

## **CABINET MEETING**

Meeting: 18 December 2018

At: 6.00 pm

### **PRESENT**

Councillor Alex Ganotis (Leader of the Council and Cabinet Member for Policy, Finance & Devolution) (Chair) in the chair; Councillor Wendy Wild (Deputy Leader of the Council and Cabinet Member for Adult Social Care) (Vice-Chair); Councillors Sheila Bailey (Communities & Housing), Kate Butler (Economy & Regeneration), Dean Fitzpatrick (Education), Colin Foster (Children & Family Services), Tom McGee (Health) and Elise Wilson (Reform & Governance).

### **1. MINUTES**

The Minutes (copies of which had been circulated) of the meeting held on 13 November 2018 were approved as a correct record and signed by the Chair.

### **2. DECLARATIONS OF INTEREST**

Councillors and officers were invited to declare any interests they had in any of the items on the agenda for the meeting.

No declarations of interest were made.

### **3. URGENT DECISIONS**

No urgent decisions were reported.

### **4. PUBLIC QUESTION TIME**

Members of the public were invited to submit questions to the Cabinet on any matters within the powers and duties of the Cabinet, subject to the exclusions set out in the Code of Practice.

Three questions were submitted.

- (1) Clarification was sought on the status of the Stockport Together Provider Alliance and whether the proceedings of the meetings should be subject to similar openness and transparency requirements as the Council and whether further information could be made available.

In response, the Cabinet Member for Reform & Governance stated that the Provider Alliance had been established to oversee the implementation of the Stockport Together Business Cases, and was therefore an operational management meeting to provide assurance to partners on the delivery of the new models of care and the trajectory of the benefits realisation. The strategy and policy of Stockport Together had been set by the Council's Cabinet, informed by the Health and Wellbeing Board, in approving the business cases. Both of these bodies were open to the public and subject to scrutiny.

The Cabinet Member confirmed that that like every public authority, the Council was subject to the Freedom of Information Act and required to publish information in keeping with the Information Commissioner's Model Publication Scheme. The Council fully complied with its statutory obligations and met the model scheme. The Cabinet Member undertook to provide a link to information on how the Council met its statutory requirements and dealt with Freedom of Information requests.

- (2) Details of the financial benefits, or costs, to the Council from the Stockport Together programme in 2018/19 and 2019/20 were requested. Clarification was sought on how to find current estimates and targets of the Programme in light of changes since the Business Cases were adopted.

In response the Cabinet Member for Health explained that one of the underlying elements of the Stockport Together Business Cases was that investment would allow for further savings in the longer term, but this also required risk sharing arrangements between partners in the shorter term. An initial £16.4m had been invested to increase capacity in additional Community health, adult social care and primary care to address future growth in demand and some benefits had accrued as a result although there were relatively small overall. The Cabinet Member acknowledged that initial plans had been over-ambitious given the local and national context and pressures. The three main partners had each made individual submissions to the Greater Manchester Health & Social Care Partnership to reflect the changing timescales and ambition, but the long term aim remained to reduce future growth in acute activity, although from an initial £17.5m to £5m. This would be achieved through the implementation of the new models of care. The Council had a contingency of £4.6m which may be used to address local challenges and it was likely that £0.5m would be set aside in the coming year. Further details were contained in the Medium Term Financial Plan report on the agenda for this meeting and in previous Corporate and Portfolio performance reports.

The Cabinet Member emphasised that while partners had not achieved the level of implementation they had hoped, the aspiration to reduce avoidable growth and contain expenditure through the new models of care remained the same.

- (3) Clarification was sought on the timescale for the publication of the revised SEMMMS Strategy in light of the announcement of a publication timetable for the second round consultation on the Greater Manchester Spatial Framework (GMSF) that the SEMMMS Strategy publication was contingent upon.

The Cabinet Member for Economy & Regeneration responded by confirming that the GMSF would begin its next consultation period in January 2019 and it was proposed to review the responses from this consultation before the SEMMMS Refresh Strategy was finalised and brought to Cabinet for approval, anticipated to be in Summer 2019.

