

JOINT MEETING OF EXECUTIVE CABINET AND OVERVIEW (AUDIT) PANEL

7 February 2018

Commenced: 2.00pm

Terminated: 3.10pm

Present: Councillor Warrington (in the Chair)
Councillors Bailey, Cooney, Fairfoull, Gwynne, Kitchen, Pearce, Peet, Ricci, Robinson, Ryan, Taylor L Travis and K Welsh

Apologies for Absence: Councillors Bell and J Fitzpatrick

In Attendance:	Steven Pleasant	Chief Executive
	Sandra Stewart	Director (Governance & Pensions)
	Kathy Roe	Director (Finance)
	James Thomas	Director (Childrens)
	Stephanie Butterworth	Director (Adults)
	Robin Monk	Director (Place)
	Ian Saxon	Director (Operations & Neighbourhoods)
	Ilys Cookson	Assistant Director (Exchequer Services)
	Catherine Moseley	Head of Access and Inclusion
	Nigel Gilmore	Head of Strategic Infrastructure

42. DECLARATIONS OF INTEREST

There were no declarations of interest submitted for this meeting.

43 MINUTES

a) Joint Meeting of Executive Cabinet and Audit Panel

Consideration was given to the Minutes of the Joint Meeting of Executive Cabinet and Audit Panel held on 13 December 2017.

RESOLVED

That the Minutes of the Joint Meeting of Executive Cabinet and Audit Panel held on 13 December 2017 be taken as read and signed by the Chair as a correct record subject to the inclusion of Councillors Bailey and K Welsh on the present.

b) Strategic Commissioning Board

Consideration was given to the Minutes of the Strategic Commissioning Board held on 12 December 2017.

RESOLVED

That the Minutes of the Single Commissioning Board held on 12 December 2017 be received.

e) AGMA Executive Board Meetings / Greater Manchester Combined Authority

Consideration was given to a report of the Executive Leader and Chief Executive, which informed Members of the issues considered at the Greater Manchester Combined Authority 15 December 2017 and the Forward Plan of Strategic Decisions of the Greater Manchester Combined Authority and AGMA Executive Board.

RESOLVED

That the content of the report be noted.

44. BUDGET REPORT 2018/19

Consideration was given to a report of the First Deputy (Performance and Finance) and the Director of Finance (Section 151 Officer), setting out the detailed revenue budget proposals for 2018/2019 and the Medium Term Financial Plan for the period 2018 to 2022, including the proposed Council Tax increase for 2018/2019. The proposed budget was set in the context, once again, of cuts in Government funding to all councils. This would be the 8th year of reductions in funding with at least another two to follow. The report reflected the Council's provisional Grant Settlement from the Government, announced on 19 December 2017. It was noted that at the time of writing the report, the final settlement was still awaited and would be reported to Members before final budget decisions were made at the Full Council meeting on 27 February 2018.

The budget drew together the Council's many service plans and delivery strategies and set out an overall plan in financial terms. The budget also ensured that resources were used to deliver services to local people in line with the agreed priorities of the Council and its partners. By the end of 2017/18 the Council would 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 had managed this difficult challenge by taking tough decisions, early, and would continue to do this.

The budget approach for balancing the 2018/2019 to 2019/2020 budget had for the first time, looked at the position for the Strategic Commission. The Council was committed to growing Tameside as outlined in the Corporate Plan – to build houses, attracting businesses, creating jobs and promoting better health, skills and education for Tameside's communities and seeking to tackle the causes of service demand and so continue to reduce the overall costs of Council services.

The Council budget for 2017/18 had been prepared following an intense review of the resources required to support and deliver the services of the Council. It took account of the pressures that services were facing as well as increasing demographic demands to enable the Council to achieve its desired outcomes. The overall net budget proposed for 2018/19 was £186.514m taking into account the provisional Local Government Financial Settlement for 2018/19.

When the grant settlement was announced in December 2017, the Secretary of State had set out his guidelines on Council Tax and Table 10 in the report illustrated the effect of increases in Council Tax on the affordability of the Council's medium term plan. The budget for 2018/19 could be balanced with a 4.99% increase, being 2.99% in respect of general level council tax and 2% in respect of social care precept, but there remained a shortfall in future years even after a council tax increase.

It was reported that the Council was estimated to spend £174 million on capital investment from 2017/18 to 2019/20. The resourcing of the current Capital Programme had been reviewed to maximise efficiencies on the revenue costs of capital. Minimum borrowing had been assumed to be carried out with the majority of the corporate funding now undertaken by using reserves and / or capital receipts. Details were also given of the following:-

- Risks and Uncertainties Facing the Council;
- Schools Funding;
- Pay Policy Statement; and
- Legal considerations.

It was further reported that in line with its statutory duty, the Council had consulted with businesses and other representatives of non-domestic ratepayers on its draft budget which ran for a period of two weeks between the 1 February and 16 February 2017.

