutiny panels outlining the proposals in this report.

4. EXTERNAL RESOURCES AND FINANCIAL SETTLEMENT

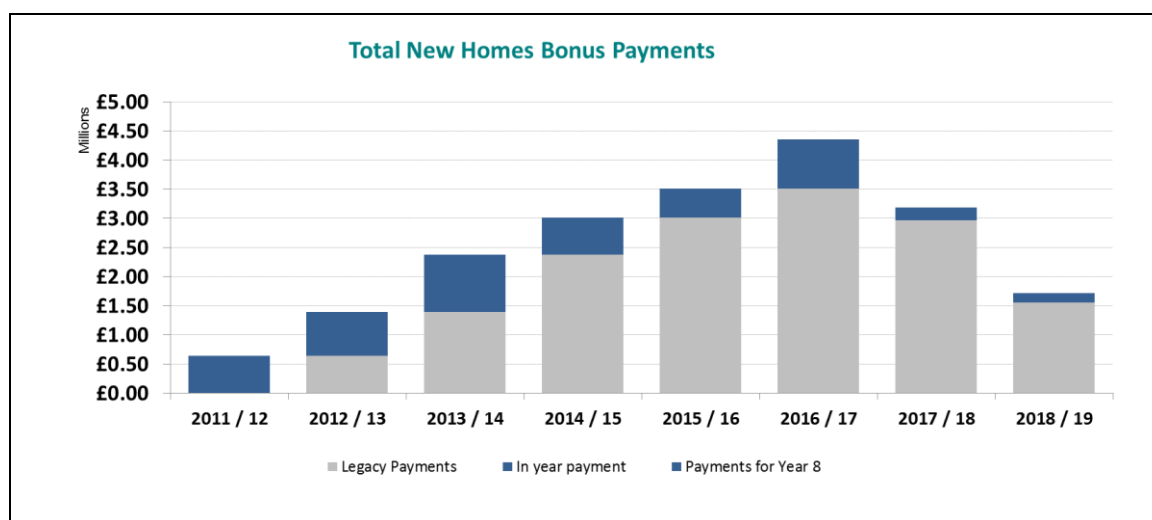
- 4.1 The four year funding settlement provides the Council with greater certainty over its funding allocations to the end of 2019/20 however no indicative information is yet available for future periods. Prudent estimates for future years have been made to inform table 2 below.
- 4.2 Since 1 April 2017, Greater Manchester has participated in a pilot scheme to retain 100% of business rates. Under the arrangement, the retained business rates income replaces the Council's Revenue Support Grant and Public Health Grant. The pilot is underpinned by a 'No Detriment' guarantee, meaning the Council will receive at least the same level of income from the 100% retention pilot when compared to the income they would have received under the current 50% scheme. This is achieved through adjustments to the Business Rate top-up grant. This top up grant represents the difference between what the Council is able to collect in business rates income, compared to the Government's assessment of what the Council needs to fund services.
- 4.3 The provisional settlement for 2018/19 and 2019/20 announced on 19 December 2017 is as follows:

Table 2 – Finance Settlement

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Revenue Support Grant	0	0	0	0	0
Business Rates Baseline	49,701	51,851	52,797	53,210	54,806
Business Rates Top-up Grant	43,635	36,593	29,123	25,191	20,191
Settlement Funding Assessment	93,336	88,444	81,920	78,401	74,997
Contribution to Business Rates Deficit	(2,000)	(2,000)			
Total	91,336	86,444	81,920	78,401	74,997
Reduction in Year		(4,892)	(4,524)	(3,519)	(3,404)
Cumulative Reduction					(16,339)

- 4.4 As set out in section 2 above, the four year settlement covers the period to 2019/20 and prudent assessments have been made for the period 2020-2022 reflecting further anticipated reductions to funding. The contribution to the Business Rates deficit is to fund the collection fund deficit arising from losses on appeals and a lack of growth in business rates income set out in 2.12.1 above.
- 4.5 The 2017/18 Finance Settlement announced changes to the New Homes Bonus grant, introducing a national baseline for housing growth and reducing the period over which the grant is paid to five years from 2017/18 and four years from 2018/19. These changes have reduced the amount of grant the Council received in 2017/18 and forecasts for future years. The grant is based on the number of new homes built, with a bonus adjustment for affordable homes. The level of grant the Council will receive in 2018/19 is £0.711m lower than originally anticipated, placing additional pressure on the financial position.

Chart 1.1 – New Homes Bonus Payments



- 4.6 The changes to government policy which reduced the period over which the grant is paid, coupled with the number of new properties being lower than originally anticipated, has resulted in the amount of new homes bonus grant being lower than originally anticipated in 2018/19.
- 4.7 As part of the finance settlement, the Government increased the referendum limit for core Council Tax increases to 2.99% (previously 1.99%). This is covered in section 6 of the report.

Use of Reserves

- 4.8 The 2017/18 budget included the use of £2.6m of the Council's reserves for additional investment in Children's services, with further investment of £1.6m in 2018/19 and £0.3m in 2019/20 assumed in the MTFP approved in February 2017. In the context of the extraordinary demands being placed on Children's Services set out in paragraph 2.12.2 above, it is proposed that significant additional investment is made in Children's Services over the period 2018/19 to 2020/21. This will be financed from the Council's earmarked reserves as this additional investment is to fund the implementation of a long term sustainable plan for Children's Services.
- 4.9 Following a review of the current demand pressures facing Children's Services and the additional investment being made in the service to drive improvements, the MTFP now proposes further additional investment of £18m over three years. Including the use of reserves already assumed in 2017/18, this additional one-off investment will see almost £20m invested in Children's services to drive the required improvements (£11.6m in 2018/19, £6.3m in 2019/20 and £2m in 2020/21).

- 4.10 A further £0.902m of reserves will be applied to other services in 2018/19 to fund a number of one-off investments and manage short term non recurrent pressures.

Council Tax Collection Fund Surplus

- 4.11 There is a surplus on the Council Tax Collection Fund which can be released to support the budget. In 2017/18, Council approved the use of £3m to support the 2017/18 budget, and a further £1.5m to support the budget in 2018/19 and 2019/20. The MTFP continues to assume the use of £1.5m from the collection fund surplus in each of the next three financial years, and this assumption will be reviewed once the position on the Collection fund for 2017/18 has been finalised.

Dedicated Schools Grant

- 4.12 The Dedicated Schools Grant (DSG) provides ring fenced revenue funding for allocation to education providers. The grant is calculated largely based on information recorded on the pupil census in October of the previous year.
- 4.13 The DSG for 2018/19 is allocated by the Education and Skills Funding Agency (ESFA) in four blocks:
- Early Years Block– this block contains the DSG funding allocated by the ESFA to support both the standard and extended entitlement to education for 3 and 4 year olds attending both school and Private Voluntary and Independent (PVI) Nursery provision. It also contains funding allocated by the ESFA to support 2 year olds attending PVI Nursery provision and the Early Years Pupil Premium.
 - High Needs Block- this block contains the DSG funding allocated by the ESFA to support the education of children with High Needs which is sometimes referred to as Special Educational Needs or SEN. This includes the funding allocated for post 16 provision.
 - Schools Block – this block contains the remainder of the DSG funding allocated by the ESFA which primarily supports Mainstream Schools.
 - Central Services Block - this block contains funding to support some of the Council's retained duties in relation to Schools that was previously allocated through the Education Services Grant.
- 4.14 The value of the DSG is adjusted by the ESFA throughout the financial year, but the Council expects to receive a gross DSG allocation of approximately £187.318m in 2017/18. This figure is inclusive of Schools Block funding for Academies and place funding for non-maintained Special Schools, which the ESFA will subsequently deduct from the DSG paid to the Council. The estimated 2018/19 gross DSG allocation notified by the Department for Education in late December 2017 is £195.028m. The increase of £7.710m is due to a combination of new funding and an increase in pupil numbers. An analysis of the changes is set out below:

Table 3: Summary of Dedicated Schools Grant Funding

	Baseline 2017/18	DSG 2018/19	Change
	£000	£000	£000
Schools Block	153,795	159,018	5,223
High Needs Block	18,704	19,396	692
Central Services Block	861	897	36
Early Years Block	13,958	15,717	1,759
Total DSG	187,317	195,028	7,710

4.15 Further information on Dedicated Schools Grant is contained in appendix I.

5. MEDIUM TERM FINANCIAL PLAN (MTFP) OVERALL SUMMARY

5.1. CIPFA recently published a report 'Building Financial Resilience' which looked at how Local Government can ensure financial resilience and identified five 'signs of financial stress':

- **A rapid decline in reserves** – using reserves to avoid cuts will only provide temporary relief
- **A failure to plan and deliver savings in service provision**, so that councils are not living within their resources
- **Shortening of medium-term financial planning** – a failure to plan ahead could indicate a lack of strategic thinking and an unwillingness to confront tough decisions
- **Firm objectives missing from savings plan**, such as a saving plan with 'still to be found' gaps or consisting of targets rather than robust plans; this may also include a tendency for over optimism in timing and scale of savings
- **Tendency for unplanned overspends** – carrying forward undelivered savings into the following year only creates the need for greater cuts in subsequent years.

5.2. In the context of pressures from growing demand, tightening funding and an increasingly complex and uncertain financial environment, the MTFP is an essential tool to assess and underpin our financial resilience. Our MTFP is designed to support the Council's medium term policy and financial planning processes, and secure financial resilience. Fundamentally the plan is designed to help provide a stable financial base to support service delivery. The plan also fits within a wider system of corporate planning. To ensure robust financial planning the MTFP has been extended by a further two years to 2021/22 to give the Council early sight of any potential financial issues it may face.

5.3. As well as supporting the Council's legal responsibility to set a balanced budget, the aims of the MTFP are to:

- ensure resources are allocated to the Council's priorities;
- improve value for money;
- maintain financial stability by anticipating future year funding changes and cost pressures, and taking appropriate action;
- manage significant financial risks; and
- establish and maintain an adequate level of reserves and balances.

5.4. The MTFP is underpinned by the following key principles:

- a prudent assessment of future resources;
- the future cost of services has been fully reviewed and assessed. Provision within the MTFP has been included to take account of forthcoming pressures and investment requirements;
- maximisation of income generated across all areas of the Council and prompt collection of all amounts owed to the Council / minimisation of bad debts;
- prudent assessment of provisions required to mitigate potential future liabilities;
- risk-assessed level of reserves and balances held corporately to mitigate potential financial risks;
- maximisation of capital receipts from assets surplus to requirements;
- maximisation of external grant funding that meets our priorities;
- full integration of revenue and capital decision-making processes to ensure the revenue implications of capital projects are accurately reflected in the MTFP; and
- assurance over the implementation of all savings and efficiencies proposals.

Key assumptions

5.5. In line with these key principles, the following specific assumptions have been made in the development of the 2018-2022 MTFP:

- Government support in accordance with the four year fixed funding agreement (section 4 above);
- Service specific grant funding in line with known or forecast allocations for 2018/19 (See Table 13 in appendix 1);
- Pay awards of 2% per annum, following the lifting of the pay cap
- Employer's pension contribution rate increase of 1.3% for the period 2017-2020 and a further increase of 1.3% from 2020/21;
- Inflation on running expenses of 2% per annum;
- Increased allowance for adult services contract costs due to the National Living Wage and Foundation Living Wage (Appendix B);
- Fees and charges - average increase of 2.5% unless costs are not being recovered or market conditions require a higher or lower level;
- Allowance for demographic change in children and adults' services;
- Average investment return on cash deposits of 0.4%;
- The Council will remain in an under-borrowed position. A limited amount of new borrowing to take place at an average interest rate of 2.70%;
- Increase in levies per guidance issue by GM Combined Authority and GM Waste Disposal Authority; and
- Provision for losses on collection of business rates and council tax based on historical performance and forecast business rates appeals.

5.6 Funding has been allocated to services on the basis that it has been assessed as adequate to enable Directors to deliver their services as outlined in this section and appendices B to H. Directors and Assistant Directors will be accountable for containing service spending within these amounts. Underspends will generally be taken to reserves to cover the increasing financial risks facing the Council. Approval will be required for service areas to carry forward any underspends. The cumulative level of underspends and overspends will be kept under review.

Budget 2018/19

5.7 There has been a detailed review of all budgets in line with service priorities and in some areas additional budget has been provided to ensure that the budgets are sustainable. For other services, efficiencies have been identified and these budgets have been amended. This results in an overall position and then options can be considered in respect of how the gap can be closed and a balanced budget produced.

5.8 The increase in cost that has been assessed is summarised in table 4 below. Comment on each component is also provided below.

Table 4: Summary of Cost Increases

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Inflation	3,062	7,867	5,439	5,637
Legislative & Grant Changes	1,936	357	3,379	-
Demographic	10,412	(4,747)	(3,297)	(1,081)
Service Improvement	1,013	(641)	-	-
New Services	1,501	587	754	779
Total Cost Increases	17,924	3,423	6,275	5,335

5.9 The Directorate Summaries in appendix B to H consider the cost pressures in each service area, but the key headlines for 2018/19 are as follows:

- Inflationary pressures include pay inflation across all services. Particular pressures also include £1.6m relating to Adults Services contractual pressures including the national living wage increase, and £1.3m relating to the increased cost of the Waste Levy for waste disposal costs¹.
- Legislative & grant changes primarily include cost pressures arising from reductions in corporately held grant funding.
- Demographic pressures relate primarily to Children's services (£9.2m) due to extraordinary increases in demand (see paragraph 2.12.2 above and appendix C)
- Service Improvement and new services includes additional investment in the new homecare model in Adult services (£1.2m) and a number of initiatives and one-off investments across Neighbourhoods and Operations (£1.1m).

5.10 The two main levies payable by the Council are for Passenger Transport and Waste Disposal. The MTFP takes account of known increases to the Waste Disposal Levy in 2018/19 and future years, and there has been a commitment to freeze the Transport Levy. In 2017/18, to facilitate the buy-out of the waste PFI it was agreed that the transport levy would be reduced by £7m to fund an increase in the waste levy by the same amount. 2018/19 sees the reversal of this adjustment. Pressures and savings arising from changes in the levies will continue to be reviewed and factored into the MTFP.

Savings and efficiencies

- 5.11 The savings and efficiencies identified to assist in balancing the budget must be set in the context of what the Council has already achieved over the last eight years. By the end of 2017/18 the Council will have made efficiency savings in excess of £140m.
- 5.12 In March 2017, Executive Cabinet approved an advance payment of pension contributions. This advance payment provides the Council with a 'discount' on the pension contribution and allows the pension fund to make investments and generate additional income. This advance payment is expected to produce a benefit of £0.8 million per annum over the three year period 2017/18 to 2019/20.
- 5.13 As an existing shareholder of Manchester Airport Group (MAG), the Council is proposing to enter into a shareholder loan to support the MAG transformation programme which will see significant investment in Manchester Airport. The transformation programme will significantly enhance and expand facilities at Manchester Airport, supporting the economic development of the Greater Manchester region. The proposed loan will generate a revenue benefit for the Council in future years and was approved by Executive Cabinet on 7 February 2018. Due to current uncertainty around the timing and value of the loan, no assumptions have yet been included in the financial plan for 2018/19 or beyond.
- 5.14 The Council is able to borrow for its capital investment programme so long as it is able to afford the cost of interest and loan repayments from its revenue budget. The Council's cash position has meant that it can delay the taking up of new borrowings, thereby avoiding interest costs, and instead using available cash. Currently the Council is under-borrowing by nearly £70m as regularly reported in the treasury management updates to Executive Cabinet. The assumption in the medium term financial plan will be that some limited borrowing will take place but overall there will still be an under-borrowed position throughout the three year planning period, which minimises the capital financing costs of the Council

¹ The Waste levy was due to increase significantly under the previous PFI arrangements, since the PFI contract was bought out by the 9 members of the GM Waste Disposal Authority. The budget for the levy was reduced by £5m in 2017/18 and was always forecast to increase following the buy-out of the PFI. Overall there was a £1.3m increase in the levy for Tameside for 2018/19..

Service Efficiencies

- 5.15 Over the past eight years of austerity the Council has removed substantial sums from both back office and service costs. Costs are kept under review and new initiatives for savings are constantly sought. Appendices B to H of this report provides more detail on the proposed service efficiencies in each area, but savings identified as part of the 2018/19 budget process are summarised in table 5 below.

Table 5 - Savings by Directorate

Summary	Saving £000s	
	2018/19	2019/20
Adults	697	0
Population Health	204	70
Learning	90	0
Operations & Neighbourhoods	580	100
Place	338	648
Governance	689	850
Total	2,598	1,668

Overall Summary

- 5.16 As set out in table 4 above, the Council is facing significant cost pressures in excess of £17m for 2018/19, including significant pressures in Children's services. Service efficiencies, cost reductions and additional non-recurrent funding have been identified by management which will deliver overall cost reductions in excess of £8m (Table 6), but there remains a gap between the budget requirement and available resources before any changes to Council Tax levels are factored in.
- 5.17 After taking account of the cost pressures and proposed savings identified above, and the changes to the resourcing set out in section 4, the budget before any changes to Council Tax, is summarised in Table 6 below.