## **5. EXCLUSION OF THE PUBLIC AND THE PUBLIC INTEREST TEST**

RESOLVED – That in order to prevent the disclosure of information which was not for publication, the disclosure of which would not be in the public interest, the public be excluded from the meeting during consideration of the exempt appendices to the following item, in the event that the content of these appendices needed to be discussed:-

Item	Title	Reason
12	Estate & Asset Management – Future Arrangements post Carillion Liquidation	Paragraph 3 'Information relating to the financial or business affairs of any particular person (including the authority)' as set out in the Local Government Act 1972 (as amended)

Performance and Budget Monitoring

**6. Q2 2018-19 COMPLAINTS REPORT**

The Cabinet Member for Reform & Governance submitted a report (copies of which had been circulated) providing the Cabinet with an overview of complaints received in the second quarter of 2018/19 and outlining any lessons learnt as a consequence.

The Cabinet Member highlighted that there had been an overall increase in the number of complaints received compared to the previous quarter. In particular there had been an increase in the number of complaints related to Adult Social Care charging and service quality, the underlying cause of which was due to dissatisfaction with charges. Performance in responding had remained broadly similar despite the increase in the number of complaints.

RESOLVED – That performance in relation to complaints received in the second quarter of 2018/19 be noted.

Key Decisions

**7. MEDIUM TERM FINANCIAL PLAN (MTFP)**

- (i) Part A: Medium Term Financial Plan - Financial Landscapes and Forecast 2019/20 to 2022/23

The Leader of the Council and Cabinet Member for Policy, Finance & Devolution submitted a report (copies of which had been circulated) updating the Council's 2019/20 to 2022/23 Medium Term Financial Plan (MTFP) forecasts and assumptions taking account of local and national changes since the completion of the MTFP Summer Review.

Whilst the MTFP Summer Review identified areas where resources could be made available to support the MTFP, the risks and volatility of the assumptions and forecasts meant it was prudent not to adjust the Council's savings requirement at that stage. As a result the Council's forecast savings requirement remained unchanged from the position approved by the Council meeting on 22 February 2018.

The Leader of the Council referred to the announcements made in the Government's 2018 Autumn Budget and the delayed 2019/20 Provisional Local Government Finance Settlement announcements, the details of which were still being analysed but would feed into future reports to the Cabinet.

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In particular, the Leader highlighted the following:-

- The recent SEND Inspection Review and the need for further investment.
- The implications of pay inflation and the National Living Wage on both staff and in the Council's supply chain.
- The need for further consideration of Care Homes Fees and the impact on providers.
- Continued discussions on the GM Business Rates retention pooling arrangements.
- The Government announcement on additional adult social care cost pressures funding was welcomed, but was insufficient for the demand.
- Additional non-recurring resources for children's services.
- A projected revenue outturn position indicating surpluses in non-cash limit budgets but a deficit in cash-limit budgets, and the need for further consideration about how these could be used to address in-year pressure.
- The Council's response to a technical consultation by the Treasury on the Local Government Finance Settlement.
- Disappointment that there had been no announcements on long term local government financing, nor the publication of the adult social care green paper.

RESOLVED – That in relation to the Medium Term Financial Plan (MTFP) Landscapes and Forecast for 2019/20 – 2022-23:-

- the report, including the announcements made in the Government's 2018 Autumn Budget be noted;
- the delay to the announcement of the 2019/20 Provisional Local Government Finance Settlement and the impact changes in the Council's settlement funding would have on the revised MTFP be noted;
- the financial forecasts for 2019/20 to 2022/23, and the key issues to be addressed in formulating a response to the financial challenges facing the Council be noted;
- the budget reduction requirement for 2020/2021 of £11.831m rising to £33.399m in 2022/23 be noted;
- the unallocated one-off resources identified and the options for the use of this resource as detailed in the report be noted; and
- authorisation be given to the final steps necessary to propose a balanced budget for 2019/20 to the Budget Council meeting on 21 February 2019.

(i) Part B: MTFP Cabinet Response: Our Medium Term Strategy and Budget Choices 2019/20 (LDR69)

A joint report of the Leader of the Council and the Cabinet Member for Reform & Governance was submitted (copies of which had been circulated) inviting the Cabinet to consider a report providing the latest update on the Cabinet's budget proposals and choices for 2019/20, including information on further engagement that has occurred since the Cabinet meeting in October. As well as an update, the report also included an initial series of final proposals for consideration.

