

EXECUTIVE CABINET

22 April 2020

Comm: 2.00pm

Term: 2.40pm

Present: Councillors Warrington (Chair), Bray, Cooney, Fairfoull, Feeley, Gwynne, Kitchen, Ryan, Wills

In Attendance:

Dr Ashwin Ramachandra	Co-Chair of NHS CCG Tameside & Glossop CCG
Dr Asad Ali	Co-Chair of NHS CCG Tameside & Glossop CCG
Steven Pleasant	Chief Executive & Accountable Officer
Sandra Stewart	Director of Governance and Pensions
Kathy Roe	Director of Finance
Jess Williams	Director of Commissioning
Ian Saxon	Director of Operations & Neighbourhoods
Jayne Traverse	Director of Growth
Tom Wilkinson	Assistant Director of Finance

128 CHAIR'S OPENING REMARKS

The Chair welcomed everyone to the meeting in the most unusual of circumstances and explained that, in order to comply with social distancing guidance, the meeting was virtual. She further explained that the passing of the Coronavirus Act 2020 contained a clause which allowed the Secretary of State to bring in new regulation regarding the proceedings of local authority meetings. The change was necessary because the Local Government Act 1972 previously required elected members to be physically present at committee meetings.

The Chair paid tribute to all NHS workers and support staff in Tameside and Glossop. The fight against coronavirus was one of the gravest in living memory, and these men and women were in the frontline. She further thanked all the key workers who were keeping the country running.

The Chair also highlighted and recognised the work of council employees, many of whom had found themselves placed in unfamiliar roles and situations over recent weeks. Nevertheless, they continued to carry out their assigned tasks with diligence and professionalism.

The Chair further noted the incredible work of community groups and individuals in supporting others who were self-isolating.

She urged everyone to follow the Public Health guidance on social distancing and self-isolation as they were key to stopping the spread.

The Chair concluded by thanking everyone leading the fight against COVID-19 (coronavirus).

129 DECLARATIONS OF INTEREST

There were no declarations of interest received from Members.

130 MINUTES OF EXECUTIVE CABINET

RESOLVED

That the Minutes of the meeting of the Executive Cabinet meeting held on 25 March 2020 be approved as a correct record.

131 MINUTES OF STRATEGIC COMMISSIONING BOARD

RESOLVED

That the Minutes of the meeting of the Strategic Commissioning Board held on 25 March 2020 be noted.

132 MINUTES OF THE COVID RESPONSE BOARD

RESOLVED

That the Minutes of the meetings of the COVID Response Board held on: 1 April, 8 April and 15 April 2020, be noted.

133 MINUTES OF THE CARBON AND WASTE REDUCTION PANEL

RESOLVED

That the Minutes of the meeting of the Carbon and Waste Reduction Panel held on 11 March 2020, be noted.

134 RESPONSE TO COVID-19 PANDEMIC

Consideration was given to a report of the Executive Leader / CCG Chairs / Chief Executive / Accountable Officer providing Executive Cabinet with an update on the COVID-19 pandemic and the work that was being undertaken with partners to address the challenges faced. In addition, the report provided a steer as to how ordinary business of the Council would be undertaken over the coming weeks and months ahead.

It was noted that the content of the report was based on circumstances that were changing frequently and therefore submission immediately prior to publication was appropriate, and many areas were likely to become superseded by new information on an ongoing basis.

RESOLVED

That the content of the report be noted and the way forward, as set out in the report, be approved.

135 INITIAL ASSESSMENT OF THE FINANCIAL RISKS AND IMPACT OF THE COVID 19 PANDEMIC

The Director of Finance submitted a report providing an update on the currently known financial risks of the COVID-19 pandemic and the actions the Strategic Commission was taking and needed to take to manage its way through the crisis.

It was explained that the Council set its 2020/21 budget on 25 February 2020 and the CCG followed soon after once the financial planning guidance had been received and fully clarified. Both organisations' budgets were set before the scale of the COVID-19 pandemic was known. The budgets were set against a background of the Council struggling to contain its costs in relation to Children's Services and the recognition that it needed to invest in the growth of the borough; and the CCG having to deliver a £12.5m QIPP target whilst managing an underlying financial deficit of £9m.

It was clear from the outbreak of COVID-19 in the UK the significant impact it was having on the Council and CCG being able to maintain existing key services, cope with the additional demands placed on it because of the virus, and deal with staffing shortfalls due to self-isolation, it was placing a huge strain on services already under pressure following years of austerity. The

Strategic Commission was already facing a number of key financial risks prior to the COVID-19 crisis but the risk environment had now significantly deteriorated further.