Table 6 – Budget Gap Analysis

	Total £000
Previous Year's Net Budget	177,396
Service Cost Pressures	
Inflation	3,062
Legislative & Grant Changes	1,936
Demographic	10,412
Service Improvement/New Services	2,514
Total New Cost Pressures	17,924
Savings to be Delivered by Management <i>(Identified in previous years)</i>	(521)
Savings to be Delivered by Management <i>(Identified in 2018/19 budget process)</i>	(2,598)
Additional Non-recurrent funding (iBCF / GM Transformation funds)	(5,687)
Total New Cost Reductions	(8,806)
Net Budgetary Effect of Service Proposals	9,118
Proposed Total Budget	186,514

	Total £000
Previous Year's Resource Base	(177,396)
Business Rates Baseline	(2,150)
Business Rates Top Up Grant	7,042
Collection Fund Surplus	1,500
Use of Reserves	(9,902)
Resources before Council Tax Increase	(180,906)
Budget gap before Council Tax Increase	5,608

6 CLOSING THE GAP – COUNCIL TAX

- 6.1 As set out in section 5 above, after taking account of cost pressures, savings and efficiencies, use of reserves and other additional non-recurrent income, there remains a gap between the budget requirement and available resources of £5.6m.
- 6.2 The previous coalition government had a policy on Council Tax whereby it provided financial incentives for local authorities to freeze their tax levels. There has been a marked difference with the current Government where council tax increases are expected to take place and have built such increases into their financial models included in the annual grant settlement. Furthermore the idea of a 'precept' for adult social care was introduced in 2016/17. In the absence of Government funding to deal with such issues and the need to provide statutory services, local authorities have to consider council tax increases. For these reasons this Council has agreed that it will have to raise the level of Council Tax.
- 6.3 Before raising the tax the Council has taken actions to ensure the amount raised from Council Tax is maximised. A review of the single person discounts was carried out in 2016 and resulted additional income of £0.3m was available for collection. In addition the Council's Tameside 500 is a policy to encourage 500 new homes to be built in the borough each year, which will increase the tax yield. Finally the Council is taking a firm approach on collection so that the maximum return can be achieved, which reduces the need to make reductions in services.
- 6.4 Each year the Council is required to set its Council Tax Base. The Council Tax base calculation informs the overall amount of Council Tax income that the Council can expect to collect in the forthcoming financial year. The tax base is calculated by multiplying its best estimate of the number of Band D equivalent properties by its estimate of the collection rate for that year. Any increase in the tax base results in additional Council Tax income for the Council.
- 6.5 The MTFP approved by Council as part of setting the 2017/18 budget included assumptions on Council Tax increases for the next two years. That MTFP assumed a general increase in Council Tax of 1.99% in both 2018/19 and 2019/20, and a further 3% increase for the Adult Social Care Precept in 2018/19.
- 6.6 Growth in the Council Tax base will generate additional Council Tax income for the Council. Actual growth in the Council Tax between 2017/18 and 2018/19 has been more than originally assumed in the budget and this will generate some additional Council Tax for 2018/19.
- 6.7 As already set out in paragraph 4.11 above, there is a surplus on the Council Tax Collection Fund which can be released to support the budget. In 2017/18, Council approved the use

of £3m to support the 2017/18 budget, and a further £1.5m to support the budget in 2018/19 and 2019/20. The MTFP continues to assume the use of £1.5m from the collection fund surplus in each of the next three financial years, and this assumption will be reviewed once the position on the Collection fund for 2017/18 has been finalised.

- 6.8 When the 2017/18 grant settlement was announced in December 2016 the Secretary of State set out his guidelines on Council Tax. He announced it would be permissible for the adult social care precept to be increased above the 2016/17 level of 2% (of the Council's tax level) as follows:
- 2017/18: maximum increase of 3%;
2018/19: maximum increase of 3%;
2019/20: maximum increase of 2%;
- 6.9 The maximum combined increase over the three year period is 6%. In setting the 2017/18 budget the Council agreed to implement the remaining Adult Social Care precept as 3% in 2017/18, 3% in 2018/9 and 0% in 2019/20 (6% overall).
- 6.10 As mentioned in section 4, as part of the 2018/19 finance settlement, the Government increased the referendum limit for core Council Tax increases to 2.99%. This increase in the referendum limit provides an option for the Council to increase Council Tax overall by 5.99% (2.99% core increase and 3% Adult Social Care).
- 6.11 The MTFP already assumed an overall increase in Council Tax of 4.99% in 2018/19. However, the actions already taken to identify efficiency savings and other non- current resources, means that the Council will not need to increase Council Tax by more than the originally planned 4.99%.
- 6.12 The opportunity to increase the general Council Tax by 2.99% does provide the ability to defer the implementation of the Adult Social Care precept over a longer period. The Council is therefore proposing to implement the 2.99% increase in core Council Tax but will split the Adult Social Care precept across 2018/19 and 2019/20 (2% in 2018/19 and 1% in 2019/20). This will result in the overall Council Tax increase remaining at 4.99% in 2018/19 as originally envisaged in the 2017 budget report.
- 6.13 Table 7 below illustrates the effect of a 4.99% increase in Council Tax, including growth from an increase in the number of properties in the borough, on the affordability of the Council's medium term plan.

Table 7 – Council Tax Increase

	£000
Budget gap before Council Tax Increase (Table 6)	5,608
4.99% increase to Council Tax	(5,608)
Budget gap after Council Tax Increase	0

7 REVIEW OF THE RESERVES POSITION

Operating reserves and future provisions

- 7.1 Operating reserves and provisions are a vital element of prudent financial management arrangements for all councils, and may be held for a number of different purposes. They can be broadly categorised as three main types:
- A working balance which helps smooth cash flow operation and avoids the need to borrow temporarily (General Fund balances).
 - A contingency to cushion the impact of unexpected events and emergencies (an element within the base revenue budget).
 - A means of building up funds to meet expected requirements or liabilities.
- 7.2 Earmarked reserves are often held for specific risks within the budget. The Council maintains an earmarked Insurance reserve for uninsured risk (a form of self-insurance) and a number of other specific reserves are held for specific risks such as Care Together.
- 7.3 Recent changes to local authority funding have significantly increased the level of risk being managed by the Council. As a result the Council holds a level of general reserves to manage potential future fluctuations in the level of funding available to the Council.
- 7.4 Given the likely complexity and scale of service transformation needed to balance future budgets, it is prudent to hold reserves to meet the one-off costs of service transformation, including 'pump priming' for new models of delivery. As we exhaust simple efficiency savings, the complexity and scale of service transformation and the associated risks can only increase.
- 7.5 Section 26 of the Local Government Act 2003, places a duty on the Section 151 Officer to ensure the Council has established a minimum level of reserves to be retained to cover any unforeseen demands that could not be reasonably defined within finalising the proposed budget. This budget continues to assume a minimum level of General Fund balances of £17m as being proportionate to the safe financial operation of the Council and to the risks it faces in the medium term. This is around 3% of the Council's gross annual spend.
- 7.6 The Council is in a strong financial position with regard to reserves which it has managed to accumulate over a period of time. A review of reserves was carried out as part of the budget setting process for 2017/18 and was concluded through the preparation of the financial statements for 2016/17.
- 7.7 This review created the capital investment reserve, which will be used to fund the capital programme, and re-categorised a number of other reserves to ensure their purpose was clear. Whilst the Council's current level of reserves is strong, many of these are to meet known or expected liabilities, and the level of reserves is projected to fall over the coming years.

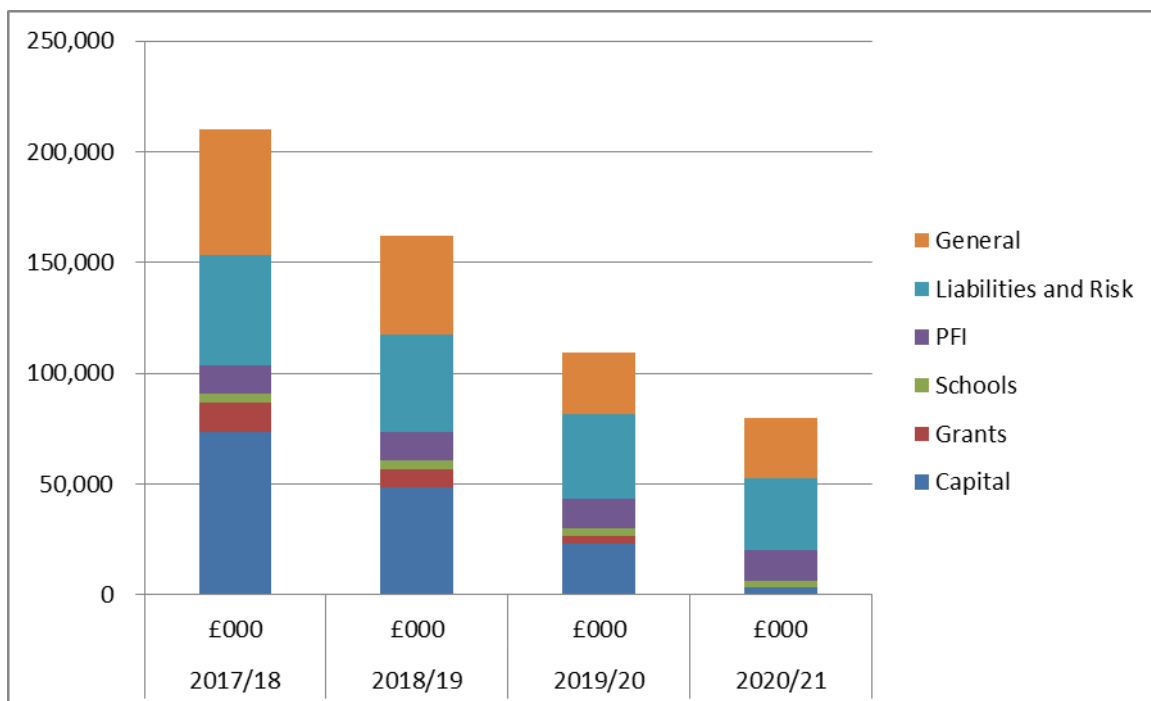
Table 8 – Forecast Reserves and Balances

Forecast Reserves Balances 2017 -2020				
	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000
Capital	73,400	48,400	23,400	3,400
Grants	13,200	8,200	3,200	0
Schools	4,500	4,000	3,500	3,000
PFI	12,400	12,900	13,400	13,900
Liabilities and Risk	50,100	44,100	38,100	32,100
General	56,700	44,700	27,700	27,700
Total	210,300	162,300	109,300	80,100

7.8 The projections for reserves include the following assumptions:

- **Capital Reserves** – These will be used to support the Capital Investment Programme as set out in section 8 below;
- **Grants** – These are unspent grants which must be applied to specified services/initiatives within the funding period, or returned to the grant giving organisation;
- **Schools** – Reductions are expected due to Academy Conversions and due to the on-going pressures that schools are facing around their funding. These reserves are the responsibility of schools and represent their unspent delegated budgets;
- **PFI** – The PFI reserves are smoothing reserves to spread the cost of the PFI schemes over the life of the contract. These are typically built up during the first part of the contract life and reduce to zero over the second part of the life of the contracts;
- **Liabilities and risk reserves** – These are to cover future risks and liabilities. The balances in 2017 include: £7.8m Waste and Transport Levy reserve to smooth fluctuations in the levy payments; £5m Early Exit Costs Reserve for any unexpected future restructure or severance costs; £18m Care Together and Health Integration Reserve, of which £15m is earmarked to support Care Together over the next three years; £6m General Insurance Reserve to cover uninsured liabilities; £6m Children's Services Reserve; £4m Business Rates Reserve set aside to partially contribute to the deficit on the business rates collection fund and offset risks surrounding potential changes to the baseline and other fluctuations; and a number of small risk reserves for specific identified future liabilities and/or risks.
- **General Reserves** – These will fund additional one off investments in Children's Social Care of £18m over the next two years, and £10m will be used for the Manchester Airport loan set out in paragraph 5.12 above.

Chart 1.2 – Reserves Strategy



- 7.9 It is a legal requirement that the Section 151 Officer is also satisfied that decisions taken on balances and reserves represent proper stewardship of public funds. The Government has previously criticised the level of reserves held by councils as being too high. However, the professional consensus is that reserves are more necessary in times of greater risk and uncertainty.
- 7.10 As the Council moves further to joint working and ownership of the overall health economy with our health partners the level of financial risk being faced by the Council in the short term continues to increase, until the transformation work has been delivered, which will mitigate the even greater long term risks that the Council and CCG are facing. Reserves provide a way for the Council to ensure that any unforeseen financial impacts can be absorbed without immediately impacting on frontline service delivery. Currently, potential impacts may arise from a number of sources, including:
- The further significant loss of Government funding.
 - Significant changes to local government responsibilities.
 - Failure to deliver identified savings in 2018/19.
 - Continued increasing demands on Children's services and delays in delivering service improvement.
 - Potential for increased costs arising from the impact of Carillion being placed into liquidation.
 - Failure to secure the forecast capital receipts from land sales to support the Capital Investment Programme.
 - Delays to the Care Together Programme
 - Other cost pressures or national policy changes e.g. the impact of an ageing population and pressures within the local health economy, unanticipated increases in demand for services.
 - Delays in securing further and significant savings to balance 2019/20 and beyond.
 - Volatility of the Business Rates base and 100% rates retention.
 - Potential legal judgements and the confirmation of obligations that lead the Council to recognise contingent liabilities in the Statement of Accounts.
- 7.11 The Section 151 Officer considers the level of reserves and balances to be a major asset to assist the Council to navigate the financial challenges faced on both revenue and capital accounts over the medium term. It should be noted that reserves will reduce considerably over the following three years but that is no cause for alarm when it is in accordance with the medium term financial plan.

8 CAPITAL INVESTMENT

- 8.1 The Council maintains a three year Capital Programme which sets out planned capital investment and identifies the resources that are available to finance expenditure on all projects. The Strategic Planning and Capital Monitoring Panel at its meeting on 9 October 2017 recommended to Cabinet a three year capital programme which earmarked resources for schemes totalling over £174m for the period 2017-2020.
- 8.2 All Directorates of the Council and members of the Single Leadership Team were invited to submit bids for inclusion in the updated capital investment programme. Bids were categorised in line with the emerging Corporate priorities or as unavoidable schemes resulting from our statutory responsibilities. The Single Leadership Team considered how the proposed schemes meet the Council's Capital Strategy, how they contribute to the Council's priorities, and how the schemes contribute to the Council's financial sustainability.
- 8.3 The three year capital programme, approved by Executive Cabinet on 18 October 2017, is summarised in Table 8 below. The profile of expected spend has been reviewed and updated since the programme was approved in October 2017.

Table 9 - Three year Capital Programme

Revised Three Year Capital Programme				
	Re-profiled Budgets			
	2017/18 £000	2018/19 £000	2019/20 £000	Total £000
Place				
Asset Investment Partnership Management (AIPM)	32,940	4,948	0	37,888
Development and Investment	2,949	2,391	0	5,340
Neighbourhoods and Operations				
Engineering Services	12,508	1,344	0	13,852
Transport	6,249	0	0	6,249
Environmental Services	740	272	0	1,012
Stronger Communities	454	0	0	454
Children's Services				
Education	11,306	1,483	0	12,789
Children's	125	0	0	125
Finance and IT				
Digital Tameside	1,091	688	0	1,779
Population Health				
Active Tameside	4,117	13,677	0	17,794
Governance				
Exchequer	10	0	0	10
Total - Fully approved projects	72,489	24,803	0	97,292
Earmarked Schemes awaiting full approval	16,882	48,235	12,144	77,261
Total three year programme	89,371	73,038	12,144	174,553

- 8.4 The proposed resourcing of the capital programme, summarised below, has been reviewed to maximise efficiencies on the revenue costs of capital. Minimum borrowing has been assumed to be carried out with the majority of corporate funding now undertaken by using reserves and/or capital receipts.

