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TRAFFORD COUNCIL

AGENDA PAPERS FOR

EXECUTIVE MEETING

Date: Monday, 25 September 2017

Time: 6.30 p.m.

Place: Committee Room 2 and 3, Trafford Town Hall, Talbot Road, Stretford M32 0TH

A G E N D A	**PART I**	**Pages**

1. **ATTENDANCES**

   To note attendances, including officers, and any apologies for absence.

2. **DECLARATIONS OF INTEREST**

   Members to give notice of any interest and the nature of that interest relating to any item on the agenda in accordance with the adopted Code of Conduct.

3. **MINUTES** 1 - 4

   To receive and, if so determined, to approve as a correct record the Minutes of the meeting held on 24th July, 2017.

4. **MATTERS FROM COUNCIL OR OVERVIEW AND SCRUTINY COMMITTEES (IF ANY)**

   To consider any matters referred by the Council or by the Overview and Scrutiny Committees.

5. **BUSINESS RATES DISCRETIONARY RATE RELIEF POLICY 2017 REVALUATION - AMENDMENTS TO MAXIMISE FUNDING** 5 - 12

   To consider a report of the Executive Member for Corporate Resources.

Any other item or items which by reason of:-

(a) Regulation 11 of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012, the Chairman of the meeting, with the agreement of the relevant Overview and Scrutiny Committee Chairman, is of the opinion should be considered at this meeting as a matter of urgency as it relates to a key decision; or

(b) special circumstances (to be specified) the Chairman of the meeting is of the opinion should be considered at this meeting as a matter of urgency.

14. **EXCLUSION RESOLUTION**

Motion (Which may be amended as Members think fit):

> That the public be excluded from this meeting during consideration of the remaining items on the agenda, because of the likelihood of disclosure of "exempt information" which falls within one or more descriptive category or categories of the Local Government Act 1972, Schedule 12A, as amended by The Local Government (Access to Information) (Variation) Order 2006, and specified on the agenda item or report relating to each such item respectively.

PART II

15. **LEISURE CENTRE REDEVELOPMENTS** 149 - 158

To consider a report of the Executive Member for Communities and Partnerships.
PLEASE NOTE: A related report is to be considered in Part I of this agenda. (Item 7 refers.)

THERESA GRANT
Chief Executive

COUNCILLOR SEAN ANSTEE
Leader of the Council

Membership of the Committee

Councillors S.B. Anstee (Chairman), A. Williams (Vice-Chairman), S.K. Anstee, Mrs. L. Evans, D. Hopps, J. Lamb, P. Myers, J.R. Reilly and M. Whetton

Further Information
For help, advice and information about this meeting please contact:

Jo Maloney, 0161 912 4298
Email: joseph.maloney@trafford.gov.uk

This agenda was issued on Friday 15th September 2017 by the Legal and Democratic Services Section, Trafford Council, Trafford Town Hall, Talbot Road, Stretford M32 0TH.

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EXECUTIVE

24 JULY 2017

PRESENT

Leader of the Council (Councillor Sean Anstee) (in the Chair),
Executive Member for Investment (Councillor A. Williams),
Executive Member for Adult Social Care (Councillor Stephen Anstee),
Executive Member for Children and Families (Councillor M. Whetton),
Executive Member for Communities and Partnerships (Councillor Mrs. L. Evans),
Executive Member for Corporate Resources (Councillor P. Myers),
Executive Member for Health and Wellbeing (Councillor J. Lamb),
Executive Member for Housing and Strategic Planning (Councillor D. Hopps).

Also present: Councillor Adshead, Baugh, Bowker, Brotherton, Carter, Cordingley, Lloyd, Procter, Shaw, Taylor, A. Western and M. Young.

In attendance:

Corporate Director, Transformation and Resources (Ms. J. Hyde),
Director of Legal and Democratic Services (Ms. J. Le Fevre),
Chief Finance Officer (Ms. N. Bishop),
Director of Growth and Regulatory Services (Mr. R. Roe),
Corporate Lead, Property and Investment (Mr. A, Rennie) (part only),
Interim Senior Solicitor (Ms. D. Adcock),
Democratic and Scrutiny Officer (Mr. J.M.J. Maloney).

APOLOGIES

Apologies for absence were received from Councillor J.R. Reilly.

118. DECLARATIONS OF INTEREST

No declarations were made by Executive Members.

119. MINUTES

RESOLVED – That the Minutes of the meeting held on 26th June, 2017 be approved as a correct record.

120. MATTERS FROM COUNCIL OR OVERVIEW AND SCRUTINY COMMITTEES (IF ANY)

There were no issues to be reported to this meeting.

121. CAPITAL INVESTMENT FUND

[NOTE: A related report was considered in Part II of this agenda. Minute 125 below refers.]

The Executive Member for Investment, Executive Member for Corporate Resources and Chief Finance Officer submitted a report seeking the Executive's approval to recommend to Council an increase in the fund established to support the acquisition of investment assets, in line with a proposed Investment Strategy, of which details were given elsewhere on the agenda.

An opportunity was provided for Members to ask questions in relation to the report. These centred on risk management issues, the credentials and track record of the Council's proposed investment advisors, the rationale for the level at which the fund was set, the identity and location of potential investments, and the need for accountability and oversight in relation to the fund's deployment. It was emphasised that the current recommendations related to the establishment of a funding facility, and not to any specific investment decisions, which would be subject to due diligence and made under the authority of the proposed Investment Management Board. The Executive Member for Investment advised that he was happy to discuss further details outside of the meeting; and confirmed that full details of the Investment Strategy would be brought to a subsequent meeting of the Executive.

RESOLVED -That it be recommended that Council:-

(1) approve and adopt the Summary Investment Strategy as detailed in Appendix 1 to the report considered in Part II of the agenda.
(2) approve the increase to the Capital Investment Programme in 2017/18 as detailed in Appendix 2 to the report considered in Part II of the agenda.
(3) approve the governance structure and reporting and monitoring arrangements proposed for an Investment Management Board (IMB) as detailed in Paragraphs 15 of the report.
(4) approve the setting up of an Investment Management Company to manage investments where appropriate and delegate authority to the Director of Legal and Democratic Services in consultation with the Chief Executive and the Executive Member for Investment to take all necessary steps to establish a company with the powers to invest and manage investments in line with the Summary Investment Strategy.
(5) delegate decision making in accordance with the provisions of the Summary Investment Strategy to the IMB.
(6) approve the amendment to the MRP policy as outlined in Paragraph 19 of the report.
(7) approve the changes to the Prudential Borrowing indicators as set out in Appendix 2 to the report considered in Part II of the agenda.
(8) approve the changes to the Treasury Management investment counterparty limits as detailed in Appendix 3 to the report considered in Part II of the agenda.

122. BUDGET MONITORING 2017/18 - PERIOD 2 (APRIL TO MAY 2017

The Executive Member for Corporate Resources and Chief Finance Officer submitted a report which informed Members of the current 2017/18 forecast outturn figures relating to both Revenue and Capital budgets. It also summarised the latest forecast position for Council Tax and Business Rates within the Collection Fund. An opportunity was provided for Members to raise questions in relation to the report's content. These centred on budget virements, the source of proposed savings with the Children's Services budget provision, potential risks arising from increased levels of children in care, and issues relating to vacancy levels and the corporate staff structure. On the latter, it was agreed that further detail would be provided outside the meeting.

RESOLVED – That the content of the report and the changes to the Capital Programme as detailed in paragraph 17 be noted.

123. AGMA COMBINED AUTHORITY / EXECUTIVE BOARD: FORWARD PLANS AND DECISIONS

There were no decision summaries or forward plans to be reported to this meeting.

124. EXCLUSION RESOLUTION

RESOLVED - That the public be excluded from this meeting during consideration of the remaining items on the agenda, because of the likelihood of disclosure of "exempt information" which falls within one or more descriptive category or categories of the Local Government Act 1972, Schedule 12A, as amended by The Local Government (Access to Information) (Variation) Order 2006, and specified on the agenda item or report relating to each such item respectively.

125. CAPITAL INVESTMENT FUND

[NOTE: A related report was considered in Part I of this agenda. Minute 121 above refers.]

The Executive Member for Investment, Executive Member for Corporate Resources and Chief Finance Officer submitted a supplementary report to that considered in Part I of the agenda, setting out financial details of the proposed Capital Investment Fund and presenting the executive summary of the Property Investment Strategy. The formal resolutions agreed in relation to this item are set out at Minute 121 above.

The meeting commenced at 6.30 p.m. and finished at 7.13 p.m.

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TRAFFORD COUNCIL

Report to:	**Executive**
Date:	**25th September 2017**
Report for:	**Decision**
Report of:	**Executive Member for Corporate Resources**

Report Title

Business Rates Discretionary Rate Relief Policy 2017 Revaluation – Amendments to Maximise Funding

Summary

Government funding is available through a discretionary fund over four years from 2017/18 to support those businesses most affected by an increase in rating valuations as a result of the 2017 revaluation. The Council agreed a policy in June 2017 based on the assumption that the funding could be spent equally. This has been confirmed not to be the case and therefore amendments are required to the existing policy to ensure that the Council maximises the new funding available

Recommendation(s)

To recommend:

1. That the Executive approves the proposed amendments to the Business Rates Discretionary Rate Relief Policy 2017

Contact person for access to background papers and further information:

Name: Louise Shaw
Extension: 3120
Background Papers: None.

Relationship to Policy Framework/Corporate Priorities	Key Priorities: Strong economy
Financial	The amendments are within the allocated DCLG funding and a provision has been made regarding appeals.
Legal Implications:	The Localism Act 2011 provides local government

	with greater flexibility with regards to discretionary relief and exemptions for Business Rates.
Equality/Diversity Implications	The proposal will have positive outcomes and ensure government funding is maximised and targeted at those businesses who have been most adversely impacted by the national revaluation exercise.
Sustainability Implications	None
Resource Implications e.g. Staffing / ICT / Assets	None
Risk Management Implications	None
Health & Wellbeing Implications	None
Health and Safety Implications	Not applicable

1.0 Background

1.1 At the Spring budget, the Government announced the establishment of a £300m discretionary fund over four years from 2017/18 to support those businesses in their area that have been those most affected by an increase in rating valuations as a result of the 2017 revaluation.

1.2 Each Local Authority was tasked with devising a scheme and on 26 June 2017, Trafford Council agreed a new policy which detailed its scheme and how it would distribute the funding, which is shown in the table below:

2017-18 Gross bill increase (based on government criteria) (£000s)	**2017-18 (£000s)**	**2018-19 (£000s)**	**2019-20 (£000s)**	**2020-21 (£000s)**
2,943	346	168	69	10

1.3 The approved Council's scheme - see Appendix A for the scheme's qualifying criteria - was devised to ensure the reliefs are targeted to those who most need it and equate scheme costs with the amount of funding available. Subject to the qualifying criteria being met, a relief of £1k in year 1 and £500 in year 2 was approved.

2.0 Introduction

2.1 At the time of the Executive meeting, the DCLG had not confirmed if funding could be re-distributed to smooth the benefit over the 4 years. As you will see from the table above, there is a significant drop in year 3 and an extremely small amount of funding in year 4, therefore, Trafford had fed back through the consultation that it would prefer funding to be able to be spread out over the 4 years and the scheme was devised on this basis.

2.2 The DCLG have recently announced that funding cannot be distributed amongst years and therefore to ensure maximum funding is awarded to businesses, options to amend the relief per business are being proposed, increasing in years 1 and 2 and reducing in year 3, with no automatic relief in year 4. Note the original decision in June 2017 was for a Year 1 and 2 schemes only due to the uncertainty of the carry forward.

3.0 Proposed Amendments

3.1 The Council's scheme is designed to help those most affected by an increase in rating valuations as a result of the 2017 revaluation. To qualify for the funding, the following criteria has to be met:

- the rateable property has a rateable value for 2017-18 that is less than £200,000;
- the increase in the rateable value is more than 12.5%;
- a discretionary award must only be applied after all other reliefs;
- applicants must declare that the relief awarded will not exceed applicable State Aid limits.

3.2 In addition, as announced in the Spring budget, other reliefs have been introduced as follows:

- Those ratepayers who, as a result of the change in their rateable value no longer qualify for small business or rural rate relief, will have a £50 per month cap applied to their bill
- Office space occupied by local newspapers will receive relief of £1,500 up to a maximum of one discount per local newspaper title and per hereditament
- A relief for pubs with a rateable value of less than £100,000 of £1,000 for 2017/18 only at this stage

3.3 Based on the above, the Council set its scheme to ensure the reliefs are targeted to those who most need it and equate scheme costs with the amount of funding available. In order to ensure funding is utilised it is therefore proposed that the policy is amended to change the qualifying criteria to as follows (see Appendix B):

➢ **<u>All Years – Eligibility Criteria</u>**

- the rateable property has a rateable value for 2017-18 that is less than £200,000;
- the rateable value has increased by more than 12.5%;
- the ratepayer must have been in occupation continually since pre 1 April 2017
- after all other reliefs have been applied, the increase in the billing amount is more than 12.5% in 2017-18;
- the ratepayer must have employees based in the hereditament on which relief is being sought;
- Ratepayers operating an intermittent occupation tax mitigation/avoidance scheme will not be eligible for any relief;

- Ratepayers with an outstanding appeal will not be eligible for any relief (as the Council will be unable to determine the financial impact on the business until the appeal is concluded) – any backdated requests once the appeal has been settled will be limited to the financial year in which the application is received due to the way in which the government is funding the scheme;
- National companies, national charities and public bodies will not be eligible for any relief;
- Multiple property owners and/or occupiers will not be eligible for any relief; and
- Hereditaments wholly or mainly being used as betting shops, payday loan shops, pawnbrokers or shisha bars will not be eligible for relief.
- a discretionary award must only be applied after all other reliefs have been applied and cannot exceed the maximum liability due
- refunds will not automatically be issued - any credits due resulting from a relief being applied will be credited to future years accounts unless a request is received

- **In Year One (2017/18 – Maximum Funding £346k)**
  - increase the maximum award from £1k to £3k for eligible businesses
  - for schools and private day nurseries, award the full difference between the 2016/17 and 2017/18 charge even where that exceeds £3k
  - remove the £50 per month cap (to align with the relief described in 3.2 above), therefore eligibility for small businesses subject to a <£50 increase
- **In Year Two (2018/19 – Maximum Funding £168k)**
  - increase the maximum award from £1k to £1.5k for eligible businesses
  - for schools and private day nurseries, award the full difference between the 2016/17 and 2017/18 charge even where that exceeds £1.5k
  - remove the £50 per month cap (to align with the relief described in 3.2 above), therefore eligibility for small businesses subject to a <£50 increase
- **In Year Three (2018/19 – Maximum Funding £69k)**
  - the maximum award will be £750 for eligible businesses as defined in ‘all years eligibility criteria’
  - businesses, including schools and private day nurseries, who will benefit from the small business rate relief cap of paying no more than £50 per month when compared to last year will not be eligible;
  - businesses, , including schools and private day nurseries, whose increase in the amount in what they are paying compared to last year is less than £50 per month will not be eligible
  - if the pub relief as detailed in 3.2 is extended, then those with a rateable value of less than 100k will not be eligible as they will get the £1k detailed in 3.2 above
- **In Year Four (2019/20 – Maximum Funding £10k)**

  - Subject to the qualifying criteria being met, an individual business can apply for a maximum relief of £500 in writing clearly stating why they remain adversely affected by the 2017 revaluation. Each case will be considered on its own merits in line with the Council’s discretionary rate relief policy.

- businesses who will benefit from the small business rate relief cap of paying no more than £50 per month when compared to last year will not be eligible
- businesses whose increase in the amount in what they are paying compared to last year is less than £50 per month will not be eligible (to mirror the maximum protection for small businesses as above)
- if the pub relief as detailed in 3.2 is extended then those with a rateable value of less than 100k will not be eligible as they will get the £1k

Other Options

The Council could maintain its existing policies and not make the amendments but due to the funding constraints this would mean returning government funding meant for local struggling businesses.

Consultation

No formal consultation has taken place.

Reasons for Recommendation

The reason for the recommendations is as set out at the beginning of the report

Key Decision Yes
If Key Decision, has 28-day notice been given? Yes

Finance Officer Clearance *…GB………..*
Legal Officer Clearance *DA*

CORPORATE DIRECTOR'S SIGNATURE Joanne Hyde
To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

Appendix A

Trafford Council's Business Rates 2017 Revaluation Support Eligibility Criteria

- the rateable property has a rateable value for 2017-18 that is less than £200,000;
- the rateable value has increased by more than 12.5%;
- the ratepayer must have been in occupation continually since pre 1 April 2017
- after all other reliefs have been applied, the increase in the billing amount is more than 12.5% in 2017-18;
- businesses who will benefit from the small business rate relief cap of paying no more than £50 per month when compared to last year will not be eligible;
- businesses whose increase in the amount in what they are paying compared to last year is less than £50 per month will not be eligible (to mirror the maximum protection for small businesses as above);
- pubs with a rateable value of less than 100k as they will get the £1k detailed in 6.6 above;
- the ratepayer must have employees based in the hereditament on which relief is being sought;
- Ratepayers operating an intermittent occupation tax mitigation/avoidance scheme will not be eligible for any relief;
- Ratepayers with an outstanding appeal will not be eligible for any relief (as the Council will be unable to determine the financial impact on the business until the appeal is concluded) – any backdated requests once the appeal has been settled will be limited to the financial year in which the application is received due to the way in which the government is funding the scheme;
- National companies, national charities and public bodies will not be eligible for any relief;
- Multiple property owners and/or occupiers will not be eligible for any relief; and
- Hereditaments wholly or mainly being used as betting shops, payday loan shops, pawnbrokers or shisha bars will not be eligible for relief.

Appendix B

Trafford Council's Proposed Business Rates 2017 Revaluation Support Eligibility Criteria

All Years

- the rateable property has a rateable value for 2017-18 that is less than £200,000;
- the rateable value has increased by more than 12.5%;
- the ratepayer must have been in occupation continually since pre 1 April 2017
- after all other reliefs have been applied, the increase in the billing amount is more than 12.5% in 2017-18;
- the ratepayer must have employees based in the hereditament on which relief is being sought;
- Ratepayers operating an intermittent occupation tax mitigation/avoidance scheme will not be eligible for any relief;
- Ratepayers with an outstanding appeal will not be eligible for any relief (as the Council will be unable to determine the financial impact on the business until the appeal is concluded) – any backdated requests once the appeal has been settled will be limited to the financial year in which the application is received due to the way in which the government is funding the scheme;
- National companies, national charities and public bodies will not be eligible for any relief;
- Multiple property owners and/or occupiers will not be eligible for any relief; and
- Hereditaments wholly or mainly being used as betting shops, payday loan shops, pawnbrokers or shisha bars will not be eligible for relief.
- a discretionary award must only be applied after all other reliefs have been applied and cannot exceed the maximum liability due
- refunds will not automatically be issued - any credits due resulting from a relief being applied will be credited to future years accounts unless a request is received

Year One (2017/18)

- Subject to the qualifying criteria being met, a maximum relief of £3000 will be awarded.
- for schools and private day nurseries, award the full difference between the 2016/17 and 2017/18 charge even where that exceeds £3k
- remove the £50 per month cap (to align with the relief described in 3.2 above), therefore eligibility for small businesses subject to a <£50 increase

Year Two (2018/19)

- Subject to the qualifying criteria being met, a maximum relief of £1500 will be awarded.