The Cabinet Member for Reform & Governance confirmed that in light of feedback received a revision to the specification of the bin collection calendar had been proposed to retain its distribution.

The Leader of the Council emphasised that the proposals set out in these business cases sought to reform services or maximise returns on investment to minimise the impact on front-line services. This was a continuation of the Cabinet's agreed approach to meeting the Council's financial challenges.

Cabinet Members welcomed the emphasis on ensuring fairness in the Balancing the Cost of Services proposal to ensure commercial operators were not being subsidised by the general tax payer when using Council services and bringing these in line with other local authorities. Emphasis was given to the need for ongoing monitoring of the impact of the changes to ensure they were not leading to unforeseen negative consequences, and to ensure that the Council was not profiting from the services.

RESOLVED – That in relation to the Medium Term Financial Plan Cabinet Response, Medium Term Strategy and budget choices for 2019/20:

- the update on the Medium Term Strategy and the intention to submit further detail on the remaining proposals for 2019/20 to the 5 February 2019 Cabinet meeting be noted;
- approval be given to the implementation of the following final proposals appended to the report:
  - 2. Value for Money Procurement
  - 6. Support and Governance – HR and OD and Communications
  - 8. Modernising Citizen Journeys
  - 9. Balancing the Cost of Services

#### **8. STOCKPORT BILLING AREA - 2019/20 COUNCIL TAX TAXBASE AND NON DOMESTIC RATES FORECAST (LDR70)**

The Leader of the Council and Cabinet Member for Policy, Finance & Devolution submitted a report (copies of which had been circulated) inviting the Cabinet to consider the forecast Collection Fund outturn position for 2018/19, the setting of the Council Tax Taxbase for 2019/20 and a forecast for Business Rates income for 2019/20.

The Leader of the Council emphasised the volatility in Business Rates forecasting. He also highlighted that the Council Tax and Business Rates forecast outturn position had resulted in over a £1m of extra resources beyond the initial forecast at the start of the year. This was predominately due to Council Tax income evidenced by the Council's excellent Council Tax collection rate.

RESOLVED – That in relation to the Stockport Billing Area -2019/20 Council Tax Taxbase and Non Domestic Rates forecast:

- a forecast Collection Fund surplus of £2.029m (£1.767m attributable to the Council) in 2018/19 be declared relating to:
  - an in-year Council Tax surplus of £1.607m (£1.396m attributable to the Council);
  - an in-year Business Rates deficit of £0.088m (£0.087m attributable to the Council; and
  - a Collection Fund carry forward position of £0.510m (£0.458m attributable to the Council).

- the 2019/20 Council Tax Taxbase for budget setting purposes of 94,302.9 Band D equivalent dwellings rising to 95,100.8 subject to the approval of the CTD proposal;
- the impact that the approval of the proposed changes on the Council's Council Tax Discount scheme on the 2019/20 Council Tax Taxbase be noted;
- the 2019/20 forecast for Business Rates income of £82.367m be provisionally approved subject to the completion of the Council's 2019/20 NNDR1 form in January;
- the £1.802m forecast benefit from the 2018/19 Pilot and the indexation compensation grant adjustment of £0.720m in 2019/20 against this be noted;
- the transfer of the 100% Retention Pilot 2018/19 outturn benefit to Collection Fund Reserves as part of the financial year end process be noted;
- the available resources to support the Council's 2019/20 investment decisions and Medium Term Financial Plan be noted.

(2) That the Borough Treasurer, in consultation with the Cabinet Member for Reform and Governance, be authorised to take decisions in relation to:

- vary the Business Rates forecast presented in Table 7.
- continuing in the Greater Manchester and Cheshire Business Rates pooling arrangement.

## **9. COUNCIL TAX AND BUSINESS RATES DISCOUNTS ANNUAL REVIEW (LDR76)**

The Cabinet Member for Reform & Governance submitted a report (copies of which had been circulated) inviting the Cabinet to consider the outcome of a consultation on proposed changes to the Council Tax and Business Rates Discounts Scheme following the annual review. The report summarised the impact of Business Rates and Council Tax discounts and exemptions and recommended that the schemes be maintained for 2019/20 with some amendments, namely:

- the continuation of existing discretionary relief schemes for Business Rates;
- changes/removal of Council Tax discounts in relation to empty and unfurnished properties;
- an increase in Council Tax premium charges for properties that had been empty for two or more years;
- changes in dealing with Council Tax Support claims from Universal Credit recipients.

