

Leader's Mid-Year Report 2018/19

1. Introduction

- 1.1 Welcome to my Mid-Year Leader's Report in which I highlight developments and achievements over the first half of the year, and look ahead to future challenges for Stockport and the wider city region.
- 1.2 The Cabinet recently outlined our approach to next year's Budget as part of our Medium Term Strategy and Budget Choices, and I've covered this in more detail in Section 2 below.
- 1.3 The second quarter of the year has been notable for a number of key achievements, and some of these have been highlighted in Section 3.
- 1.4 Stockport continues to be a key player in relation to the GM Combined Authority, leading on the Green City Portfolio and developing new proposals around improving air quality. A round-up of some of the headlines from GMCA is included in Section 4 of my report.
- 1.5 Finally, as you may be aware, I have taken the highly difficult decision not to stand in next May's elections, and will therefore no longer be a Councillor nor Council Leader after that time. After much consideration, I feel being able to dedicate time to my young family must take priority over the next few years. The time demands of leading the Council are significant, and come at the expense of extremely valuable and formative time for my family.
- 1.6 Being able to lead the Council in my hometown remains an incredible privilege, to which I will continue to dedicate my fullest commitment until May. I wish whomever takes the reigns the very best of success and hope the hard work we have all put in together to ensure Stockport has a sustainable financial outlook for the future can put the Council in good stead.

2 Our Medium Term Strategy

- 2.1 We have recently presented our new, thematic approach to balancing our budget (see the [Cabinet meeting papers of October 2nd](#) Item 7 from page 33). The Council has had to bridge a funding gap of £100m since 2010 thanks to rising demand, and a reduction in the revenue support we receive from government. In the coming financial year, we face a funding gap of £15.9m, as part of a further £47m to be found by 2022/23.
- 2.2 In working through our budgetary plans, we have always been guided by the principles of protecting frontline services, promoting the long-term financial sustainability of the Council, and of limiting the impacts on residents of the financial challenges the Council faces.
- 2.3 To that end, we are embarking upon a new approach to this year's budget. Not only does this plan for the next financial year, but it provides a framework for planning toward the following five years. We have put together a budget that will bring all parts

of the Council together, to protect frontline services as far as possible and make the most of each 'Stockport pound'.

- 2.4 As part of this, we have had to look at how the Council can provide services in new ways. We are seeking to achieve savings and reform the Council through the lens of the five outcome areas we want to see at the other end of the process. These are:
- Getting more out of our spending;
 - Improving the citizen experience;
 - Delivering an organisation fit for the future;
 - Making sure we have the right property in the right places; and
 - Achieving collaborative service delivery.
- 2.5 We believe we can achieve these outcomes, through finding different ways of both providing and resourcing the service areas and outcomes residents deserve. This holistic approach is what we, as a Cabinet believe can best reduce the impacts upon services of the financial challenges we face, while promoting income generation and financial stability long-term.
- 2.6 However, in seeking to minimise impact upon residents, we must also be mindful of the financial pressures they face. We are fully aware Stockport residents have had to bear significant Council Tax rises in recent years, amidst a range of other pressures. This was the right thing to do in order to shore up our position, and to invest in the long-term service reforms needed to ensure Stockport Council is financially sustainable. For this reason, the Cabinet has indicated it does not seek to ask the maximum Council Tax rise allowable as part of next year's budget.
- 2.7 The planned Council Tax rise we will seek is therefore 1.99%, below the current rate of inflation, and a percentage point below that which the Government has allowed Local Authorities to ask without a Council Tax referendum. This will be accompanied by an additional 1% Precept for Adult Social Care – a total rise of 2.99%. We feel this is the best way to promote balance between the needs of protecting services, and limiting the impacts felt by residents as we face the financial challenges before us.
- 2.8 However, these plans only represent the start of a conversation with residents and other Councillors. We want your input as we consult on this approach, which contains a range of options that are incredibly important to get right for the future of Stockport. We are particularly interested in your ideas about how we can make our resources go as far as possible. An all-member briefing took place recently, and the plans will go out to public consultation in November before a final version goes before all Councillors in February.