In conclusion, the Section 151 Officer stated that the budget had been prepared in accordance with International Financial Reporting Standards and he was satisfied regarding the robustness of estimates made for the purposes of the budget calculations and the adequacy of the proposed financial reserves.

RESOLVED

That the following recommendations outlined in Section 11 of the report be RECOMMENDED to Council for approval subject to any final minor changes to the final figures:

(i) 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 the 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 be noted.**
- d) That the assumptions set out in section 5 of the report be 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 of the report.**
- f) That the Pay Policy for 2018/19 included at Appendix J to the report be approved.**

(ii) Capital budget recommendations

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

(iii) General recommendations

- a) That the Council notes the difficult circumstances, and the expected challenges set out in the 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.**

45. TREASURY MANAGEMENT STRATEGY

Consideration was given to a report of the Executive Member (Performance and Finance) and the Assistant Director (Finance) setting out the Council's borrowing strategy for 2018/19 and the Annual Investment Strategy.

It was reported that as at 31 March 2017 the Council had £164m of investments, which needed to be safeguarded and £119m of debt. The Council was also the lead authority responsible for the administration of the debt of the former Greater Manchester City Council on behalf of all ten Greater Manchester Authorities. As at 31 March 2017, this was a further £94m of debt. The significant size of these amounts required careful management to ensure that the Council met its balanced budget requirement under the Local Government Finance Act 1992.

The report included information on the following:

- Code of Practice;
- Need to borrow;
- Types and duration of loans;
- Sources of borrowing;
- Rescheduling;
- Current position 2016/17;
- Tameside's estimated position at 31 March 2017;
- 2017/18 borrowing requirement;
- Greater Manchester Metropolitan Debt Administration Fund requirement;
- Borrowing strategy;
- Interest rates;
- Investments and proposed changes; and
- Treasury Management advisors.

Particular reference was made to the Annual Investment Strategy detailed at **Appendix A** to the report and the estimated borrowing requirement for both Tameside and the Greater Manchester Metropolitan Debt Administration Fund and the strategy to be employed in managing the debt position

RESOLVED

1. **That the Treasury Management Strategy be noted and the proposed borrowing strategy (section 11) be supported.**
2. **That the Annual Investment Strategy (Appendix A) be recommended for approval by the full Council.**
3. **That the amendments to the Minimum Revenue Provision (MRP) policy (Appendix D) be RECOMMENDED for approval by full Council.**

46. MANCHESTER AIRPORT INVESTMENT

Consideration was given to a report of the Executive Member (Performance and Finance) and the Assistant Director (Finance) which set out the investment proposals of the Manchester Airport group companies ('MAG') to provide the airline capacity and standard of facilities required to secure future business plan growth and the longer term sustainability of the business.

It was explained that as shareholders there was an opportunity to support the funding package that underpinned the Transformation Programme through the format of shareholder loans. The investment would be fully in line with the economic objectives for Greater Manchester as set out in the Greater Manchester Strategy "Our People, Our Place" and would promote economic growth, employment opportunities for local residents and world class connectivity.

There was also a financial benefit to the Council. As well as the direct return on loan, the airport transformation programme that the loans were supporting should enable the future anticipated dividend rates to be paid. Without the capital investment there was a very real risk that the level of dividend payable will reduce considerably in future years. In 2017/18, £4m of airport dividend was supporting the revenue budget, and was budgeted to continue at that level in the Medium Term Financial Plan, without the dividend additional equivalent savings would have to be found to balance the budget.

Any investment decision has to be underpinned by a thorough assessment of the risks involved and a robust due diligence process. From the analysis and work carried out this was deemed to be a reasonable investment for the Districts that is aligned to the economic and strategic priorities for GM and will help secure future dividend growth.

RESOLVED

- 1 That the proposals set out in the report, and in particular the recommendations for financial support to the Manchester and Stansted transformation programme through the form of further shareholder loans be noted;**
- 2 That the Transformation Programme outlined is fully aligned to the strategic economic and regeneration objectives for Greater Manchester be noted;**
- 3 That authority be delegated to the Chief Executive in consultation with the Section 151 Officer, Borough Solicitor and Executive Member for Finance and Performance to approve the funding package including the Borough's shareholder loan;**
- 4 That the Section 151 Officer and Borough Solicitor be authorised to negotiate and finalise the detailed arrangements in respect of the shareholder loan, and to progress the financial and legal work associated with it;**
- 5 That a recommendation be made to Council that approval be given to the increase in capital expenditure supported from reserves by up to £11.3m.**

47. COUNCIL TAX SUPPORT SCHEME

Consideration was given to a report of the Executive Member (Performance and Finance)/Assistant Director (Exchequer Services) that detailed the procedural requirement in setting the Council Tax Support scheme (CTS), to become effective from April 2018. The scheme cost and claimant numbers continued to decline and support for claimants remained in place. There appeared to be no adverse equality impact assessment arising from the quarterly reviews that took place and further guidance, which may have a bearing on the scheme, had not been received from the DCLG of the Tribunal Service.

