

JOINT MEETING OF EXECUTIVE CABINET AND AUDIT PANEL

14 December 2016

Commenced: 2.00 pm

Terminated: 2.50 pm

Present: Councillor K. Quinn (Chair)
Councillors Bailey, Cooney, Fairfoull, J. Fitzpatrick, Gwynne, Kitchen, Ricci, Robinson, Ryan, Taylor, L Travis and Warrington, K Welsh

Apology for Absence: Councillor Warrington

33. DECLARATIONS OF INTEREST

There were no declarations of interest.

34. MINUTES

(a) Executive Cabinet

Consideration was given to the Minutes of the meeting of Executive Cabinet held on 19 October 2016.

RESOLVED

That the Minutes of the meeting of Executive Cabinet held on 19 October 2016 be taken as read and signed by the Chair as a correct record.

(b) *Strategic Planning and Capital Monitoring Panel

Consideration was given to the Minutes of the Strategic Planning and Capital Monitoring Panel held on 28 November 2016.

RESOLVED

That the Minutes of the Strategic Planning and Capital Monitoring Panel held on 30 November 2016 be received and the following recommendations approved:

Education Capital Programme Update

- (i) That the allocation of Basic Need grant funding schemes as outlined in Section 3 of the report and Appendix 1 of the report be agreed;
- (ii) That the allocation of School Condition and Maintenance funding schemes as outlined in Section 4 and Appendix 2 to the report be agreed; and
- (iii) That the reduction of £100,000 of funding for schemes within the capital programme as outlined in Section 5 of the report be agreed.

Corporate Asset Management Update

- (i) That the list of disposals identified in Appendix 1 to the report be approved; and
- (ii) That the allocation of £46,987.66 to undertake building condition replacement/repair projects as detailed in the report, be approved.

Engineering Capital Programme 2016/17

- (i) That the total Engineering Capital Programme 2016/17, as set out in Appendix 1 to the report, be approved including any increases identified at paragraph 2.4 of the report.

Developer Agreements, Contributions and Section 106 Agreements

- (i) That authority be given to release funds from the following available resources:
Section 106 – Environmental Improvements in Audenshaw (£8,500).

Strategic Transport Review – Council Fleet Vehicles – Fleet Replacement Programme 2017

- (i) That approval be given for the procurement of 65 vehicles and plant identified in the report via a competitive EU tendering process or approved frameworks and the necessary recommendation to Council to amend the Capital programme accordingly. All funding to be repaid by recharging service areas an annual rental to cover purchase, borrowing and maintenance costs covering the borrowing period of 8 years;
- (ii) That based upon the results of the financial appraisal, approval be granted for the purchase of the 65 vehicles and plant detailed in the main body of the report to be pursued by prudential borrowing and internal funding;
- (iii) That an on-going exercise be undertaken for the remaining fleet items in conjunction with its on-going review of services to ensure that the Council could call upon a fleet of vehicles to support the delivery of those identified services in the most effective manner; and
- (iv) That when all capital and borrowing is repaid, rentals remain fixed to allow continued contribution to the Council's transport reserves to assist in future fleet replacement programmes.

(c) Enforcement Co-ordination Panel

Consideration was given to the Minutes of the Enforcement Co-ordination Panel held on 26 October 2016.

RESOLVED

That the Minutes of the Enforcement Co-ordination Panel held on 26 October 2016 be received.

(d) Carbon and Waste Reduction Panel

Consideration was given to the Minutes of the Carbon and Waste Reduction Panel held on 17 November 2016.

RESOLVED

That the Minutes of the Carbon and Waste Reduction Panel held on 17 November 2016 be received.

(e) Single Commissioning Board

Consideration was given to the Minutes of the Single Commissioning Board held on 1 November and 6 December 2016.

RESOLVED

That the Minutes of the Single Commissioning Board held on 1 November and 6 December 2016 be received.

(f) Association of Greater Manchester Authorities / 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 AGMA Executive Board and Greater Manchester Combined Authority held on 28 October and 25 November 2016 and the Forward Plan of Strategic Decisions of the Greater Manchester Combined Authority and AGMA Executive.

RESOLVED

That the content of the report be noted.

35. ANNUAL AUDIT LETTER

Consideration was given to a report of the First Deputy (Performance and Finance) and the Assistant Executive Director (Finance) submitted a report, which detailed the annual audit letter for Tameside Metropolitan Borough Council and Greater Manchester Pension Fund from Grant Thornton for the external audit of 2015/16. A copy of the letter was appended to the report.

It was explained that the annual audit letter summarised the key findings arising from the work carried out for the year ending 31 March 2016. An unqualified opinion on the Council's financial statements had been delivered on 12 September 2016; the audit did not identify any adjustments affecting the Council's expenditure or level of useable reserves. The report highlighted that the Council had put in place proper arrangements to ensure economy, efficiency and effectiveness in its use of resources during the year.