3 Delivering our priorities

- 3.1 Aside from the progress with the Mayoral Development Corporation, which I will return to in Section 4, other regeneration work in Stockport Town Centre continues apace. Both Aurora and Redrock are performing well above our expectations. Work to develop the former cinema site at Stockport Exchange is due to start in October. Feasibility and viability works for redeveloping the Merseyway Shopping Centre will be submitted to Cabinet in November for decision and the planning application for the

Interchange scheme is due to be submitted early in Quarter 3 following Cabinet approval of Council investment in June and public consultation in July.

I am also particularly pleased to report that after many years of hard work, the A6 to Manchester Airport Relief Road opened on October 15th, providing a vital road link across Stockport, Manchester and East Cheshire. The benefits this will bring to residents, businesses and our local road networks are significant. It will reduce congestion on many of our roads and ensure that pedestrians, cyclists and public transport users will all benefit from journeys that are more convenient.

- 3.2 Stockport was subject to a Local Area Special Educational Needs and Disabilities (SEND) inspection at the end of September 2018. The inspection team are now evaluating the evidence gathered and will write a joint inspection outcome letter, explaining the main findings and making recommendations for improvement. This will also highlight any strengths that inspectors identify to help other services and areas develop and improve.
- 3.3 We have developed a detailed action plan in response to the findings and recommendations from the CQC Local Area Review of Stockport's health and social care systems. Prior to the CQC exercise, we took the decision to review Health & Wellbeing Board membership and purpose (co-incidentally, CQC recommended such a review). This review is now in its latter stages. The refreshed Board will play a key part in ensuring the delivery of the CQC action plan, as well as influencing the work of Stockport Together, to ensure we do what is necessary to meet the changing demands on the system.
- 3.4 Viaduct Health, the federation that represents all Stockport GPs, has now appointed a number of key leadership roles including the Chair, Medical Director and Chief Executive. This will contribute to enabling the leadership and vision Stockport Together requires to maintain significant change at pace. Whilst we await the much-anticipated Social Care Green Paper, the Government announced that Local Authorities would receive an extra £240m to pay for winter 2018/19 social care packages. We will receive a one-off payment of £1.283m from this, which is much welcome, but still represents a short-term response to a longer-term issue.
- 3.5 Our Start Well approach went live at the start of September, bringing together early years services to ensure children have the best possible start in life and are 'school ready'. Stockport pupils performance at Key Stages 2 and 4 continues exceed the regional and national average. We were already highly achieving and the data confirms that we have made further improvements.
- 3.6 Our Environmental Campaign has progressed well and early signs are encouraging, with improvements in recycling rates, levels of residual waste and the incidence of dog-fouling. There are some concerns however regarding increased reports of fly tipping and levels of litter & detritus on our highways and we are taking action to address these concerns, including work with our partners from the Totally Local Company.
- 3.7 We are delivering our Highways and Street Lighting investment programmes to schedule. Additional funding we have made available has enabled us to clear the

backlog of pot hole repairs – much remains to be done however.

- 3.8 We launched the Digital Inclusion Alliance this quarter. This will help even more residents to get online. This complements the Duke of York's iDEA scheme, a free programme to help people develop their digital, enterprise and employability. Meanwhile, we announced the first successful projects awarded funding from the Stockport Local Fund and consultation is underway around developing a 'Stockport Local Strategy' to set out how the Council will work with communities in the future.
- 3.9 I was pleased to have the opportunity to speak directly to hundreds of council staff at a recent series of briefings with Pam Smith, our Chief Executive. We used these briefings to launch our new 'Values and Behaviours' framework for council staff, which will be further developed in the coming months and embedded within our policies, processes and documentation.
- 3.10 The process of renewing our Armed Forces Covenant started this quarter and will be completed by the end of 2018. The Covenant encourages support for the Armed Forces Community who live and work in Stockport and recognises the sacrifices they have made. We have also been planning events to commemorate the centenary of the end of the First World War. As part of the national commemorations, the Government have commissioned special paving stones to be laid in the birth towns of every individual awarded the Victoria Cross (VC) during the Great War, with each stone being unveiled exactly 100 years from the date the recipients were awarded their VCs. In Stockport, Wilfred Wood, was commemorated on 28 October at Hazel Grove War Memorial and James Kirk on 4 November at Cheadle Hulme War Memorial.