- for schools and private day nurseries, award the full difference between the 2016/17 and 2017/18 charge even where that exceeds £1.5k
- remove the £50 per month cap (to align with the relief described in 3.2 above), therefore eligibility for small businesses subject to a <£50 increase
-

Year Three (2019/20)

- Subject to the qualifying criteria being met, a maximum relief of £750 will be awarded.
- businesses who will benefit from the small business rate relief cap of paying no more than £50 per month when compared to last year will not be eligible
- businesses whose increase in the amount in what they are paying compared to last year is less than £50 per month will not be eligible (to mirror the maximum protection for small businesses as above)
- if the pub relief is extended then those with a rateable value of less than 100k will not be eligible as they will get the £1k

Year 4 (2020/21)

- Subject to the qualifying criteria being met, an individual business can apply for a maximum relief of £500 in writing clearly stating why they remain adversely affected by the 2017 revaluation. Each case will be considered on its own merits in line with the Council's discretionary rate relief policy.
- businesses who will benefit from the small business rate relief cap of paying no more than £50 per month when compared to last year will not be eligible
- businesses whose increase in the amount in what they are paying compared to last year is less than £50 per month will not be eligible (to mirror the maximum protection for small businesses as above)
- if the pub relief is extended then those with a rateable value of less than 100k will not be eligible as they will get the £1k

TRAFFORD COUNCIL

Report to:	**Executive**
Date:	**25 September 2017**
Report for:	**Decision**
Report of:	**Executive Member for Adult Social Care**

Report Title

Recommissioning of Learning Disability Service Provision under the Greater Manchester Learning Disability & Autism flexible purchasing system.

Summary

The report outlines the next steps in developing a revised offer of support for people with a learning disability in Trafford initially within supported living.

Recommendation(s)

It is recommended that the Executive: -

1) Notes the information contained in the report.
2) Approves the proposal that the Council accesses the Greater Manchester Learning Disability Flexible Purchasing System to recommission the Supported Living services as detailed in the report.
3) Delegates the authority to enter into contracts for the new Supported Living services to the Director of Children, Families and Wellbeing, in consultation with the Director of Legal and Democratic Services and Chief Finance Officer.

Contact person for access to background papers and further information:

Name: Julie Burroughs
Extension: 1585

Background Papers: *None*

Implications:

Relationship to Policy Framework/Corporate Priorities	Reshaping Trafford Council
Financial	While Pricing was not a key focus in the Tender but Quality was the key factor, there is the potential that cost savings will be achieved over time. There will be more opportunities to work in collaboration with other Authorities and Clinical Commissioning Groups which may encourage favourable rates to be offered from Providers. Additionally Providers' rates will be transparent across GM and as such it will eliminate the ability to exploit the use of favourable rates within specific (larger) Authorities; i.e. All CCGs and LAs will receive the same charges.
Legal Implications:	These services form a key plank of our local service offer for

	people with learning disabilities and need to be realigned to the Care Act priorities. Subject to the Council's adherence to the procedure set out in the Greater Manchester Learning Disability Flexible Purchasing System for administration of procurement exercises, the platform is a lawful and compliant route to market.
Equality/Diversity Implications	The intent of the commission is to develop a model of support which promotes inclusion and actively challenges some of the barriers that people with learning disabilities face in everyday life and in achieving their aspirations.
Sustainability Implications	None at this stage.
Resource Implications e.g. Staffing / ICT / Assets	None of the properties belong to the local authority but there is likely to be a change in housing requirements as the life of the commission progresses.
Risk Management Implications	Service Users are vulnerable/ high risk, it is essential that various standards are adhered to and Safeguarding measures are in place.
Health & Wellbeing Implications	The Council is the local lead for public health, and has responsibilities to protect local people from threats to their health and well-being and to improve the health and well-being of the population. Improved well-being will be one of the key outcomes of this workstream.
Health and Safety Implications	None.

1.0 Background

1.1 The All Age Learning Disability Strategy for Trafford was signed off at the Health and Wellbeing Board in April 2016. Based on extensive consultation, it signalled the beginning of an approach to deliver whole system change, based on the Council's Reshaping Care approach, with the key outcome of improving the lives of children, young people and adults with learning disabilities, with or without autism.

1.2 The strategy recognises that this cannot be achieved by doing more of the same – the Council must do things differently, taking a life span approach to ensure timely interventions and the Council must recognise the expertise of its key partners, including families and providers, to deliver significant aspects of the strategy.

1.3 Ensuring that children, young people and adults with learning disabilities with or without autism live good lives will not solely be the responsibility of the Council or the Clinical Commissioning Group, it will be the responsibility of the whole community, including friends, neighbours, local shops and businesses as well as the specialist services that the Council commission.

1.4 Reshaping Care has begun to provide a foundation for maximising the use of local resources and natural assets in Trafford and this will be further developed, building on individual and community assets to maximise independence and community connections through an asset based commissioning approach.

1.5 The way that the Council commission services will also need to be changed to one which encourages the delivery of outcomes in a collaborative way. The Council must encourage a range of different types of service provider organisations and structures. This will include independent private providers, third sector and voluntary and community based.

1.6 The Council often commission in service silos which prevent the delivery of the outcomes it wants to encourage, in particular growth and development, and consistency across the lifespan. Through discussion with current and new providers we the Council will develop an approach which enables providers to flexibly use their expertise to offer services which wrap round and support young adults, working age and older people across their life journey, rather than focusing on one area of life e.g. supported housing. As part of this approach the Council will expect providers to work much more collaboratively to deliver the choices and outcomes which service users and families have said they want – using resources flexibly across their organisations.

1.7 The Council recognises that the adult social care market is fragile and that this is largely because of significant budget pressures which have necessitated minimising inflationary uplifts and contract costs at a time when provider costs such as wages are increasing. At the same time, some providers continue to provide packages of care which increase in cost year on year, whilst only providing a basic level of care. This must change.

1.8 The Council will develop contracts with providers that specify the outcomes that they are expected to achieve and the financial rewards attached to these. This will focus on support which improves peoples' lives and reduces costs throughout the time that support is provided. This must be delivered by a skilled workforce, proficient in areas such as positive behavioural support, working in a person centred way utilising natural supports, universal services and delivering support packages that are tailored to promote growth.

1.9 Providers have indicated that monitoring is often arduous and meaningless and that self-assessment focused on agreed activity and outcomes would be preferable. The Council will revise our monitoring mechanisms as part of our new commissioning approach to ensure that we target input and maximise impact with particular reference to safeguarding, quality and value for money.

2.0 Reshaping Commissioning - Supported Living

2.1 The Council has a real opportunity to implement this approach in Trafford with a number of supported living contracts coming to an end at the end of March 2018. These contracts total approximately £7.3m per year in value and represent the main way in which we provide support to people with learning disabilities, who are not living at home with families. The support services have the real potential to be a force to deliver the kind of change we need, if we decommission all learning disability services and recommission a different offer based on strengths and progression rather than on need and diagnosis.

2.2 The current provision includes respite provision, a shared lives service which supports adults in a family setting either on a long term placement or short break and supported living accommodation.

2.3 The Council established the current contracts using a framework arrangement. That framework was due to expire and the Council had initiated work to engage with providers to develop a new framework going forward.

2.4 Whilst development work for a new framework was on-going, one of the Council's existing care providers served notice to terminate their current contract. The termination of contract meant that the Council had to shift its focus to secure a replacement contract with an alternative care provider. To do this the Council extended the current framework arrangements to allow further time to undertake some more detailed work with providers to improve quality. The current framework cannot be extended any further. .

2.4 Meanwhile, GM Heads of Commissioning instigated the development of a GM Learning Disability & Autism ethical Flexible Purchasing System ("the FPS"). It has been developed in response to one of the nine work streams in the GM Learning Disability Fast Track to stimulate the provider market[1].

2.5 Trafford Council was lead authority for the procurement of the FPS, and STAR procurement were commissioned to administer the procurement exercise.

2.6 The FPS is for the provision of support for people with learning disabilities and autism from the ages of 16 years old (however there is scope for all age). Therefore, the FPS can be accessed to provide a supported living service for any adult with a learning disability who is eligible for community care services when their assessed needs are assessed as being critical or substantial and their wellbeing would be at risk without a commissioned service being delivered to meet their needs.

[1] The GM LD Fast Track is the response to Winterbourne View – it aims to move people with complex learning disabilities out of hospital and into their local community. As such, the focus is narrow, and primarily looks at complex needs. In contrast, the GM Learning Disability FPS will cover services for mild, moderate and complex learning disability. As such, it is much broader and more comprehensive.

2.7 It is anticipated that GM Learning Disability & Autism Flexible Purchasing System will be ready to access from 11th September 2017. The specific themes that are relevant to this tender exercise are:

1) Independent at home
2) Learning new skills
3) Connect with others
4) Innovation and scope
5) Approved Provider List

2.8. The proposal is for the Council to administer mini-competitions using the FPS to procure the new services for those contracts which will expire at the end at March 31st 2018. The proposed new contracts will be operational from the 1st April 2018.

2.9 Use of the FPS will allow the Council to work collaboratively across GM and to benefit from the improved access to market. It will allow collaborating bodies to pool knowledge and expertise across GM in order to develop commissioning strategies and commission jointly, where appropriate.

3.0 It is prudent at this time to commence with the recommissioning of provision of these services in Trafford and the FPS will:

- enable service users, their families, Commissioners and Providers of services to work together with co-production at the centre of all activities
- provide continuous scope for market engagement and innovation throughout the life cycle of the system
- ensure the successful providers will have a commitment to social value in Greater Manchester
- enable commissioners and providers to better share good practice across Greater Manchester

4.0 <u>Market Engagement</u>

4.1 It is anticipated most providers will already know about the FPS (because approximately 150 attended the Provider Engagement Event on 30th Nov 2016). However, to ensure as many providers as possible are informed, 3 main channels have been used to communicate information to the market:

(i) Local Authority provider forums
(ii) The CCG's equivalent (of LA provider forums)
(iii) Local Community and Voluntary Sector forums.

4.2 The Council's commissioners have also informed Providers of the FPS via the Provider Forum and follow up email correspondence.

<u>Other Options</u>

4.3 Establish a Flexible Purchasing System or Framework for ourselves.

In order to do this, the Council would have to commit resources to administer a procurement exercise that would, in effect, duplicate the results of the GM Flexible Purchasing System.

<u>Reasons for Recommendations</u>

The option to use the GM Flexible Purchasing System is recommended as this option provides Trafford Council with the opportunity to support our residents with learning disabilities to live fulfilling lives, maximise their independence and achieve their ambitions. The Greater Manchester approach enables Councils to have a stronger approach to managing quality and cost by working collaborative. The specification was essentially led by Trafford and enshrines the principles of service redesign and community responsibility in the Trafford 2031 vision.

<u>Recommendations</u>

It is recommended that the Executive: -

1) Notes the information contained in the report.

2) Approves the proposal that the Council accesses the Greater Manchester Learning Disability Flexible Purchasing System to recommission the Supported Living services as detailed in the report.
3) Delegates the authority to enter into contracts for the new Supported Living services to the Director of Children, Families and Wellbeing, in consultation with the Director of Legal and Democratic Services and Chief Finance Officer.

Key Decision Yes
If Key Decision, has 28-day notice been given? Yes

Finance Officer Clearance *HZ*
Legal Officer Clearance *DA*

[CORPORATE] DIRECTOR'S SIGNATURE *(electronic)*…

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TRAFFORD COUNCIL

Report to:	Executive
Date:	25 September 2017
Report for:	Decision
Report of:	Executive Member for Communities and Partnerships

Report Title:

Leisure Centre Redevelopments

Summary:

Following the decision of the Executive in November 2016 to invest £24.39m in improving a number of Leisure Centres this report sets out the detail for the proposed refurbishment of Urmston Leisure Centre and an update on proposals in relation to Sale Leisure Centre.

Recommendation(s):

That the Executive;

1) Agrees to progress the proposed option for Urmston Leisure Centre for refurbishment & extension at a cost of up to £6.4m financed as set out in paragraph 3 of the report.

2) Agrees that the additional borrowing of £1.15m to fund the scheme, be included as part of the 18/19 budget proposals.

3) Notes that steps are being taken to explore further options and opportunities in relation to Sale Leisure Centre, to be brought back to a future meeting of the Executive.

Financial Impact:	Estimated capital investment in the Council's leisure centres to be financed from a combination of capital receipts, and borrowing. It is intended that any associated financing costs will be recovered from Trafford Leisure CC Ltd and

	where appropriate also provide an additional income stream to support the future revenue budget.
Legal Impact	The immediate steps which will be required to be taken as a consequence of the approval of these recommendations are those related to the negotiation and finalisation of a new operating agreement to be entered into between the Council and Trafford Leisure CIC to cover the income stream to be received by Trafford Council from Trafford Leisure CIC.
Human Resources Impact:	With investment and growth in leisure centre usage, there is potential to create a greater number of local jobs and apprenticeships.
Asset Management Impact:	See report
E-Government Impact:	None
Risk Management Impact:	See report
Health and Safety Impact:	See report

Contact person for access to background papers and further information:

Name: Joanne Hyde
Extension: 0161 912 4009

Background Papers:

Executive reports and papers from the Executive Decision November 2016

1 Background

1.1. At a meeting of the Executive in November 2016 a decision was made to approve a capital investment of £24.39m to improve Sale, Urmston, Stretford and Altrincham Leisure Centres. It was also agreed that further reports should be brought back to the Executive to seek approval for any investment, provided that such proposals demonstrated sufficient income growth to fund the capital costs.

1.2 Further work has been undertaken in order to present schemes in relation to Urmston and Sale Leisure Centres. Gardiner & Theobald project management consultants (G&T) were procured under the terms of the Executive approval to provide project management support to these projects.

1.3 In addition G&T appointed a design team and specialist surveyors to work alongside them supporting this work. Trafford Leisure CIC ("Trafford Leisure") has been involved as part of the project team to ensure the development of appropriate revenue opportunities were considered to compliment the designs and increase future income profiles.

2 Urmston Leisure Centre

2.1 In November 2016, following the development of a commercial prospectus that reviewed the business of Trafford Leisure and the leisure assets currently owned by the Council, a proposal was brought forward to invest £2.1m in the development and improvement of Urmston Leisure Centre which included a number of condition works.

2.2 The detail of the proposals contained in that scheme included:

- £767k of condition works;
- A modern fitness suite, updated pool viewing area, new multi-use studio carved out from the sports hall, new dance studio, new toning room along with flexible wellness room;

2.3 As part of the detailed review and design work, G&T secured a design team which included architects, structural engineers and mechanical & electrical engineers. This work included due diligence for these proposals and as part of this due diligence the team undertook further detailed survey work in relation to the centre, as well as considering optimum design options.

2.4 Following these detailed surveys the Council has been advised that a more robust estimate of costs in respect of the condition works, which were originally estimated at around £767k, would be in the region of £1.2m. It should be noted that the redesign based on the original proposal also incorporated some condition changes and improvements beyond just condition works.

2.5 One of the major contributors to this cost increase is the identification of the need to replace the centre's plant equipment to support the overall improvement and investment.

2.6 The Leisure Project Board and the design team have also challenged the original scheme to improve further the customer journey and fitness and leisure options. The aim of this review was to optimise an increase in income levels; improve the aesthetic appeal of the building whilst bringing the standard of the leisure centre into the 21st century; and future proofing the building as much as possible, with the addition of more flexible space and better utilisation of the building footprint.

2.7 This has resulted in the development of a new scheme which it is believed provides a basis for a better return on investment by including:

- A larger modern fitness space utilising an extension to the building instead of reducing the size of the current sports hall;
- A new welcome area creating a building heart that will positively transform the user experience;
- An improved viewing area for the pool including a food and drink area as well as a quieter non poolside food and drink area and opportunities for a party room;
- A new first floor area to the front of the building with multi use studios, wellness rooms, soft play, clip & climb and fitness area;
- A striking visual impact and more aesthetically pleasing and welcoming experience for all leisure users; and
- Improved parking infrastructure;

2.8 This revised proposal which addresses all condition works including the provision of new plant equipment alongside the improved customer offer would require an investment of around £6.5m. In order to support this increased level of investment a number of new business opportunities are available such as clip & climb, soft play and increased flexible space. Appendix 1 is an illustration of how the scheme may look.

3 Funding

3.1 The revised estimated capital cost, inclusive of professional fees and contingency and covering both condition and improvement works is £6.45m. This is an increase on the original budget of £2.1m approved at Executive in November 2016, due in part to the requirement to undertake additional condition works and due to enhancements to the original scheme proposals.

3.2 It is estimated that the enhanced scheme will provide an opportunity to generate extra income and the additional commercial opportunities have been reviewed by Trafford Leisure and its Board.

3.3 It is proposed to finance the scheme through a combination of capital receipts and borrowing:-

Capital Cost and Financing	Original £000	Current £000	Variation £000	Explanation
Improvements	1,346	5,279	3,933	
Condition	767	1,171	404	
Total Costs, incl fees and contingency	**2,113**	**6,450**	**4,337**	
Financing				
Capital Receipts	1,100	2,600	1,500	
Borrowing	1,013	3,850	2,837	Annual costs of borrowing £3.8m = £250k assuming 2.5% borrowing cost over 25 years
Total Financing	**2,113**	**6,450**	**4,337**	

The financing of the original scheme was approved under the Capital Programme by Executive and Council as part of the overall phase 1 works, which also included provision for Sale Leisure Centre, proposals for which will be presented to Executive over the next few months.

The estimated costs relating to the revised Urmston proposals of borrowing and debt repayment costs on the MTFP is £250k p.a based on a cost of borrowing of 2.5% over a 25 year period and allows for a prudent level of headroom in the event that income projections fall below projected levels.

3.4 The Council has already approved borrowing of £2.7m to fund the proposals for phase 1 of the leisure proposals considered in the November 2016 report. The increased costs of this scheme would in part be funded by capital receipts, but would require additional borrowing, the cost of which would be offset by additional income which would be generated as a result of increased attendance levels and greater income from the improved facilities. This report therefore also seeks Executive approval for the additional borrowing required in a sum of £1.15m to be provided for in the 18/19 budget proposals.

3.5 The revised scheme which supports a much improved and larger Urmston Leisure Centre represents a good proposal in terms of investment for future growth whilst also covering on-going liabilities in relation to condition works. The proposals will in turn allow Trafford Leisure to return an increased income to the Council.

3.6 The revised scheme and cost of borrowing was also considered by Trafford Leisure Board on Tuesday 12 September 2017, who approved the scheme and level of repayment required.

3.7 It is considered that with investment and new features such as clip and climb and more flexible spaces that can be adapted to the latest trends, it is likely to attract people who may not previously have used a leisure centre, and encourage more young people and families to use Urmston Leisure Centre.

3.8 Any future decision in relation to George H Carnall Leisure Centre is unrelated to this investment in Urmston and a further report will be brought back to the Executive at an appropriate point.

4 Sale Leisure Centre

4.1 In November 2016 the commercial prospectus undertaken on behalf of Trafford Leisure highlighted a proposed scheme for Sale which would have required an investment of £4.4m and which would have included £850k of condition work.

4.2 This proposal sought to improve first impressions through an enhancement to the entrance; improved customer journey; provision of an improved food offer; better signage and branding; improved utilisation of space; resulting in the potential to deliver an overall improved income profile.

4.3 As with Urmston, more detailed survey work and an assessment of space utilisation has been undertaken by the appointed design team. Following this due diligence additional costs have been identified in relation to condition work, alongside potential opportunities for better use of space to maximise the leisure offer and improve the income profile.

4.4 In order to ensure that a final scheme captures the optimum return on investment as well as improving facilities for customers and residents then further time is required to consider the full range of options and opportunities and it is therefore proposed to bring revised proposals for Sale to a future meeting of the Executive.

Consultation

Detailed consultation will take place with the relevant user groups for those facilities that are part of the proposals for consolidation and redevelopment once agreement to proceed has been reached.

Other Options

- Invest in excess of £1.2m to rectify an urgent backlog of maintenance at Urmston Leisure Centre. This would not however allow for the development of the leisure offer and would not provide any opportunity to grow income from the services to be provided.

- Do nothing. This is not an option given the extent of the condition works which would be required just to enable the centre to continue to function at existing levels

Reasons for Recommendation(s)

The modernisation of Urmston Leisure Centre will increase the usage, opportunities, programme offer and generate significant additional income to meet the investment requirements. It will also offset the need to spend capital on the backlog of routine maintenance, which would have no perceivable impact on improving the customer facing aspects of the centre and would therefore not generate additional revenue.

There is also a risk of falling customer numbers without visible improvements, which would severely jeopardise the Council's ability to sustain a leisure centre offer in each of its key localities.