It was commented by the Auditors that it was not possible to get a better Audit report and in response Members conveyed their thanks to the Auditors for their hard work and thoroughness and requested that their thanks be conveyed to all involved in another successful audit.

RESOLVED:

That the Annual Audit Letter for 2015/16 be noted.

36. REVENUE MONITORING – QUARTER 2 2015/16

Consideration was given to a report of the First Deputy (Performance and Finance) and the Interim Assistant Executive Director (Finance) showing that at quarter 2 the overall net projected outturn revenue position for 2016/2017 was £1.359m under budget. It was stated that strong budget management was required across the Council to ensure the Council achieved its financial plans and higher than budgeted spending would need to be addressed. .

The report detailed Directorates projected revenue outturn position for 2016/2017 against budgets for the year. It was explained that overall projected net revenue expenditure for 2016/2017 was expected to be £1.359m less than budget.

RESOLVED:

- (i) That the changes to revenue budgets as set out in Appendix 1 be approved;**
- (ii) That the projected revenue outturn position be noted for services experiencing budgetary pressures and that they identify plans to bring down the extent of the expenditure above budget.**
- (iii) That the detail for each service be noted.**

37. CAPITAL MONITORING

Consideration was given to a report of the First Deputy (Performance and Finance) and the Assistant Executive Director (Finance) summarising the capital monitoring position at 30 September 2016 with a current projected forecast for service areas to spend £56.556m on capital investment by March 2017. At present, the £56.556m of investment was £12.655m less than the current programmed spend.

The report also detailed schemes with an in-year variation in excess of £0.100m and sought approval to re-profile the capital expenditure of the project.

Particular reference was also made to an update on Prudential Indicators; capital receipts, Compulsory Purchase Orders, indemnities and potential liabilities and it was –

RESOLVED:

- (i) That the current capital budget monitoring position be noted;**
- (ii) That the resources currently available to fund the capital programme be noted;**
- (iii) That the re-profiling to reflect up-to-date investment profiles be approved;**
- (iv) That the current position with regard to Compulsory Purchase Orders and Indemnities be noted;**
- (v) That the changes to be capital programme be noted;**
- (vi) That the capital receipts position be noted;**
- (vii) That the Prudential Indicator position be noted.**

38. TREASURY MANAGEMENT

Consideration was given to a report of the First Deputy (Performance and Finance) and the Assistant Executive Director (Finance) that provided a mid-year review of the Council's Treasury Management activities for 2016/17, including the borrowing strategy and the investment strategy.

It was explained that over the year to date, the Council had moved to a more diverse portfolio involving more foreign banks and more longer-duration investments in order to achieve an enhanced return in the current low interest rate environment. All counterparties used had been selected on the basis that they were highly rated and met the criteria set out in the Council's Treasury Management Strategy.

The Council held £159.980m of investments as at 30 September 2016 (£156.400m at 31 March 2016) and the investment portfolio yield to date was 0.51% against LIBID of 0.28%.

The return had largely been earned due to an increased number of longer-duration investments. The average fixed term investment placed by the Council in 2016/17 to date had been 179 days, compared to 134 days in 2015/16

RESOLVED:

- (i) That the reported treasury activity and performance be noted.**
- (ii) That the proposed changes to the Council's MRP policy from 2015/16 be approved and agreement to a change in the repayment setting aside basis, to generate an annual revenue saving of £2.5m from:**
 - 4% resulting in a reduced balance; to**
 - 2% resulting in repayment over 50 years;****and that the revised MRP Policy be recommended to Council for approval.**
- (iii) That approval be given to adjust the Council's Treasury Management investment list to match that of the Council's treasury advisors, Capita, allowing access to an increased range of counterparties and therefore improved levels of diversification and yield.**

39. INVEST TO SAVE CHILDRENS SERVICES

Consideration was given to a report of the Executive Member (Children and Families)/Executive Director (People) which provided updated information on invest to save proposals within Children's Services for which approval to implement was requested. It was stated that within Children's Services there was a clear need to reduce demand on higher threshold services. The report set out two projects which were evidence based and could lead to better outcomes for children without the need for statutory intervention. The third project aimed to improve the long term provision for care leavers. The three projects outlined in the report were:

- Family Group Conferencing;
- Edge of Care Service;
- From Care to Success, transitional support for Care Leavers.

The Director of Governance updated the members in respect of the legal position and equality impact assessments.

RESOLVED:

That, subject to Equality Impact Assessments being undertaken, and effective performance regime being implemented to provide assurance as to the impact that the investment is working, the three projects be approved for implementation together with the levels of investment as stated in Appendix A to the report.