Table 10 - Proposed funding of the capital programme as at October 2017

	2017/18 £000	2018/19 £000	2019/20 £000	Total
Grants and Contributions	24,820	1,600	1,600	28,020
Revenue Contributions	692	39	0	731
Forecast Capital Receipts	19,081	24,020	10,544	53,645
Reserves	32,458	36,752	0	69,210
Prudential Borrowing	12,320	10,627	0	22,947
Total	89,371	73,038	12,144	174,553

- 8.5 The resourcing structure will fluctuate during the next three years and this will be kept under review by the Director of Finance and reported to Members. The funding position will be kept under review as schemes progress to full business case, and prioritisation may be necessary if resources cannot be identified to fund the proposed programme in future years.
- 8.6 Resources available from external sources, such as grants and third party contributions, are limited. Grant allocations in future years are expected but no assumptions have yet been made regarding the amounts available other than for Highways. Whilst all grant allocations and third party contributions are welcomed, on their own they will not match the needs and priorities of the Council.
- 8.7 The Council has an active disposal programme of its surplus land and buildings that will generate capital receipts which can then be reinvested in new projects for the long term benefit of residents and businesses in the borough. The current disposal programme forecasts capital receipts totalling £49.9m over the three year period. In addition to this a further £3.6m is available from receipts realised in 2016/17 that were not applied to fund that year's capital investment programme. Progress on disposals will be kept under regular review and reported to the Strategic Planning and Capital Monitoring Panel. Any significant variance to this programme of disposals may require a reappraisal of schemes in the capital investment programme.
- 8.8 Another significant source of funding is from the Council's reserves. Reserves can be built up over a prolonged period of time and can be generated from a combination of:
- (i) a planned accumulation from specific budgets in the Council e.g. insurance, debt management;
 - (ii) utilisation of windfall proceeds e.g. airport dividend;
 - (iii) utilisation of year end surpluses.
- 8.9 Reserves are generally earmarked for specific purposes and fully disclosed in the Annual Statement of Accounts. The Capital Investment Reserve currently stands at £69m. Reserves can only be spent once and their use in this way, on non-recurrent commitments, is a sensible proposition. This will still leave sufficient reserves to cover specific risks and liabilities.
- Prudential borrowing**
- 8.10 One further source of finance is prudential borrowing. The interest cost and principal repayments of borrowing is funded from future revenue budgets. The Council's ability to prudentially borrow to fund future schemes is limited by the budget pressures which the Council faces over the coming three years and beyond.
- 8.11 Borrowing will only be used to a limited extent due to associated impact on the revenue budget in having to repay this debt. It is therefore proposed that the use of further

borrowing will be restricted to initiatives that produce savings or a new revenue stream to the Council.

- 8.12 Further details on the Council's Prudential Borrowing, Treasury Management Strategy, and Minimum Revenue Provision are set out in a separate report to Executive Cabinet on 7 February 2018.

9 STATEMENT ON THE ROBUSTNESS OF THE BUDGET ESTIMATES

- 9.1 The Council is required by law to set a balanced budget for the upcoming financial year. This balanced budget must be based on sound and sustainable assumptions about income and expenditure, the delivery of savings and use of reserves.

- 9.2 Under Section 25 of the Local Government Act 2003, the section 151 officer is required to prepare a statement on the adequacy of the proposed financial reserves and the robustness of the budget estimates.

Use of reserves and the General Fund balance

- 9.3 Section 7 above has considered the reserves and balances of the Council and their anticipated use over the next three years. Paragraph 4.8 sets out the proposed use of reserves to support one-off initiatives and investments in the revenue budget. The budget does not propose the use of reserves to fund recurrent revenue expenditure as this is not sustainable. Whilst the level of balances held by the Council is forecast to reduce significantly over the next three years, this is a planned reduction and should still leave the Council with a level of reserves sufficient to cover future medium term risks.

Monitoring and forecasting

- 9.4 The Council will continue to undertake regular and robust budget monitoring throughout the financial year. The monitoring will include specific assessment and monitoring of the delivery of planned savings, and regular review and updating of the MTFP to identify future financial risks at the earliest opportunity. Updated forecasts will be presented to the Executive Cabinet at regular points throughout the year.

Delivering the Corporate Plan

- 9.5 The 2018/19 budget includes significant one off investment in a number of areas and is predicated on the delivery of savings and service efficiencies across the Council. Whilst the position for 2018/19 is now balanced, there remains a significant gap for the period 2019 – 2022, and urgent action is now required to identify the service transformation needed to close this gap.

- 9.6 Since 2010 the Council has delivered efficiency savings in excess of £140m. Delivery of further significant savings from 2019 can only therefore be increasingly difficult and will require innovative solutions, which will take time to deliver.

Risk Assessment

- 9.7 Risks to the Council's budget and financial position have been highlighted throughout this report, and include:

- Further significant loss of Government funding and increasing uncertainty.
- Significant changes to local government responsibilities.
- Failure to deliver identified savings in 2018/19.
- Continued increasing demands on Children's services and delays in delivering service improvement.

- Potential for increased costs arising from the impact of Carillion being placed into liquidation.
- Failure to secure the forecast capital receipts from land sales to support the Capital Investment Programme.
- Delays to the Care Together Programme
- Other cost pressures or national policy changes e.g. the impact of an ageing population and pressures within the local health economy, unanticipated increases in demand for services.
- Delays in securing further and significant savings to balance 2019/20 and beyond.
- Volatility of the Business Rates base and 100% rates retention.
- Potential legal judgements and the confirmation of obligations that give rise to new liabilities.

9.8 The Council operates in an environment of increasing uncertainty and risk. Throughout the budget preparation process, the impact and likelihood of identified risks has been assessed, to ensure that assumptions are sound and sustainable, and that the level of reserves held by the Council is considered to be prudent and appropriate.

Conclusion

9.9 In the light of the risk assessment and the details of the budget as set out in this report, which are based on the best information available at the time, and the strength of the Council's Internal Control Systems (validated by External and Internal Audit), it is the opinion of the Section 151 Officer as the Director of Finance that the budget estimates for 2018/19 are robust, and the level of reserves adequate.

9.10 This statement is in compliance with Section 25 of the Local Government Act 2003. This is not a guarantee that spending will be within every budget line but it is reasonable to believe that the expenditure can be contained within the overall resource envelope agreed by the Council.

10 LEGAL CONSIDERATIONS

10.1 The obligation to make a lawful budget each year is shared equally by each individual Member. In discharging that obligation, Members owe a fiduciary duty to the Council Taxpayer. The budget must not include expenditure on items which would fall outside the Council's powers. Expenditure on lawful items must be prudent, and any forecasts or assumptions such as rates of interest or inflation must themselves be rational. Power to spend money must be exercised bona fide for the purpose for which they were conferred and any ulterior motives risk a finding of illegality. In determining the Council's overall budget requirement, Members are bound to have regard to the level of Council Tax necessary to sustain it. Essentially the interests of the Council Taxpayer must be balanced against those of the various service recipients.

10.2 Within this overall framework, there is of course considerable scope for discretion. Members will bear in mind that in making the budget; commitments are being entered which will have an impact on future years. Some such commitments are susceptible to change in future years, such as staff numbers which are capable of upward or downward adjustment at any time. Other commitments however impose upon the Council future obligations which are binding and cannot be adjusted, such as loan charges to pay for capital schemes. Only relevant and lawful factors may be taken into account and irrelevant factors must be ignored.

10.3 Under the Member Code of Conduct members are required when reaching decisions to have regard to relevant advice from the statutory Chief Finance Officer, and the Monitoring

Officer. Section 114 of the Local Government Finance Act 1988 obliges the Chief Financial Officer to prepare a report (to full Council) if it appears that the expenditure the Authority proposes to incur in a financial year is likely to exceed its resources available to meet that expenditure.

- 10.4 Similarly, the Council's Monitoring Officer is required to report to Full Council if it appears that a decision has been or is about to be taken which is or would be unlawful or would be likely to lead to maladministration. Under section 25 of the Local Government Act 2003 the Chief Financial Officer is now required to report to the authority on the robustness of the estimates made for the purposes of the calculations required to be made by the Council.
- 10.5 Section 91 of the Local Government Act 2000 provides that an External Auditor may issue an "Advisory Notice" if s/he has reason to believe that an Authority is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency. This power is to be used where the matter is significant either in amount or in principle or both. A local authority must budget so as to give a reasonable degree of certainty as to the maintenance of its services. In particular local authorities are required by section 32 of the Local Government Finance Act 1992 to calculate as part of their overall budget what amounts are appropriate for contingencies and reserves. The Council faces various contingent liabilities set out in the main budget report. Furthermore the Council must ensure sufficient flexibility to avoid going into deficit at any point during the financial year. In addition to advising on the robustness of the estimates as set out above, the Chief Financial Officer is also required to report on the robustness of the proposed financial reserves.
- 10.6 Apart from statutory duties relating to specific proposals the Council must consider its obligations under the Equality Act. In broad terms this means that the Council has a duty to have due regard to the need to eliminate discrimination and advance equality of opportunity between all irrespective of whether they fall into a protected category such as race, gender, religion, etc. Having due regard to these duties does not mean that the Council has an absolute obligation to eliminate discrimination but that it must consider how its decisions will contribute towards meeting the duties in the light of all other relevant circumstances such as economic and practical considerations. In carrying out the work to identify proposals for 2013/15 officers will have due regard to how the equality duty can be fulfilled in relation to the proposals overall. Detailed consultation processes and equality impact assessments will be carried out for specific proposals prior to final decisions being made where required.
- 10.7 The Localism Act and the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 introduced "Disclosable Pecuniary Interests" and new rules on the grant of dispensations to allow Council Members to take part in or vote on matters in which they have a Disclosable Pecuniary Interest ("DPI"). Where a Member has a DPI, they cannot speak and/or vote on a matter in which they have such an interest, unless they have obtained a dispensation in accordance with the requirements of section 33 of the Localism Act. The grounds for the grant of a dispensation under section 33(2) of the Localism Act are, if, after having regard to all relevant circumstances, the Council considers that:
 - (a) Without the dispensation the number of Members prohibited from participating/voting in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business.
 - (b) Without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business.
 - (c) The grant of the dispensation would be in the interests of the inhabitants of the borough.

(d) Without the dispensation every Member of the Executive would have a DPI prohibiting them from participating/voting in any particular business to be transacted by the Executive.

(e) It is otherwise appropriate to grant the dispensation.

- 10.8 At its meeting on 18 September 2012, the Council delegated to the Monitoring Officer the power to grant dispensations. Any grant of a dispensation must specify how long it lasts for, up to a maximum period of four years. Previously, the old “national” model Code of Conduct for Members specifically stated that Members would not have a prejudicial interest in certain circumstances that potentially affected the majority or a large number of Members. These general exemptions included an interest in any business of the Council which related to setting Council Tax or a precept under the Local Government Finance Act 1992. The new arrangements on DPIs introduced by the Localism Act do not reproduce any of the “general exemptions”.
- 10.9 All Members are likely to have a pecuniary interest in relation to the setting of the Council Tax through their ownership / occupation of property in Tameside in common with any resident of the Borough or indeed anyone who stands as a Councillor. In the Monitoring Officer’s opinion, the transaction of business relating to these matters would be impeded unless a dispensation was granted.
- 10.10 In these circumstances, the Monitoring Officer intends to grant dispensations to all members to allow members to participate in and vote on the setting of the Council Tax or a precept (and matters directly related to such decisions including the budget calculations). It will be necessary for all councillors to apply for dispensations to take part in the meeting at Full Council.

11 RECOMMENDATIONS

Revenue budget recommendations

- a) That the budgeted net expenditure for the financial year 2018/19 as set out in **Appendix A** be agreed at £186.514m and that the level and usage of reserves and balances set out in **section 7** of this report be approved.
- b) That the Medium Term Financial Strategy, as updated in this report, be approved and form the basis of future updates, reports and decisions taken by Cabinet to balance resources and expenditure in future years budgets.
- c) That the proposed expansion of the Integrated Commissioning Fund as set out at paragraph 2.17 is noted.
- d) That the assumptions set out in section 5 are approved, and that the Council specifically approves:
 - An uplift to all fees and charges of 2.5% except where costs are not being recovered or market conditions indicate a different rate is more appropriate.
 - The child allowance fees payable to Tameside Foster Carers and Relative Carers relating to the financial year 2018/19 are increased in line with the weekly minimum rates as determined by the Department of Education. Accordingly there will also be a corresponding increase to the related allowances payable.
 - The personal allowance rate payable to eligible and relevant care leavers living independently is increased in 2018/19 to the same level as the Job Seekers Allowance rate payable for 18-24 year olds as determined by the Department for Work and Pensions.
- e) That Council Tax for 2018/19 be increased by 4.99%, being 2.99% in respect of general level council tax and 2% in respect of the adult social care precept, as set out in **section 6**.
- f) That the Pay Policy for 2018/19 included at **Appendix J** is approved.

Capital budget recommendations

- a) That the position on the Capital Programme (**section 8**), as previously approved by Executive Cabinet on 18 October 2017 is noted .

General recommendations

- a) That the Council notes the difficult circumstances, and the expected challenges set out in this report over the medium term.
- b) That the Council notes the significant good progress made over the last few years in meeting the financial challenges and continuing to operate in a financially robust manner.
- c) That the Council retains a minimum level of General Fund balances of £17 million.
- d) That the Council accepts the advice of the Section 151 Officer regarding the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed financial reserves. Following this, that the Council determines that the estimates are robust for the purpose of setting the budget and that the proposed financial reserves are adequate.

APPENDIX A

Revenue Budget Summary

Table 11 – Medium Term Financial Plan Summary

	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Previous Year's Net Budget	176,000	177,396	186,514	182,719	190,833
Service Cost Pressures					
Inflation	3,523	3,062	7,867	5,439	5,637
Legislative & Grant Changes	1,459	1,936	357	3,379	0
Demographic	12,214	10,412	(4,747)	(3,297)	(1,081)
Service Improvement/New Services	1,252	2,514	(54)	754	779
Total New Cost Pressures	18,448	17,924	3,423	6,275	5,335
Savings to be Delivered by Management	(15,360)	(3,119)	(2,774)	40	(210)
Budget Realignments	(718)	0	0	0	0
New Income	(974)	(5,687)	(4,444)	1,799	19
Total New Cost Reductions	(17,052)	(8,806)	(7,218)	1,839	(191)
Net Budgetary Effect of Service Proposals	1,396	9,118	(3,795)	8,114	5,144
Proposed Total Budget for Year (Previous Years Budget + Net Effect of Proposals)	177,396	186,514	182,719	190,833	195,977
<u>Resources</u> <i>(Assumes increase in Council Tax)</i>					
Revenue Support Grant	0	0	0	0	0
Business Rates baseline	(47,701)	(49,851)	(52,797)	(54,381)	(56,012)
Business Rates Top Up	(43,635)	(36,593)	(29,123)	(24,123)	(19,123)
Council Tax	(80,460)	(86,068)	(88,992)	(91,121)	(93,300)
Collection Fund Surplus	(3,000)	(1,500)	(1,500)	(1,500)	(1,500)
Use of Reserves	(2,600)	(12,502)	(6,300)	(2,000)	0
Total Resources	(177,396)	(186,514)	(178,712)	(173,125)	(169,935)
Previous year's (surplus)/deficit b/fwd	0	0	0	4,007	17,708
Current year (surplus)/deficit	0	0	4,007	13,701	8,334
Imbalance (surplus)/deficit cumulative	0	0	4,007	17,708	26,042

Table 12 – Budget Gap with Council Tax Increases

Gap with Council Tax Increases	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
<u>Resources</u>					
Revenue Support Grant	0	0	0	0	0
Business Rates Baseline	(47,701)	(49,851)	(52,797)	(54,381)	(56,012)
Business Rates Top-up Grant	(43,635)	(36,593)	(29,123)	(24,123)	(19,123)
Amount to be funded from Council Tax	(80,460)	(86,068)	(88,992)	(91,121)	(93,300)
Collection Fund Surplus	(3,000)	(1,500)	(1,500)	(1,500)	(1,500)
Use of Reserves and Balances	(2,600)	(12,502)	(6,300)	(2,000)	0
Total Resources	(177,396)	(186,514)	(178,712)	(173,125)	(169,935)
<u>Spending Plans</u>					
Adults	44,309	41,175	41,462	48,742	54,362
Children	38,577	48,065	43,159	39,412	37,979
Public Health	16,707	16,494	15,767	15,588	15,369
Place	8,086	7,858	6,808	6,898	6,990
Operations and Neighbourhoods	48,598	50,379	50,735	51,147	51,568
Governance	7,185	7,207	6,737	6,993	7,256
Finance	4,376	4,516	4,401	4,521	4,643
Corporate	9,558	10,820	13,650	17,532	17,810
Total Spending	177,396	186,514	182,719	190,833	195,977
Remaining Gap to be addressed	0	0	4,007	17,708	26,042

Table 13 – Budget Gap without Council Tax Increase

Gap without Council Tax Increases	2017/18 £000	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
<u>Resources</u>					
Revenue Support Grant	-	-	-	-	-
Business Rates Baseline	(47,701)	(49,845)	(52,791)	(54,375)	(56,006)
Business Rates Top-up Grant	(43,635)	(36,599)	(29,129)	(24,129)	(19,129)
Amount to be funded from Council Tax	(80,460)	(80,460)	(80,460)	(80,460)	(80,460)
Collection Fund Surplus	(3,000)	(1,500)	(1,500)	(1,500)	(1,500)
Use of Reserves and Balances	(2,600)	(12,502)	(6,300)	(2,000)	-
Total Resources	(177,396)	(180,906)	(170,180)	(162,464)	(157,095)
<u>Spending Plans</u>					
Adults	44,309	41,175	41,462	48,742	54,362
Children	38,577	48,065	43,159	43,159	37,979
Public Health	16,707	16,494	15,767	15,588	15,369
Growth	8,086	7,858	6,808	6,898	6,990
Operations and Neighbourhoods	48,598	50,379	50,735	51,147	51,568
Governance	7,185	7,207	6,737	6,993	7,256
Finance	4,376	4,516	4,401	4,521	4,643
Corporate	9,558	10,820	13,650	17,532	17,810
Total Spending	177,396	186,514	182,719	194,580	195,977
Remaining Gap to be addressed	0	5,608	12,539	32,116	38,882

Table 14 – Significant Service Specific Government Grants

	2017/18 £000	2018/19 £000
Section 31 Business Rates Grant	3,960	5,101
New Homes Bonus	3,182	1,722
Original Better Care Fund (BCF)	10,969	10,969
i-BCF phase 1	979	5,477
i-BCF phase 2	5,365	3,299
Adult Social Care - Greater Manchester transformation monies	0	1,211
Housing Benefit Administration Grant	998	897
Private Finance Initiative (PFI) Grant	14,196	14,196
Dedicated Schools Grant	136,896	128,816
Housing Benefits - Mandatory Rent Allowances: subsidy	76,566	76,566
Housing Benefits - Mandatory Rent Rebates outside HRA: subsidy	1,496	1,496
Universal Infant Free School Meals	2,050	2,735
Pupil Premium Grant	8,700	8,918
Total Grants	265,358	261,403

DIRECTOR OF ADULTS

Summary of services provided

Adult Services provides a wide variety of functions and services including assessment and care management, direct provision of services and a commissioning and contract monitoring function. The service employs approximately 570 staff to deliver these services. Approximately 70% of all direct provision services are commissioned in the independent sector – this includes residential and nursing care, home care services, 24 supported accommodation services for people with learning disabilities and extra care housing. Services are delivered for older people, people with learning disabilities, mental health issues and physical disabilities.