Of prime importance for this proposal is to secure a significant improvement in health and wellbeing outcomes by improving the opportunities for residents to improve their physical activity levels with a resultant financial benefit in reducing pressure on health and social care services.

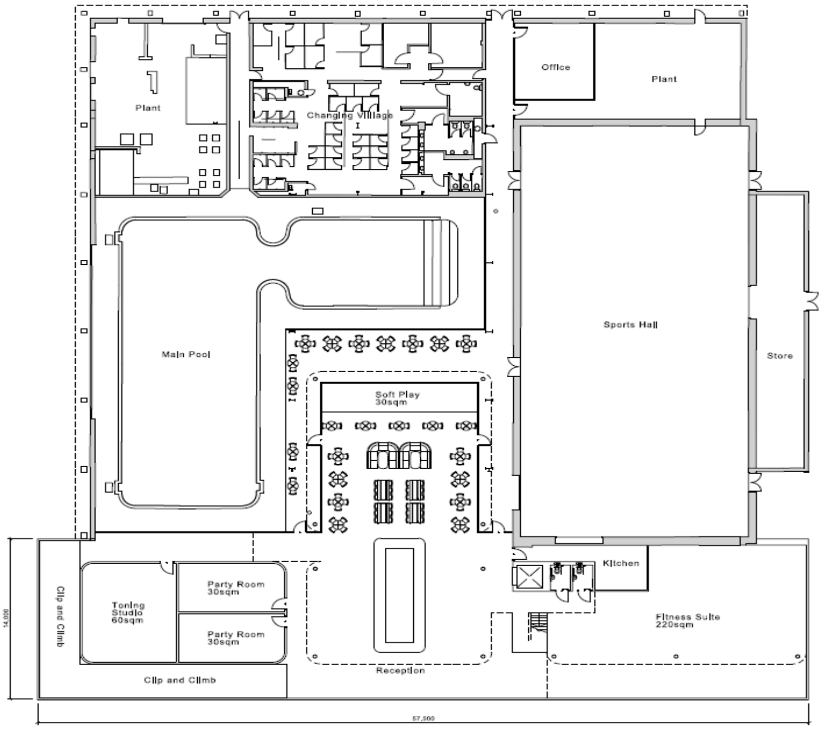
Key Decision: yes
If Key Decision, has 28-day notice been given? Yes

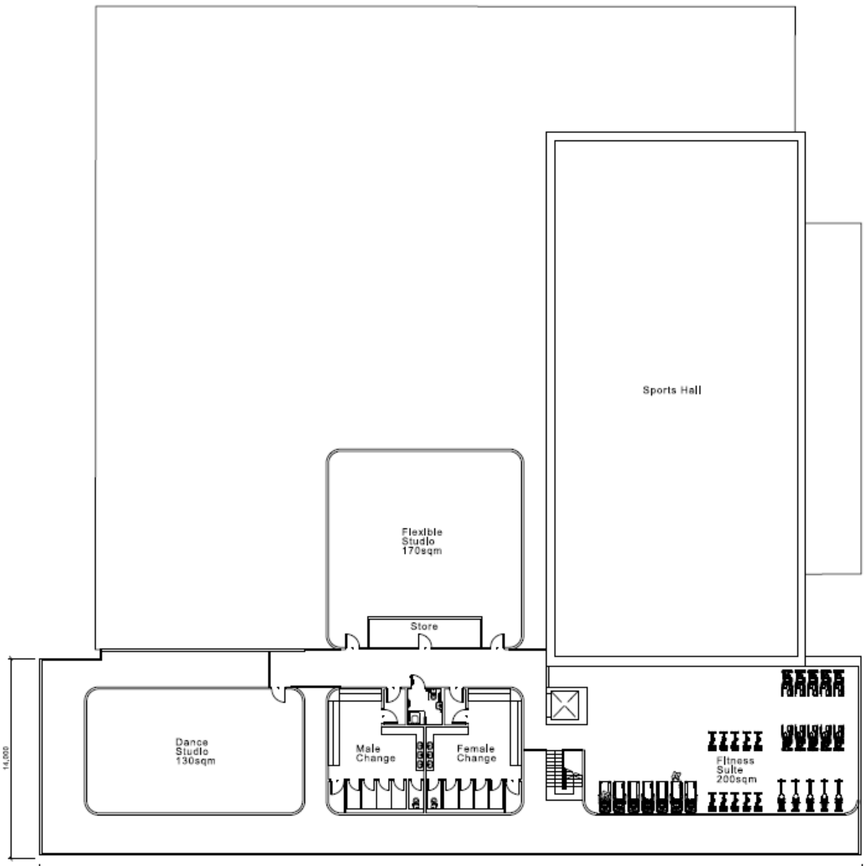
Finance Officer Clearance: DM
Legal Officer Clearance: JLF

CORPORATE DIRECTOR'S SIGNATURE: Joanne Hyde

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

<u>Appendix 1</u> – Proposed Urmston Scheme (for illustrative purposes)
Example; external view, ground floor, first floor


Plant
Changing Village
Office
Plant
Main Pool
Sports Hall
Store
Soft Play
30sqm
Kitchen
Clip and Climb
Toning
Studio
60sqm
Party Room
30sqm
Party Room
30sqm
Fitness Suite
220sqm
Reception
Clip and Climb
14,000
57,500


Sports Hall
Flexible
Studio
170sqm
Store
Dance
Studio
130sqm
Male
Change
Female
Change
Fitness
Suite
200sqm
14,000
57,500

9

TRAFFORD COUNCIL

Report to: **Executive 25 September 2017**
Report for: **Decision**
Joint Report of: **Executive Member for Investment, Executive Member for Corporate Resources and the Chief Finance Officer**

Capital Investment Strategy

Summary

In July a report was presented to both the Executive and Council seeking approval to an Investment Strategy that would support local regeneration and / or yield future sustainable revenue streams for the Council and also cover borrowing costs.

The Council has appointed CBRE as investment advisors and appended to this report is a detailed Real Estate Investment Strategy which will assist the Council in creating a balanced portfolio of investment assets.

Recommendations

That the Executive approve and adopt the Real Estate Investment Strategy included at Appendix 1.

Contact person for access to background papers and further information:
Name: Graeme Bentley
Telephone No: 0161 912 4336

Background Papers: None

Implications:

Relationship to Policy Framework/Corporate Priorities	Low Council Tax and Value For Money / Economic Growth and Development
Financial	The Capital Investment Fund budget is included in the Capital Programme. Proposals to utilise the fund will be the subject to the

	appropriate level of due diligence and be capable of providing a sustainable revenue stream to the Council and to cover any related borrowing costs.
Legal Implications	The Council will need to ensure that in exercising its investment and borrowing functions to expand its property portfolio, any actions are reasonable and proportionate and for proper purposes consistent with the Council's prudential regime and its Investment Strategy. Investment decisions also need to be taken mindful at all times of the Council's fiduciary duties to ensure the sound management of the public finances. If the purpose of the proposed investment is objectively characterised as a commercial purpose and the Council is relying on the general power of competence in the 2011 Localism Act, rather than any of its other functions then, pursuant to s4(2) of the 2011 Act, the Council should only act through the use of a company. Legal due diligence will be required on all property acquisitions, to include a review of title and ownership, and searches and enquiries of the vendor, in order to ascertain relevant liabilities and restrictions connected with the subject property. The results of the legal enquiries, and any associated risks, should be considered prior to any decision to enter into contract. On any sale of an investment property the Council will be required to obtain best consideration in accordance with s123 of the Local Government Act 1972. Usually this will be achieved by placing the property onto the open market or otherwise, in respect of a sale agreed off market, demonstrating by way of professional valuation that it is achieving no less than market value for the property.
Equality/Diversity Implications	None as a result of this report
Resource Implications e.g. Staffing / ICT / Assets	None as a result of this report
Risk Management Implications	The appointment of CBRE as investment advisors will enable an objective assessment of the risk levels within each investment and over the portfolio as a whole. The approach to risk is set out in more detail in the investment strategy.
Health & Wellbeing Implications	None as a result of this report
Health and Safety Implications	Not Applicable

BACKGROUND

1. The Executive approved a Summary Investment Strategy on 24 July 2017 which has assisted the Council to commence a strategy of seeking to acquire a balanced portfolio of investment assets capable of providing sustainable net income streams to support the MTFP, facilitate development and regeneration and support local authority functions.

2. Approval was also given in July as part of this report to:-

   - an increase to the Capital Programme to supplement the £20m previously approved for such purposes in February 2017; and

   - the creation of an Investment Management Board (IMB) to approve new acquisitions and to undertake a performance management role.

3. At the time of the last report CBRE Investment Advisory, the Council's appointed strategic investment advisors, had developed the Summary Strategy on the basis that a more detailed Strategy be made available in due course. The new Real Estate Investment Strategy is attached at Appendix 1.

4. Given the range and scale of the programmes the Council is considering investing in to promote the economic development and regeneration of the area and the size of the financial challenge the Council will face to balance the budget in future years and avoid having to make significant cuts to essential services, together with the need to ensure we have a balanced portfolio of investment assets, Council has already approved that the size of the overall investment fund should be increased substantially.

5. Going forward the Investment Strategy will only be one element of the Council's budget strategy and service savings and efficiencies will continue to be sought in future years, albeit that it is expected that the reliance on generating sustainable, low risk revenue streams will play an increasing role given the extent of savings already delivered since 2010/11.

6. The key components of the Strategy are as follows:-

   - The target income return should be between 5.0% and 6.5% to deliver sufficient margin over borrowing costs and MRP requirements, whilst still providing the investment security required. The actual returns required will depend in part on the specific MRP approach adopted.

   - To achieve sustainable returns, without being over-exposed to risk, to target direct investment in prime and good secondary assets across a variety of sectors.

   - Based on sector performance and the objectives, it is recommended to focus on Industrial, Retail Warehousing (including Food Stores) and alternative sectors (i.e. budget hotels).

   - Other asset classes should be considered on an opportunity basis to help meet the objectives, especially where they may help achieve longer term strategic growth (i.e. regeneration).

- Creating a diversified portfolio is important, whilst balancing the need to generate a return to support local authority functions. A target **average** lot size of between £20m and £30m is recommended. Investments outside of this range will be considered on an opportunity-led basis and considered on their merits.

- Multi-let properties will help reduce asset and tenant specific risk. No more than 10% of the portfolio income should be from a single tenant to maintain the tenant specific risk at a manageable level.

- Initial geographical focus will be on the North West of England. However, opportunities that are outside the region will be considered on a case by case basis if they meet the objectives of the fund.

- Consideration to be given to lending to fund investment or development as part of the strategy, as this can have additional benefits especially when focused in the local area. Up to 30% of the portfolio could be allocated to debt, but consideration to a higher level on a case by case basis.

Recommendation

That the Executive approve and adopt the Real Estate Investment Strategy included at Appendix 1.

Other Options

The Council has appointed CBRE as investment advisors who have the experience of advising on appropriate investment opportunities and creating balanced property portfolios. This approach will minimise the risk the Council faces compared to making acquisitions without a robust strategy which would expose the Council to excessive amounts of risk.

It would also mean that the ability to generate new sustainable income streams would be missed and the potential to reduce the budget deficit through increased income would be lost.

Consultation

No consultation is required at this stage; each proposal will be subject to appropriate levels of due diligence and assessed to determine any impact and therefore the consultation required.

Reasons for Recommendations

To ensure the use of the Investment Fund is undertaken based on the appropriate support from investment advisors and subject to appropriate levels of due diligence.

Key Decision: No

Finance Officer Clearance **GB**
Legal Officer Clearance *JLF*

Corporate Directors Signature:

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

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CBRE

REAL ESTATE INVESTMENT STRATEGY

Prepared by CBRE Investment Advisory for
Trafford Council

September 2017

Private and Confidential – Commercially Sensitive

CONTENTS

CBRE

BACKGROUND AND OBJECTIVES

1. BACKGROUND

Trafford Council (TC) is seeking to support the Local Authority's underlying service delivery by generating a supplementary longer term revenue stream by investing in commercial property investments. The strategy will assist the Council in creating a balanced portfolio that will aim to provide economic benefit, facilitate development/regeneration and support local authority functions.

TC has instructed an external strategic investment advisor (CBRE Investment Advisory) to develop an investment strategy, to create a diversified portfolio of investment assets.

On 3rd July 2017, we presented to a select group of TC's employees, including the Leader of the Council. We outlined and discussed the full investment process from setting objectives and benchmarks, determining a strategy, refining tactics, implementing the strategy and ongoing monitoring & management.

Since this presentation, we have created a bespoke investment strategy for TC. We have used a 'Top-Down' analytical approach to position TC to best achieve their objectives. This analytical approach involves reviewing the macro-economic outlook and property market trends before considering individual asset classes in greater detail.

We have made several recommendations throughout this report and we are looking forward to working with you to implement this strategy over the coming months. This type of commercial investment is a new journey for local authorities and we would be delighted to use our extensive investment experience to guide you through this process.

We recommend that the strategy is reviewed regularly, and at least on an annual basis, to ensure it continues to align with your objectives.

2. OBJECTIVES

Before setting an investment strategy it is imperative to have clear and concise objectives where performance can be benchmarked and success easily measured. Our July workshop included a discussion to determine the key objectives and benchmarks for the new investment portfolio. We identified the primary objective as:

"Generate a sustainable income to support the Local Authority's wider service delivery".

This objective needs to be achieved in a risk controlled manner and therefore the strategy should adhere to the following over-arching criteria.

- Create a diversified property investment portfolio which can spread the Council's risk over several sectors, properties, geographies and tenants.

BACKGROUND AND OBJECTIVES

- Investment properties must achieve an income return sufficient for the Council, to be considered an appropriate investment.
- TC is seeking to achieve a revenue stream without being over exposed to excessive financial and property risk. Balancing the risk and return profile is fundamental to achieving long term success.

Our proposed investment strategy focuses on achieving the primary objective through identifying the main market considerations and recommending an effective implementation strategy.

DETERMINING THE INVESTMENT STRATEGY

3. SECTION SUMMARY

Current market uncertainty is having an impact on investors' decision-making processes, with many choosing to adopt a defensive investment strategy which in turn has meant a relative reduction of product in the market. Given this period of increased uncertainty we recommend targeting investments in robust sectors with strong underlying fundamentals, which can still produce a sufficient income return for the Council.

4. INTRODUCTION

To determine an effective investment strategy, it is necessary to consider the economic and political background within which TC will be starting to invest. This will shape the underlying investment approach and ensure risk is identified and managed in an effective manner.

The following section will focus on summarising the UK economic background, the impact of the current political uncertainty on the property investment market, and the impact this could have on TC's investment Strategy.

5. UK ECONOMIC CONDITIONS

A key driver of economic growth in recent years has been consumer demand but several factors are now curtailing household spending power. Falling real earnings and lower savings may limit future activity: the household saving ratio is at a historic low of 1.7%. In recent years, retail sales volumes have been boosted by general discounting or targeted one offs. Offsetting this for now tourist numbers and spending will support retail and leisure activity and indicators of UK consumer confidence, though slipping, remain around their long-term average. The most recent figures show retail sales (excluding automotive fuel and internet sales) increasing by 0.3% over the three months to May but practically flat when compared with last summer.

GDP growth in Q2 2017 was driven by services, which grew by 0.5%. The production and construction sectors contracted slightly. Industrial production fell by 0.4% over the quarter with manufacturing output falling by 0.5% over the same period. But PMI manufacturing survey suggests weak sterling continues to boost export competitiveness although new export work has eased to a five-month low. Business investment rose slightly in Q1 2017 but not sufficiently to counterbalance weakness in consumption. The Bank of England's Q2 agents' survey found that investment intentions had strengthened a little but uncertainty was still holding back decisions.

Historically low unemployment, now at 4.5% (June 2017), would normally be consistent with strong wage growth but there have been only limited wage increases (below 2%) and in real terms wages are flat at best. Surveys show an increase in jobs but at a slower pace than over recent years. However, there is some evidence that there are selective pay awards (new hires, crucial staff) and that some people are moving jobs to improve their personal income. Surveys

CBRE

DETERMINING THE INVESTMENT STRATEGY

suggest that London's existing skills shortages are being exacerbated by Brexit with companies competing for staff from a smaller pool which may create wage inflation in certain sectors.

We believe that the next base rate rise will be in early 2019, although three MPC members voted for an increase in June. In our view, soft growth and falling real wages will delay any rise. The Bank is concerned about the level of debt in the economy, private household debt increased by 10.3% over the year to April, and its serviceability when rates do rise will be a concern. The Bank may take direct action to control lending rather than raise interest rates.

6. ECONOMIC OUTLOOK

A year after the EU referendum the UK's economic prospects have softened while expectations for near-term global growth have strengthened. GDP growth softened to 0.3% in Q2 2017, a minor improvement on Q1 but still below the average of 0.5% over the previous 20 quarters. HM Treasury consensus GDP forecasts of 1.6% in July are up on the post referendum low of 0.7% (September 2016).

We believe that 2017 will see growth of 1.7% but the risks are to the downside from the weakness in consumption, with business investment and net trade unlikely to provide sufficient support.

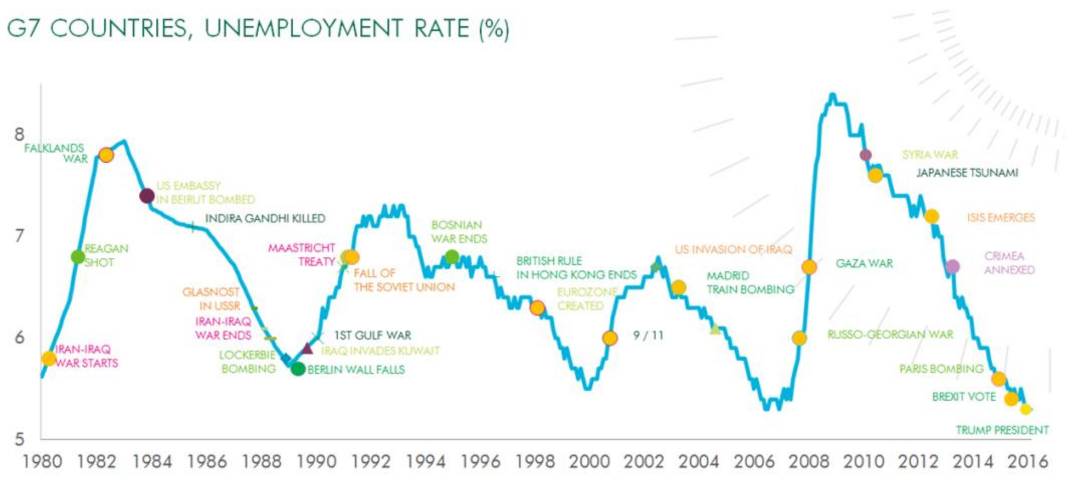
7. THE IMPACT OF POLITICAL UNCERTAINTY

The UK political situation is still creating uncertainty, especially due to the result of the recent snap general election and the continuing negotiations regarding the UK's withdrawal from the EU.

Despite the political, and consequently economic uncertainty, it is worth noting that although geo-political decisions have short term impacts on the wider economy, history suggests that these events tend not to directly impact the cyclical nature of the global, or indeed national, economy.

Using the unemployment rate of the G7 countries as a proxy for the global economy, the graph shows that the cyclical nature of the market is relatively unaffected by geo-political events. These events cause short term minor volatility but don't have direct impact on the economic cycles.

DETERMINING THE INVESTMENT STRATEGY



Source: CBRE Research, Macrobond, IMF, WEO

The longer-term impact on businesses of the UK's political uncertainty and, more importantly, Brexit is still unclear. This uncertainty is impacting investor sentiment, who are becoming increasingly concerned about the future of some occupiers / businesses and consequently sectors.

Pricing on prime assets across the market has remained largely resilient, with yields largely unchanged or even strengthening in some sectors. In an uncertain economic and political environment investors have sought long term secure income streams and therefore demand for these types of assets has remained strong.