It was stated that there were no external influences or internal requirements to revise the scheme for any reason. The scheme was operating as expected when the scheme was set in January 2017 and effective from April 2017.

The costs and demand for the scheme had fallen and hardship relief and other support remained in place and available to the public. The Valuation Tribunal Service had not recommended any changes to the scheme. DCLG have not issued any guidance in respect of designing a local scheme and no further guidance is expected.

RESOLVED

That a RECOMMENDATION is made to Council that the Council Tax Support scheme for 2018/19 remains the same scheme as that set effective from April 2017, subject to annual benefit uprating as detailed in the scheme.

48. PRIMARY AND SECONDARY SCHOOL ADMISSION ARRANGEMENTS

Consideration was given to a report of the Executive Member (Lifelong Learning)/Director of Children's Services which informed Members that all admission authorities were required to consult on their co-ordinated admission scheme and on changes to admission arrangements. It was explained that admission authorities must ensure that their determined admission arrangements complied with the mandatory requirements of the School Admissions Code 2014. The consultation process follows a timetable determined by the Department for Education (DfE).

Members were informed that consultation must run for a minimum of six weeks between 1 October and 31 January; admission arrangements must be determined by 28 February and must be published by 15 March. Following determination of the admission arrangements objections to those arrangements must be made to the Schools Adjudicator by 15 May.

It was explained that for entry to school in September 2019, the following changes were proposed to the admission arrangements for community or voluntary controlled primary, junior and secondary schools:

- Proposed change to the wording of criterion 4 of the oversubscription criteria to prevent the potential for misuse of the partner primary school criteria;
- Proposed changes to published admission numbers at Arlies Primary School, Aldwyn Primary School and Denton Community College
- Proposed changes to partner primary schools for Denton Community College and Alder Community High School.

The proposed changes would only affect community or voluntary controlled primary, junior and secondary schools and would not affect any academies, voluntary aided or free schools who were responsible for their own admission arrangements.

The determined admission arrangements of all Academies and Voluntary Aided schools would be reviewed in light of comments sent as part of the consultation and at that point a decision will be made about referrals to the School Adjudicator if it was felt that any arrangements did not comply with the Code.

The report set out details of the consultation that had been undertaken.

RESOLVED:

- (i) That approval be given to the determination of Published Admission Numbers for all voluntary controlled and community schools for 2019/20 without change from those that applied for admission in 2018/19 other than the changes set out in Appendix 1 to the Report;**
- (ii) That approval be given to the determination of admission arrangements for all Tameside community and voluntary controlled schools for admission in 2019/20 as set out in Appendix 2 to the Report.**

49. CHILDREN'S IMPROVEMENT BOARD AND GOVERNANCE ARRANGEMENTS

Consideration was given to a report of the Executive Member for Children's Services/Director of Children's Services which explained that the Children's Services Improvement Board had brought together senior strategic leaders both from the Council and from all those partners key to safeguarding children in Tameside. It was stated that there had been many examples where the Board had made effective challenges to the pace and effectiveness of improvement actions. However, through the course of 2017 there had been a growing concern on the part of Tameside Council, the independent Improvement Board Chair and Ofsted, that the pace of improvement had been too slow. Therefore it was appropriate to review the extent to which the Improvement Board

itself could strengthen its effectiveness in the year ahead. This report outlined proposed changes to the terms of reference of the Improvement Board for 2018.

Members were informed that the government was proposing to replace Local Children's Safeguarding Boards with new local safeguarding arrangements determined by the three lead statutory partners, namely the Council, the CCG and the Police. The report outlined the direction of travel for proposals in Tameside.

In addition Members were informed that the Department for Education was negotiating new Improvement Advisors for Tameside, a role that was likely to be taken up by Stockport alongside the development of an improvement partnership with them. The report provides an update.

RESOLVED:

- (i) That the revised terms of reference for the Improvement Board outlined in this report (and attached at Appendix 1 to the report) be approved and adopted;**
- (ii) That the principles for future local safeguarding arrangements as outlined in the report be approved. Once the new statutory guidance is enacted, full detailed proposals would be taken forward to Executive Cabinet.**
- (iii) That the development of an improvement partnership with Stockport. Once detailed proposals are ready, these should be taken forward to Executive Cabinet.**

50. TOWN CENTRE CHALLENGE

Consideration was given to a report of the Deputy Executive Leader/Director of Place which sought approval to participate in the Greater Manchester Mayor's Town Centre Challenge, which was part of the major effort to create world class town centres in Greater Manchester.