Achievements and successes in 2017/18

- Achieved 'good with outstanding elements' rating from CQC for 24 hour supported accommodation service (Homemakers).
- Retained Autism accreditation with the National Autistic Society across relevant specialist services.
- Adult Services has continued to work closely with the ICFT to implement the transformation programme. Good examples of this are e.g. digital health/CRS, Neighbourhoods, IUCT.
- Supported progress on the transaction of Adult Services into the ICO
- Successfully supported the implementation of the pooled budget
- Worked within the allocated budget available
- Commenced a range of projects to transform services with iBCF monies as detailed below
- Increased capacity to meet Mental Capacity Act requirements in relation to DoLS, resulting in a significant reduction in the waiting list for assessments.

Key priorities for 2018/19 and future years

- Continued progress towards the Care Together transformation programme.
- Continued progress towards the transaction of Adult Services into the ICO
- Services will continue to work proactively with ICFT to minimise the number of Delayed Transfers of Care. Have eliminated the number of delays resulting from social care assessments and working actively with care providers to ensure prompt response to assessment requests and to support people to move. Discussions also taking place with local providers to stabilise the market and ensure there is sufficient home care and care home capacity.
- Ongoing development of services, including the transformation plans supported by the iBCF to improve outcomes for individuals, maximise self-help and independence and to manage demand
- Work within the allocated budget, maximising opportunities to make efficiencies
- Ensure developments are aligned with GM programmes, seeking benefits for wider programmes where appropriate
- Stabilisation and development of the local markets
- Implementation of new care home contract
- Roll out of new Support at Home model
- Review all care packages to determine if equipment can replace elements of care package
- Review and reduction in the transport offer
- Continual reviewing of staffing across all areas
- Review of fees and charges

Budget growth and pressures for 2018/19
<p>Adult Social Care continues to experience ongoing cost pressures due to a number of factors.</p> <p><u>Demographic growth “An Ageing Population”</u> The growth in Older People requiring Social Care Services continues year on year. Current estimates are that numbers of 65+ in Tameside will grow by 2% in 2018 and by a further 3 % over the subsequent 2 year period. The service are currently exploring a number of options to mitigate this growth and to promote self -sufficiency wherever possible through increased use of technology and the third sector</p> <p><u>Transitions from Children’s Social Care</u> There are 74 known individuals due to transition into Adults over the next 4 years. These will require a range of support including Mental Health, Learning Disability and Physical Disability Support Services. The expansion of specialist in-borough day service provision will seek to mitigate some of this.</p> <p><u>National Living Wage / Foundation Living Wage</u> The Government’s commitment for lower paid workers to receive a “Living Wage” will result in further contractual price increases in 2018-19 and beyond. The 2018-19 rate has been confirmed at £7.83 p/h. This impacts on Care Home, Homecare and Supported Accommodation contracts significantly.</p> <p>The Councils aspiration to become an accredited Foundation Living Wage employer will result in further cost increases to care related contracts. The current FLW rate is £8.75 p/h and the Council would be required to reflect these rates in the cost of care methodology when calculating future rates as contracts come up for renewal.</p>
Income Sources (grants, fees and charges)
<p><u>Better Care Fund</u> Adult Social Care’s allocation of the BCF in 2018-19 £11.948m, There is also a further £4.5m which will come directly to the Council from DCLG. This funding is being used to maintain existing services whose priority is to support hospital discharge and enable people to live independently within the community. Services such as the Urgent Integrated Care Team, Reablement and Community Response Service are supported by this grant.</p> <p><u>i-BCF</u> In Spring 2017 Tameside were awarded a total of £10.296m non-recurrent funding over the 3 year period commencing April 2017. This funding will be utilised to support a number of initiatives to address unmet demand, transform Adult Social Care Services and support reductions in Delayed Transfers of Care (DToc).</p>
Savings proposed
<p>Savings proposed for 2018/19 total £697k and consist of:</p> <ul style="list-style-type: none"> • Review 7 day working - £60k • Reduce the wellbeing service by 50% - £105k • Delete 1 through the night programme - £112k • Review and reduce carers budget - £55k • Delete the IT maintenance budget - 200k • Cease provision of Greenscape - £22k • Cease provision of Creative Craft - £19k • Reduce sleep in funding on supported accommodation contracts - £112k • Cease funding to Willowood - £12k

Service Investment and Invest to Save

Adults are looking to capital fund 2 schemes that will both support demand management, deflection from services and prevention and early intervention resulting in people not accessing formal services.

Learning Disability Day Services - Oxford Park – To meet current and future demand for LD day services through the improvement and expansion of the physical space at Oxford Park (Active Tameside). This will create local capacity to support people with Special Educational Needs and Disabilities (SEND), meeting increasing demand from Looked After Children (LAC) and extra capacity for adults with learning disabilities.

C4 – To support the expansion of community asset based provision across the borough, creating resilience and opportunities for local people to engage in services that will reduce the demand on formal Council services.

The iBCF funding (£10.296 million 2017-20) is being invested across a number of initiatives to demand management and to transform services that will result in better outcomes for individuals and will support cost avoidance and cost benefits. These schemes include the following:

- Improvements in Reablement Service
- Expansion and diversification of Shared Lives Scheme
- Transformation of Community Response Service
- Development of a Mental Health Recovery Service
- Development of a Quality Improvement Team
- Implementation of Support at Home model
- Development of Innovation Fund in conjunction with Public Health and the Social Care Alliance
- Development of alternative housing options
- OD programme to support
- Development of community based hubs across the borough (Grafton Centre model)
- Funding to reduce backlog across a number of functions and funding additional capacity in teams
- Development of Oxford Park to support the management of demand in LD day services
- Support for Carers

DIRECTOR OF CHILDREN'S SERVICES

Summary of services provided

Children's Services is delivered through two primary services: Education and Children's Social Care.

Our Education Service delivers our core statutory responsibilities for all children in Tameside through their different ages and stages, and according to their particular needs:

- Early Years – to ensure sufficient provision is available and that the quality is either good or outstanding
- School Improvement – to ensure that all education provision is either good or outstanding
- Place Planning & Admissions – to ensure we have sufficient school places and that children all have fair access to our schools
- Special Educational Needs – to ensure that all children's needs are accurately assessed at the first opportunity and they receive education provision that meets their needs and helps them to achieve their potential
- Pupil Referral Service – to deliver provision for children unable to learn in mainstream provision
- Virtual School – to fulfil our corporate parenting responsibility for children in care
- Specialist Services – to manage resources, governor services, school attendance service, elective home education, children missing education, music service

Our Children's Social Care Service delivers our statutory responsibilities to protect children from harm, to support families effectively to be successful, and to meet all the needs of our children in care and care leavers.

- Child Protection – Social Work service dealing with referrals through the Hub, Assessment Teams, and long-term Safeguarding teams
- Looked After Children and Care Leavers – service to those for whom we have a corporate parenting responsibility, includes adoption and fostering services
- Quality Assurance – delivery of Independent Reviewing Officer service to chair Child Protection Conferences and LAC Reviews, and delivery of quality auditing and other quality assurance activity
- Specialist Services – services to disabled children and young carers, delivery of in-house Children's homes, placements commissioning and contact centre
- Early Help & Youth Offending – delivery of Early Years and Tameside Families Together services, and of the Youth Offending Service.

Achievements and successes in 2017/18

Improved attainment at all key stages:

- Early Years Foundation Stage – rise of 3% to 66% achieving Good Level of Development and closing gap to national average
- Phonics – rise of 2% to 79% achieving the expected standard, and closing gap to national average
- KS1 – rise of 2% in Reading (to 72%), Writing (to 65%) and Maths (to 72%)
- KS2 – rise of 5% to 60% achieving the expected standard in reading, writing and maths – and progress above national average in writing and maths
- KS4 – 62% achieved the standard in English and Maths, progress in line with previous year, but rise in numbers achieving the EBACC
- 95% of eligible children taking up 2 year old childcare

<ul style="list-style-type: none"> • 95% of early years providers rated Good or Outstanding • 14 primary schools where children's progress is in the top 10% of all schools nationally <p>Improvements in Children's Social Care recognised by the Ofsted Monitoring visits:</p> <ul style="list-style-type: none"> • Hub – significant improvements in the performance of the hub in dealing with new referrals about children causing concern • Increased social work capacity – in order to meet the very significant rise in demand • Senior leadership and management oversight – good evidence of improved oversight by both members and officers
<p>Key priorities for 2018/19 and future years</p> <p>The top priority is clearly the Improvement Plan for Children's Social Care, which has been re-written and is focused upon six priorities:</p> <ul style="list-style-type: none"> • Delivering to the Tameside Core Practice Standards • Stronger leadership and management • Recruitment and retention of Social Workers • Reducing demand and reducing caseloads • Specific improvements in our child protection services • Specific improvements in our Looked After Children (LAC) and leaving care services
<p>Budget growth and pressures for 2018/19</p> <p>Pressures in Children's Social Care focus upon placements and staffing. The service budget allocation was increased in 2017/18 by a recurrent sum of £ 6 million together with an additional £ 6 million non-recurrent sum over four years.</p> <p>The Council is proposing to invest a further non recurrent sum of £ 18 million over four years from 2018/19 to finance the existing level of unprecedented demand within the service. It is envisaged that demand will reduce over a phased period to a sustainable level as early intervention strategies start to have an impact.</p> <p>Education Budget Pressures The Special Education Needs Transport budgets continues to face cost pressures in relation to both the rising cost of the contracts and increased numbers of pupils needing transport.</p>
<p>Income Sources (grants, fees and charges)</p> <p>Children's Social Care There are principally two main sources of grant funding within Children's Social Care which support specified initiatives and interventions. The Trouble Families grant is also supported by an investment plan which demonstrates the future financial benefits that will be realised via the level of non-recurrent investment together with the strategy to ensure interventions continue on a sustainable basis thereafter. There are clear risks with these grants and the exposure to cessation at short notice by Government. It is therefore imperative that appropriate strategies are in place to mitigate this risk should it occur.</p> <ul style="list-style-type: none"> • Troubled Families Grant - £ 0.5 million • Youth Justice Board and Remand Grant - £ 0.5 million <p>Education A significant amount of funding in the education service comes from grants, which are ring-fenced for specific purposes as follows, the final figures have not been confirmed in all cases yet so some figures are indicative:</p> <ul style="list-style-type: none"> • Dedicated Schools Grant is £195.3m for 2018/19, allocated to the Council and Academies – This grant provides funding in 4 blocks to support education in the borough as follows; <ul style="list-style-type: none"> - Early Years -This relates to the free entitlement funding of places for 2, 3 and 4 year olds,

- High Needs (Special Education Needs),
- Schools Block –Funding to be passported to mainstream schools in the borough
- Central Service block - Funding provided to the Local Authority for statutory Education duties.
- Universal free Schools meals –This grant is provided to ensure every pupil in reception, years one and two will received a free schools lunch - Indicative figures for 18/19 are £3.3m
- Pupil Premium Grant – The pupil premium is additional funding for schools targeted to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers.
- PE Grant - funding to develop or add to the PE and sport £1.1m
- SEND Implementation Grant – This funding for Funding is for carrying out special educational needs and disabilities (SEND) reforms £162k
- Schools Improvement Grant - The grant is allocated to allow local authorities to continue to monitor performance of maintained schools, broker school improvement provision, and intervene as appropriate £141k.
- Schools Traded Service - The services trades services with schools on a number of fronts examples including Music Service, Library Services and Educational Psychology services this generates income of £1.4m. This income stream is demand led so loss of could be a risk to the service.

Savings proposed

Savings proposed for 2019/19 from Education total £90k and consist of:

- Saving from vacating Greencroft House resulting in a £32k saving in rent costs.
- Saving arising from deleting a post after a service review of senior officer posts – 58k

Service Investment and Invest to Save

Children's Social Care :

Capital Investment : £ 0.9 million

- Two new in borough Children's Homes, now operational

Invest To Save : £ 0.9 million

- Family Group Conferences
- Edge of Care Service
- Care to Success

Additional £ 1.0m non-recurrent budget to finance capital and revenue initiatives

DIRECTOR OF POPULATION HEALTH
<p>Summary of services provided</p> <p>The Directorate consists of a small team of 14 staff who lead on population health - an approach to health that aims to improve the health of the entire population and to reduce health inequities among population groups. In order to reach these objectives, the directorate strategy aims to assess need and commission preventative programmes which act upon the broad range of factors and conditions that have a strong influence on community health.</p> <p>As a mandated function the Council has a duty to take such steps as it considers appropriate for improving the health of the people in its area. The public health grant is provided to discharge population health responsibilities that are summarised as:</p> <ul style="list-style-type: none"> • Improve significantly the health and wellbeing of local populations; • Carry out health protection and health improvement functions delegated from the Secretary of State ; • Reduce health inequalities across the life-course, including within hard to reach groups • Ensure the provision of population healthcare advice. <p>Nearly 90% of the public health grant is against commissioned contracts. In addition to services commissioned via the public health grant, the Directorate has responsibility for the commissioning and management of the Active Tameside management agreement and capital programme, and commissioning Starting Well and Early Years provision across the Borough.</p>
<p>Achievements and successes in 2017/18</p> <ul style="list-style-type: none"> • Continuing to build collaborative partnerships and ways of working with the Early Years Steering Group and associated Pathway Workstreams leading to positive improvements in Early Years outcomes and school readiness at a faster pace than NW and National improvements. • Early Help Strategic Framework and Delivery Plan (drafts) completed through collaborative working across all key partners with full consultation, service mapping and development of an Early Help Needs Assessment. • The development, launch and implementation of a new Sex and Relationships Curriculum for Tameside Schools in preparation for statutory duties come September 2019. • Joint Strategic Needs Assessment and Pharmacy Needs Assessment completed with review into premature mortality and Healthy Life Expectancy • 'Public Health Tameside' Facebook page, a significant increase in reach and engagement with Tameside residents on health messages and activity together with the delivery of face-to-face activity (e.g. Roadshow and Screening) and community roadshows for several campaigns including: One You, Change4Life and Love Your Lungs. • Seizures of 8608 illicit and illegal cigarettes and 237.5g of hand rolling tobacco (HRT) • Commissioning of Self Care programme with ICFT through the voluntary sector: Social Prescribing and Asset Based Approaches programme launched • Substance misuse contract novated from Lifeline to CGL in May 17: to date the impact of the contract novation and transfer of clinical service to CGL for the My Recovery Tameside service has been positive, setting the service on a firmer financial footing and maintained progress with the programme of service transformation required. • Recommissioning and expansion of current Sexual Health offer to include online services using a kit sent through the post as an alternative to a face-to-face clinic visit. • Public consultation on the design principles of the new Tameside Wellness Centre in Denton.