40. LIBRARY SERVICE DELIVERY MODEL

Consideration was given to a report of the Executive Member (Healthy and Working) and the Head of Stronger Communities, which reminded Members that in June 2016 an Executive Decision had been taken to commence public consultation on a new vision for the Tameside Library Service. The new vision included the implementation of technology to allow customers to use the service independently whilst simultaneously extending the opening hours at most libraries through the provision of unstaffed hours alongside staffed hours and volunteers to support paid staff. It was explained that implementation of the vision would allow the 8 libraries around the Borough to be retained in an affordable way at a time when the Council was subject to unprecedented cuts to the budget which were set to continue through the current comprehensive spending review.

The public consultation had been conducted over a six week period from 4 July to 14 August 2016. In addition to the public consultation on the Council's Big Conversation website additional specific engagement had been undertaken with young people. Specific targeted work had also been undertaken with the Bengali Community in Hyde to ensure awareness of the vision and the consultation taking place.

This report detailed the results of the consultation and recommended new opening hours in each library with a mix of staffed and unstaffed hours. A full equalities impact assessment had been undertaken on the new delivery model to consider any impact on groups with a protected characteristic.

During consideration of this item Members commented on the presentation of the outcome, in particular the need to reference more clearly the extension of overall opening hours.

RESOLVED:

- i) **That the operating hours for each library site as detailed in Appendix 5 to the report be approved.**
- ii) **That the revised hours be implemented as soon as all relevant technology is in place to support unstaffed operating hours.**

41. HOUSING POLICY ON DISCRETIONARY POWERS TO ACCOMMODATE

Consideration was given to a report of the Executive Member (Healthy and Working) and the Executive Director (People), which proposed a new policy with regard to the exercise of its discretionary powers to secure accommodation. It relates to the powers to accommodate an applicant pending a review of a decision under the Homelessness legislation (s.188 (3)), or pending an appeal to the County Court.

The proposed policy was that the Council would give consideration of whether or not to exercise its discretion in every case where an applicant requests accommodation.

It was explained that this represented a change to the Council's policy of the last 5 years, which has been always to exercise its powers to accommodate pending a review in every case that an applicant makes such a request.

RESOLVED:

That the proposed policy be approved.

42. OUTCOME OF OFSTED INSPECTION OF CHILDRENS SERVICES

Consideration was given to a report of the Executive Leader/Executive Member (Children and Families)/Chief Executive/Executive Director (People) which updated Members on the recent Ofsted inspection of services for children in need of help and protection; children looked after; and care leavers. Ofsted also undertook a review of the Tameside Safeguarding Children Board.

Cabinet was provided with a summary of the Ofsted activity, Ofsted's judgements and findings about Tameside and the future work Ofsted would undertake as a result of them judging Tameside's Children's Services to be inadequate.

The report also set out an approach to a Tameside Children's Services Improvement Programme including the establishment of a Tameside Children's Services Improvement Board to oversee the development and implementation of a Tameside Children's Services Improvement Plan.

Detailed consideration was given to the response to the findings and the approach to be taken to ensure service improvement. Particular reference was made to the action plan and performance and improvement framework being put in place together with the approach to overseeing the development and implementation plan.

RESOLVED:

- (i) That the contents of the report be noted;**
- (ii) That the establishment of a Tameside Children's Services Improvement Board with an independent chairs on the basis of the terms of reference laid out in appendix 1 to the report be approved;**
- (iii) That the development of the Tameside Children's Services Improvement Plan and Business Plan together with an Investment Plan based on the outline explained in the report be approved.**

(Note: The Chair agreed that this item could be considered as an urgent item given that the outcome of the Ofsted inspection had not been published until after the deadline for the publication of the agenda for the meeting and the matter needed to be considered prior to the next scheduled meeting of Executive Cabinet).

43. EXCLUSION OF THE PUBLIC AND PRESS

RESOLVED:

That under Section 100A of the Local Government Act 1972 (as amended) the press and public be excluded for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A of the Act and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, because disclosure of the personal information contained in the report would be in breach of Data Protection principles.

44. BUYING FREEHOLD OF COUNCIL ASSETS

Consideration was given to a report of the First Deputy (Performance and Finance)/Assistant Executive Director (Finance) which explained that the Council had a long term lease of a property in Ashton that cost £213,348 per annum in rent and that there was an unexpired term of 91 years. The report outlined the possibility of buying freehold interest which would provide much needed revenue savings. At the time of writing the report negotiations on the acquisition were on-going.

RESOLVED:

- (a) That it be agreed in principle to purchase the freehold interest in the property subject to it being value for money.**
- (b) That delegated authority be given to the First Deputy (Finance and Performance), in consultation with Assistant Executive Director (Finance) to agree the final purchase price.**
- (c) That the purchase be added to the Capital Investment Programme.**
- (d) That the purchase be financed by the use of the Medium Term Financial Strategy Earmarked Reserve.**
- (e) That authority be given to the Executive Director – Governance, Resources and Pensions to complete the necessary legal agreements following negotiation of the deal by the Executive Director of Place and the estates service.**

CHAIR