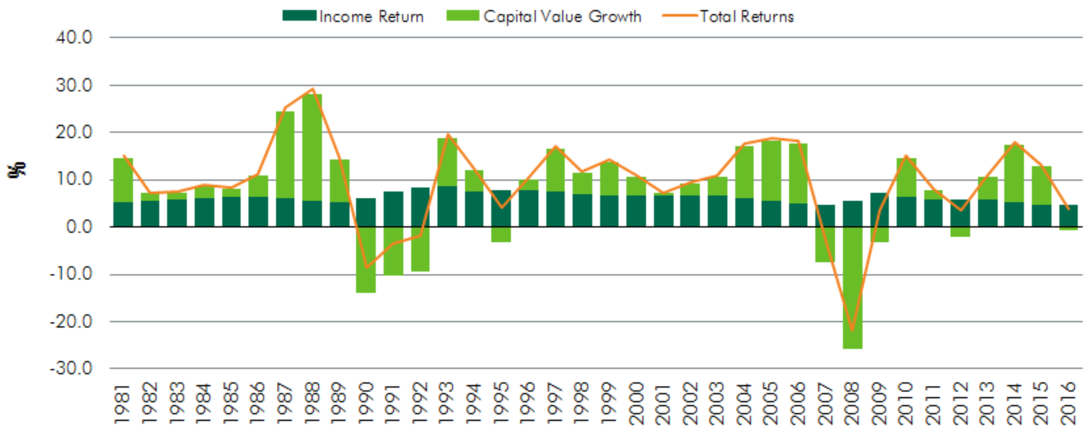
A further reason for resilient pricing is that investors who hold risk adverse or defensive properties have been very reluctant to sell and this has led to a shortage of stock in the market. Investors don't want to sell as it is difficult to re-invest any sale proceeds quickly back into the market. Thus, good quality properties which do come to the market face very strong competition for investors and prices are driven higher due to the competitive tension.

In the good secondary and secondary risk categories, investor demand has been inconsistent with varying degrees of investor appetite. These types of property have a greater inherent risk and therefore investors are becoming increasingly selective. In several sectors the yield margin between prime and good secondary is as large as it has been in over five years.

8. IMPLICATIONS FOR THE INVESTMENT STRATEGY

TC's primary concern is income security rather than capital appreciation (though this is not ignored). Despite many market cycles since 1980, income returns from property have been relatively resilient. This should provide TC with confidence in these uncertain economic and political times. Property's ability to produce long term and consistent income streams is demonstrated in the graph below.

DETERMINING THE INVESTMENT STRATEGY



Source: IPD Annual Index

Identifying and underwriting properties which can produce sustainable income streams will be important to TC's strategy. Despite property providing a resilient income at a macro-level, the income security provided by individual assets varies considerably. Our strategy recommends identifying sectors which offer TC the most advantageous risk adjusted income return. Tenant selection and financial underwriting is fundamental to understanding tenant risk and thus ensuring a sustainable long term income stream.

As a longer-term investor, TC will benefit from the ability to acquire and hold assets through any negative periods of the market cycle (whilst still collecting income) and to sell in positive periods of the market cycle (if desired). This could enable TC to maximise capital value returns whilst receiving consistent income over the medium to long-term horizon.

Whilst we appreciate that TC's focus is on income security rather than capital appreciation the capital value on entry must still be carefully considered as a fundamental investment consideration. The higher the purchase price the lower the relative income return compared to the capital invested, and therefore the greater the risk.

In addition, we understand TC will be funding the property from borrowing through Public Works Loan Board (PWLB). Thus, there will be an obligation to repay the capital investment in the future. Overpaying will increase the required minimum revenue payment (MRP) needed to be set aside on maturity loans or the amount of principal required to be repaid on repayment loans - reducing the net income return to TC. Moreover, if TC overpay the asset liquidity can be impacted as TC are unlikely to be able to sell the property quickly (if at all) for the same price. Understanding current market pricing is fundamental to achieving your objectives over the long term.

BUILDING THE PORTFOLIO

9. SECTION SUMMARY

Sustainable and secure income remains a key objective. Sector recommendations should shape the over-arching strategy, but individual property fundamentals remain key (over a default sector bias) with attention given to the location, building quality, rental profile, covenant, lease length and alternative use. The Council should also consider diversification in investment method (direct or debt) and how they can contribute to regeneration of the local area.

Our key components of the strategy are as follows:

- The target income return should be between 5.0% and 6.5% to deliver sufficient margin over your borrowing costs and MRP requirements, whilst still providing you with the investment security required. The actual returns required will depend in part on the specific MRP approach adopted.
- To achieve sustainable returns, without being over-exposed to risk, we will need to target direct investment in prime and good secondary assets across a variety of sectors.
- Based on sector performance and the objectives, we recommend focusing on Industrial, Retail Warehousing (including Food Stores) and alternative sectors (i.e. budget hotels).
- Other asset classes should be considered on an opportunity basis to help meet the objectives, especially where they may help achieve longer term strategic goes (i.e. regeneration).
- Creating a diversified portfolio is important, whilst balancing the need to generate a return to support local authority functions. A target average lot size of between £20m and £30m sis recommended. Please note this is an average lot size across the fund, meaning that smaller or larger lot sizes can be considered on their merits.
- Multi-let properties will help reduce your asset and tenant specific risk. We therefore recommend that no more than 10% of your portfolio income should be from a single tenant to maintain the tenant specific risk at a manageable level.
- There will be a primary focus on opportunities within the North-West of England. However, opportunities that are outside of this region will be considered on case by case basis if they meet the objectives of the fund.
- You should consider lending to fund investment or development as part of the strategy, as this can have additional benefits especially when focused in the local area. We initially suggest that up to 30% of the portfolio could be allocated to debt, but are happy if this were to increase if required.

As always, commercial drivers may mean that it may not be possible to follow the strategy to the letter, particularly in terms of sector weightings and allocations to debt or regeneration. We have

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included a section on the ‘Short Term Tactics’ to address this and help you gain market penetration.

We recommend that the strategy is reviewed to reassess the portfolio balance, understand your remaining investment capacity and adapt the strategy as we move forward.

10. TARGET RETURN

The Target Return for an investment portfolio reflects its underlying risk profile. Given the requirement to provide a return that is sufficient to pay back the borrowings (interest and MRP included), as well as produce an income return to bridge the annual funding gap.

The impact of MRP on lower yielding investments, and the income risk on higher yielding investments, means that we recommend targeting an investment return of between 5.0% and 6.5% for the portfolio to achieve the Council’s objectives. The actual level required will be dependent upon the specific MRP treatment adopted. The primary objective means that the focus will be on income return rather than total return.

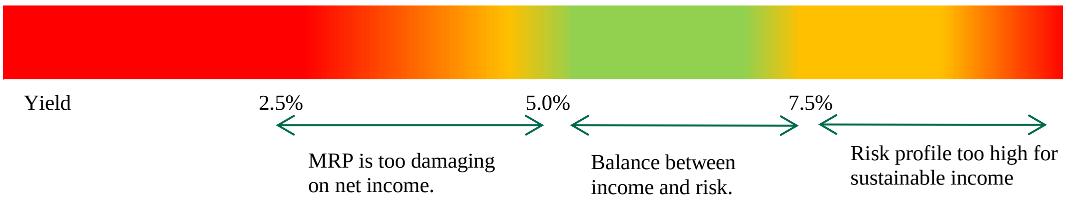

Figure 1: Suggested target return range

To achieve a balanced portfolio, investments should principally be balanced by property sector and investment type (debt and equity). However, other key considerations when considering investments are location, lease expiries, tenant exposure, unit sizes and the need for capital expenditure or further investment.

11. TARGET SECTORS

To achieve your objectives, we recommend that the focus is on the Industrial, Retail Warehouse (including food stores) and alternative investment sectors (such as budget hotels). Acquisitions in other sectors (high street retail and offices) should be on an opportunity led basis – particularly if there are strategic reasons for the acquisition.

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SECTOR	TOTAL RETURN (ANNUALISED 2017-2021)	INCOME RETURN (ANNUALISED 2017-2021)	NOMINAL RENTAL GROWTH (ANNUALISED 2017-2021)
Industrial	6.2%	5.2%	2.4%
Retail Warehouse	6.1%	5.8%	0.6%
Super Market / Food Stores	4.0%	5.1%	-0.5%
High Street Retail	4.6%	4.9%	1.6%
Regional Offices	4.4%	5.3%	-0.6%
All Property	**4.6%**	**4.8%**	**0.6%**

Figure 2: Return Profile of Different Asset Classes

To target properties in these sectors and to ensure all acquisitions will be accretive to the portfolio, it is imperative that you understand the current market trends of these sectors. As the Council's objectives are long term (and income driven) sectors that have a positive capital growth at this moment should not be the primary concern (though this by no means a bad thing). Over the long-term income return remains much more consistent than capital growth (which is typically much more cyclical) – as the following graph identifies.

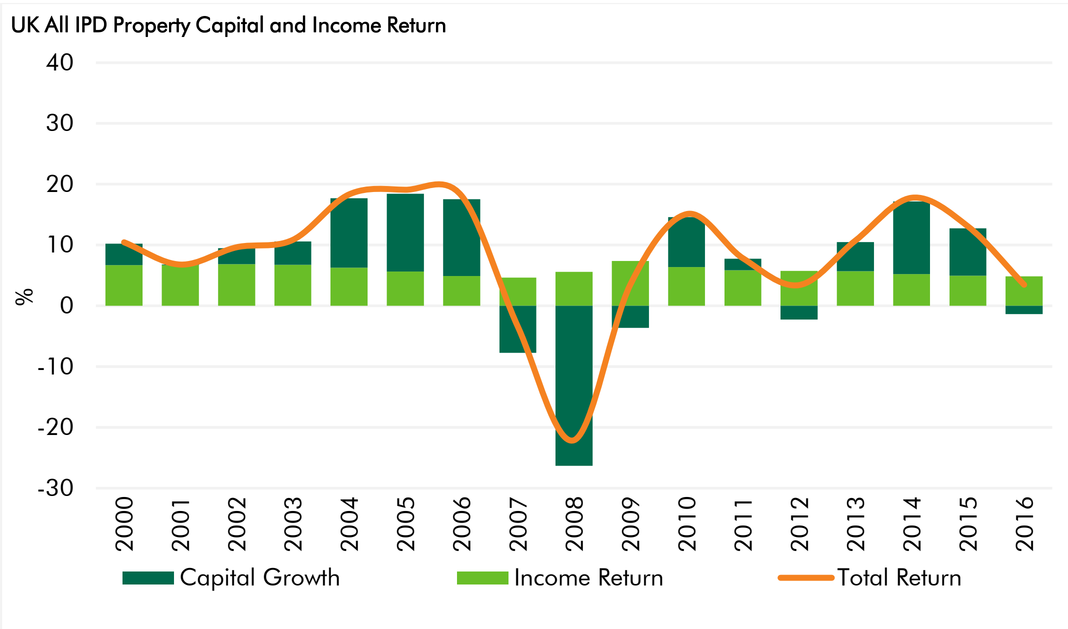

Figure 3: Property Capital and Income Return 2000-2016

Industrial

Occupational Commentary

The big box industrial occupational market is being driven by a lack of supply and the increase in online retailing. Retailers are requiring a greater number of distribution hubs, and satellite hubs, to service both the click & collect and home delivery markets, with the challenge of delivering goods the 'final mile' remaining a focus for the logistics sector, as it was in 2016.

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However, even without the contribution of online retail to the overall demand mix, take-up would still have been ahead of its longer-term average, by a margin of between one and two million sq. ft.

Investor Sentiment

For investors, the long leases, guaranteed income and often fixed uplifts associated with logistics investments have been attractive, given the wider economic uncertainties that have been present in the market. Furthermore, this sector has arguably the most compelling demand and supply imbalance, and the perceived structural change in the retail market is expected to only help this sector in the medium to longer term.

Yields on good quality properties are at historical lows which reflect the strength of the investment market for this type of product. Best in class properties experience several rounds of competitive bidding with UK institutional investors, overseas investors, local authorities and private investors battling for limited stock.

Strategy Recommendation

Pricing is becoming increasingly competitive and therefore stock selection is critical to ensuring the longevity of any investment. Core locations, new or overly specified buildings, and limited nearby development opportunities should all be priorities for TC when considering investing in this sector.

We would recommend being stringent on the property fundaments such as location and building quality when considering good secondary assets in this sector. The long-term value of the property will be linked more closely with location than the perceived covenant strength of a tenant on a ten-year lease. We recommend targeting assets with immediate access to the UK's major road network with the West Midlands and North West being key target geographies.

Given the above we would favour a strong weighting towards industrial properties compared to the other investment sectors, however the competitive nature of this sector may mean that suitable opportunities are fiercely contested.

Retail Warehouse/Food Stores

Occupational Commentary

Retail Warehouse: From an occupational perspective, the number of retail warehouses continued to increase every month throughout the year as they have done consistently since 2013. Core out of town occupational markets continue to strengthen and tenants are competing for space on the best parks. With vacancy rates at 6.2%, competition for space has seen rents beginning to increase again following a long period of stagnation. However, we would caveat

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this positive sentiment by stating that demand is focused on strong locations where there is often a dominant park and critical mass of retailers.

Supermarkets / Food stores: In 2017 UK shoppers have experienced higher food prices as a result of increased supplier costs being passed on to consumers. The grocery operators, whose margins are being squeezed from several factors which include a weakened exchange rate, will not be able to absorb further costs. The number of store openings will likely be lower than in 2016 and there will be a continuation of store closures where poorly performing Supermarkets are coming to the end of their lease.

Investor Sentiment

From an investment perspective, 2017 has brought softening of the yields due to increasing rents, stabilising capital values and uncertainty within the market. Although Prime Open Retail Parks saw yields move out by 40 bps over H2 to 4.75%, Prime Open Bulky Retail Parks remain below the long-term average after stabilising in September.

Secondary Retail Parks saw yields soften by 50 bps moving out from 6.75% to 7.25%. This caused the spread between prime and secondary assets to grow, with investors focusing on prime units. Secondary assets are now above the long-term average for the first time since Q1 2014.

Transactional activity witnessed a strong second half to the year closing at just over £2.4bn for 2016. The same observations apply to food stores which have seen a dramatic turnaround in investor sentiment since the Brexit Vote. Ensuring the property fundamentals are appropriate for the market is particularly important for investors, as the occupational market is still in flux as the big four food store providers re-align their portfolios to adjust to increased convenience shopping and the rise of discount retailers Aldi and Lidl. The desire for long term secure income has seen several supermarkets being marketed in 2017 and achieving strong prices.

Strategy Recommendation

Retail Warehouses are forecast to perform comparatively well as a sector with Total Returns anticipated to be 6.1% annualised over the next 5 years. The sector fundamentals of long leases, propensity for guaranteed rental increases, comparatively limited capital expenditure and reduced levels of obsolescence meet your criteria as a long-term income focused investor.

We recommend a strong weighting towards retail warehousing and food store sectors within the portfolio. However careful stock selection is critical as the best parks and locations will more than likely always experience demand from retailers despite wider economic uncertainty.

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High Street Retail

Occupational Commentary

The retail sector has been relatively resilient over the past 12 months. The 2016 Christmas period was surprisingly strong for several high-street retailers with Marks & Spencer, John Lewis, Primark, Debenhams, JD Sports and Ted Baker all reporting sales growth. However, 2017 is forecast to be a tougher year for the retail sector as it faces many headwinds. The devaluation of the pound and rising inflation is only starting to work its way through supply chains and thus prices are anticipated to rise in late 2017 and into 2018.

The rates revaluation will put pressure on retailers with extensive portfolios and this may make retailers reconsider the rationale for opening new stores. This is likely to have the biggest impact on the Central London market where the business rates liability has increased significantly.

Pressure on high street retail is expecting to continue from online retailing. Online sales represent circa 15% of total retail sales in the UK, anticipated to grow to 17% of all sales being made online by the end of the year. Overall levels of openings and closures of stores fell sharply in the middle of the year, before and after the Brexit vote. However, activity rose in the autumn.

Investor Sentiment

Regarding investment, 2016 saw the largest spread between prime and good secondary pricing for ten years. This has continued into 2017 and has been driven by occupiers increasingly focusing on their core estates, and seeking to reduce the underperforming parts of their portfolios. Thus, investors have been predominantly targeting best in class retail locations and then only the prime pitch within the town.

Strategy Recommendation

High Street Retail is traditionally difficult to forecast due to the asset's micro-location being key to rental growth, occupier demand and consequently performance. TC's income requirement means the target properties are likely to be in the good secondary category. As prime assets, will attract too low yields. Thus, you will likely have to target more inferior towns or off-pitch locations. Therefore, underwriting the long-term attractiveness of the location, and pitch, is fundamental to the underwriting process.

High Street Retail (including department stores) is traditionally difficult to forecast due to the asset's micro-location being key to rental growth, occupier demand and consequently performance. Furthermore, it can be difficult to acquire high street retail assets of an institutional lot size (£7 million plus). Therefore, although the sector is forecast to outperform, we would advise you to still consider investments on an opportunity-led basis hence why we have put a relatively lower weighting to this sector.

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Offices

Occupational Commentary

Occupier demand was, and still is, being impacted by the Brexit vote with many delaying their long-term decisions. Regional office occupier markets in 2016 proved relatively resilient, despite the timing of the Brexit vote and following uncertainty. Across the ten regional city markets monitored by CBRE there was only a small decrease of 7% from the 2015 total and just 3% lower than the five-year annual average.

Investor Sentiment

The Brexit effect has been undeniable and in the second half of 2016 office investment volumes were down by 38% from the first half of the year, though this was still 30% higher than the five-year average. South east offices and rest of UK offices are forecast to provide steady income returns, over the coming 5-year period, albeit with fluctuations in capital value. Therefore, this is attracting investors, especially for the good quality properties.

Strategy Recommendation

Offices tend to be a tactical purchase, rather a strategic decision, as timing is critical to maximising performance. Office buildings tend to suffer from more obsolescence than other asset classes, and as such require capital expenditure which can erode returns. This makes holding offices over a long period relatively more cost intensive.

Therefore, we recommend that you focus on the core property fundamentals when considering offices such as location, building quality, lease length, tenant covenant and rental profile. The focus should be on established cities (ideally within the core office districts) and locations with proven track records of attracting many high-profile tenants over a sustained period.

Alternative Investment Sectors (Budget Hotels, Leisure, etc.)

Occupational Commentary

Budget Hotels: Budget hotel brand Premier Inn is the largest hotel brand in the UK with 763 hotels comprising 68,256 bedrooms. Premier Inn opened nine new hotels, comprising 866 bedrooms in Q1 2017 alone and is projected to open a further 64 hotels, equivalent to 7,260 bedrooms over the next three years. Premier Inn and Travelodge dominate the UK budget market, comprising 68.5% of all supply.

Behind London, Manchester has the largest budget hotel supply of any city in the UK, offering 43 hotels, comprising 5,896 bedrooms. Budget hotel supply comprises approximately 35% of all hotel bedroom supply in Manchester.

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Behind Premier Inn, Hampton by Hilton has been the most active new entrant in the budget segment in Q1 2017, opening five hotels comprising 843 bedrooms, the largest being the 209-bedroom London Docklands property.

Leisure: Consumers' financial confidence is healthy and leisure venues are benefiting from increased attendance and participation. All of the main venues such as theme parks, music events, theatres, museums and attractions are greater than they were a year ago. This is positive news for the industry as it highlights that UK consumers are not cutting back their spending on leisure activities

Investor Sentiment

These assets tend to provide long income, with fixed uplifts from potentially strong covenants. Thus, high quality assets have remained resilient over the past 12 months.

The lack of yield movement for these assets since the referendum result would suggest that the alternative sub sectors could be considered less volatile than some of the traditional sectors. Therefore, you should consider targeting investments in these sectors to diversify the portfolio.

Like traditional High Street Retail, one of the principal drivers of these markets is the micro-location and therefore understanding the local market drivers and demographics is particularly important.

Leisure assets can be in bespoke buildings which can attract limited occupational demand if the tenant vacates. Therefore, investors pay attention to underwriting the alternative use value of the property to become comfortable with the investment.

Strategy Recommendation

Specialist Real Estate sectors have experienced little to no adverse effect from the wider market uncertainty and are predicted to remain resilient.