- Sport England funding secured for the next two years for Active Ageing programme in Ridge Hill and St Peters and Local Delivery Pilot across GM.
- Loneliness Steering Group developed to work in partnership supporting the Campaign to End Loneliness and look at tackling the barriers that prevent older people engaging in community activities.
- My Life in Tameside & Glossop - web database and passport version was completed at the end of December 2017. Passport version will be shared with care navigators/wellbeing advisors/social prescribers to have person centred conversations but also use the database to find events/activities/information and advice to support those older people.
- Dementia Friends/Dementia Awareness Week 2017. During Dementia Awareness Week 2017 122 Dementia Friends attended a session and pledged their personal actions. This brings the total to 4266 Dementia Friends in Tameside. Community groups came together to support the week be making forget me not flowers which is the Dementia Friends logo.

Key priorities for 2018/19 and future years

- Development of an integrated 0-25 pathway for children and families with the aim to develop a neighbourhood model and identify opportunities for integration.
- Development and implementation of Population Health Investment Fund.
- Commissioning Review of the Health Improvement Offer with refocus on smoking and tobacco.
- Development and Implementation of Joint Health and Wellbeing Strategy Action Plan with a focus on CVD and reducing health inequalities.
- Review of Health Protection model.
- Construction of Tameside Wellness Centre, Denton and new pool at Hyde.
- Recommissioning of Women and Families Centre and Domestic Abuse service.
- Implementation of a more integrated falls prevention pathway, stretching beyond the traditional acute setting to the wider ICO setting.

Savings proposed

Savings proposed by Population Health for 2018/19 total £204k and consist of:

- **Team redesign £106k** – SUM2 deletion, pull back on new recruitment of project officer post. Impact – reduced capacity, team redesign and portfolio redesign.
- **Disinvestment at Birchcroft £83k** Look to reduce the amount refocused on children's prevention, to cover rent only with no additional service capacity
- **Disinvestment in leisure project £5k** Disinvest from physical activity programme for Women Offenders and their children – programme to be embedded into core contract with leisure provider.
- **Decommissioning of clinical leads £10k** - No Public Health Clinical Leads in Neighbourhoods/ Primary Care

Service Investment and Invest to Save

A proposition is currently being developed for a programme of evidence based investment in prevention interventions in 2018-19, 2019-20 and 2020-21 using public health reserve to support the priorities within the Tameside Corporate Plan and refreshed Health and Wellbeing Strategy.

Priorities for investment in prevention will be considered to ensure that resources are targeted at those areas which deliver most impact in terms of securing strong services which initiate savings, reduce demand and ensure compliance with statutory duty. Those priorities include supporting residents across the whole life course to become self-reliant in living longer, healthier, better quality lives and to remain independent for as long as possible.

<p>DIRECTOR OF PLACE</p>
<p>Summary of services provided</p> <p>The following services form the Place Directorate and have significant impact on the borough and its residents.</p> <p>ESTATES - Manage the Property Investment Portfolio; Delivery of the agreed Estates Strategy; Manage a Rent roll of c£1.4m; Acquisitions and disposals of land and buildings; Community Buildings strategy; and Special Projects e.g. Vision Tameside/Ashton Interchange.</p> <p>DEVELOPMENT AND INVESTMENT – Capital Projects including Vision Tameside Phase 2, Education Capital Projects, Leisure Investment, Ashton Town Hall Redevelopment, Ashton Town Centre Streetscape (Public Realm); Economic Growth including marketing & promotion, Business Growth, Inward Investment, Major Town and Retail Centres, Major Regeneration Projects; and Housing Growth including strategic housing, housing market intelligence, Empty Property Strategy, Refugees and Asylum, and Godley Green Garden Village.</p> <p>EMPLOYMENT AND SKILLS - Deliver bespoke projects in partnership to support residents into employment; Deliver Working Well Pilot/Expansion/Work and Health Programme to 4000 residents; Design and implement the Greater Manchester Working Well Early Help Pilot with Hyde GPs; Provide careers information, advice, education and guidance and intervene as appropriate to reduce young people Not in Education, Employment and Training; Provide key worker support to adults with disabilities and health conditions through Routes to Work; Provide Adult Community Education to residents 19+ including English, maths, ICT and employability courses.</p> <p>STRATEGIC INFRASTRUCTURE – Transport including working closely with GMCA and TfGM in shaping Policy and Strategy, Partner in delivering major projects within the Borough, New Tameside (Ashton-under-Lyne) transport interchange, TransPennine Upgrade initiatives, Working with the development of the Greater Manchester Spatial Framework, and Capital programme monitoring of Tameside led externally funded project initiatives; Housing including housing adaptations initiatives for residents across Tameside in order to maintain independent living within the home, work with partners including Occupational Therapists, Social landlords and others in the delivery of housing adaptations within a property, and work closely with partnership organisations including Foundations (appointed by DCLG) in the development of Tameside’s housing adaptation initiatives.</p> <p>ENVIRONMENTAL DEVELOPMENT – Including Property Management of the Councils operational estate, acting as Corporate Landlord and managing the various external contracts which supports this operation, and Sustainability, managing the councils responsibilities in regard to carbon reduction, sustainability and utility management.</p> <p>PLANNING – Including Development Management, Planning Policy, Building Control and Land Charges.</p>
<p>Achievements and successes in 2017/18</p> <p>Employment and Skills:</p> <ul style="list-style-type: none"> • 200 job starts on Working Well programme • 95 job starts through the Youth Employment Scheme • 140 apprenticeships created through the Business Grant • 86 apprentices supported to purchase tools/equipment through Trade Grant • 85% of all enrolments achieved in their course at Adult Community Education • 17 adults with disabilities supported into work through Routes to Work • 20 job starts supported for vulnerable young people through Transition to Work project • Delivery of successful Healthy Hattersley Pilot with Hyde Neighbourhood GPs • Delivery of Tameside Hack for 51 residents, Careers Exhibition for 1000 pupils, Jobs Fair for 750 residents and Building Better Skills for Parents through Children’s Centres <p>Development and Investment:</p> <ul style="list-style-type: none"> • Establishment and implementation of a fit-for-purpose structure for the Investment and

Development Service.

- Continued delivery of the Vision Tameside Programme.
- Delivery of the 2017/18 Education Capital Programme maximising draw-down of external funding.
- Delivery of fire reinstatement works at Cromwell School to achieve reopening for the start of the 2017/18 academic year.
- Continued delivery of the Leisure Investment Capital Programme.
- Securing £105,000 per annum operational savings on 2 Education PFI contracts.
- Opening of Ashton Old Baths Innovation Centre with occupancy and income performance substantially above target in first year of operation.
- Opening of English Fine Cottons facility in Grade II listed Tower Mill with extensive national press coverage on the return of cotton spinning to the UK for the first time in 40 years.
- Developing the Hattersley Public Realm Strategy and securing £4m funding from Barratts Homes.
- Securing £750,000 of GM Growth Deal Round 3 funding for the redevelopment of the Hattersley Train Station booking office.
- Successful launch of the Tameside Housing for Growth Programme.
- Securing draft GMSF allocation and Landowners' Memorandum of Understanding for Godley Green Garden Village.
- Facilitating the delivery of over 300 units of new housing by partners – including Summer Quay and Castle Street (Stalybridge), Barratts Homes (Hattersley), Watkin Jones Homes (Droylsden), Nook & Key (Hyde), New Charter Housing (various), Guinness Homes (Denton) and Ashton Pioneer Homes (Ashton).
- Secured £100,000 funding for the Ashton Town Centre Heat Network.

Planning:

- Planning service facilitated successful GMSF / SEG Workshop to support NHS Estates and Practitioners in planning for future housing growth in Tameside to 2035.
- Planning service bid for Godley Green Garden Village was chosen in the first round of DCLG Garden Towns and Villages programme and was awarded £300,000 planning and delivery funding.
- Successful defence of judicial review against decision on Hanover Street, Mossley

Estates:

- £5.78m capital receipts secured via surplus land sales.
- Vision Tameside – lettings to Third Parties secured.
- Tameside Interchange – land assembly negotiated.
- Rent increases secured via lettings/ rent reviews.
- Minimised rental debt.
- Cost savings achieved via sale of surplus land and buildings.

Strategic Infrastructure:

- Continued progress in the roll out of the new transport interchange with a proposed spring start on site
- Working closely with Highways England to ensure the a Development Consent order for the TransPennine Improvement initiative is submitted to the Secretary of State by the end of the calendar year
- On-going delivery of a new Hattersley Rail Station ticket office
- Delivery of extensive cycle initiatives across the borough
- Successful partnership working with external partners including Highways England and Transport for Greater Manchester
- Working with Network Rail ensuring the delivery of the Ashton Rail Station refurbishment in preparation for future electrification of the Manchester Stalybridge rail line
- Delivery of almost £2m of housing adaptations to residents across the borough
- Securing Housing Improvement Agency designation

Environmental Development:

- Formation of a staff team to ensure the Council are better informed and in control of the Councils property asset – working towards providing an enhanced 'intelligent client' function.

- Improved management and processes that support the Councils obligations in relation to range of statutory requirements.
- The planning and oversight of a number of staff relocations to facilitate better integration of Council /CCG/NHS Trust staff.
- Involvement in the One Public Estate strategic forums – maximising opportunities for reduction in accommodation costs across wider public estate.
- The Local Energy Advice Programme has been running in Tameside since July 2017. The scheme has had 106 referrals to date. 44 of the 106 referrals have now been completed – these 44 completed cases have saved residents a total of £3424 by the installation of smaller measures that have been installed such as LED light fittings, radiator panels and draught exclusion measures and £7524 in energy saving advice. Of the 44 completed measures 26 residents have been referred on for larger energy saving measures such as cavity wall / loft insulation or a new boiler.
- Across Greater Manchester we have recently been successful in our bid for a pot of funding known as the Warm Homes Fund – this fund aims to assist fuel poor residents who are currently not on the gas grid, both to get connected and have a gas central heating system installed free of charge; moving residents away from more expensive electrically heated systems. This project is currently in the planning stages and we are hoping to be in a position to start identifying suitable properties across the borough shortly.
- The Clean Switch campaign has been running since October 2017 in Tameside – this scheme aims to both assist our residents save money by switching utility supplier but also have the added benefit of only offering tariffs from companies who use ‘clean, renewable energies’ therefore assisting with carbon reduction targets.
- The development of district heat networks is a key strand of de-carbonising the heat demand of buildings. A feasibility study was carried out for a Heat Network around Ashton Town Centre in January 2017. The next stage of the project is to carry out a detailed technical design and business case development for this project and we are currently looking at procuring for this service.

Key priorities for 2018/19 and future years

Employment and Skills:

- Implement Working Well Work and Health Programme
- Implement the Working Well Early Help Pilot in Hyde Neighbourhood
- Implement an improved digital skills offer for residents
- Design and implement Healthy Tameside programme with Public Health to deliver local health and employment integration
- Raise quality and quantity of apprenticeships and year on year reduction of NEET overall for young people
- Ofsted Inspection and continual improvement of quality within ACE
- Ofsted Inspection and continual improvement of careers support to young people with Special Education Needs and Disabilities
- Co-ordinate employment and skills response to welfare reform
- Review Routes to Work offer and increase employment outcomes for residents with disability including autism
- Implement the Tameside Strategy for a Vibrant Economy

Development and Investment:

- Deliver recovery plan for the prompt completion of the Vision Tameside programme following delays caused by the liquidation of Carillion plc.
- Improved efficiency and effectiveness in the delivery of the capital programme through continuous improvement to our project delivery processes and methodology.
- Funding bids - £10m Housing Infrastructure Fund (Godley Green Garden Village), £1.5m Sport England Strategic Facilities Fund (Tameside Wellness Centre, Denton), £1m Heritage Lottery Fund Grant (Ashton Town Hall), £2.6m National Productivity Investment Fund (Ashton Town Centre Streetscape) and any new funding opportunities that emerge.
- Secure further operational savings through the benchmarking/market testing exercise for the Hattersley Schools PFI contract.

- Implementation of an intelligence-led Key Account Management methodology for engaging with Tameside businesses with potential to deliver growth.
- Agreement of SMART Activity Plan with the GM Growth Company and MIDAS.
- Develop detailed proposals for the Property Investment Fund for creating additional income for the Council.
- Build on the success of the Ashton Old Baths Innovation Centre and the first cohort of the Tameside Digital Dozen.
- Delivery of major Economic Growth projects – Ashton Old Baths Annexe, Hattersley Retail Park, Hattersley Train Station Booking Office and housing developments in Hattersley and Droylsden.
- Develop prospectus and delivery plan for the Ashton Moss Major Development Opportunity Area.
- Secure outline planning consents for Council-owned sites identified for disposal for housing development.
- Identify opportunities to facilitate the delivery of new housing by private housebuilders and registered providers.
- Develop Tameside Housing Strategy refresh and delivery plan.
- Develop Tameside Empty Property Strategy refresh.
- Develop prospectus and delivery plan for the proposed Godley Green Garden Village.

Planning:

- **Greater Manchester Spatial Framework**

Continued involvement by planning officers to support its preparation, to continue to shape and influence and ensure TMBC strategic sites progress to deliver the homes and employment sites required to support growth and prosperity in Tameside.

- **Tameside Local Plan**

Continue work to prepare evidence base and develop consultation draft for publication in Summer/Autumn 2018

- **Planning Service Restructure**

Focus on embedding new staff into service and developing project teams to focus on implementing new processes, procedures and ways of working

- **IT upgrade (Planning)**

Ensure that IT successfully implement the IDOX IT upgrade and roll new software out effectively across the service to support new working methods, improved public access/self-service and continued efficiencies in business processes.

Estates:

- Continue with the £55m land sales programme
- Continue to implement the Estates Strategy
- Re-shape the investment portfolio to dispose of low-value management intensive assets.
- Re-Invest a proportion of capital receipts in higher-value income producing assets.
- Secure the Freehold of Plantation Industrial Estate
- Set-up/review and run Service Charges for multi-let buildings

Strategic Infrastructure:

- TransPennine Upgrade Programme
- Traffic alleviation measures for Hollingworth and Tintwistle
- Funding and implementation of major Streetscape initiatives
- Continued working with Network rail and other partners to ensure the implementation of an electrified Manchester to Stalybridge rail electrification, to reduce train source pollution and see enhanced service provision in the local area.
- Approval and adoption of a new and Private Sector Housing Renewal policy to help a wider range of disabled and vulnerable residents across the borough.
- Working closely with other Greater Manchester Districts and other partners in seeking greater innovation in the delivery of adaptations.
- Introduction of new IT based Case Management system for Financial Assistance for Tameside's disabled and vulnerable residents

Environmental Development:

Property Management: to ensure that the Councils operational estate provides a safe and effective working environment that supports occupiers service delivery requirements. To ensure that the operational estate provides value for money in terms of its operation and that all assets are effectively utilised. To ensure that all external and internal contractual agreements are managed and monitored to ensure that wider objectives are realised and all contracts support the stated procurement objectives of the Council.

- Review and refresh the information held on the Councils operational estate including implementation of a new Property Asset management system.
- Plan and deliver the requirements of the Councils recant plan.
- Ensure that the new joint service centre is operated efficiently.
- Contribute to the work ongoing around securing new ways of providing property management services via refreshed internal/external contract arrangements.
- To implement practical requirements / building modification emanating from the Crowded Places
- To continue to ensure that all operational estate properties offer safe and effective working environments ensuring value for money across all requirements.

Sustainability: to ensure that the Council contributes effectively to projects linked to the Greater Manchester Climate Change and Low Emissions Implementation Plan. To ensure that the Council benefits from the best value utility and energy provision across all 3 utilities – gas/electricity and water. To ensure that local concerns in regards to fuel poverty and associated issues are addressed by making sure that the council maximises regional and national funding schemes.

- Continuation and extension of the GM Warm Homes scheme to include boiler replacement and connection to grid.
- To achieve best value from new procurement of water supply.
- Review and manage Council property utility usage emanating from recant plan.
- Ensure that the energy management systems in the new joint service centre are operating efficiently.
- Continue to maximise local opportunities from GM projects e.g. district heat networks.
- In conjunction with our facilities team, investigate the potential for energy and carbon reduction measures across the Council's building portfolio.
- To continue to produce an annual Green House Gas report for Tameside as requested by Government.
- To continue to produce a Home Energy Conservation Report as required by Government.
- Ensure compliance with government requirements in regards to Display Energy Certificates in relevant buildings

Budget growth and pressures for 2018/19

Employment and Skills:

- Pressures in Employment and Skills have been highlighted in Work and Health Programme management, Pre-employment Programmes (inc LAC), External Apprenticeship projects and outcomes, Digital skills projects, Ex-armed forces projects

Planning:

- The planning service restructure has recently been implemented and is supported by the recent 20% uplift in statutory Fee income and the planned introduction of pre-application charges which is a discretionary service.

