

EXECUTIVE CABINET

SUPPLEMENTARY ATTACHMENT FOR ITEM 5A

Day: Wednesday
Date: 10 February 2016
Time: 2.00 pm
Place: Lesser Hall - Dukinfield Town Hall

Item No.	AGENDA	Page No
a)	BUDGET REPORT 2016/2017 AND FUTURE YEARS To consider the attached report of the Executive Leader/First Deputy (Performance and Finance)/Assistant Executive Director (Finance).	1 - 2

This page is intentionally left blank

Chairs and Vice Chairs of the Scrutiny Panels

Chairs: Councillors Maria Bailey, Gillian Peet and Kevin Welsh

Dukinfield Town Hall, King Street, Tameside SK16 4LA

www.tameside.gov.uk

email:	paul.radcliffe@tameside.gov.uk
Our Ref	Budget Consult 2016/17
Ask for	Paul Radcliffe
Direct Line	0161 342 2199
Date	25 January 2016

Mr P Timmins
Assistant Executive Director, Governance and Resources - S151 Officer
Tameside MBC

Dear Mr Timmins,

Consultation with Chairs and Vice Chairs of Scrutiny Panels on the 2016/17 Budget

We are writing in response to the recent budget consultation meetings that have taken place to provide a comprehensive overview of the Council's budget and saving plans for 2016/17 and beyond.

The following content provides an account of the discussions captured from the series of meetings held with Scrutiny Chairs. We would be grateful if you could circulate this letter to the joint meeting of Executive Cabinet and Overview (Audit) Panel on the 10 February 2016. We would like to thank the Chief Executive and yourself together with other colleagues for the helpful summary of the financial position for the services that come under the remit of the Scrutiny Panels.

With the biggest Government spending changes in a generation, and a variation in funding from a previous need/deprivation model, a projection shows that by 2019/20 over 60% of the Council's available budget will come from Council Tax income, compared with around 30% in 2010.

Tameside has a low Council Tax base, when compared with the England average and significant health inequalities, which mean that the delivery of health and social care in its current form is financially unsustainable. The advanced work being undertaken through the Care Together Programme will allow the Council and health partners to set clear investment and locality plans and have the future ability to manage a pooled budget to deliver a single commissioning framework aimed at improving outcomes across primary, secondary, community and social care in Tameside.

It was encouraging that the Council continues to make bold decisions to manage this significant risk, with a huge amount of work underway and a clear realisation that more is needed in order to successfully meet this challenge. With the level of uncertainty that remains for the medium to long term it was helpful to hear that the Government is to allow councils to apply for a 4 year budget, extending to the end of the Parliament. Such a change permits councils to plan with greater certainty the significant reductions in budget being imposed by central government. It was noted that the Council intends to adopt this 4 year 'efficiency' budget in order to continue its sensible and prudent approach to delivering a medium term financial strategy whilst enabling it to communicate effectively with taxpayers as to explain why services need to be changed, varied or reduced to reflect the significantly reducing budget in the context of low council tax base.

The Chair of the Statutory and External Partners Scrutiny Panel was interested in the operational changes that take place during development of the Integrated Care Organisation. Recent updates to the Scrutiny Panel have proved to be extremely useful and members are hopeful that any planned changes for the hospital and health partners will deliver a better model for community based care in the most appropriate setting.

The Chief Executive talked in detail around the ambitions and practicalities of the Care Together Programme and while there is a pressing need to address budget deficits the primary focus is to deliver real change and provide better care for Tameside residents in the most appropriate setting, removing duplication and blockages within the current model.

It was also noted that the national financial mechanism for supporting Adult Care services is inadequate, and further measures are required to reduce the disadvantage to the residents of Tameside. The additional 2% social care precept income, covers only 38% of the increased Adults demographic and contractual inflation costs in 2016-17.

The Council recently held the first joint board meeting with Tameside and Glossop Clinical Commissioning Group and Tameside Hospital. It was reported that a single commissioning framework as approved and adopted at the full Council meeting on the 21 January 2016 will mean that all decisions will be made collectively and staff working in this area will be located together.

The Chair of the Place Scrutiny Panel received further clarification on the Council's approach to delivering the required economic and housing growth during such a difficult period and the way that this will support income and budget pressures.

The Executive Director for Place reported that housing developers are extremely interested in building in Tameside and the need for family housing in certain areas will not only provide a vital resource for people who want to remain living in the borough but also increase the Council's tax base. This is particularly important given the Tameside Council's low resource tax base with 70% of residential properties in Council Tax Bands A & B, which compares to an England average of 44% - combined with the demographic profile and 90% falling below Band D. This work is ongoing and there is a clear need for the Council to ensure the most suitable land sites are made available to support the accelerated growth.

Further information was provided in relation to the innovative and transformational work that has taken place across Environmental Services in relation to recycling, LED street lighting and street cleansing. Since the borough-wide roll out of Bin Swap, cost reductions of £1 million have been achieved and this is projected to grow to £3 million, helping to provide vital resources for other services.

The Chair of the People Scrutiny Panel discussed Tameside's future role within the Greater Manchester Combined Authority with regards to investment plans and what needs to remain at a local level to generate the best outcomes for residents.

The Chief Executive provided information about the current arrangements that are in place at a Greater Manchester level and the way future decision making is likely to look. One thing that remains clear is that whilst a collective approach is needed for the way certain parts of Adult Services and Early Years are delivered there are variations across local authorities with the way interventions are carried out in areas such as dementia care and mental health service. Having a collective approach towards commissioning will allow Tameside to benefit from a more standardised and improved quality of service, which will also allow us to learn best practice from areas which may already be doing things differently to improve outcomes.

Yours sincerely,

Councillor M Bailey – Chair of the Place Scrutiny Panel

Councillor G Peet - Chair of the People Scrutiny Panel

Councillor K Welsh – Chair of the Statutory and External Partners Scrutiny Panel