These assets often provide long income with fixed uplifts and strong covenants, and therefore could be considered less volatile than some of the traditional sectors. TC should consider targeting investments in these sectors although it should be noted that finding a sufficient quality and quantity of opportunities can be challenging.

These alternative sub-sectors can be affected by the assets micro-location and therefore underwriting the location's long term alternative use value is important to de-risking the investment. Lastly, alternative sectors such as budget hotels can offer diversification benefits due to their reduced correlation with the more traditional investment sectors.

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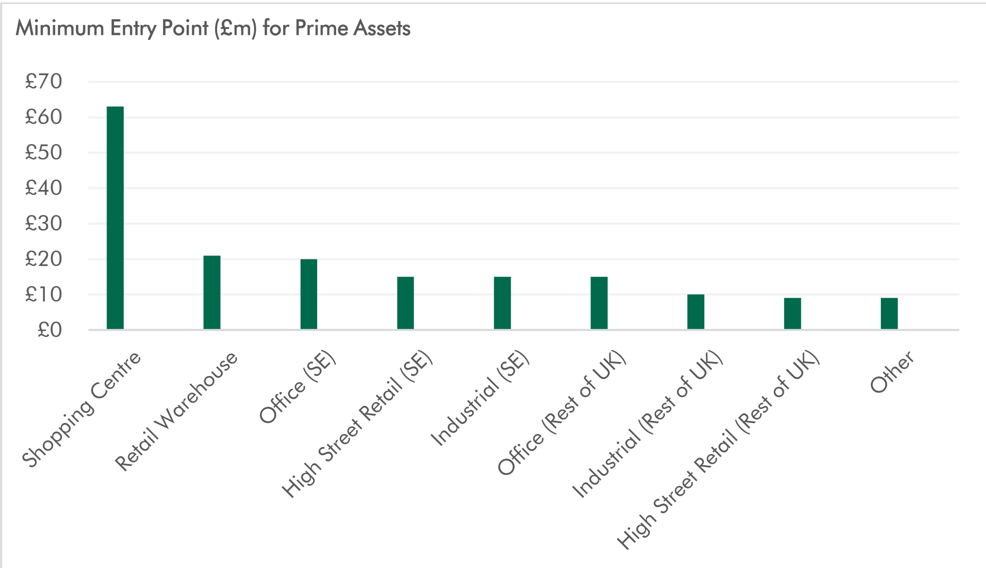
12. TARGET WEIGHTINGS

To create a balanced portfolio in line with your objectives, and considering the above, we recommend targeting the following investment portfolio weightings.

As you have not completed any investments at this stage, these weightings can be considered relatively arbitrary at the current time and as such we have provided indicative ranges. The initial emphasis therefore will be on sourcing opportunities in every sector.

ASSET CLASS/SECTOR	WEIGHTING (%)
Industrial	25%-35%
Retail Warehouse	20%-30%
Supermarkets	10%-20%
Offices	5%-15%
High Street Retail	0%-10%
Alternative Investment (Inc. Debt)	10%-30%

These weightings are driven by both the forecasted income return from each of the asset classes, as well as the typical capital requirements to enter each of the sectors – as follows:



The relative weightings of the sectors will be continuously reviewed, especially as the portfolio matures. However, this provides a suggested target mix that would help the Council create a diversified and balanced portfolio and provides us with a direction to move forward with – even if it is subsequently altered.

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13. INVESTMENT RESTRICTIONS/FOCUS

We recommend the following investment restrictions/focuses. These will need to be reviewed on a regular basis if they are adversely impacting our ability to source investments that meet your objectives.

- A focus on opportunities Trafford, Greater Manchester and the North-West of England where possible.
- Where possible sourcing regeneration and strategic opportunities within the metropolitan area, especially those that provide wider benefits other than solely an income return.
- Target average lot size of between £20m and £30m. Opportunities outside of the range will be considered when we believe there is justification of including them in the portfolio.

14. FORMS OF INVESTMENT

As well as direct investment, we understand that the Council is happy to invest through the provision of debt into either standing investments or development projects.

A key benefit of lending, rather than investing directly, is that there is no requirement for MRP. Therefore, the net returns are proportionally higher for this form of investment.

The Council can choose to lend for investment or development, dependent upon your requirements at the time and the specific opportunity. However, development funding has the benefit of allow allowing the Council to retain the business rates generated from the new development.

Regardless of the type of debt (although development clearly has benefit to a local authority), we feel that initially allocating up to 30% of the portfolio to lending could be a beneficial addition to the portfolio diversification strategy (as discussed, we are flexible if this were to form a larger proportion than indicated).

The returns from lending typically depends upon the type of debt and the security of the investment - as the following demonstrates.

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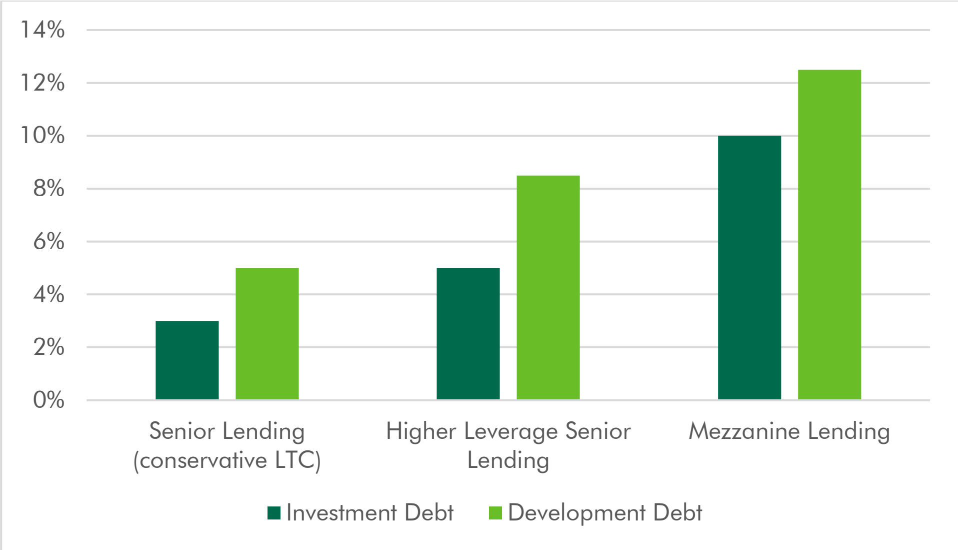

15. INVESTMENT TACTICS

The investment strategy is designed to help the Council create a balanced and diversified property portfolio to achieve its income objectives. Whilst we recommend that the principles should be followed where possible, there are several tactics that we recommend are considered in the shorter term that may assist in achieving your objectives sooner.

- **Initial Focus on Standing Investments** – as there is a requirement for income to support local authority functions in 2018/19, we recommend initially focusing on standing investments, with a reasonable unexpired term that require little or no management.
- **Portfolio Investment Opportunities** – an initial portfolio investment could be an efficient way to generate income, diversification and market exposure. However, opportunities are relatively rare so this should not be the only focus.
- **Target Lot Size** – a target average lot size of £20m to £30m should help you gain market traction, whilst not exposing you to overly excessive asset specific risk. Significantly smaller lot sizes in the shorter-term are unlikely to provide the market exposure that you require and could mean you end up with a very management intensive portfolio. Larger lot sizes will be considered on an individual basis if they meet the Council's investment or strategic objectives.
- **Strategic Assets** – assets that have medium to long-term strategic potential in all sectors should be considered, especially if they can also generate a return to contribute to supporting service provision in the short term.
- **Lending** – the Council could look at investment debt to generate an income in the shorter-term. We can also review the possibility to provide bridging (short-term finance) or to buy an existing loan facility (with a short expiry).

DEVELOPMENT AND STRATEGIC SITES

16. SECTION SUMMARY

Investing into development and regeneration has many benefits (both financial and non-financial) to a local authority. However, development typically yields its returns over the medium to long term and therefore this may form a greater part of the strategy over the medium to long term, than in the shorter term.

17. INTRODUCTION

Whilst be recommend that the focus is on standing, sustainable investment properties there may be the opportunity to acquire assets that contribute to other objectives – especially within the borough boundary.

These opportunities should be considered carefully, especially if the investment fundamentals are not strong. However, we understand that there may be occasions where the Council wishes to acquire property for other means than just income return.

18. MEDIUM TO LONG TERM

Investing in regeneration and development opportunities (especially within Trafford and Manchester) could provide additional benefits to the Council – including:

- Opportunity to create value and additional income from assets over the longer term, meaning better returns.
- Ability to create social benefits including creation of jobs, redevelopment of brownfield land or creation of new homes.
- Prospect to benefit from creation of new business rates revenue that can be retained by the Council as additional income.

It is important to note that development and regeneration typically deliver their returns over the medium to long term and therefore this may not always align with your shorter-term return requirements.

19. SHORTER-TERM RECOMMENDATIONS

Whilst we believe most the benefit from development, refurbishment or regeneration will come in the medium to long term. The following suggestions could help generate a return in the shorter-term:

- Reviewing any current development or refurbishment proposals to see if any income can be extracted from them.
- Investing into development through debt rather than equity, so that a return can be generated in reduced timescales and MRP requirement is reduced.

MINIMUM REVENUE PROVISION

20. SECTION SUMMARY

As the Council will be borrowing the money from the PWLB to achieve its investment objectives it is important to consider the impact of MRP on net income. There are methods whereby the Council can demonstrate effective risk mitigation whilst increasing the net income receipt that we recommend should be pursued.

As Trafford Council will be making use of the Public Works Loan Board (PWLB) to finance property investments (repaid on a maturity basis), consideration of the Minimum Revenue Provision (MRP) is required to mitigate repayment risk.

There are a variety of approaches to MRP. This needs to be considered carefully by the Council as it has a material effect on the net income received. We have outlined the different approaches below and we are happy to discuss these with you to assist you with your chosen route for each acquisition.

It is important to note that the MRP approach taken may vary from investment to investment dependent upon the specific characteristics of each property. Therefore, consideration of these different approaches will be needed for each acquisition to choose the right offer.

21. LOAN TYPES

The loans are usually fixed rate and are repaid in one of three ways:

- Annuity: Half-yearly payments where each payment is of a constant amount, inclusive of principal and interest.
- EIP (equal instalments of principal): Half-yearly payments where each payment consists of a constant instalment of principal plus a diminishing amount of interest calculated on the balance of principal then outstanding.
- Maturity: Half-yearly payments where each payment is of interest only with a single repayment of principal at the maturity of the loan.

In our experience, local authorities are tending to favour Maturity Loans, as this does not require any ongoing principal repayments. However, to show they are borrowing prudently local authorities put aside an annual amount called the Minimum Revenue Provision (MRP) to repay the capital sum when the loan matures.

22. MRP APPROACHES

There is no strict guidance on how MRP should be approached and therefore there are several options available to local authorities, which this paper covers. These are:

1. Equal Repayment Approach
2. Property Company Approach

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MINIMUM REVENUE PROVISION

3. Proportional Value Approach
4. Multiple Loans Approach – did not like it

Typically, local authorities have adopted option 1 or 2 above, but there are examples of all methods being used – each of which have their relative advantages and disadvantages.

Equal Repayment Approach

This approach applies MRP on a straight-line basis over the length of the loan. Therefore, on a typical 50-year maturity loan a 2% per annum MRP would be set aside to repay the full capital amount on maturity.

Whilst this approach ensures sufficient capital is available to repay the loan on maturity, but it requires a significant sum of money to be put aside each year thus reducing the net income received. It also pessimistically assumes that the asset and the land beneath it will have no value at the loan expiry.

It may be possible to place a lower proportion (than the 2%) to MRP and then place a balancing figure into a 'Risk Reserve Fund' to achieve the same effect. The benefit of this would be that the Council could use the Risk Reserve Fund for required capital expenditure on the property to maintain or improve its value during the lifecycle (i.e. non-recoverable expenses).

Property Company Approach

This is only applicable to local authorities who have set up subsidiary property companies. The property company's acquisitions are fully funded by the local authority in the form of a commercial loan (say 75%) and equity stake (say 25%). MRP is then only required on the equity portion of the financing arrangement, with the part in the form of a commercial loan to the property company does not have to MRP applied to it as with other forms of lending.

We understand that several local authorities have set up property companies, initially to allow investment outside of the borough. However, the advice regarding this has largely changed, thus allowing the local authorities to purchase directly onto the balance sheet. Furthermore, we understand that the introduction of BEPS (Base Erosion and Profit Shifting) may impact the viability of this type of model.

The formation of a property company means that company will incur a tax liability, but the MRP applied is significantly reduced due to only the equity portion of the financing arrangement being amortised.

MINIMUM REVENUE PROVISION

Proportional Value Approach

This approach is influenced by the proportional value of the constituent parts of an investment property. This approach could provide the Council with another option to consider in favour of the more 'traditional' approaches.

This approach is based on the value of all investment property being formed of 3 constituent parts: Land, Building and Lease. The quality of each one of these different aspects impacts the overall value of the property investment and their respective weighting.

Please see below a very high level example.

- Market Value: £10 million
- Land Value: £2 million
- Vacant Possession Value: £5 million

The value of the land is £2 million (20% of the overall value), value of the building is £3 million (VP value less Land Value) (30%) and value of the lease is £5 million (market value less VP value) (50%).

Each constituent part of the property depreciates at a different rate depending on the sector and location. Therefore, by varying the rate of MRP depending on the type of property being acquired the overall MRP payment could be reduced without increasing the repayment risk at the end of the loan. Adopting this type of approach could allow a local authority to target a greater quality of asset (with a lower yield) whilst maintaining a sufficient income return.

We have spoken with our research colleagues about obtaining a land value series which would show the average land value per sector / region dating back over a sustained period. Unfortunately, we understand there isn't currently a definitive UK land value series. The lack of information in this area has been identified by the Investment Property Forum Research Committee and consequently they have recently appointed academics from Reading University to create a land value series dating back 30 plus years and covering all the commercial sectors (office, retail, industrial, etc.). We understand that this research will be completed at the end of 2017, and will use 'base data' provided from CBRE. Once this is available we will be able to run scenarios to establish different approaches to risk.

This research will provide greater clarity and certainty within this approach. In the meantime, we have set out our thoughts on how the proportional value relationship may work on different types of geographies, sectors and assets.

For this high-level report, we have focused on just the retail, office and industrial sectors. However, we could review further alternative sectors (leisure, hotels, health care, etc.) using the same methodology.

MINIMUM REVENUE PROVISION

How to Calculate the Value Apportionment and What Does this Mean?

……..WHERE IS THE VALUE?

Land: The land value can be determined by either comparable land sales in the locality or by undertaking a residual valuation. The residual valuation would need to consider what could be realistically built and leased on the site (not necessarily what is already on the site), less the cost of developing the building and the required level of developer profit to undertake the project.

Therefore, the proportional land value is likely to be intrinsically in higher value locations where there is an active appetite for development but a shortage of available land, where the current use isn't the best use (e.g. office to residential conversion) or where the current site coverage is relatively low and additional massing could be added.

We would therefore anticipate a proportionally higher land value for geographies, sectors and assets which benefit from a supply shortage or are in very strong locations for the prevailing use (e.g. offices in London and retail on prime pitches of strong high streets).

In our experience land values, have generally risen over the longer term (this will need to be verified by the research and therefore should be treated on a case by case basis). Therefore, it is conceivable that no MRP, or relatively little, would need to be set aside for the proportional land value as land could be considered as an appreciating asset.

Building: The value of the current building can be calculated by two methods. Either using the re-instatement cost value (insurance valuation) or by using the difference between the vacant possession value of the current building less the value of the land.

A higher quality building in a strong location will likely have a higher vacant possession value as the re-letting prospects are higher and consequently a higher proportional value. Conversely a secondary building in a strong location will have a proportionally lower value as redevelopment may be a viable option and thus the land value is higher.

MINIMUM REVENUE PROVISION

All buildings suffer from deterioration and obsolescence, however the rates at which this happen vary considerably by sector. Offices have more physical deterioration especially the plant and machinery, as well as suffering from obsolescence. Offices require significant capital expenditure to maintain them at a high level, and a general rule would be that the M&E would need to be replaced every 20-25 years. Thus, it is likely a higher rate of MRP would need to be applied on offices to account for the likely depreciation in the value of an office building over the longer term.

Conversely, a high-street retail shop is likely to suffer from a far lower level of depreciation and obsolescence due in large part to the occupier fitting out the shop and paying for the M&E. Thus, the proportional value of the building is likely to be lower for this type of asset whereas a higher proportion of the value is in the underlying location. Therefore, the MRP applied to high street retail buildings could be lower than for office buildings. This logic could also apply to high quality industrial locations such as Park Royal in London.

Lease: The lease value can be calculated by taking the value of the property in its current form and deducting the value of the property with vacant possession. The vacant possession valuation would assume the property is in its current condition but is no longer occupied by a tenant.

The value of the lease is a function of the lease length, tenant's covenant, rental growth prospects and the strength of the underlying occupational market. For example, a long lease with fixed increases to a strong covenant is likely to have a higher proportional value in a weaker market than in a strong market. This is because there is increased value in income security during market uncertainty. Moreover, a weak market would likely mean limited development demand and thus a lower land value which increases the lease's proportional value further.

The length of the tenant's lease, and consequently the value, is a depreciating asset. However, the speed of depreciation isn't on a straight-line basis, as the fall in value between year 20 to year 15 is far less year 5 to expiry. Thus, MRP could be staggered over the length of the lease to reflect the varying level of depreciation. This would lend itself to properties with long leases which would meet the Council's objective of creating a secure long term income stream.

Multiple Loans Approach

The final approach, which we are aware of certain local authorities using, does away for the need of MRP at all and is fundamentally a change to the way the money is drawn down from the PWLB. Rather than taking out a single maturity based loan (as assumed in the previous options), the local authority takes out (up to) fifty individual loans to cover the full facility amount. In simple terms this would mean the first loan being for one year, the second for two years and so on, with the 50th loan being for 50 years. We understand the Council doesn't wish to pursue this route, but we would be happy to discuss with you should this be of interest in future.

GOVERNANCE AND MANAGEMENT

23. SECTION SUMMARY

Effective governance and efficient decision making processes will be critical to ensuring that you can be as competitive as possible when acquiring investments. Our proposed processes ensure that you retain full control over all decisions, but means that we can add significant value throughout the process without burdening you with the micro-detail.

24. GOVERNANCE AND DECISION MAKING

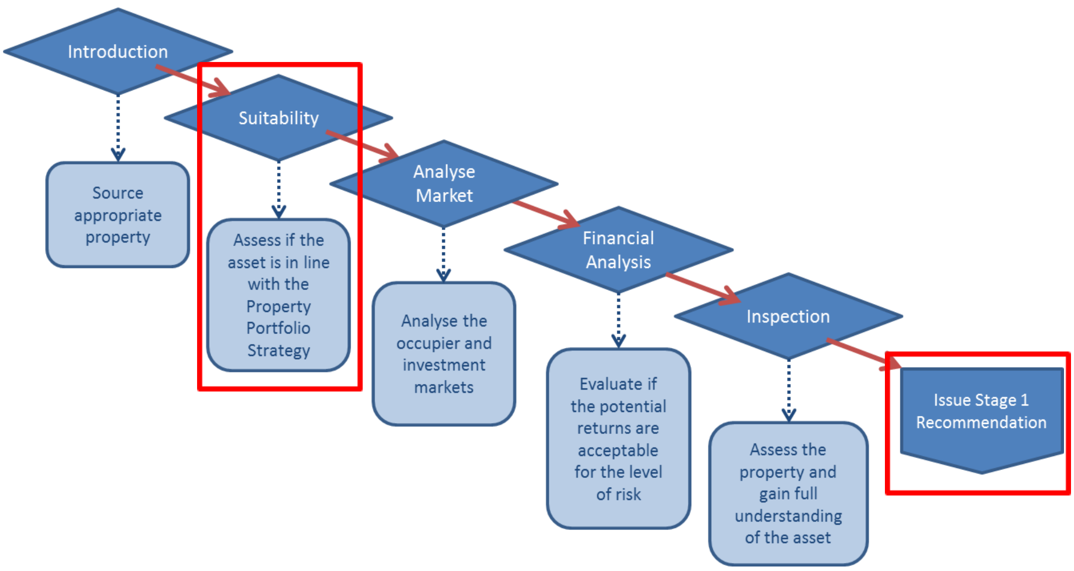
It is critical to have a clear governance and decision-making process to ensure you can act quickly and effectively; increasing the probability of successfully acquiring properties and creating a balanced portfolio in line with your objectives.