Estates:

- Rental income will be lost via the sale of low-value assets to sitting tenants.
- This can be recouped and increased by ring-fencing a proportion of the £55m capital receipts from surplus land sales and reinvesting in better performing rental producing assets.
- Additional rental and capital growth can be secured via pro-active estates management, rent review increases, lease re-gears and new lettings.

Environmental Development:

- The budget associated with property management has been under pressure for a considerable time due to the required planned/preventative/reactive repairs and maintenance on our property assets. In addition we have been required to undertake a new range of enhanced statutory checks which have resulted in additional remedial fabric works needed to be

undertaken to ensure accommodation compliance

- For Sustainability, whilst we are successful in obtaining external funding from schemes and have capital monies that we can utilise to maximise project efficiency we do not have any spare revenue monies to support none capital expenditure associated with these schemes. This has resulted in us being unable to participate or bid for external grant funding as we are not able to fund revenue costs that may be required e.g. staff time, publicity. This has been particularly prevalent in relation to European funding bids

Income Sources (grants, fees and charges)

Employment and Skills:

- Employment and Skills has taken advantage of GM grant funding to deliver transition to work projects for young people with residual deliver in 2018/19
- Employment and Skills has received grant funding via business cases to deliver Building Better Skills for Parents and health and employment projects

Development and Investment:

- Very limited opportunity for external fee income
- The following grant funding has been secured or being sought:
 - £750,000 GM Growth Deal Round 3 for Hattersley Train Station Booking office redevelopment – secured
 - £100,000 Heat Network Delivery Unit (BEIS) for Ashton Town Centre Heat Network Detailed Project Development - secured
 - £10m Housing Infrastructure Fund for Godley Green Garden Village – application submitted
 - £1.5m Sport England Strategic Facilities Fund for Tameside Wellness Centre, Denton – application submitted
 - £1m Heritage Lottery Fund Grant for Ashton Town Hall – due for submission in March 2018
 - £2.6m National Productivity Investment Fund for Ashton Town Centre Streetscape – due for submission tbc
- Proactive bidding for appropriate new funding opportunities as they emerge.

Planning:

- Statutory planning application fee income (DCLG increased by 20% on 17/01/2018) predicted to generate £600,000 fee income in 2018/19.
- The planning service restructure provides resources to allow use of Planning Performance Agreements to support the generation of additional fee income (governance proposed through the pre-application charges report or budget report).
- Building Control Fee Income – no comments at this stage
- Land charges fee income – no comments at this stage.

Environmental Development:

Property Management : Under previous contractual agreements the Council received a proportion of any income received in regards to room hire and events. Under any new contractual arrangement it will be possible to maximise this revenue in the Councils favour.

We are also currently and reviewing and implementing the arrangements in regard to community use of our buildings to ensure that the Council receive appropriate levels of revenue and that relevant user agreements/leases underpin any usage of the Councils properties.

We continue to seek out external funding that would allow for the enhancement of our properties and are currently engaged in discussion with GM in regard to funding to support the retrofit of energy saving measures to relevant buildings.

Sustainability: The sustainability function offers support both corporately and to schools via a Service Level Agreement around energy management queries and the procurement of the energy contracts. This income from schools has generally declined year on year as schools have either academised or opted out of the SLA. We continue to promote the benefit of the SLA to schools and have also declined to offer advice service to schools not engaging via the SLA. This approach has seen a very slight increase in numbers during 17/18.

Where possible we continue to take advantage of external funding opportunities as already

illustrated by our successful work in regard to the LEAP scheme and other initiatives such as the Warm Homes Fund. Going forward another bid is being discussed– this bid will be linked to health related outcomes and will support households across Greater Manchester experiencing health issues related to fuel poverty.

Savings proposed

Savings proposed by Place for 2018/19 total £338k and consist of:

- For Property Management, review of FM and Estates provision £313k.
- For Planning, the introduction of pre-application charging to support an income target of £25,000

The Service is continually seeking contribution to savings through its operations wherever achievable although opportunities are limited. Increasing business growth and attracting inward investment will directly increase Business Rate income and local employment. Increasing housing growth directly increases Council Tax and New Homes Bonus income to the Council.

Service Investment and Invest to Save

Employment and Skills:

The Healthy Tameside and Working Well Work and Health Programme are invest to save programmes that reduce costs in the long term on the welfare and health economy budgets by supporting residents into sustainable employment with improved health condition management

Development and Investment:

- 3-year fixed term Project Manager post in the Capital Projects Team to support improved efficiency and effectiveness in the delivery of the capital programme (funded from capital resources available in the Education Capital Programme).
- Operational savings through the benchmarking/market testing exercise for the Hattersley Schools PFI contract.

Planning:

- The Planning Service has recently been subject to a restructure aimed at providing capacity not only to meet current business needs but to provide capacity to support planned future growth and investment in Tameside (generating additional council tax and business rates).

Estates:

- Proportion of capital receipts from land sales to be reinvested in better performing assets.
- Capital bids made to carry out Asset Management of Plantation Industrial Estate following purchase of Freehold.

Environmental Development:

Capital Bid approved and identified for :

- Hyde Town Hall Roof - £1.5 million
- Property Assets Statutory Compliance - £1.9 million
- Property Assets Refurbishment of Capital Assets - £3 million

Sustainability:

- Potential to identify schemes to invest in council property assets to install/ retrofit energy saving measures to reduce utility consumption and reduce carbon.

DIRECTOR OF OPERATIONS AND NEIGHBOURHOODS
<p>Summary of services provided</p> <p>Services such as refuse, highways, engineering, regulatory services, culture, libraries, parks, green spaces and the local street scene enhance people's lives and improve the health & wellbeing of residents. In addition, customer services, welfare rights, homelessness services and the emergency on-call service help residents with a wide range of problems from minor issues to major, life-changing crises. The bereavement service even helps residents through the end of their lives. Operations and Neighbourhood Services provide fundamental and essential front-line services which affect every Tameside resident of every age, every day of their lives.</p> <ul style="list-style-type: none"> - Bereavement Services includes Bereavement Services, Emergency Planning, Pest Control and Dog Wardens - Cultural and Customers Services including Customer services, Contact centre, Blue badge administration, Welfare Rights and Debt Advice, Libraries, Arts and Engagement, Museums and Galleries, Local Studies and Archive Centre. - Engineering, Highways and Fleet Management including, Traffic and Highway Management, Parking, Fleet Management, Highway Risk Management, Procurement, Engineering Design Services, Bridges & Structures, Capital Projects, DSO Operations, Gritting, Street Lighting, Highway Maintenance. - Homelessness and Community Safety including Homelessness, Allocations of social housing, Supported Housing, Tameside Resettlement Scheme, Community Safety, Armed Forces Covenant, Youth Service, Refugee Support. - Operations and Greenspace including Street Cleansing, Grounds Maintenance, Countryside, Arboriculture Unit, Playgrounds, Parks & Land Management - Regulatory Services and Public Protection including Trading Standards, Licensing, Health and Safety Management, Contaminated Land, Environmental Protection, Environmental Health, Flytipping and Waste enforcement, Housing, Integrated Neighbourhood Services, CCTV - Waste Services including Refuse collection and Recycling
<p>Achievements and successes in 2017/18</p> <ul style="list-style-type: none"> • Establishment of Operations and Neighbourhood services, rationalisation of management and service structure. • Extraction from the Waste PFI contract and shaping future Waste Disposal Contract • Completion of the Capital Programme including Denton Link Road, LED lighting scheme and fleet replacement. • Delivery of a new libraries operating model including self-service, increased online offer and increased access - Open + Libraries. • Implementation of Single Regulatory Service – Integration of INS, CCTV, Planning, Waste, Fire and Highways enforcement. • Establishment of a new Community Safety Partnership. • Delivery of new homelessness model with innovative solutions and new GM partnerships. • Portland Basin Museum awarded Excellent by Trip Advisor • Delivery of high profile event programme including Winter Lantern Parade, Christmas Markets

and Theatre in the Park.

- 40,000 volunteer hours in greenspace including commitments from community payback

Key priorities for 2018/19 and future years

- Development of Single Operational Service and developing a feasibility of a Single Depot
- Delivery of GMCA objectives – Congestion, Air Quality, Shifts in modes of transport, Economic Development, Community Cohesion, GM Police Crime Plan, Homelessness,
- Delivery of capital programme: – Flooding management, safety around schools & places of worship, additional Paid Parking facilities, Replacement of Parking System, Fleet Replacement Programme (incl move away from Diesel)
- Continue successful bidding for Funds – DfT Safety Schemes, Incentive Fund, Challenge Fund – DEFRA Grant in Aid Bids, Flood Prevention Schemes, Heritage Lottery Funding for Ashton Town Hall.
- Delivery of a Town Centre parking programme.
- Ensuring a smooth transitional year between the former PFI contract until the start of the new Waste Disposal contract in April 2019
- Shaping the specification for the new Waste Disposal contract
- Reshaping waste services in response to new waste contract and a changing economic climate.
- Increasing the recycling rate to beyond 60%
- Investigate feasibility for charging for Garden waste.
- Review the impact of double shifting the waste collection fleet.
- Success delivery of major projects, like Ashton Public Realm, TAMP, Digital Tameside, LED main road scheme
- Develop local cycling strategy and delivery plan
- Completion and implementation of new planning highway design standards for domestic developments
- Monitor and respond to Universal and its impact on residents
- Poverty Action Plan
- HLF funding bid and design/development of new Museum of the Manchester Regiment/Art Gallery
- Relocation of Ashton, Droylsden and Dukinfield Library
- Build on the success of the Youth Council
- Playground Improvements across the Borough
- Develop Workforce Development Programme for frontline/manual staff
- CCTV Review
- Taxi Licensing – Introduction of common minimum standards across GM and the potential for a single Licensing Service
- Consideration at to the introduction of a selective Licensing Scheme
- Expansion of Enforcement Service to include review of INS
- Introduction of an Internal Health & Safety Team.
- Appoint and build resilience around Planning Enforcement, Development of a planning enforcement policy.
- Delivery of the local air quality action plan.
- Improve ASB, appointment of new ASB Officers, Hate Crime and Community Cohesion
- Continue with the implementation of the Single Regulatory Service, Training of Regulatory Compliance Officers
- Implementation of Homelessness Reduction Act 2017
- Establishment of new pathways for under-represented groups, especially young people, domestic abuse and offenders
- Completion of new Homelessness Prevention Strategy:
- Increase/improvement of services for rough sleepers
- Involvement in GM Homelessness Prevention Trailblazer projects – especially new service for

entrenched rough sleepers and Housing First project

- Tender of new Domestic Abuse service with effect of 1st October 2018
- Development and delivery of new Community Safety Strategy in line with new Police and Crime Plan
- Establishment of Community Cohesion Network

Budget growth and pressures for 2018/19

- Highway Risk Management – third party highway claims
- Street Lighting reactive maintenance budget pressure
- Gully Cleansing
- Maintenance of Public Rights of Way
- Maintenance of closed grave yards
- Asset Management liabilities
- Winter Gritting
- Health & Safety Management
- CCTV
- Community Safety and Community Cohesion
- Unknown impact of legislative changes in Homelessness and Universal Credit full roll out.

Income Sources (grants, fees and charges)

- Income from Car Parking etc
- Fees and charges to be increased by 2%, except where set by statute or subject to separate decision making process e.g. Car Parks
- We operate a financially strong commercial waste collection – consideration needs to be given to what the future charge for disposal of this waste will be. The options for this service are:
- Grow the business to sell onto an external service provider and make the savings on staff and vehicles if the projected waste disposal charges look like the business model will be financially unviable
- Grow the business and increase the over recovery of costs, which can be used to support other areas of the Directorate, if the projected charges for waste disposal look like the business model will be financially viable
- Continue to develop commercial opportunities in waste and operations to increase income.
- Increase grant income for Cultural Services and event programming
- Continue to promote ground maintenance (including football pitch renovation) & cleansing contracts across the new organisation and beyond.

Savings proposed

Savings proposed by Operations and Neighbourhoods for 2018/19 total £580k and consist of:

- Darnton Road car park project £500k
- Recovery of expenditure on Car Parks £50k
- Support Services to Schools £30k

The Service is continually looking at efficiencies and contributes to savings via increasing income. Additional Paid Parking facilities is an invest to save project that will bring in income from car parks that are currently free to use but the Council has on-going expenditure.

Service Investment and Invest to Save

- Highway asset management programme, to improve road condition and prevent third party claims.
- Flood prevention programme of works
- LED street lighting (2018/19 to 2019/20)
- Capital Programme schemes
- Playground improvements
- Gateways improvements
- Connection to Dark Fibre, savings to contracts for CCTV

DIRECTOR OF GOVERNANCE AND PENSIONS

Summary of services provided

Responsibility for the council's corporate functions sits within the Governance & Pensions Directorate ensuring that all decisions made by the council are carried out in accordance with the council's governance framework. The directorate provides support and guidance to services within the council on legal, human resources and policy and communications issues. This internal support to frontline service ensures that they are able to deliver the aims of the Council's Corporate Plan. The directorate is also providing the leadership for these core functions in the Clinical Commissioning Group (CCG) and the Strategic Commissioning Function as part of the Care Together Programme.

Exchequer and the Registration Service both provide customer facing services. Exchequer provides support to residents and businesses in relation to council tax, business rates, housing benefit and payment of invoices. Whilst the Registration Service registers all births and deaths within the borough, take notice of intended marriages and civil partnerships and conduct all civil marriages and partnerships that take place in the borough's registered venues.

The directorate has responsibility for running all local and national elections within the borough along with public votes on specific issues such as the EU Referendum ensuring that all are run correctly and in adherence with the law. Democratic Services and Executive Support provide support to 57 elected members and the senior management team within the council in addition to the corporate support to Tameside & Glossop Clinical Commissioning Group.

Tameside Council is the administering authority of the Greater Manchester Pension Fund. The fund is the largest Local Government Pension Scheme fund in the country with assets of over £23 billion. It holds the retirement savings of more than 330,000 members who work, or have worked, for more than 400 different employers in the region, including the 10 constituent Local Authorities of Greater Manchester together with the National Probation Service.

The Greater Manchester Pension Fund has twin aims of financial return and social value. The latter of these has led to investments in green energy projects, such as a South Lanarkshire wind farm, and local infrastructure projects, such as airport city and affordable homes scheme Matrix Homes. The fund's success is regularly recognised in industry awards, most recently at the LAPFF awards where GMPF won 'LGPS Fund of the Decade' and the 'Infrastructure Project' award, jointly with the London Pension Fund Authority. The Funds budget and accounts are produced separately.

The last 12 months have continued to provide significant challenge in delivery of the key support functions, with reduced resources in terms of staffing and the need to achieve further savings.

Changes to staffing levels have meant changes in the way some services are delivered. Despite the reductions in funding the directorate has continued to provide high quality support to its customers and key priority projects across the organisation.

Achievements and successes in 2017/18

- Drafting and implementing care leavers Council tax discounts policy
- Procurement of corporate printing, enveloping and mailing contractor
- Banking migration for all accounts where the Council acts as a persons Appointee or Deputy
- Drafting policy in relation to the New Discretionary Revaluation Relief totalling £286k and

implementation of Pub Relief and Supporting Small Business Relief as a result of national revaluation. The new reliefs have benefitted 169 business owners in the Borough to date.

- Revision to Council Tax bills to incorporate Social Care precept and new Mayoral precepts
- Successful submission of Housing Benefit Subsidy audit of £84.5m
- Successful spend of Discretionary Housing Payment monies totalling £603k to almost 900 recipients – note this is an estimate as at today
- Successfully embedding new structure within the service and training staff to be multi-functional in relation to registration and benefit matters complete
- Big Conversation online consultation and engagement community was launched.
- Approximately 780 publicity campaign materials produced for services across the council and externally.
- Promotion of Vision Tameside through the dedicated website and twitter accounts, quarterly newsletter, hoardings and the Citizen.
- Increased social media followers across all platforms by 26.5%.
- Development of the E-News bulletin informing residents of the latest news and events in Tameside on a monthly basis.
- Produced a spring, summer and autumn Citizen which is distributed to all households and businesses in the borough.
- Introduction of the Partnership Engagement Network
- Annual Customer Service Excellence (CSE) standard. Tameside continues to maintain 100 per cent compliance and an increase to nine areas of compliance-plus it was awarded in 2017/18.
- Continued delivery of the STRIVE leadership programme to cohort 4, including leaders within the CCG
- Launched and delivered the STRIVE aspiring managers programme
- Reviewed the senior leadership structure to incorporate the leadership of Tameside & Glossop Clinical Commissioning Group as part of the “Single Commission”
- Reassessment for workplace wellbeing charter
- Ongoing support in the organisational response to the Children’s Ofsted inspection – including development of social work recruitment and retention strategy, Policy and Communications and back office system improvements.
- Reviewed a range of employment policies – disciplinary, grievance, capability, probation with supporting briefing sessions.
- Continued support of the recant strategy into the new building and movement of remaining staff into alternative accommodation working closely with the Head of Environmental Development
- Continued to support the Vision Tameside and Care Together programmes.
- Continued to provide communication and media support to all services including design and print of publicity material.
- Carried out the annual canvas of electors (due to complete February 2018)
- The successful delivery of 1 local election, 1 general election and 1 by-election within a 7 month period.
- Continue to perform above the Electoral Commission Performance Standards for Elections and Electoral Registration.