Key risks already in the budget and new financial risks caused by COVID-19 were detailed and discussed, including specific risks identified to date for the Council, as follows:

- Investment Income;
- Income from Trading;
- Council Tax Collection;
- Business Rates Income;
- Looked After Children – Placements Budgets;
- Education;
- Active Tameside;
- Adult Social Care;
- Non delivery/delay of planned savings; and
- Pensions Guarantor for Admitted Bodies.

In respect of Government funding, it was reported that the Government had announced direct support to Local Government in the form of a £2.9bn announcement to be paid in the new financial year. This was split into two parts:

- a) £1.6bn – unringfenced grant (Tameside to receive £7.675m) to cover costs such as:
 - i. Increased demand and costs of adult social care
 - ii. Increased demand and costs of providing children’s social care
 - iii. Additional support for homeless and rough sleepers
 - iv. Support those at higher risk of illness from COVID 19
 - v. Meeting pressures across other services including reduction in income
- b) £1.3bn – to the NHS via CCGs to support enhanced discharge arrangements. This would include providing free out-of-hospital care and support to people discharged from hospital or who would otherwise be admitted into it, for a limited time. This would remove barriers to discharge and transfer between health and social care, and get people out of hospital quicker and back into their homes, community settings or care settings.

There had been no direct allocations announced yet, but if allocated in a similar way to the £1.6bn, Tameside and Glossop CCG would expect to receive around £6.2m. The guidance at this stage suggested that this would be for community services and not for acute providers, who would be supported separately. The method of receiving this funding was equally unclear at this stage and clarity was being sought.

This initial funding support, whilst welcomed was insufficient to cover the costs and loss of income that was already known from the Covid-19 closedown.

With regard to supporting businesses, it was explained that, in the rapidly changing situation there were a number of guidance notes from central Government. The Council had moved to immediate payment of its suppliers on the receipt of valid invoices. The CCG routinely paid immediately on presentation of a validated invoice so there was minimal detrimental impact on suppliers.

In respect of next steps, the report concluded that many services would already be facing additional costs as they enacted their business continuity plans. With most people who could already work from home now doing so, additional IT resilience had been put in place with quick upgrades to capacity and other technological solutions to ensure all staff could work from home wherever possible.

In the short term most services had reprioritised and covered gaps, but as the pandemic grew this would become less sustainable and it was likely that additional resources would be required.

It was acknowledged that, whilst these were unprecedented times and actions often needed to be taken quickly, this was the largest financial risk ever faced collectively by the Strategic Commission and it was important that control of the finances was retained in order to maximise the impact and value from every pound of spending and minimise the financial impact whilst supporting the most vulnerable.

The financial pressures and risks would fall into 4 main areas:

- a) New Costs as a direct result of the COVID 19 pandemic – such as purchase of PPE, IT upgrades, etc;
- b) Additional demand into existing systems and the pressure on prices we have to pay;
- c) Loss of income due to the lockdown and social isolation measures; and
- d) The delay to the delivery of savings plans – thus impacting on the longer term financial position.

Each Directorate had a new COVID–19 cost centre set up for it to capture the direct new costs of the pandemic. All new spending decisions needed to be recorded so that members and the public were sighted as to the decisions that had been made. Directorates were urged to work closely with their finance teams to assess the requirements and impacts on funding. Financial Management were maintaining a record of the additional burden caused by the COVID19 crisis, and it was expected that Directorates worked with Finance to ascertain these costs and pressures.

The additional funding would be pooled and held centrally for the use of the Strategic Commission with decisions to allocate made speedily.

There would also be some expenditure that would not be incurred as a virtue of the crisis, for example, events had been cancelled, staff mileage and travel costs were likely to be lower, less printing would be incurred, training courses would not be taking place, less may be spent on home to school transport etc. It was important that these be captured and centralised alongside the central government funding, so all resources could be mobilised to deal with the crisis.

RESOLVED

- (i) That the report be noted;**
- (ii) The approach for approving additional spending and reporting on the financial impacts of business as usual services on the in-year and on-going financial position of the Council and CCG, as set out in the report, be agreed; and**
- (iii) That the request by Manchester Airport to defer the payment of the bond coupon interest of £1.084m, be accepted.**

136 MONTH 11 INTEGRATED REVENUE MONITORING REPORT

Consideration was given to a report of the Executive Member, Finance and Economic Growth / CCG Chair / Director of Finance providing an overview on the financial position of the Tameside and Glossop economy in 2019/20. For the year to 31 March 2020 the report forecast that service expenditure would exceed the approved budget in a number of areas, due to a combination of cost pressures, shortfalls in income and non-delivery of savings.

It was explained that for the 2019/20 financial year, the Integrated Commissioning Fund was forecast to spend £619.050 million, against an approved net budget of £619.022 million. The small forecast overspend of £0.28 million was an improvement of £0.09 million since period 10. The improved position this month was due to better than expected planning fee income.