Experience has taught us that relying on monthly cabinet meetings to make investment decisions is often too slow to keep up with market demands and timescales, where quick decision making is looked upon favourably. It will therefore almost certainly put you at a disadvantage when looking to acquire under competitive circumstances if you must wait until cabinet to make investment decisions. We understand that you have established a small Investment Board, with delegated authority to make decisions on Investments, which will help you in this regard.

25. TRANSACTION PROCESS

When a potential acquisition opportunity presents itself, we propose a two-stage transaction process. This process maximises the speed to market, whilst still allowing the Council to retain control of the investment decision making. We have highlighted in red at what stage the Investment Board will need to make decisions (some more formal than others).

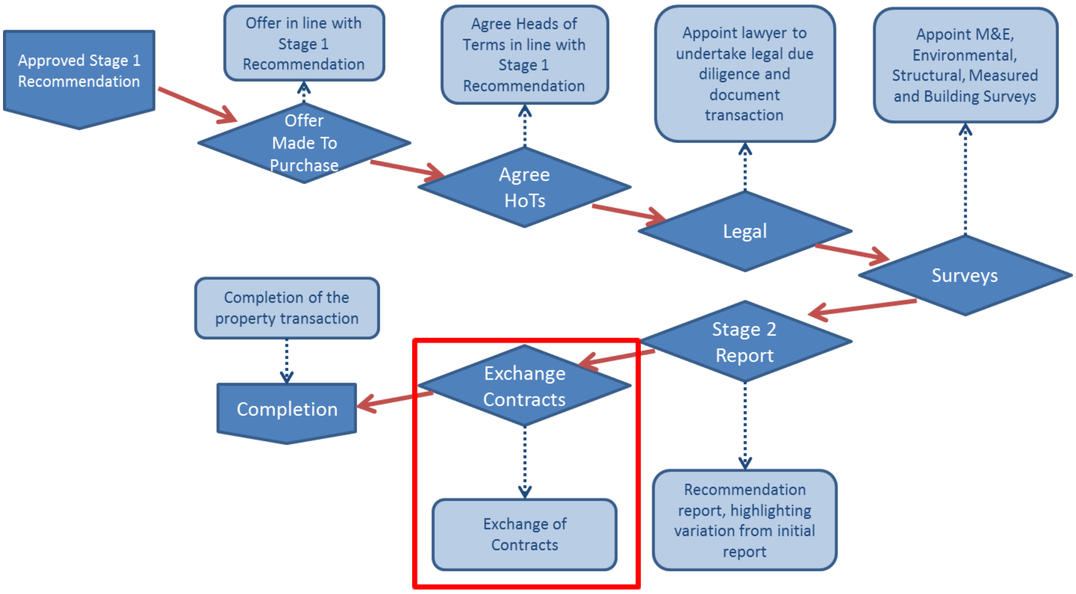
Stage 1 – Initial Recommendation



GOVERNANCE AND MANAGEMENT

In the first stage, we will conduct high-level due diligence based on the facts presented to us. This will allow us to make a recommendation (subject to full commercial, technical and legal due diligence) whether it is an opportunity worth pursuing or not. At this stage, no investment decision is binding and its primary purpose is to allow an offer to be put in within competitive timescales.

Stage 2 – Final Recommendation



During Stage 2 we will coordinate and oversee the due-diligence processes outlined in the diagram above - working closely with the investment agent and your in-house team, challenging assumptions and ensuring the asset is thoroughly underwritten. We will then provide our final recommendation after full consideration of the asset and after input from your other professional advisors.

26. INVESTMENT SOURCING PROCESS

Having a robust introductions process is imperative to ensuring the Council is not at risk of challenge from third party agents, as well as ensuring you have access to the widest possible range of opportunities across the market.

We find that the best solution is for the Council to adopt a blanket response and ask agents to introduce all opportunities directly to us as your investment advisor. This will minimise the impact on Council time and allow us to effectively manage the 'first-past-the-post' introductions process. As you are aware, we have now agreed this process and it is working well.

As a wider team, we receive many introductions from the majority of national and regional agencies in any one day (from our own agency teams and from outside CBRE). Therefore, you will receive access to a wider range of opportunities from across the market.

GOVERNANCE AND MANAGEMENT

27. ONGOING MONITORING AND MANAGEMENT

The portfolio will need ongoing monitoring and management both at portfolio and asset level. The strategy will need to be regularly reviewed (on a bi-annual basis) to ensure it remains relevant given the market conditions and the portfolio is well positioned to achieve the Council's objectives. At an asset level, properties will need to be pro-actively asset managed to maintain the income and identify opportunities for rental growth.

We would recommend reviewing four main considerations as part of the portfolio's ongoing management. These are asset management, property management, performance monitoring and investment timing.

Once acquisitions are made, we will produce an asset plan for each property and will discuss with you the best way to maximise the performance of each asset within your ownership. This will cover items such as tenant engagement strategies and key event dates as well as more value-add initiatives (among others). Certain elements included within the strategy can be performed by us (for example lease renewals with sitting tenants) and some will need to be conducted by third parties (i.e. rent reviews). If third parties need to be involved then we will make recommendation and will manage these third parties on your behalf, ensuring the demands on your time are minimised and you retain a consistently high standard of service.

Furthermore, once you have appointed Valuers we will engage with them on all new acquisitions and will work to challenge them on your behalf through the regular valuations process, to ensure the figures produced are as rigorous and accurate as possible.

CONCLUSIONS AND RECOMMENDATIONS

28. CONCLUSION AND RECOMMENDATIONS

Your primary objective is to acquire real estate investments to generate income to support the Local Authority's wider service delivery. the target income return on acquisition should be between 5.00% and 6.50% per annum to deliver sufficient margin over your current borrowing costs.

We have undertaken a "top down" analytical approach to target sectors which will meet your requirements and offer the best opportunities to maximise returns. We have considered the governance options that will enable you to efficiently create an investment strategy that can achieve your objectives as well as create a diversified portfolio.

Our key findings and recommendations are highlighted below:

- To achieve an acceptable income return, without being over-exposed to risk, TC will need to target assets in the prime and good secondary risk categories.
- Industrial, retail warehouses (including food stores), and alternative investment sectors like budget hotels are forecast to perform comparatively strongly over the medium term.
- We recommend predominantly seeking retail warehouse and industrial opportunities which are forecast to provide more balanced returns over the next five years. Acquisitions in the alternative investment sector, high street retail sector and office sector should be on an opportunity led basis.
- TC should seek to create a diversified portfolio. This could be done through targeting an average lot size of £20-£30 million or by purchasing multi-let properties where the letting risk is spread across several tenants. However, if you were to acquire large single let properties then we would advise ensuring the tenant has a strong covenant and undertaking detailed due diligence on the tenant's accounts. To minimise your letting risk, we advise no more than 10% of the portfolio income should be exposed to a single tenant once the portfolio reaches maturity.

In summary, whilst there are other economic and social objectives, income remains the most important component for TC. Therefore, investing in strong covenants remains a key part of the strategy. The sector recommendations should shape the over-arching sector however individual property fundamentals should remain a key focus (over a default sector bias) with attention given to the location, building quality, rental profile, tenant covenant, lease length, and long term alternative use.

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TRAFFORD COUNCIL

Report to:	**Executive**
Date:	**25 September 2017**
Report for:	**Information**
Report of:	**Executive Member for Corporate Resources**

Report Title

Report on Complaints Determined by the Local Government Ombudsman 2016/17

Summary

There is a statutory duty to report to Members on adverse outcomes of complaints formally investigated by the Local Government Ombudsman. This report sets out the background to this duty, and provides Members with a summary of complaints determined in 2016/17.

Recommendation(s)

That the content of the report be noted.

Contact person for access to background papers and further information:

Name: J.M.J. Maloney
Extension: 4298

Background Papers: None.

Implications:

Relationship to Policy Framework/Corporate Priorities	*Complaint outcomes are potentially relevant across the range of Council policies.*
Financial	*None directly arising from this information report.*
Legal Implications:	*None directly arising from this information report.*
Equality/Diversity Implications	*None directly arising from this information report.*
Sustainability Implications	*None directly arising from this information report.*
Resource Implications e.g. Staffing / ICT / Assets	*None directly arising from this information report.*
Risk Management Implications	*None directly arising from this information report.*
Health & Wellbeing Implications	*None directly arising from this information report.*
Health and Safety Implications	*None directly arising from this information report.*

Background

1. Complaints to the Local Government Ombudsman

Services provided by the Council and agencies working on its behalf are subject to the jurisdiction of the Local Government Ombudsman, who is empowered to investigate complaints of maladministration and / or injustice in relation to the delivery of those services.

Ordinarily the Ombudsman will only investigate complaints which have completed progress through all stages of the Council's Corporate or Statutory complaints procedures. The Ombudsman also operates, for the majority of complaints, a 2-stage assessment process, whereby complaints are only referred for investigation where, on the face of it, it appears that this could be warranted.

It follows from this that the population of complaints actually referred by the Ombudsman for detailed investigation is comparatively small, and will tend to involve the most long-running and intractable issues; there is thus a significant likelihood that any complaint subject to detailed investigation will be upheld.

2. The Requirement to Report to Members

There are two distinct circumstances where reports on Ombudsman complaints are required to Members.

- In rare, and generally particularly serious, cases where the Ombudsman has formally issued a "Public Interest" report, LGA '74 s. 30(1) provides that a report must be made to Members.

- There is a broader requirement, under LGHA '89, to advise Members of any findings of "maladministration", whether under a Public Interest report or a more usual Decision Statement.

3. Change in Ombudsman Complaint Classification / Need to Report

It is many years since the Ombudsman issued a Public Interest report in relation to Trafford. Generally this would only be in the most serious cases of what was deemed to be "maladministration", and in all likelihood where significant injustice to the complainant, arising from that maladministration, had also been identified.

More recently, the Ombudsman amended its classification / definition system, to refer primarily to a binary distinction of complaints as being "Upheld" or "Not Upheld". Crucially, however, *any complaint now deemed to be upheld is classed as "Maladministration"*, however trivial the identified fault, and whether or not any injustice arose to the complainant as a result of that fault. As a result of this descriptive change, the Council now receives comparatively regular findings of "Maladministration". Another consequence of the use of this term to define the finding in these cases is that it also triggers the statutory requirement under LGHA '89 to report on "Maladministration" findings to Members.

Whilst there has been no substantive change in the complaints environment or the Council's performance, this additional reporting requirement has arisen essentially from a change in the Ombudsman's terminology.

4. Complaints 2016/17

For the purposes of this report, the complaints included are those recorded in the Ombudsman's Annual Letter for 2016/17 as having been formally determined within that municipal year.

Annexe A provides for Members' information an anonymised summary of cases where complaints have been upheld, and thus, under the current classification, deemed to involve "maladministration". Details are included of service area, subject of the complaint, and outcome following the Ombudsman's investigation.

Of the 27 complaints formally investigated, 14 (52%) were upheld. It should be noted that owing to the length of investigation several of these related to ongoing complaints primarily handled in the previous year. (In the previous year 60% were upheld; though the small population and timing issues make it difficult to draw any secure conclusions from this.) Of the 14 complaints upheld in 2016/17, 2 involved no remedial action at all; and 4 more involved no direct financial penalty. This suggests that, whilst some administrative fault had been identified, it had comparatively minor if any adverse impact on the complainant. In a number of cases, where "Injustice" has been identified, this has been relatively trivial (minor service failure, inadequate communication, etc.), with correspondingly minor remedies proposed (or indeed no remedy, as any injustice had already been rectified). In 2 cases the Ombudsman agreed that recommended payments could be netted off associated charges owed by the complainants. In general, any more significant impacts resulted not from direct payments recommended, but from complainants being accorded greater access to services and / or protected from recovery of charges which might otherwise have been due. In relation to the small number of complaints which could be considered to be more serious and involving more significant remedies, in none of these cases has the Ombudsman sought to issue a "Public Interest Report". This suggests that in the Ombudsman's terms these are not amongst the most concerning complaints they encounter.

Other Options

None: there is a duty for these findings to be reported to Members.

Reasons for Recommendation

To satisfy a statutory duty in ensuring that Members are informed of the outcome of Ombudsman investigations.

Finance Officer Clearance *(type in initials)* ***NB***
Legal Officer Clearance *(type in initials)* ***JLF***

CORPORATE DIRECTOR'S SIGNATURE Joanne Hyde
To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

OMBUDSMAN DECISIONS 2016/17 – UPHELD COMPLAINTS

Refs.	Notes	Directorate	Description	Outcome
UPHELD:				
14019826	13.4.16	CFWB	Failure to provide suitable education.	Small compensation payments to affected parents and child. (Recommendation to make apology withdrawn by LGO.)
15002412	19.4.16	CFWB	Failure clearly to identify a care home without a top-up fee.	Finding of maladministration but no injustice; no consequent actions to be taken.
14019553	25.4.16	CFWB	Delays / inadequacies in implementing SEN statement following Tribunal decision.	Payments recommended for educational benefit and distress / time / trouble; with review of other procedural issues to be undertaken.
15008807	26.4.16	CFWB	Failure properly to consider home to school transport application / appeal.	Apology; fresh appeal to be held; and Council's policy to be reviewed to ensure clarity.
15020323	4.7.16	EGEI	Failure to impose a planning condition, leading to overlooking.	Council to arrange appropriate tree planting in mitigation. (Alternative resolution then proposed by complainant and agreed by Council.)
15001482	6.7.16	CFWB	Delays in converting learning disability assessment into EHC Plan; & consequent impact on education.	Apology; & payments in support of education, and time and trouble in pursuing the complaint.
15015337	21.7.16	CFWB	Failure to send regular invoices in relation to top-up payments for care services.	Apology; & payment in respect of distress and anxiety (though this to be offset against complainant's existing care debt).

16006630	6.9.16	EGEI	Service failure in relation to assisted collection.	Upheld; but no further action taken since Council had already taken satisfactory steps to remedy the position.
15013600	29.9.16	CFWB / T&R	Accuracy of record-keeping / notifications in respect of social care charges.	Provision of updated records; apology; & time and trouble payment. (NOTE - Significant post-decision discussions with LGO, & agreement that payment be netted off outstanding debts.)
15018837	1.12.16	CFWB	Errors in the making of SEN provision.	Upheld. Alternative school placement agreed; modest payments agreed to complainant and child for time & trouble and for educational benefit.
15014352	16.1.17	CFWB	Failure to ensure appropriate IMCA support in contesting DOL case.	Apology, & time and trouble payment.
16003197	31.1.17	EGEI	Failure to respond properly to correspondence and fault in Committee report.	Apology and advice to service officers. (No financial settlement and no implications for Planning decision.)
16005922	27.2.17	CFWB / T&R	Failure properly to assess contributions to homecare, and consequent recovery implications.	Apology; waiver of outstanding disputed recovery sum and minor time & trouble payment.
16009165	16.3.17	CFWB	Failure to communicate adequately in respect of appropriate safeguarding action taken.	Apology in respect of failure in communication.

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TRAFFORD COUNCIL

Report to: **Executive**
Date: **25 September 2017**
Report for: **Discussion**
Report of: **The Executive Member for Corporate Resources and the Chief Finance Officer**

Report Title:

Budget Monitoring 2017/18 – Period 4 (April to July 2017).

Summary:

The purpose of this report is to inform Members of the current 2017/18 forecast outturn figures relating to both Revenue and Capital budgets. It also summarises the latest forecast position for Council Tax and Business Rates within the Collection Fund.

Recommendation(s)

It is recommended that:

a) the Executive note the forecast revenue budget underspend of £326k
b) the Executive note the additional £600k investment in the highways which has been made possible by the overachievement of income on garden waste collection as detailed in table 2.
c) The executive note the changes to the Capital Programme as detailed in paragraph 17.

Contact person for access to background papers and further information:

David Muggeridge, Finance Manager, Financial Accounting Extension: 4534

Background Papers: None

Relationship to Policy Framework/Corporate Priorities	Value for Money
Financial	Revenue and Capital expenditure to be contained within available resources in 2017/18.
Legal Implications:	None arising out of this report
Equality/Diversity Implications	None arising out of this report
Sustainability Implications	None arising out of this report
Resource Implications e.g. Staffing / ICT / Assets	Not applicable
Risk Management Implications	Not applicable

Health & Wellbeing Implications	Not applicable
Health and Safety Implications	Not applicable

Other Options

Not Applicable

Consultation

Not Applicable

Reasons for Recommendation

Not Applicable

Finance Officer Clearance …*GB*…………..
Legal Officer Clearance *DA*

CORPORATE DIRECTOR'S SIGNATURE …… Joanne Hyde ……

REVENUE BUDGET

Budget Monitoring - Financial Results

1. The approved budget agreed at the 22 February 2017 Council meeting is £160.83m. In determining the budget an overall gap of £25.37m was addressed by a combination of additional resources of £9.80m, including projected growth in business rates, council tax and use of general reserve and £15.57m of service savings and additional income.

2. Based on the budget monitoring for the first 4 months the year end forecast outturn is an underspend of £326k, an adverse movement of £548k since Period 2. This overall position reflects the active process of prudent budget management as managers are acutely aware of the overall budget position of the Council. This position also takes into account planned additional investment in the Council's highways of £600k due to the positive position of the EGEI budget (See Table 2). At this stage caution should be exercised as the projections are based on a number of assumptions including delivery of the significant savings programme in year (see para 8), the ongoing risk to business rate income (see para 15) and the stability of demographic pressures in social care.

3. Detailed below in Table 1 is a summary breakdown of the service and funding variances against budget, with Table 2 providing an explanation of the variances:

Table 1: Budget Monitoring results by Service	**2017/18 Revised * Budget (£000's)**	**Forecast Outturn (£000's)**	**Forecast Variance (£000's)**	**Percent-age**
Children's Services	31,947	32,175	228	0.7%
Adult Services (Inc. Public Health)	58,402	59,261	859	1.5%
Economic Growth, Environment & Infrastructure	38,504	37,937	(567)	(1.5)%
Transformation & Resources	17,057	16,590	(467)	(2.7)%
Total Directorate Budgets	**145,910**	**145,963**	**53**	**0.0%**
Council-wide budgets	14,915	14,536	(379)	(2.5)%
Net Service Expenditure variance	**160,825**	**160,499**	**(326)**	**(0.2)%**
Funding				
Business Rates (see para. 15)	(67,462)	(67,462)	-	
Council Tax (see para. 13)	(88,630)	(88,630)	-	
Reserves	(3,058)	(3,058)	-	
Collection Fund surplus	(1,675)	(1,675)	-	
Funding variance	**(160,825)**	**(160,825)**	**0**	**0.0%**
Net Revenue Outturn variance	**0**	**(326)**	**(326)**	**(0.2)%**
**Dedicated Schools Grant ** **	**124,807**	**124,929**	**122**	**0.1%**
Public Health	**12,178**	**12,178**	**0**	**0.0%**

* A number of budget virements have been made, under delegated powers, since the Period 2 Budget Monitoring Report and are detailed in Annex 1.
** A reduction in grant of £412k since Period 2 to reflect lower numbers of 3 to 4 Year Olds.

Main variances, changes to budget assumptions and key risks

4. The main variances contributing to the projected underspend of £326k, the adverse movement of £548k since Period 2, any changes to budget assumptions and associated key risks are highlighted below:

Table 2: Main variances	Forecast Variance (£000's)	Explanation/Risks
Children's Services	228	The overall forecast position is an overspend of £228k, an adverse movement of £228k since Period 2. The main reason for this is the delay in the implementation of some savings programme activity which is causing a forecast underachievement of £0.4m against the £2.5m savings target in the Children's placement budget. However, this is partly offset by vacancies across the service of £0.2m. The planned increase in foster care allowances of approximately £0.3m is effective from October. However, this cost pressure is not reflected in this monitoring report as this forms part of the Health and Social care transformation bid and thus it is anticipated that this will be funded as part of that programme. The outcome of which will be known by October 2017. The number of children in care as at the end of July 2017 is 378, an increase of 1 from that last reported.