Key priorities for 2018/19 and future years

- Key projects this year in Exchequer are the procurement of services to support the effective operation of the service with the primary procurement being replacement enforcement services for Council Tax, Business Rates and Income debts. Also to be procured in the next year are an Insolvency Practitioner to act on the Councils behalf and support for Single Persons Discount and empty properties review work within the borough with the aim of maximising income at every opportunity. These measures are cheaper to procure than deliver in house.
- Further key projects are the review of the Council Tax Support Scheme to ensure it is operating effectively in light of a potential Council Tax increase.
- Develop a new performance and intelligence framework for the organisation including a health

and care, children's, community and place and corporate scorecard and approach.

- Develop a new approach to measuring performance and impact at a neighbourhood level.
- Undertake a programme of intelligence reviews to support the improvement of outcomes across Tameside and Glossop
- Develop a new communications strategy and supporting policies and protocols
- Develop a comprehensive data warehouse and intelligence base across all services
- Develop and launch the Corporate Plan 2018-25
- Deliver a marketing Tameside programme
- Provide support to Children's Services on producing and implementing an improvement plan following the Ofsted inspection.
- Develop the Partnership Engagement Network
- Develop and deliver a GMPF communication plan
- Fully integrate Council and CCG communications, policy and performance functions through a service review
- Further develop new and innovative communication channels
- Deliver the GM transformation and Performance Management programmes
- Support key policy initiatives in the Corporate Plan e.g. Private rented sector licensing
- Support key consultation programmes
- Continue to support and advise services on carrying out needs assessments, EIAs, and consultation.
- Continue to support the Vision Tameside and Care Together programmes.
- Continue to provide communication and media support to all services including design and print of publicity material.
- Develop and deliver a revised scrutiny work programme
- Review the Council's scrutiny function
- Continue to provide comprehensive support service for Elected Members
- Successfully deliver scheduled Local Elections and other elections that may be called during the year
- Implementation of revised employment procedures for Council and CCG
- Accreditation with the Living Wage Foundation
- Continue to proactively support the workforce aspects of Children's Improvement Plan
- Continue to lead and support the workforce priorities within the Care Together programme, ensuring the strategic work plan is updated
- Development and launch of our revised People Plan for Council and CCG
- Further development of our STRIVE leadership programme
- Review of service structures
- Development and implementation of a workforce survey
- Development and implementation of a joint Health and Wellbeing Strategy for Council, CCG and ICFT
- Launch and implementation of the Oxygen project
- Review and improvement of payment processes
- Pilot and launch of iTrent self service
- Scope and commence review of pay structure for all staff
- Review of DBS system and processes for checking background of employees
- Implementation of Agresso upgrade
- Implementation and reporting of gender pay reporting regulations
- Implementation of document storage system within iTrent

Budget growth and pressures for 2018/19

Funding from DWP to administer Housing Benefit and associated Universal Credit tasks has fallen significantly in the last 2 years by £341k resulting in a budget pressure as the workload has not reduced, and in fact increased, to warrant this reduction.

Savings proposed

The service has put forward savings totaling £689k for 2018/19 and £850k for 2019/20. These

savings include:

- Continuous improvement £550k (2019/20). Further efficiencies are expected in 2019/20 as a result of digitisation of the service, plus continued active management of vacancies and third party spend.
- Invest to save £560k (2018/19) and £50k (2019/20). Facilitation of investments in the borough that will generate revenue streams, and changes to payment processing to generate savings.
- Income generation £129k (2018/19) and £100k (2019/20). Opportunities to generate increased income through Exchequer services, including improvements to income collection rates and other areas.

The Directorate will continue to seek ways to reduce costs whilst ensuring services deliver high quality support.

Consideration needs to be given to the implications of the transfer of staff to the ICFT over the coming year and beyond, this will require further review of staffing levels within the directorate.

DIRECTOR OF FINANCE
Summary of services provided
<p>Finance</p> <p>Section 151 of the Local Government Act 1972 requires local authorities to make arrangements for the proper administration of their financial affairs and to appoint a Chief Financial Officer (CFO) to have responsibility for those arrangements. The CCG has its own governance structure which states that the Chief Executive as the Accountable Officer as set out in the Health and Social Care Act. From October 2017 Tameside Council and Tameside and Glossop CCG have a joint CFO which represents the start of an integration of the finance teams from the Council and the CCG. The newly integrated Accountancy Team is crucial in supporting the CFO to discharge these statutory responsibilities.</p> <p>The work of the Financial Management Team mirrors, in a wider way, the role of the CFO and is defined and described as:</p> <ul style="list-style-type: none">• key members of the Strategic Commission's (Council and CCG joint leadership teams), helping them to develop and implement strategy and to resource and deliver the organisation's objectives sustainably and in the public interest;• being actively involved in and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered and aligned with the organisation's financial strategy;• leading the promotion and delivery by the whole organisation of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively;• delivering and developing a finance function that is resourced to be fit for purpose and continuously improving;• being appropriately qualified, suitably experienced, competent, confident and authoritative. <p>Financial Management aims to deliver consistently high quality financial support and advice to the strategic commission and our external customers and ensure that the key outcomes of an effective, efficient and economic financial management service are delivered.</p> <p>The service plays a vital part in delivering some of the Strategic Commission's key Governance outcomes; the annual capital and revenue budgets and Medium Term Financial Plan update, the production of the annual accounts monthly monitoring and forecasting and treasury management are just a few examples.</p> <p>The Internal Audit service provides the statutory obligations to have an effective internal audit regime for the Council and are a key part of ensuring that the Council assets and processes are adequately safeguarded.</p> <p>National Anti-Fraud Network (NAFN) – is a national service hosted by Tameside and offers service to all LAs in UK on a subscription basis.</p> <p>IT Services</p> <p>ICT underpins and supports the strategic objectives of the organisation and its partnerships. ICT is a vital to the everyday operations of services and has a fundamental role to play in improving efficiency, reducing cost across the organisation. It is also a crucial part of service evolution and transformation, providing the infrastructure to support shared services, underpinning transformational change programmes and most importantly, keeping pace with citizens' changing needs and expectations. Services include</p> <ul style="list-style-type: none">• Service desk and associated support.• Build and deployment of user devices including phones.• System commissioning, deployment, management and support/maintenance/security.

- Data centre commissioning, management and support/maintenance/security.
- Networks deployment, management and support/maintenance/security.
- Website commissioning and support/maintenance.

Achievements and successes in 2017/18

Finance

2017/18 was very much about stabilising the service and building the foundations from which it can develop. There have been changes at all levels of the staffing structure following a restructure of the Financial Management Service which has seen a major investment into the staffing resource of the team and started a journey of professionalisation of staff and the development of services provided to the wider integrated business.

The final accounts for both organisations were completed and signed off with an unqualified opinion within the statutory deadlines, despite the service carrying a high level of vacancies.

A successful recruitment campaign has seen the team move from a 40% vacancy rate to 10, with more staff to join by the end of the year.

Internal Audit delivered on its audit plan and NAFN were given an excellent bill of health from its IPCO inspection.

IT

The key success factors for IT last year have been;

- 99.9% system uptime exceeded across 100+ systems
- Closer integration with Health networks including roll-out of CP-IS and NHS identity matching service.
- 20km of new ducting and fibre optic cables installed across Tameside.
- SWIFT Town Centre Wi-Fi network launched across all Towns in Tameside.
- New In-Cab technology to support Refuse Service
- Continued PSN compliance.
- Virus free infrastructure.

Key priorities for 2018/19 and future years

Finance Priorities

The key priorities for Finance during 2018/19 are:

- The expansion of the Integrated Commissioning Fund (ICF) to include all budgets of the Council and CCG,
- The development of a revised risk share alongside ICF,
- The development of an integrated finance risk register for the Strategic Commission,
- Produce a single integrated budget book,
- Support the Adult Social Care transfer to Tameside Hospital,
- Introduce an organizational development and training plan for finance staff,
- Developing integrating working of the finance department,
- Further development and roll out of the Finance Business Partnering approach across the organization
- Develop comprehensive Member, Finance Team and Budget Holder training
- Development of the Agresso finance system to enable wider organizational use
- Delivery of a risk based audit plan
- Implementation of a procurement solution that will harness deeper organizational savings and efficiencies
- Continued growth in subscriptions and reach of NAFN

IT priorities

- Tameside One
- Health and Social Care integration including the DataWell proof of concept project.
- Assist services to reduce the production and manual processing of paper using new solutions that will be implemented/upgraded such as Information@Work, Document Navigator and iMail.
- Work with services to review paper and electronic documents with the aim of reducing the cost of sharing, storing, backing up documents whilst at the same time improving the efficiency of searching and retrieving documents.

- Support services to work in an agile and modern way through the continued rollout of Skype for Business, improved wifi/VPN and other solutions.
- Re-location of Data Centre from Rochdale to Ashton Old Baths.
- Creation of DR Data Centre within Tameside Hospital's Data Centre.
- Continued roll out of Tameside own Fibre network and migration of other sites from Updata to BT.
- New Report-IT App and In Cab technology for wider environmental services.
- Major system upgrades including iTrent, Agresso, Info@work and Uniform.
- Replacement of Councils Physical and Cyber Security systems

Budget growth and pressures for 2018/19

Finance

- The finance function was subject to an in depth review and associated restructure which was embedded during 2017/18. As a result there are no real growth pressures that cannot be met from within existing resources.

IT

- Whilst the budget for the managed service is adequate most years, there are a number of pressures emerging in 2018/19 as there are more devices to replace than there is budget for. It is the four year anniversary of the implementation of the Managed Service when a greater number of devices were first replaced. The service will work with Finance colleagues to see how best this can be managed.
- The volume of data that we store has led to vastly increased backup costs (licences are based on volume). Whilst one of our priorities in the new year will be to reduce unnecessary storage (based on duplication and retention policies) it remains the case that the needs of the business are such that increased costs might not be able to be avoided. A review of budgets will take place to ensure that there is sufficient budget provision for software maintenance to cover our requirements.

Savings proposed

The implementation of a procurement solution for the Council is expected to release significant savings across the Council from 2019/20. Whilst there may be some early savings during 2018/19 these have not been budgeted for at this stage.

APPENDIX I

Schools Funding

Dedicated Schools Grant

The Dedicated Schools Grant (DSG) provides revenue funding for allocation to education providers. The grant is calculated largely based on information recorded on the pupil census in October of the previous year and includes the following categories of pupils:

- Schools (including Academies and Primary School Nurseries).
- Pupil Referral Units.
- Private, Voluntary and Independent (PVI) Nurseries.

The DSG for 2018/19 is allocated by the Education and Skills Funding Agency (ESFA) in four blocks:-

Early Years – this block contains the DSG funding allocated by the EFA to support both the standard and extended entitlement to education for 3 and 4 year olds attending both school and PVI Nursery provision. It also contains funding allocated by the EFA to support 2 year olds attending PVI Nursery provision and the Early Years Pupil Premium.

High Needs - this block contains the DSG funding allocated by the EFA to support the education of children with High Needs which is sometimes referred to as Special Educational Needs or SEN. This includes the funding allocated for post 16 provision.

Schools – this block contains the remainder of the DSG funding allocated by the EFA which primarily supports Mainstream Schools.

Central Services Block - this block contains funding to support some of the Council's retained duties in relation to Schools that was previously allocated through the Education Services Grant.

The value of the DSG is adjusted by the ESFA throughout the financial year, but the Council expects to receive a gross DSG allocation of approximately £187.318m in 2017/18. This figure is inclusive of Schools Block funding for Academies and place funding for non-maintained Special Schools, which the ESFA will subsequently deduct from the DSG paid to the Council. The estimated 2018/19 gross DSG allocation notified by the DfE in late December 2017 is £195.028m. The increase of £7.710m is due to a combination of new funding and an increase in pupil numbers. An analysis of the changes is set out below:

Table 11: Summary of Dedicated Schools Grant Funding

	Baseline 2017/18 £000	DSG 2018/19 £000	Change £000
Schools Block	153,795	159,018	5,223
High Needs Block	18,704	19,396	692
Central Services Block	861	897	36
Early Years Block	13,958	15,717	1,759
Total DSG	187,318	195,028	7,710

- The increase in schools block of £5.223m relates to an increase in pupil numbers, uplift for RPIX on PFI, and increase in pupil led funding rates. It should be noted that there has

been a move in the baseline data to reflect a transfer of funding from the High Needs block to Schools block for core funding for pupils in SEN units or resource unit.

- £0.692m relates to an increase in the amount allocated for High Needs
- £0.036m of the increase relates to Council Retained Duties funding that was previously allocated via the Education Services grant.
- £1.759m relates to an increase in the rate received from DFE for Early Years funding, specifically for 3 and 4 year olds.

The Council will continue to calculate school budget allocations for Academy schools within the Borough. The Council's gross DSG will be reduced by these Academy budget allocations as the associated funding will be paid directly to each Academy by the ESFA. The Council still funds Academies for Early Years and elements of High Needs funding.

Pupil Premium

Schools will continue to receive Pupil Premium funding in 2018/19 in addition to the DSG. Pupil Premium funding is provided to support children who are eligible for FSM because research has indicated that these children have lower educational attainment than children who have never been eligible for FSM.

The Pupil Premium grant funding allocated per child for Primary Aged FSM eligible children in 2018/19 will be £1,320 and the equivalent rate for Secondary Aged FSM eligible children will be £935. The rate for current and former Looked After Children will be £2,300 for 2018/19 the rate has increased by £400 since 2017/18 (£1,900). In addition children with parents in the armed services will continue to be eligible for the service child premium. The rate per service child remains at £300 in 2018/19.

The DFE cannot release allocations of 2018/19 Pupil Premium funding at the time of writing this report, as they are in part based on the Spring School census process which is not yet completed. Therefore the current estimate is that the 2018/19 allocation including Academy schools is £13.550m. The actual 2018/19 allocation will be updated during the summer of 2018 following validation of the January 2018 pupil census by the DFE. The estimated value above includes Academies, but as with the DSG the majority of Pupil Premium grant is paid to Academies directly by the ESFA.

The Pupil Premium must be used to support the improvement of educational outcomes for the children it is allocated for. Since September 2013 Schools are expected to publish details about how they have used their Pupil Premium funding allocations and OFSTED inspection processes have been amended to place greater scrutiny on the use of this grant. The DfE also include measures in performance tables to report the attainment of pupils who are eligible for the Pupil Premium.

National Funding Formula

The Department for Education (DFE) carried out consultation in 2016/17 in relation to proposals surrounding National Funding Formula (NFF) to allocate the Dedicated Schools Grant (DSG). The DfE made announcements in September 2017 and confirmed:

- At least a 0.5% increase in the per pupil amount for each school in 2018/19;
- A minimum per pupil funding level of at least £3,500 for each primary school and £4,800 for each secondary school by 2019/20, with a transitional amount of £3,300 for each primary school and £4,600 for each secondary school in 2018/19;
- The schools block funding provided is ring-fenced with some limited flexibility to transfer up to a maximum of 0.5% out of the schools block subject to School Forum approval.

As a result of the consultation the DFE have begun to introduce NFF. The DFE have taken the approach of implementing a soft formula, which means the Council can use a local formula for 2018/19 and 2019/20, and seeking to go with 'hard formula' in 2020/21. Hard formula being a national funding formula directed by DFE.

The DFE are encouraging a move towards NFF values during 2018/19 to 2019/20 instead of using local formula values. There is an anticipation that this approach would lead to lower levels of change and greater levels of stability when transitioning to full implementation of NFF after 2020/21.

Consultation has been launched with Schools, asking for their view as to which formula they would prefer for 2018/19. The outcome of the consultation is approved by Schools Forum, where the full details of the formula and allocation can be found.