However, there remained a number of key overspends which placed pressure on future year budgets. Further detail on the economy wide position was included in an Appendix to the report.

RESOLVED

- (i) That the significant level of savings required during 2019/20 to deliver a balanced recurrent economy budget together with the related risks, which are contributing to the overall adverse forecast, be acknowledged; and
- (ii) That the significant financial pressures facing the Strategic Commission, particularly in respect of Children's Social Care, be acknowledged;

137 TAMESIDE AND GLOSSOP STRATEGIC COMMISSION – INTEGRATED COMMISSIONING FUND 2020/21 AND REVISED RISK SHARE AGREEMENT

The Executive Member, Finance and Economic Growth / CCG Chair / Director of Finance submitted a report providing a summary of the 2020/21 revenue budget allocations of the Tameside and Glossop Integrated Commissioning Fund (ICF) together with updated risk share arrangements. The ICF would be stringently monitored and reported to Members via monthly consolidated revenue monitoring reports during 2020/21.

RESOLVED

- (i) That the 2020/21 revenue budget allocations for the Integrated Commissioning Fund be noted;
- (ii). That the extension of the £10m risk share agreement for 2020/21 to 2023/24 as detailed in section 4 of the report, be approved;
- (iii). That the five year forecasts and projected funding gap for the Strategic Commission be noted; and
- (iv). That it be noted that Tameside Council will continue to be the host organisation for the Section 75 pooled fund agreement.

138 HARTSHEAD PIKE REPAIRS

Consideration was given to a report of the Executive Member, Finance and Economic Growth / Director of Growth explaining that Hartshead Pike was in need of urgent repair for reasons of Health and Safety and to preserve the heritage asset. The report outlined the scope of the repair works and sought approval to proceed with the cost being met from the 2020/21 approved Capital Programme. Longer term (5 years +), the tower would require more fundamental restoration. The proposed restoration scheme would be the subject of future reports.

RESOLVED

That approval be given to proceed with essential repair works to Hartshead Pike at a cost of £0.061 million to be funded from the 2020/21 Capital Programme Statutory Compliance Budget.

139 EXEMPT ITEM

RESOLVED

That under Section 100A of the Local Government Act 1972 (as amended) the public be excluded for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 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 information would prejudice the Council's commercial interests.

140 MANCHESTER AIRPORT

The Director of Finance submitted a report explaining that the economic impact of COVID-19 has had a rapid and severe impact on the aviation industry, including Manchester Airport, which played a critical role in the local GM economy. The report considered the urgent requirement to support the financial position of the Manchester Airport Group (“MAG”, “the Airport”) as a result of the global pandemic COVID-19. Failure to provide the Airport with a significant financial investment would have far-reaching consequences across all GM authorities. The report set out a proposed financial investment into the MAG of companies in order to provide financial stability and ensure it was best-placed to react and rebuild business operations as Covid-19 restrictions were lifted. Details were given of risks to the Council’s equity holdings in Manchester Airport Group, and the proposed actions to protect its investment for the Council together with the other nine Greater Manchester authorities to invest.

RESOLVED

- (i) That, in accordance with paragraph 18 of Part 4, Access to Information Procedure Rules and paragraph 14 of Part 4, Scrutiny Procedure Rules of the Council’s constitution, and having consulted with and/or obtained the agreement of the relevant statutory officers and elected members, this matter be approved as urgent, in that any delay caused by the key decision and call-in processes, would seriously prejudice the legal or financial position of the Council or the interests of the residents of Tameside and exempt the above;**
- (ii) That the proposed arrangements to provide investment by way of new shareholder loans to the Manchester Airport Group alongside the other shareholders (the other nine GM councils and IFM), be approved;**
- (iii) That the increase in the capital budget [of up to £12.95 million] to be funded through prudential borrowing, be approved;**
- (iv) That the Council entering into a legally binding letter of commitment alongside the other nine GM councils and IFM be approved;**
- (v) That delegated authority be given to the Chief Executive in consultation with the Director of Finance, Director of Governance & Pensions and Executive Leader to negotiate and finalise the funding package including the Tameside (“Council”) shareholder loan as outlined in the body of this report together with any other necessary ancillary documents or agreements to effect the transaction,**
- (vi) That delegated authority be given to the Chief Executive, Director of Finance, and Director of Governance & Pensions to approve the detailed arrangements for, and terms of, the shareholder loans and associated documents;**
- (vii) That delegated authority be given to the Director of Finance to approve the detailed accounting arrangements for the loan, including the classification between revenue and capital; and**
- (viii) That delegated authority be given to the Director of Governance & Pensions to authorise the execution and completion of the Shareholder Loan documentation (and any other necessary ancillary documents or agreements) to put into effect the above recommendations and the proposals.**

141 URGENT ITEMS

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

CHAIR