The Cabinet Member highlighted the positive steps that were being taken to assist those transitioning to Universal Credit and the ways in which the Council would seek to reduce barriers and delays in processing Council Tax discounts claims. She also emphasised that a portion of the savings that would be achieved by removing empty property discounts would be used to increase the discretionary fund available to support residents.

The Leader of the Council emphasised that consideration had been given to the responses received during the consultation but that many of the issues raised were not within the scope of the discount scheme and but were existing Council Tax exemptions that would remain in place.

RESOLVED – (1) That the revised Council Tax and Business Rates Discounts Schemes as set out in the report be endorsed and the Council Meeting be recommended to adopt them.

(2) That the increase in the Council's Council Tax Taxbase if the proposed changes were approved and the presentation of the final 2019/20 Council Tax Taxbase to the Council meeting on 18 January 2019 be noted.

#### **10. YOUTH JUSTICE PLAN 2018/19 (C&FS3)**

The Cabinet Member for Children & Family Services submitted a report (copies of which had been circulated) providing the Cabinet with an annual update on the work of the Youth Offending Service and YOS Partnership Board. The revised plan set out headline achievements against last year's Youth Justice Plan and outlined priorities for the coming year.

The Cabinet Member highlighted continued strong performance in the context of challenging circumstances for partners.

RESOLVED – That the Youth Justice Plan 2018/19 be endorsed and the Council Meeting be recommended to adopt the Plan.

#### **11. APPLICATION TO ESTABLISH MELLOR, MARPLE BRIDGE, MILL BROW AND COMPSTALL NEIGHBOURHOOD FORUM AND NEIGHBOURHOOD AREA (E&R36)**

The Cabinet Member for Economy & Regeneration submitted a report (copies of which had been circulated) inviting the Cabinet to consider applications under the provisions of the Localism Act 2011 (as amended), seeking to establish a Neighbourhood Forum and Neighbourhood Area for Mellor, Marple Bridge, Mill Brow and Compstall.

RESOLVED – That the Council Meeting be recommended to approve the applications to establish the Mellor, Marple Bridge, Mill Brow and Compstall Neighbourhood Forum and Neighbourhood Area and that the Forum and Area be formally designated.

#### **12. ESTATE & ASSET MANAGEMENT- FUTURE ARRANGEMENTS POST CARILLION LIQUIDATION (R&G20)**

The Cabinet Member for Reform & Governance submitted a report (copies of which had been circulated) inviting the Cabinet to consider proposals for a service delivery model for Estate and Asset Management functions following the creation of interim arrangements in June 2018 after Carillion PLC, who had previously been part of the Council's Strategic Property Partnership, went into liquidation.

(Note: the report contained information 'not for publication' in its appendices that have been circulated to cabinet members only.)

The Cabinet Member thanked the Corporate, Resource Management & Governance Scrutiny Committee for their positive engagement in these proposals and in the work locally to respond to the challenges brought about by the collapse of Carillion. Officers

were also thanked for their efforts to respond to these challenges while ensuring the Council complied with its statutory obligations.

The Cabinet Member for Education emphasised the particular challenge for schools in relation to the condition of the estate, due in part to the reduction in funding for educational infrastructure, and the Council having taken the initiative in developing an investment programme for schools. It was important to ensure that the new service was responsive to the needs of local schools and could respond to the increasing challenges they faced.

RESOLVED – That in relation to Estate & Asset Management:

- the proposed approach for Estate and Asset Management be approved, to be supported by niche supplier commissioning as required on a project by project basis, to include additional temporary support for remediation works to deal with back log;
- the new service to include:
  - an in-house estates team
  - a dedicated schools estates team
  - a small Design and Technical team
  - a Facilities Management and Asset Management client team
- in line with the existing scheme of delegation the procurement of a Facilities and Asset Management supplier be undertaken, with a contract to commence with effect from 1 July 2019 and authority be delegated to the Deputy Chief Executive and Cabinet member with portfolio responsibility for the contract area to procure, finalise and agree the terms of the contract and any subsequent call-off contracts.