Adult Services / Public Health	859	The overall position is a forecast overspend of £859k, an adverse movement of £859k since Period 2. The majority of this (£0.7m) is in the adult client budget where there is an increase in the cost per person of care reflecting the increased complexity of cases, as well a growing absence of Council rate homecare and bed based provision in the borough. The continually shrinking bed base is increasing the number and costs of top-up fees payable by the Council as is the higher rate of home care packages. The accelerated work on delayed transfers of care, and the growing cohort of older people with complex needs, is continuing. There is also an underachievement of £0.2m on the reablement saving due to a delay in the implementation of this scheme.

Economic Growth, Environment & Infrastructure	(567)	The overall position is a forecast underspend of £567k, a favourable movement of £147k since Period 2. This favourable movement includes business rate refunds on a number of car parks across the borough totalling £181k and backdated income from the let estate of £140k. The previous report also included an estimated £500k overspend associated with risks to the waste disposal levy. Part of this risk relates to the review of waste disposal arrangements at AGMA level and in light of latest information from the GM Waste Disposal Authority the estimated budget risk has been revised down by £312k. The overall underspend also includes £225k from updating the number and expected filling of staff vacancies during the year, which is an increase of £39k from the last report. Parking income projections have improved by £44k, including £23k relating to Oakfield Road car park remaining open. Planning income has also increased by £48k. Other net adverse movements across the Directorate of £17k. The previous monitoring position made reference to the new income from the garden waste collection service which has exceeded budgeted levels by £600k. Given the additional income and reduced spending pressures mentioned above it is now proposed that the £600k be used to support additional investment in the Council's highways.

Transformation & Resources	(467)	The overall underspend of £467k includes staff cost savings of £594k and additional income and reduced running costs, saving £143k. These are offset by a shortfall in the savings associated with School crossing patrols of £270k, albeit other funding sources will be pursued where available. This is an adverse movement of £40k since Period 2. Forecast staff costs are £594k less than budget across the Directorate based on actual and projected vacancies, which is 3.0% of the total staffing budget. This is a favourable movement since Period 2 of £167k. However, this is lower than the average level experienced in 2016/17 of 4.6%, and reflects the ongoing efforts to fill outstanding vacant posts. Projected income levels have increased by a net £70k since Period 2 across a number of services including SLA income mainly related to traded services with schools. Also, other income shortfalls across the Directorate have also reduced. Running costs are currently projected to be £69k below budget, a small adverse movement of £7k.

Council-wide budgets	(379)	The projected outturn position is a forecast underspend of £379k. This is a favourable movement of £432k since Period 2 and relates wholly to the 2016/17 final dividend received from Manchester Airport Group of £3.03m, which is £432k above budget. The net Housing Benefit budget (payments made, less subsidy and overpayment recovery) is above budget by £554k, largely as a result of the successful collection of prior years' housing benefit overpayments. There has been an adverse variance of £208k since Period 2, predominantly as a result of an anticipated loss in benefit subsidy due to an increase in the amount of overpayments being identified. This follows from a routine exercise linking declarations of applicant's income against the HMRC Real Time Information service. As in previous years, there is a high likelihood over time that the overpayments will be recovered, however these will not be included in forecasts until there is evidence of actual receipt. As reported previous, any overachievement on this budget will be transferred into a new earmarked reserve which will be used to smooth the budget reductions required in the 2018/19 budget. The estimated over recovery of £554k is therefore not included in the Council Wide outturn figure.
Dedicated Schools Grant	122	The increase in the projected overspend of £113k relates mainly to an increase in NNDR charges to Schools, following a number of recent revaluations.

Progress against Locality Plan

5. A key element of the Health and Social Care devolution agenda is the submission of a Locality Plan setting out the Council and CCG vision for the greatest and fastest possible improvement in the health and wellbeing of our residents by 2020. This improvement will be achieved by supporting people to be more in control of their lives by having a health and social care system that is geared towards wellbeing and the prevention of ill health; access to health services at home and in the community; and social care that works with health and voluntary services to support people to look after themselves and each other.

6. Work is ongoing on the locality plan and it is anticipated that further work will be required in the coming months to understand how any budget gaps will be addressed. Financial performance against the locality plan is highlighted below in Table 3.

Table 3: Locality Plan Update	2017/18 Budget (£000's)	Outturn (£000's)	Variance (£000's)	Percent-age
Public Health	12,178	12,178	0	0.0%
Adult Social Care	57,180	58,039	859	1.5%
Children and Families	31,960	32,188	228	0.7%
Total	**101,318**	**102,405**	**1,087**	**1.1%**

MTFP Savings and increased income (Vision 2031 Portfolio)

7. The 2017/18 budget is based on the achievement of permanent base budget savings and increased income of £15.57m (see para. 1 above). In addition a number of savings initiatives which underachieved in 2016/17 have been rolled over to the 2017/18 programme totalling £1.36m, giving a total savings target of £16.93m.

8. The latest forecast indicates that total savings of £15.77m have been or are projected to be delivered by 31 March 2018. This represents an underachievement against target of £1.16m and includes £11.15m already achieved (70.7%) and £4.62m (29.3%) still to be achieved. At this stage the current reported monitored position assumes that these savings will be delivered in full, albeit this represents a risk to the overall monitoring position until all management actions to deliver the savings are complete.

RESERVES

9. The pre-audited General Reserve balance brought forward is £6.00m, the approved minimum level agreed by Council in February 2017.

10. Service balances brought forward from 2016/17 were a net £4.11m and are largely allocated to support Vision 2031 Portfolio projects in 2017/18 and later years, however before making firm commitments to utilise these resources consideration will be given to the overall projected outturn position in each directorate.

Table 4: Service balances	**b/f April 2017 (£000's)**
Communities, Families & Wellbeing	(793)
Economic Growth, Environment & Infrastructure	(1,205)
Transformation & Resources	(2,113)
Total (Surplus)/Deficit	**(4,111)**

11. A new earmarked reserve has been established which will be used to hold the Housing Benefit Overpayments recovered during the year in excess of budget. This reserve will be specifically utilised to support future years' budget pressures.

COLLECTION FUND

Council Tax

12. The 2017/18 surplus on the Council Tax element of the Collection Fund is shared between the Council (84%), the Police & Crime Commissioner for GM (12%) and GM Fire & Rescue Authority (4%). The total surplus brought forward as at 1 April 2017 was £2.54m.

13. As at July 2017 the end of year surplus balance is forecasted to be £1.21m, after the application of £1.55m of brought forward surplus . The Council's share of this is £1.02m, and is planned to support future budgets in the MTFP

14. Council Tax collection rate as at 31 July 2017 was 39.9%, the same as the targeted collection rate.

Business Rates

15. The 2017/18 budget included anticipated growth in retained business rates and related S31 grants of £5.46m and at this stage it is still anticipated that this will be achieved in year. However, there still remains significant risk from an increase in business rate appeals but until a more detailed understanding is reached with the Valuation Office Agency on existing appeals, no further increase in the appeals provision over that already assumed in the budget has been made.

16. Business Rates collection rate as at 31 July 2017 was 38.20% compared to a targeted collection rate of 38.24%. However the actual achieved is above the same time last year of 37.54%.

CAPITAL PROGRAMME

17. The value of the indicative 2017/18 Capital Programme set in February 2017 was £65.74m which was updated as a result of 2016/17 outturn and reported in the P2 monitor at £71.71m. Taking into account the addition of external contributions the budget is currently estimated at £72.34m. The changes to the are summarised as follows with details below:

Table 5 - Capital Investment Programme 2017/18	Approved Programme £m	Changes £m	Current Programme £m
Service Analysis:			
Children, Families & Wellbeing	15.30	0.13	15.43
Economic Growth, Environment & Infrastructure	50.20	0.50	50.70
Transformation & Resources	6.21	-	6.21
Total Programme	**71.71**	**0.63**	**72.34**

- **New schemes and increases to existing budgets - £628k**

  Altrincham Town Centre Regeneration - As included in the 2016/17 Budget Outturn report £200k of capital receipt savings, carried over from 2016/17, has been applied to support works to the retaining wall along Moss Lane in Altrincham.

  Schools Capital Investment - £134k of education related S.106 contributions have been added to the Capital Programme to support a range of building improvement schemes, £98k of which has been used to free-up previously allocated grant in order to support new safeguarding and health and safety works.

  Sustainability & Greenspace - A further £264k of parks and open space related S.106 contributions have been added to a range of parks infrastructure and play area refurbishments projects to support and supplement the council's investment. Also £30k of EGEI reserves has been earmarked to support path and habitat improvements at Sale Water Park.

- **Capital Investment Fund** - Approval for a major increase to the fund was agreed at Council on 26 July 2017. The additional investment will be reflected in future monitoring reports.

18. Resourcing of the capital investment programme is made up of both internal and external funding. Details of this are shown in the table below.

Table 6 - Capital Investment Resources 2017/18	Approved Programme £m	Changes £m	Current Programme £m
External:			
Grants	19.84	-	19.84
Contributions	9.64	0.40	10.04
Sub-total	**29.48**	**0.40**	**29.88**
Internal:			
Receipts	15.87	0.20	16.07
Borrowing	25.50	-	25.50
Reserves & revenue	0.86	0.03	0.89
Sub-total	**42.23**	**0.23**	**42.46**
Total Resourcing	**71.71**	**0.63**	**72.34**

Status and progress of projects

19. This section aims to give certainty about delivery and the level of outturn performance that can be expected in 2017/18.

20. There are a number of schemes which, whilst they have started or are still due to start in year, are not now expected to complete until 2018/19. As a result, although the budget is currently £72.34m, estimated outturn is now expected to be £59.80m. Included in the variance are:

- **Capital Investment Fund**: Purchase of the first investment has commenced and a deposit has been paid with completion expected by May 2018.
- **Altrincham – Library / Community facility**: The Council has agreed a £2.0m premium for a 125 year lease of the facility, the balance of £1.74m is now to be paid in September 2018.
- **Additional Burial Land**: The purchase of the land from the National Trust is expected to complete this year, whilst the required infrastructure works, at an estimated cost of £436k, are programmed to start in 2018/19.

21. As part of the monitoring process a record of the “milestones” reached by each project is kept to show the progress of the scheme from inclusion in the Programme through to completion. The table below shows the value of the programme across the milestone categories:

Table 7 - Status on 2017/18 Projects	Current Budget £m	Percentage of Budget
Already complete	10.12	14%
On site	46.21	63%
Programmed to start later in year	11.73	16%
Not yet programmed	4.28	7%
Total	**72.34**	**100%**

22. The first three categories give a good indication as to the level of confirmed expenditure to be incurred during the year. As can be seen £68.06m (93%) of the budget has now been committed or is programmed to start in the year.

23. Schemes with a value of £4.28m are classed as “Not yet programmed” and relates to budgets where specific projects have not yet been agreed or final business cases are still being developed. The outcome of these business cases will determine progress and delivery but it is intended that these projects will be delivered in year.

Issues / Risks

24. The main risk in the area of the capital programme is the timely delivery of the programme and this situation will continue to be closely monitored and any issues will be reported as and when they arise.

Recommendations

25. That the Executive note the report and the changes to the Capital Programme as detailed in paragraph 17.

Table 2: Virements	Children's (£000's)	Adults (£000's)	EGEI (£000's)	T&R (£000's)	Council-wide (£000's)	Total (£000's)
Period 2 Report	**32,015**	**58,156**	**38,585**	**17,174**	**14,895**	**160,825**
Public Health income budget re-aligned from Adult to Children's services.	(75)	75				
An element of the Agile Working Budget moved from Adults to Children's Early Years' service to cover the statutory costs of the Trafford Directory System.	9	(9)				
Performance systems contracts re-alignment	(2)			2		
Senior Accounting Technician post moved from CFW Reshaping Team to CFW Finance Team in T&R.		(36)		36		
NHS funding budget now managed by Partnerships and Communities service.		216		(216)		
AGMA Projects budgets re-alignment.			(2)	(22)	24	
Income from GMSS Trading Account for support services.			(79)	83	(4)	
Total virements	**(68)**	**246**	**(81)**	**(117)**	**20**	**0**
Period 4 Report	**31,947**	**58,402**	**38,504**	**17,057**	**14,915**	**160,825**

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TRAFFORD COUNCIL

Report to: Executive
Date: 25 September 2017
Report for: Information
Report of: Executive Member for Corporate Resources

<u>Report Title</u>

Annual Delivery Plan 2017/18 (First Quarter) Performance Report

<u>Summary</u>

The attached report provides a summary of performance against the Council's Annual Delivery Plan, 2017/18. The report covers the period 1st April to 30th June 2017.

<u>Recommendations</u>

1. That Executive notes the contents of the Annual Delivery Plan First Quarter Performance Report.

2. That an additional annual indicator reporting on the level of inward investment into Trafford be included under the housing and economic growth theme.

<u>Contact person for access to background papers and further information:</u>

Name: Peter Forrester
Extension: 1815

Background Papers: None

Relationship to Policy Framework/Corporate Priorities	The Annual Delivery Plan 2017/18 Quarter 1 Performance report summarises the Council's performance in relation to the Council's Corporate Priorities.
Financial	Not Applicable
Legal Implications:	None
Equality/Diversity Implications	None
Sustainability Implications	None
Staffing/E-Government/Asset Management Implications	None
Risk Management Implications	None
Health and Safety Implications	Not applicable

1.0 Background

1.1 The report provides a summary of performance against the Council's Annual Delivery Plan Annual Delivery Plan 2017/18, and supporting management information, for the period1st April to 30th June 2017.

1.2 The Council's Annual Delivery Plan reports key Performance Indicators against the Vision for Trafford 2031 outcomes established for each of the 6 Borough-wide Interventions:

- Mersey Valley becomes a significant visitor attraction that connects the North to the South of the Borough
- Creating a national beacon for sports, leisure and activity for all, making Trafford a destination of choice
- Accelerate housing and economic growth so everybody benefits
- Co-designing and co-producing services to enable people, communities and businesses to work together, help themselves and each other
- Building Strong Communities
- Optimising technology to improve lives and productivity

2.0 Performance Update

2.1 The ADP has 49 indicators: 28 of these have been reported in the first quarter, 20 are indicators reported annually, and one has no Q1 data available until October (see section 2.7 below).

2.2 Overall, performance in meeting targets remains good. There are 18 green indicators (on target), 3 amber and 5 red indicators (below target). Two new indicators have no target for Q1, and therefore no RAG status or direction of travel (see section 2.6 below).

2.3 The following indicators are rated as green (on target):

- The percentage of relevant land and highways assessed as Grade B or above (Predominantly free of litter, leaves and refuse, apart from small items such as cigarette ends, ring pulls, stone chippings etc.)
- Percentage of Highway safety inspections carried out in full compliance with the agreed programme
- Trafford is the Safest Place in GM
- Growth in retained business rates and related S31 grants
- Percentage of Council Tax collected
- Percentage of ground floor vacant units in town centres
- Admissions to Residential or Nursing Care for Older People during the year per 100,000 population
- The proportion of older people (aged 65 and over) who were still at home 91 days after discharge
- Children who are "looked after" rate per 10,000
- Number of NHS Health Checks delivered to the eligible population aged 40-74
- Number of Locality Networking Events held per locality per year
- Number of third sector organisations receiving intensive support

- Number of new volunteers recruited through Thrive portal and volunteer infrastructure service
- No. of Be Responsible events in relation to environmental responsibility (litter, dog fouling, fly-tipping, etc.)
- Improve the % of household waste arisings which have been sent by the Council for recycling/composting
- Percentage of Trafford pupils educated in a Good or Outstanding school
- Reduction in the number of Working Age Benefit Claimants
- Increase in online transactions

2.4 The following are 10% below target (amber) and exception reports have been produced.

- Percentage of major planning applications processed within timescales
- Reduction in the proportion of children made subject to a Child Protection Plan for a second or subsequent time
- Maintain the low level of 16-17 year olds who are not in education training or employment (NEET) in Trafford

2.5 The following are more than 10% below target (red) and exception reports have been, or will be produced:

- The number of housing units granted complete planning consent
- The number of housing completions
- Delayed Transfers of Care attributable to Adult Social Care per 100,000 pop 18+
- % of repeat referrals to children's social care
- Reduce the level of sickness absence (Council wide excluding schools)

2.6 Two indicators are new and therefore have no RAG status or Direction of Travel:

- Percentage of tender exercises resulting in Social Value KPIs
- Through the Trafford Pledge increase the number of people into employment

2.7 The following indicator cannot be reported, as no data is available for first quarter, until 18th October 2017:

- Increase the Percentage of Trafford Residents in Employment

3.0 New Indicator

3.1 It is proposed that a new indicator be added to the annual delivery plan and reported on annually. The indicator will be under the housing and economic growth theme and will measure the level of inward investment into Trafford. It will be an annual indicator and no target will be set for this year.

Finance Officer Clearance *(type in initials) NB*
Legal Officer Clearance *(type in initials) DA*

CORPORATE DIRECTOR'S SIGNATURE

To confirm that the Financial and Legal Implications have been considered and the Executive Member has cleared the report.

HOLD FAST THAT WHICH IS GOOD

TRAFFORD
COUNCIL

ANNUAL DELIVERY PLAN 2017/18
Performance Report Quarter 1

1. Purpose and scope of the report

The report provides a summary of performance against the Council's Annual Delivery Plan (ADP) 2017/18 at the end of Quarter 1 (April to June) and supporting management information.

The Council's Annual Delivery Plan reports key Performance Indicators against the Vision for Trafford 2031 outcomes established for each of the 6 Borough-wide Interventions.

- Mersey Valley becomes a significant visitor attraction that connects the North to the South of the Borough
- Creating a national beacon for sports, leisure and activity for all, making Trafford a destination of choice
- Accelerate housing and economic growth so everybody benefits
- Co-designing and co-producing services to enable people, communities and businesses to work together, help themselves and each other
- Building Strong Communities
- Optimising technology to improve lives and productivity

Initial work has been carried to assess how these interventions could be applied proportionately to the places that make up Trafford to deliver the vision and reduce inequalities whilst retaining each area's unique character. This will mean involving communities and bringing them closer together and working with businesses, particularly in relation to investment. Currently there are no performance measures relating to the first intervention – the Mersey Valley becoming a significant visitor attraction.

Direction of travel is provided, where data is available.

All measures have a Red/Amber/Green assessment of current performance. This is based on actual data or a management assessment of performance (Section 4). The dashboard dials provides a clear picture of where current performance is relative to the RAG rating and more information is provided on subsequent pages.

For Vision 2031 indicators, where actual or expected performance is red or amber an Exception Report is included in the commentary (Section 5).

2. Performance Key

G Performance meets or exceeds the target	⬆	**Performance has improved compared with the previous period**
A Performance is within the agreed % of the target	⬅➡	**Performance is the same compared with the previous period**
R Performance is more than the agreed % of the target	⬇	**Performance has worsened compared with the previous period**

Where data is shaded, this indicates an estimated result and an assessment of performance by the Strategic Lead.