APPENDIX J

PAY POLICY STATEMENT 2018/19

Pay Policy Statement for the Year 2018/19

The Pay Policy Statement sets out the Council's approach to pay policy in accordance within the requirements of Section 38 of the Localism Act 2011. The Pay Policy Statement has also been revised to take into account the Council's approach to approval by Full Council for severance payments in excess of £95K in line with guidance received from the Department for Communities and Local Government (DCLG). This pay policy applies for the year 2018/19 unless replaced or varied by Full Council.

It does not cover teaching staff whose salaries and terms and conditions of employment are set by the Secretary of State. Academy Schools are an entirely separate legal entity from the Council and are covered by Academies Act 2010 and as a separate employer are responsible for setting salaries for their employees.

The purpose of the Pay Policy Statement is to ensure transparency and accountability with regard to the Council's approach to setting pay. The Pay Policy Statement has been approved by Council and is publicised on the Council's website in accordance with the requirements of the Localism Act 2011 in March each year.

Underlying Principles

The Council is committed to and supports the principle of equal pay for all our employees. Equal pay between men and women is a legal right under both United Kingdom and European Law. The Equality Act 2010 requires employers not to discriminate on grounds of race and disability and similar rules apply to sexual orientation, religion and age.

The Council applies terms and conditions of employment that have been negotiated and agreed through appropriate collective bargaining mechanisms (national or local) or as a consequence of authority decisions, these are then incorporated into contracts of employment.

The Pay Policy Statement identifies:

- The method by which salaries and severance payment are determined.
- The detail and level of remuneration of the Council's most senior managers i.e. Chief Executive and Leadership Team, which accords with the requirements of the Localism Act 2011.
- The process for ensuring that the Pay Policy Statement is applied consistently, including the Staffing Panel which has delegated powers in relation to senior manager pay and employment.
- The detail and level of remuneration for the lowest level of employee.
- The ratio of pay of the top earner and that of the median earner.

It should be noted that the Pay Policy Statement does not include information relating to the pay of Teachers or Support Staff in schools who are outside the scope of the Localism Act 2011.

This Statement complies with all statutory and legal requirements.

In this policy we use the term "Senior Manager" to mean the same as "chief officer" as described in the Localism Act 2011. The Council already separately publishes information about pay and average pay, which is also set out here.

Highest Pay (per annum)	£170,284.00 p.a. (fte)
Average Pay (per annum)	£24,330.97 p.a. (fte) (based on mean) £21,609.06 p.a. (fte) (based on median)
Pay difference (between average & highest pay)	£145,953.03 (based on mean) £148,674.94 (based on median)
Pay Multiple (ratio between the average and the highest pay)	7:1 (based on mean) 7.8:1 (based on median)
Pay Multiple (ratio between the lowest and the highest pay)	10.4:1

1. Policy on the remuneration of its Senior Managers

Chief Executive and Chief Officers conditions of service are in line with the Joint Negotiating Committees for Chief Executives and Chief Officers. The pay levels for the Chief Executive and Directors are determined by the Council's Senior Staffing Panel on appointment, having regard to the Council's duty to ensure best value and after taking professional advice on pay levels, market conditions and other relevant employment factors.

For Assistant Director pay this is determined by a job evaluation process, which was undertaken in 2011. The scheme used was one designed by the Local Authority Employers Organisation, which advises Councils at a national and regional level on employment and pay issues.

The level of remuneration is determined as set out above. Other than allowable out of pocket expenses, the Council does not make other payments to Senior Managers in addition to basic salary for undertaking their core role. Overtime is not payable to Senior Managers.

Any remuneration package in excess of £100K will be determined by Council.

2. Policy on the remuneration of its lowest paid employees

In this policy, we use the definition of lowest paid employee as being those paid on spinal column point 6 of the National Joint Council for Local Government Services plus the Living Wage supplement payment which was introduced within the Council pay structure in September 2016. We use this because it is the lowest substantive pay grade used for local authority employees.

Our policy is that an employee would normally only be paid at this rate if they were in the first year of appointment to a post which has been evaluated under the national scheme for evaluating local authority jobs. The Council uses the nationally agreed job evaluation scheme for employees of local authorities which are used by a large proportion of other local authorities.

Once someone has been in post a year they will, subject to satisfactory performance, move to the next increment in the pay scale. Increments are payable each year on 1 April, until the maximum point of the grade is reached.

The Council's pay structure is available on the website at:
<http://www.tameside.gov.uk/paystructure>

3. Policy on the relationship between -
(i) the remuneration of its Senior Managers, and
(ii) the remuneration of its employees who are not Senior Managers

The Council has no formal policy on the relationship between the remuneration of Senior Managers. The Hutton review entitled Fair Pay in the Public Sector considered the multiple should be no greater than 20 to 1 (lower is better) and based on the current situation the Council falls well below this threshold. The authority does not have a policy on maintaining or reaching a specific 'pay multiple', however, the authority is conscious of the need to ensure that the salary of the highest paid employee is not excessive and is consistent with the needs of the authority. These pay rates may increase in accordance with any pay settlements which are reached through their respective national negotiating bodies.

At Tameside, the pay multiple between the Chief Executive's pay and the lowest paid employee in the organisation is 10.4:1 and is therefore well within this recommended range.

4. Policy relating to the remuneration of Senior Managers on recruitment

All posts are subject to the Council's recruitment and selection process for job appointments, including promotion. Appointments will normally be made at the minimum of the relevant pay scale for the grade, although this can be varied if it is necessary to secure the best candidate. When recruiting to all posts the Council will take full and proper account of all provisions of relevant local government, employment and equalities legislation.

On occasions, the Council may need to consider market forces supplements for employees, which might include Senior Management posts. Authorisation arrangements for market forces supplements would be subject to approval by the Senior Staffing Panel. No such supplements are currently in place.

The Council will ensure that before an offer of appointment (whether internal or external) is made, any salary package for any post that is in excess of £100,000 is considered by full Council.

5. Policy relating to increases and additions to remuneration for each Senior Manager

Senior Managers are paid at a spot rate salary. The majority of Council staff receive nationally agreed pay awards when they are applied. These do not apply to Senior Managers at Assistant Director level and above. The Senior Staffing Panel make the determination as to whether and when there is to be an increase in the current spot rate salaries. Assistant Director's and Directors received a 1% pay increase to reflect the national pay award in 2016/17, and will receive a further 1% increase in 2017/18 again to reflect the national pay award. The Chief Executive has received a 1% pay award in 2016/17 and will receive a further 1% increase in 2017/18 to reflect the national pay award.

6. Policy relating to the use of performance related pay for Senior Managers

The Council does not pay performance related pay to Senior Managers or any other member of the workforce. The Council believes that it has sufficiently strong performance management arrangements in place to ensure high performance. Any areas of under-performance would be addressed through the capability/disciplinary procedure as appropriate.

7. Policy relating to the use of bonuses for Senior Managers

The Council does not pay bonuses to Senior Managers or any other member of the workforce and does not intend to introduce any bonus schemes.

8. The approach to payment of Senior Managers on their ceasing to hold office under or to be employed by the Authority

The approach to payment of Senior Managers is the same as those which apply to all Council employees.

Currently, the Council operates a scheme where employees may apply for voluntary severance. Payments under the scheme are capped at a maximum of 30 weeks' pay (based on the rate of pay set in 2013) for all employees, including Senior Managers. Any applications within this scheme are subject to approval by Director (Governance & Pensions). As indicated within the Voluntary Severance Scheme, the Director (Governance & Pensions) is authorised to consider any exceptions where a robust business case exists to do so in the interests of the organisation.

Employees who take severance under the scheme are advised that they do so on the basis that the Council will not re-employ them and they contractually commit to returning any severance costs should they apply for any jobs with the Council, including any Community School or Voluntary Controlled School, within 12 months of their leaving date.

Compensation payments for loss of office are considered in situations where an employee's post becomes at risk and/or the employment relationship is no longer tenable. A maximum payment of 12 weeks applies to all employees, including Senior Managers. Such payments will be approved by the Council's Monitoring Officer who has delegated authority to deal with the same.

The Council's approach is to treat each case on its individual merits, taking professional advice on the appropriateness, and ensuring that all payments represent value for money to the taxpayer.

Employees who are 'at risk', having been displaced from their role, currently have a 4 week period from the date they are notified to access the Voluntary Severance Scheme, with the additional loss of office payment in some circumstances. If an employee does not choose to access the Voluntary Severance Scheme they will be supported in securing alternative employment. If the secured employment is at a grade lower than their previous post they will be assimilated to the new grade at the top spinal column point and receive pay protection up to their previous salary rate for a maximum period of 6 months.

No severance package will be made in excess of £95K. The components of any such package will be clearly set out and will include pay in lieu of notice, redundancy payment, pension release costs, settlement payments, holiday pay and any fees or allowances paid.

9. Transparency

The Council meets its requirements under the Localism Act, the Code of Practice on Data Transparency and the Accounts and Audit Regulations in order to ensure that it is open and transparent regarding senior officer remuneration.

Senior Managers' pay is published on the Council's website each year. The current pay rates for senior managers are available at:

<http://www.tameside.gov.uk/transparency>

10. Gender Pay Gap

From April 2017, gender pay legislation requires employers (public, private or voluntary sector) with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees.

There are two sets of regulations which impose the mandatory gender pay gap reporting obligations on employers:

- The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017
- The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017

The legislation requires the following 6 measures to be reported:

1	Mean gender pay gap	The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.
2	Median gender pay gap	The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees
3	Mean bonus gap	The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees
4	Median bonus gap	The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees
5	Bonus proportions	The proportions of male and female relevant employees who were paid bonus pay during the relevant period
6	Quartile pay bands	The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands

**measures 3, 4 and 5 are not reportable at Tameside Council as there are no bonus payments*

The Council is committed to reducing the gender pay gap and will monitor and review recruitment and reward processes, develop career pathways to enable and support career progression and continue to support flexible working and family friendly policies to enable both men and women to progress within the workforce.

11. Commitment to The Living Wage

The Council is committed to becoming an accredited Living Wage Foundation Employer. The Living Wage is a rate of pay per hour, which is enough to make sure workers and their families can live free from poverty.

The Council implemented the Living Wage Foundation rate of pay in September 2016 for all employees (excluding apprentices, work placements and traineeships, which have been created to enable access to the work place training and job opportunities). This was subsequently increased further with the revised rate of pay on 1 November 2016 and 1 November 2017. This is paid by means of a supplement to Council employees whose hourly rate of pay falls below the nationally set rate.

This rate will continue to be reviewed in line with the nationally negotiated NJC pay award.

The Council will encourage and promote all employers, both directly and through their subcontractors, to pay a Living Wage, and promote the Living Wage principles when there are opportunities to so do in the Borough.

The Council strives to make Tameside a better place and is of the view that payment of a Living Wage can have a positive impact on the delivery of services as well as economic and social benefits in the Borough.

The Council is committed to providing better quality value for money services and feels the payment of the Living Wage Foundation will contribute to this goal.

12. Pension Enhancement

The Council has agreed policies in place on how it will apply any discretionary powers it has under Pensions regulations. It is not Council policy to apply the available discretions to award additional pension to any members of the pension scheme (regulation 31).

13. Re-employment of Staff

The Council is under a statutory duty to appoint on merit and has to ensure that it complies with all appropriate employment and equalities legislation. The authority will always seek to appoint the best available candidate to a post who has the skills, knowledge, experience, abilities and qualities needed for the post.

In recent years significant numbers of individuals have left the Council voluntarily on enhanced exit payments owing to the significant reduction in its budget. These exit payments have helped unlock substantial reductions in staff costs in the medium to longer term and have helped in meeting the challenge of reducing the deficit. However, given the scale of the costs associated with exit payments it is vital that they offer value for money to the taxpayer who funds them.

As it would be reputationally damaging to the Council to use public funds for employees to receive exit payments and then quickly returned to public sector roles, the Council has a policy that any employee who returns to the Tameside public sector or on public sector contracts or agency work within 12 months of exit are required to repay their exit payment. This is in line with government guidance to ensure that the taxpayer is not unduly compensating an individual for loss of employment only for them to return to the public sector after a short period of time hence getting a windfall. Employees who have received an enhanced exit package can accept employment with the Council but where they do this within 12 months of signing a compromise agreement they are will be obliged to repay their exit package.

If a candidate is a former employee in receipt of an LGPS pension or a redundancy payment this will not rule them out from being re-employed by the Council. Clearly where a former employee left the authority on redundancy terms then the old post has been deleted and the individual cannot return to the post as it will not exist.

The Council will also apply the provisions of the Statutory Redundancy Payments Modification Order regarding the recovery of redundancy payments if this is relevant and appropriate. Pensions Regulations also have provisions to reduce pension payments in certain circumstances to those who return to work within the local government service.

The authority will apply the provisions of the Recovery of Public Sector exit payments in accordance with any regulations made under The Enterprise Act 2016 and any other applicable legislation and guidance.

14. Policy Amendment

The Council may seek to change elements within the pay policy as part of any necessary efficiency review or as other circumstances dictate.

This policy statement will be reviewed each year and will be presented to full Council each year for consideration in order to ensure that a policy is in place for the authority prior to the start of

each financial year.

15. Pay Policy References

- Agency workers directive 2011
- Hutton Fair Pay in the Public Sector Final Report (March 2011)
- Joint Negotiating Committee for Local Authority Chief Executives
- Joint Negotiating Committee for Chief Officers of Local Authorities
- Local Government (Early Termination of Employment)(Discretionary Compensation) (England and Wales) Regulations 2006
- Local Government Pension Scheme (Benefits, Membership Contributions) Regulations 2007
- Localism Act 2011
- National Joint Council for Local Government Services
- Tameside Borough Council Scheme of Delegation
- The Accounts and Audit (England) Regulations (2011)
- The Equality Act 2010
- The Secretary of State for CLG Code of Recommended Practice for Local Authorities on Data Transparency
- Local Government Transparency Code 2014
- HM Treasury Recovery of Public Sector exit payments consultation response

APPENDIX K

BUDGET CONSULTATION RESPONSES

Question:

The budget report sets out the Council's budget proposals for the next financial year (2018/19). The report can be found by following this link and viewing item 4a.

<http://tameside.moderngov.co.uk/ieListDocuments.aspx?CId=134&MId=2839&Ver=4>

We are seeking your views on how we intend to use our resources. If you have any comments then please provide them in the box below.

<p>EMAIL RESPONSE</p> <p>As a business owner of nearly 10 years, I'm appalled at the lack of parking there is in Denton, greatly affecting all our businesses, cameras up in Lidl , cameras going up in Morrisons, double yellow lines everywhere, nowhere for customers to park as colours aren't always finished in 90 mins, where do we park our cars for 8-10 hours??? Round the back of my salon there is a dirt track, if I'm lucky I can park there, road is that bad I have had 3 slow punctures since Xmas, as a business owner I seriously thinking of closing down & looking to open elsewhere as parking is so important.</p>
<p>EMAIL RESPONSE</p> <p>Where is the point of doing this. Save money by not running these pointless exercises as you will typically do what you want to do and totally disregard the views of the local businesses. The recent matter regarding parking is a point at hand. The council lied it's way through to get amendments it wanted.</p>
<p>EMAIL RESPONSE</p> <p>Just one comment: in the light of the budgetary problem which Tameside Council is facing - and the Council Tax increases planned - it is difficult to accept that the highest paid staff earn more than £100,000 per year. Even if the "Pay Multiple" is "within the recommended range", it would be preferable if the salaries above £100,000 could be reduced, or at least a plan could be introduced to reduce this part of the budget.</p> <p>Just to note, as far as visible on http://www.tameside.gov.uk/transparency, the increase in top salaries have all been in excess of 1.5%, from 2015/2016 to 2016/2017. In one case, an increase of more than 7% can be observed.</p> <p>Similarly, it would be great if the severance packages for high-earners could be reduced considerably (currently "No severance package will be made in excess of £95K." with £95K being a huge sum and far too high as a maximum).</p> <p>Otherwise, in essence, the majority of increases of Council Tax are paying for the (apparently largely unregulated) increases of salaries/packages for staff earning more than £100,000 per year, which is not acceptable.</p> <p>It would be great if this could be considered. If not, it would be great to have a justification spelled out in the report, such as "This is what the Executive Director of X has achieved, and this is what they are planning to achieve". The Public will certainly want clarity on this point.</p>
<p>ON-LINE SURVEY RESPONSE</p> <p>Reduce business rates in city centres to encourage businesses to open.</p>
<p>ON-LINE SURVEY RESPONSE</p> <p>Our building has been unoccupied for over 3 years. Throughout it has been on the market for sale. So far unsuccessfully. It is costing over £500 each week, of which £350 is the rates bill. That is a heavy burden and anyway this can be reduced would be helpful. I have been advised that demolition would save that charge but does the council want a derelict site?</p>