#### General Items

### **13. MAYORAL DEVELOPMENT CORPORATION**

A joint report of the Cabinet Members for Economy & Regeneration and for Communities & Housing was submitted (copies of which had been circulated) inviting the Cabinet to consider an opportunity for creating a Mayoral Development Corporation (MDC) to lead the regeneration of Stockport's Town Centre West. The report outlines the work undertaken since the September GMCA when 'in-principle' approval was given to creating an MDC in Stockport and outlining the next steps required to take this work forward.

The Cabinet Member for Economy & Regeneration and Leader of the Council highlighted the positive opportunity this proposal provided to overcome longstanding challenges in comprehensively redeveloping this area of the Town Centre as part of the Council's wider Town Centre plans, and how the underwriting of the costs would lead to a significant return on that investment. The Cabinet Member also emphasised the vision underlying this proposal was to facilitate the development of genuine sustainable and healthy communities.

RESOLVED – That in relation to the proposed Mayoral Development Corporation (MDC) in Stockport's Town Centre West:

- the overall purpose for an MDC in Stockport's Town Centre West be approved;



- approval be given to underwriting the running costs of any MDC and to the guiding principles according to which an MDC would be created;
- the GM Mayor's intention to consult on the MDC proposal, and the intention to submit a further report to Cabinet before any final decision by the Mayor could be implemented, be noted.

#### **14. REVIEW OF POLLING DISTRICTS AND POLLING PLACES**

The Leader of the Council and Cabinet Member for Policy, Finance & Devolution submitted a report (copies of which had been circulated) informing the Cabinet of proposals for future polling arrangements for Stockport as a result of a review of Polling Districts, Polling Places and Polling Stations following a consultation period.

RESOLVED – That the Council Meeting be recommended to adopt the proposals for polling districts and polling places as set out in the report.

#### **15. STOCKPORT COUNCIL MODERN SLAVERY STATEMENT**

The Leader of the Council and Cabinet Member for Policy, Finance & Devolution submitted a report (copies of which had been circulated) inviting the Cabinet to adopt a Modern Slavery Statement for 2019/20. The report set out a draft Statement and actions the Council currently undertook, and would take during 2018/20, to ensure that its business and supply chains were not linked to modern slavery. It was proposed that the Statement would be reviewed annually.

The Leader emphasised that although not a requirement on the Council it was important that the Council did all it could to ensure that its supply chains were free of any such practices and that the Statement was a formalisation of steps the Council was already taking and committed to.

RESOLVED – That the first annual Stockport Council Modern Slavery Statement for 2019/20 be adopted.

#### **16. ANNUAL PAY POLICY STATEMENT - 2019/20**

The Leader of the Council and Cabinet Member for Policy, Finance & Devolution submitted a report (copies of which had been circulated) inviting the Cabinet to consider the Council's Annual Pay Policy Statement that set out the Council's approach to pay in accordance with the requirements of Section 38 of the Localism Act 2011 and provided transparency on setting the pay of its employees and the level of remuneration of senior staff. The report also included the Council Gender Pay Gap figures for 2018.

The Leader stressed the positive situation at the Council in relation to the gender pay gap and how it compared favourably to other organisations.

RESOLVED – That the Council Meeting be recommended to adopt the Pay Policy Statement and agreement be given to publish the Council's Gender Pay Gap information.

#### **17. GMCA DECISIONS - NOVEMBER 2018**

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The Leader of the Council and Cabinet Member for Policy, Finance & Devolution submitted a report (copies of which had been circulated) setting out decisions taken by the Greater Manchester Combined Authority (GMCA) at its meeting on 26 November 2018.

The Leader highlighted the following decisions:-

- Asylum Dispersal Contract and the recent commitment from the Home Secretary to work with the GMCA to ensure the fairness of the contract.
- Clean Air Plan and the agreement on the governance arrangements to bring forward further proposals.
- Agreement to commence a second phase of consultation on the revised Greater Manchester Spatial Framework in January 2019.
- The consideration of the findings of the Tackling Hateful Extremism and Promoting Social Cohesion Commission.
- Continued challenges with the performance of Northern Rail.

RESOLVED – That the decisions be noted.

### **18. TO CONSIDER RECOMMENDATIONS OF SCRUTINY COMMITTEES**

There were none to consider.

The meeting closed at 7.58 pm