It was stated that the regional centre was experiencing unprecedented growth and there was an opportunity to accelerate the spread of this growth to the 8 principal towns, 20 smaller towns and over 50 further significant local and suburban centres in the conurbation.

The GM Mayor's Town Centre Challenge proposal, approved by the GM Combined Authority on 27 October 2017, made the case for a multi-stakeholder GM-wide intervention to accelerate growth and create a city region of world class town centres.

The main proposition of the GM Mayor's Town Centre Challenge was a dedicated resource from the GM Mayor and GMCA to support a long term strategic approach to promoting growth and removing barriers to development in town centres, especially non-principal town centres, through:

- a) Collaboration with the individual local authority and other public and private stakeholders on an agreed vision and masterplan
- b) Collaboration on specific projects with long term catalytic benefits
- c) Creating a public and private sector investment platform to support delivery
- d) Linking with central government to unlock local delivery (e.g. Housing Deal)
- e) Use of the full range of powers available to facilitate delivery

Members were informed that there was no dedicated funding support identified for the GM Mayor's Town Centre Challenge at this time. However, the GM Mayor and GMCA have committed to working over the coming months to identify appropriate funding to support the emerging programme for the initiative.

RESOLVED:

That Stalybridge Town Centre be nominated for participation in the Greater Manchester Mayor's Town Centre Challenge.

54. TAMESIDE INTERCHANGE

Consideration was given to a report of the Executive Member (Transport and Land Use)/Director of Place which provided an update on progress in respect of the proposed Tameside Interchange (Ashton Under-Lyne) and sought Members approval to the revised land assembly proposal relating to where responsibilities lie within .

It was explained that in order to minimise potential tax issues applicable to the scheme, TfGM had requested that all assembled land should be transferred into their full ownership before the initiative commences. HM Revenue & Customs had determined that Stamp Duty Land Tax (SDLT) was payable on the full market value of any land at the time of purchase. Any transfer of ownership from Tameside to TfGM post scheme completion would potentially increase the market value of the land and hence the amount of tax payable. SDLT costs would be shared equally between TfGM and Tameside.

The release of any land to TfGM for the benefit of the proposed interchange would not preclude Tameside from developing the residual land, highlighted in section 1.2 above, in support of the Vision Tameside initiative. All land transfers and subsequent development initiatives would be encapsulated in relevant legal agreements between both parties.

Approval was sought that should a 10 year longstop date reached and either party brings the contract to an end, then TfGM shall, either:

- a. If no development works had commenced, transfer the land (including the MoJ offices) to Tameside for nil consideration; or
- b. If development works had commenced, pay to Tameside the value of the land (being the land which the Council transferred to TfGM together with the MoJ Offices) (at the value on the 2018 transfer date).

Members were informed that TfGM had stated it would not bear any Tameside costs as they will have lost its £400k contribution toward the cost of the MoJ Offices.

In order to progress and conclude the negotiations, there would be a continued need to move forward on a number of fronts both with TfGM and the MoJ. Whilst any overall increase in potential cost and future land development proposals contained in the June 2017 Executive Cabinet report would be brought to the attention of Members for further consideration, Executive Cabinet was asked to delegate the continued negotiation and subsequent implications of such matters to the Executive Director Governance and Pensions in consultation with the Executive Director of Place. Such delegated decisions to include land assembly, financial and tax considerations, and issues in respect of continued negotiations with the Ministry of Justice

RESOLVED

- (I) That Tameside's role in acting as agent in progressing the land assembly required for the proposed transport interchange be re-affirmed;**
- (II) That it be noted that Transport for Greater Manchester were to directly secure the Ministry of Justice facility at Francis Thompson Drive;**
- (III) That if Transport for Great Manchester fails within a period of ten years to complete the Tameside Interchange to confirm that if either party brings the contract to an end, then TfGM shall:**
 - a. If no development works have commenced, transfer the land (including the MoJ offices) to Tameside for nil consideration; or**
 - b. If development works have commenced, pay to Tameside the value of the land (being the land which the Council transferred to TfGM together with the MoJ Offices) at the value on the 2018 transfer date;**
- (iv) That the change of location of the Ministry of Justice temporary facility to land owned by Tameside MBC for a rent free period of up to 12 month be noted;**
- (v) That the following be noted and approved:**
 - a. Professional Planning fees in connection with securing planning permission for the Ministry of Justice temporary facility to land owned by Tameside MBC; and**

- b. The payment of £20,000 to Groundwork to enable the connection into Birchcroft House of utilities required by the Ministry of Justice for the temporary site on land owned by Tameside MBC;
- (vi) That authority to agree any consequential agreements arising out of the actions approved in this report be delegated to the Executive Director Governance and Pensions in consultation with the Executive Director of Place to agree and execute.

CHAIR