4 Greater Manchester Developments

- 4.1 I am committed to updating members and residents on the activities and developments across the Greater Manchester Combined Authority. You can see the items that are due to be discussed in the GMCA Register of Key Decisions, the latest version of which was published on 15 October¹.
- 4.2 The Council has identified the long-term development of the Town Centre West area as one of its main regeneration priorities, with capacity to support delivery of 3,000 new homes and additional social infrastructure, open space, and amenity in what has been termed an urban village. To achieve this, we are exploring the creation of a Mayoral Development Corporation (MDC), with the GM Mayor, Andy Burnham. GMCA agreed this in principle in September and expects to make a final decision in December. The MDC, which will be the first such arrangement in the North West region, will help to resolve potential barriers to site development, unlock finance for schemes and provide a sustainable framework within which the development can be progressed.
- 4.3 The Greater Manchester Spatial Framework (GMSF) will now be subject to further delays. Following the publication of the latest household projections in September,

¹ https://www.greatermanchester-ca.gov.uk/downloads/file/926/register_of_key_decisions_published_on_15_october_2018

which will have an impact on subsequent Local Housing Need figures, government has decided to review and consult on the methodology for calculating housing need. GM authorities will need to assess the potential impact of any revised methodology, which will hold up the GMSF process. There is currently no definite timeframe for the next stage of GMSF consultation, though this should be clarified before the end of the year.

- 4.4 GM Leaders (including myself) and Andy Burnham have issued a joint statement that highlights problems associated with ‘moving the goalposts’ on targets which underpin the GMSF plans, and calling for urgent clarity on the figures. On a more positive note, I welcome recent confirmation that all 10 GM Councils will get a say on the final plans. The draft Framework will need to be approved by all ten GM Councils before the third round of formal consultation, putting an end to fears that the GMSF might be pushed through without Councillors getting a vote on the final plans.
- 4.5 In July, the GM Health & Care Board approved GM’s first Learning Disability Strategy, written by and for people with a learning disability. Joint governance structures are now in place to oversee all the learning disability work in GM and will be accountable for delivery of the Strategy, which identifies 10 priorities, delivery plans for which are in place or in development. A separate autism strategy is being developed and implementation of the strategies will be joined up when possible.
- 4.6 Doubtless, you will have seen recent media reports on air quality issues in GM that highlighted findings of “Target Determination” research led by TfGM, particularly relating to levels of NO₂. The research revealed a bigger problem than that initially identified by Government, with more areas being identified as potentially problematic – in Stockport, for example, a further 19 stretches of road (beyond the originally identified stretches on the A34 and M60) have been identified as requiring action. These are mainly along the A6 and in the town centre.
- 4.7 In my role as GM Portfolio Lead for Green City therefore, I took a report to the Combined Authority in October urging TfGM to develop measures for reducing levels of NO₂ in the shortest possible time. The Authority also gave approval for the Mayor and I to work with national government to ensure they provide the resources, support and time necessary to improve our air quality sustainably and for the long-term. We will be pressing the government to provide the tools needed to establish a local vehicle scrappage scheme, and provide funding for cleaner engines for public transport vehicles, on top of long-term plans for modal shift. The solutions need to be lasting and sustainable as opposed to quick and easily reversible measures such as congestion charging, which we have been clear about ruling out.

5 Concluding Remarks

- 5.1 We have heard recent talk from Government of an ‘end to austerity’. While some help appears to have emerged from the recent budget – this once more consists of one-off monies provided in order to address immediate crises, as opposed to the

sustainable and long term funding solutions urgently needed, particularly in Adult Social Care and Children's Services.

- 5.2 In Stockport, we still face a funding gap of £47 million, which we must bridge over the next four years, as Government support wanes at a time of rising demands upon services. As such there is little evidence of austerity ending in relation to Local Government - for that much greater resourcing and developed funding plans are urgently needed.
- 5.3 In working with officers to develop a new cross-departmental approach to our Medium Term Financial Plans, we have sought to minimise the impacts of the financial challenges faced by the Council upon residents. This is something we will continue to advance on behalf of the residents of Stockport.
- 5.4 However there is only so far such approaches can go before the impacts become felt by the most vulnerable, and the choices we have outlined will be incredibly difficult. The risks we must avoid as much as possible are of producing false economies, which will only add to demands on council services further down the line. We believe our approach represents the best balance towards this, through minimising impacts on frontline services through reform, generating additional income, and being mindful of the impact of Council Tax rises upon our residents.

Alex Ganotis,
Leader of the Council and Cabinet Member for Policy, Finance & Devolution