R	A	G

3. Performance Results

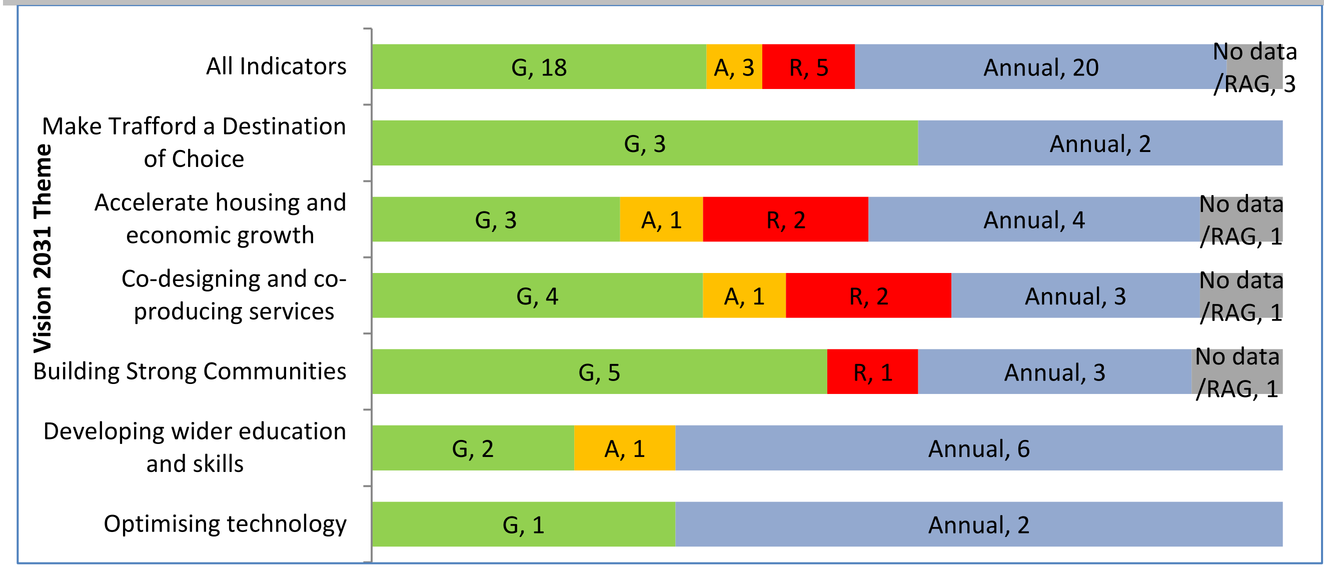
3.1 Performance Summary Dashboard

The table below shows a summary of all performance indicators. The RAG column shows both the RAG status and direction of travel compared to the previous reporting period. A tick appears in the final column if an Exception Report is attached (page 20 onwards).

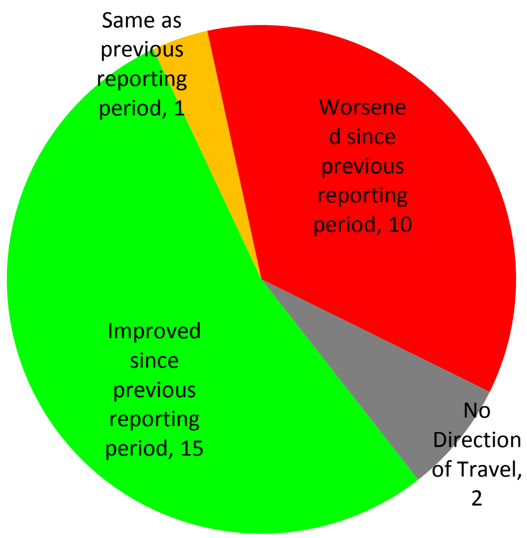
		DEFINITION	Target	Actual	RAG	ER
Vision 2031 Theme	Make Trafford a Destination of Choice	The percentage of relevant land and highways assessed as Grade B or above	83%	88%	↑	
		Percentage of Highway safety inspections carried out in full compliance with the agreed programme	100%	97%	↓	
		Trafford is the Safest Place in GM	1	1	↔	
	Accelerate housing and economic growth	Growth in retained business rates and related S31 grants (£m)	6	6	↑	
		Percentage of Council Tax collected	30.45%	30.52%	↑	
		Percentage of ground floor vacant units in town centres	10%	9.6%	↑	
		Percentage of major planning applications processed within timescales	96%	94%	↓	✓
		The number of housing units granted complete planning consent	250	143	↓	✓
		The number of housing completions	100	50	↓	✓
	Co-designing and co-producing services	Admissions to Residential or Nursing Care for Older People during the year per 100,000 population (ASCOF 2Aii)	150	106	↑	
		The proportion of older people (aged 65 and over) who were still at home 91 days after discharge (ASCOF 2Bi)	87%	87.9%	↑	
		Reduction in the proportion of children made subject to a Child Protection Plan for a second or subsequent time	23%	24.3%	↓	✓
		Delayed Transfers of Care attributable to Adult Social Care per 100,000 pop 18+ (ASCOF 2Cii)	10	13.95	↑	✓
		% of repeat referrals to children's social care	23%	27.5%	↓	✓
		Children who are "looked after" rate per 10,000	71	70	↑	
		Number of NHS Health Checks delivered to the eligible population aged 40-74.	1500	1563	↑	
		Percentage of tender exercises resulting in Social Value KPIs	N/A	31%	↓	
	Building Strong Communities	No of Locality Networking Events held	4	4	↓	
		Number of third sector organisations receiving intensive support	15	16	↓	
		Number of new volunteers recruited through Thrive portal and volunteer infrastructure service	38	91	↑	
		Through the Trafford Pledge increase the number of people into employment	N/A	26	↓	
		No. of Be Responsible events in relation to environmental responsibility (litter, dog fouling, fly-tipping, etc.)	23	41	↑	
		Improve the % of household waste arisings which have been sent by the Council for recycling/composting	59.5%	62.8%	↑	
		Reduce the level of sickness absence (Council wide) (Days)	8.5	10.16	↑	✓
	Developing wider education and skills	% of Trafford pupils educated in a Good or Outstanding school.	94%	95.7%	↑	
		Reduction in the number of Working Age Benefit Claimants	13,346	13,140	↑	
		Maintain the low level of 16-17 year olds who are not in education training or employment (NEET), plus unknown, in Trafford	5.5%	5.9%	↓	✓
	Optimising technology	Increase in online transactions	5%	5%	↓	

3.2 Performance Summary Charts

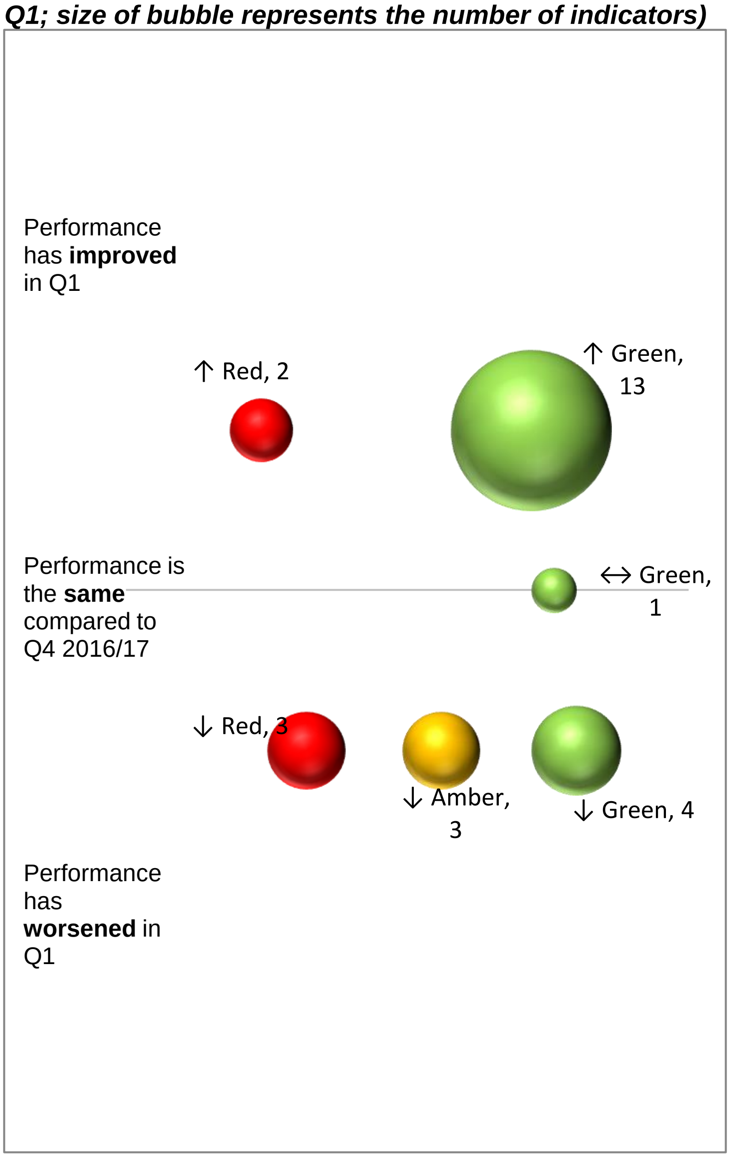
Performance Indicator RAG Status by Vision 2031 Theme



Direction of Travel of all Performance Indicators



***Direction of Travel and RAG status** (Position in relation to central line indicates direction of travel in Q1; size of bubble represents the number of indicators)*



The ADP has 49 indicators: 28 have been reported in Q1, 20 are indicators reported annually, and 1 has no Q1 data available until October.

There are 18 Green indicators (on target), 3 Amber and 5 Red. Two new indicators have no target for Q1, and therefore no RAG status or direction of travel.

15 have improved since last period (previous quarter, or 2016/17 out-turn), 1 has stayed the same and 10 have worsened since the last reporting period.

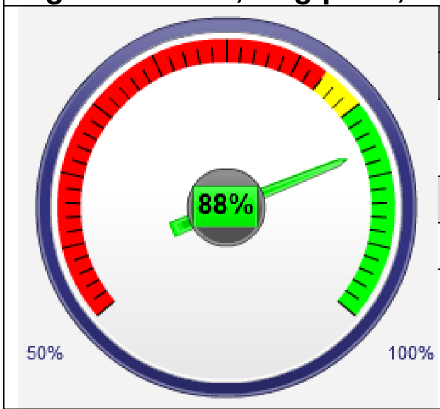
Section 4 – Performance Information

Creating a national beacon for sports, leisure and activity for all - make Trafford a Destination of Choice

Percentage of adults undertaking less than 30 minutes of moderate intensity physical activity each week

Current Performance			
Actual	Target	DOT	Status
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
25.5% (2014/15)	23.9%		A

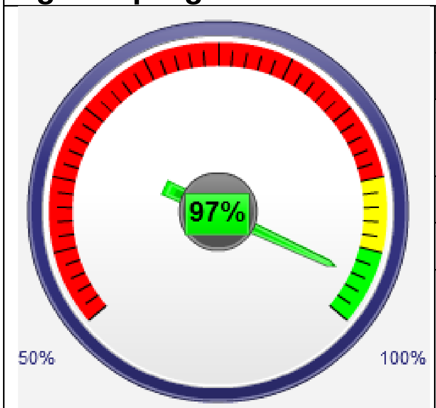
The percentage of relevant land and highways assessed as Grade B or above (Predominantly free of litter, leaves and refuse, apart from small items such as cigarette ends, ring pulls, stone chippings etc.)



Current Performance			
Actual	Target	DOT	Status
88%	83%	⬆	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
83.1%	83%	83.1%	Q

One Trafford Partnership indicator

Percentage of Highway safety inspections carried out in full compliance with the agreed programme

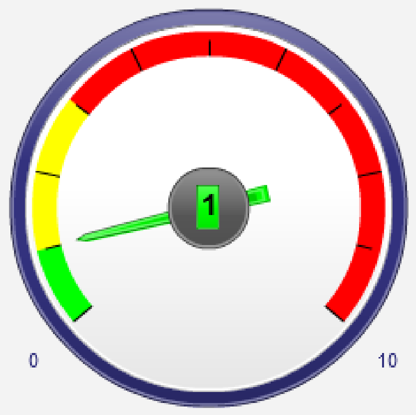


Current Performance			
Actual	Target	DOT	Status
97%	100%	⬇	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
98.3%	100%	98.3%	Q

One Trafford Partnership indicator

Creating a national beacon for sports, leisure and activity for all - make Trafford a Destination of Choice

Trafford is the Safest Place in GM



Current Performance			
Actual	**Target**	**DOT**	**Status**
1st	1st	⬅➡	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
1st	1st	1st	M

Increase visitor numbers to Sale Waterside Art Centre by 5%

Current Performance			
Actual	**Target**	**DOT**	**Status**
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
108,000	113,400	108,000	A

Accelerate housing and economic growth

Total Gross Value Added *(The total value of goods + services produced in the area)*

Current Performance			
Actual	Target	DOT	Status
Reported Annually			
16/17 Actual	17/18 Target	Previous	Frequency
£6.9	£7.4	£6.9	A

Number of new business starts

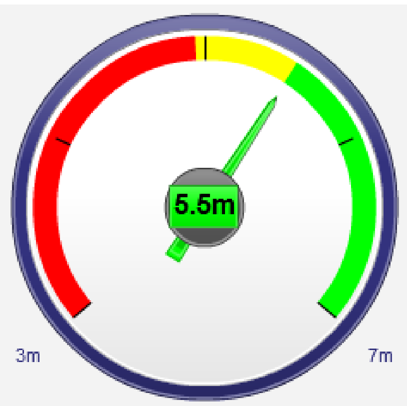
Current Performance			
Actual	Target	DOT	Status
Reported Annually			
16/17 Actual	17/18 Target	Previous	Frequency
	300		A

Increase the Percentage of Trafford Residents in Employment

Current Performance			
Actual	Target	DOT	Status
Data not available until 2nd Quarter			
16/17 Actual	17/18 Target	Previous	Frequency
80%	82%	80%	Q

Q1 Data not released until 18th October 2017

Growth in retained business rates and related S31 grants (£ Millions)

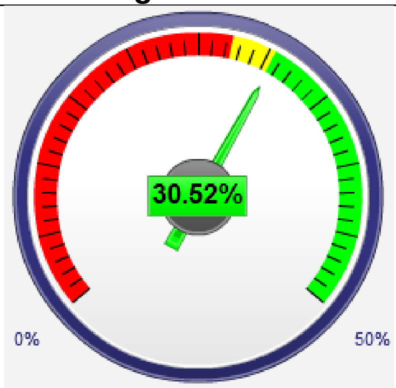


Current Performance			
Actual	Target	DOT	Status
5.5	5.5	⬆	G
16/17 Actual	17/18 Target	Previous	Frequency
3.13	5.5	3.13	Q

The 2017/18 budget included anticipated growth in retained business rates and related S31 grants of £5.46m and at this stage it is still anticipated that this will be achieved in year. However, there still remains significant risk from an increase in business rate appeals but until a more detailed understanding is reached with the Valuation Office Agency on existing appeals, no further increase in the appeals provision over that already assumed in the budget has been made.

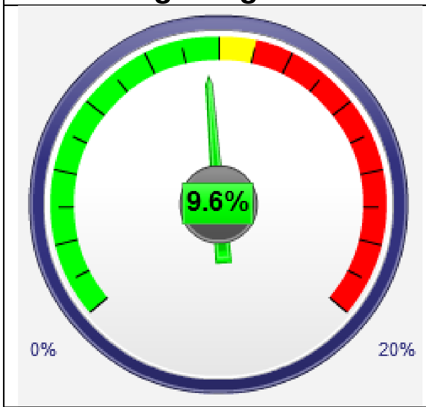
Accelerate housing and economic growth

Percentage of Council Tax collected



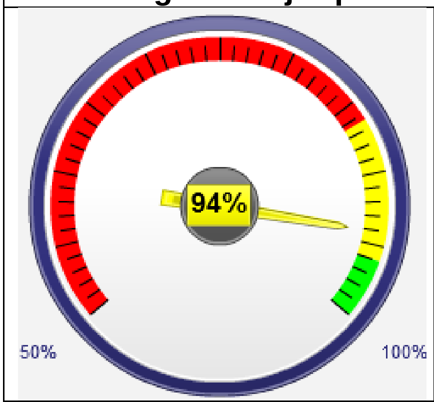
Current Performance			
Actual	**Target**	**DOT**	**Status**
30.52%	30.5%	↑	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
98.2%	98%	98.2%	Q

Percentage of ground floor vacant units in town centres



Current Performance			
Actual	**Target**	**DOT**	**Status**
9.6%		↑	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
10.8%	10%	10.8%	Q

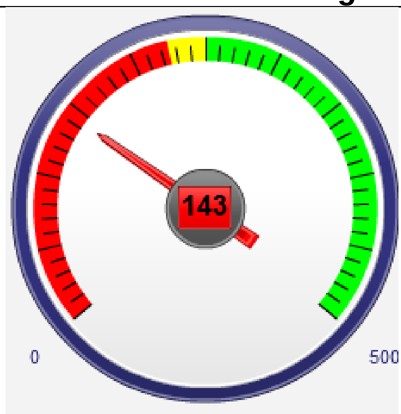
Percentage of major planning applications processed within timescales



Current Performance			
Actual	**Target**	**DOT**	**Status**
94%	96%	↓	A
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
98%	96%	98%	Q

See attached Exception Report on Page 20

The number of housing units granted complete planning consent

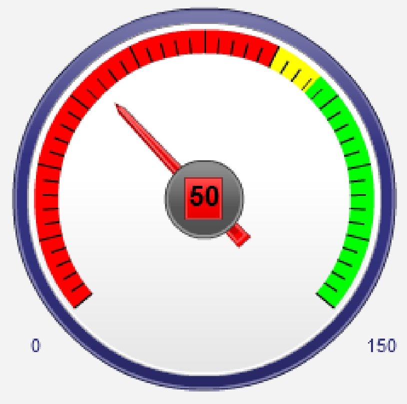


Current Performance			
Actual	**Target**	**DOT**	**Status**
143	250	↓	R
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
754	1000	754	Q

See attached Exception Report on Page 22

Accelerate housing and economic growth

The number of housing completions



Current Performance			
Actual	**Target**	**DOT**	**Status**
50	100	⬇	R
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
176	400	176	Q

See attached Exception Report on Page 23

The percentage of food establishments within Trafford which are 'broadly compliant with food law'

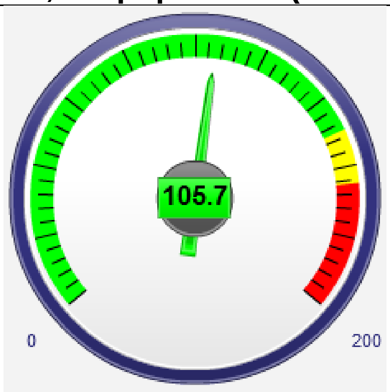
Current Performance			
Actual	**Target**	**DOT**	**Status**
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
86%	87%	86%	A

To maintain effective real time air quality monitoring, across the Borough, at three permanent sites that are part of the GM air quality (NO2) monitoring network.

Current Performance			
Actual	**Target**	**DOT**	**Status**
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
	80%		A

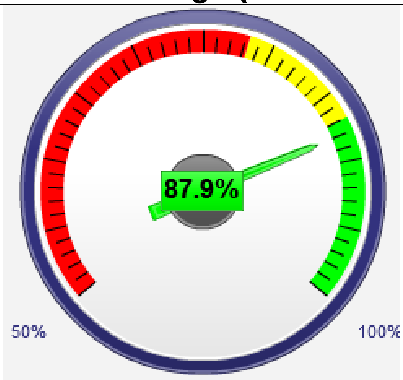
Co-designing and co-producing services to enable people, communities and businesses to work together, help themselves and each other

Admissions to Residential or Nursing Care for Older People during the year per 100,000 population (ASCOF 2Aii)



Current Performance			
Actual	**Target**	**DOT**	**Status**
105.7	150	↑	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
705	600	705	Q

The proportion of older people (aged 65 and over) who were still at home 91 days after discharge (ASCOF 2Bi)

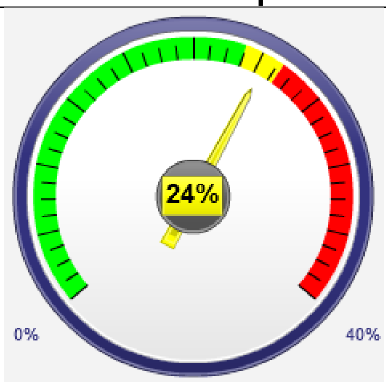


Current Performance			
Actual	**Target**	**DOT**	**Status**
87.9%	87%	↑	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
86%	94%	86%	Q

Injuries due to falls in people aged 65 and over (per 100,000 population)

Current Performance			
Actual	**Target**	**DOT**	**Status**
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
2,316	2,194	2,316	A

Reduction in the proportion of children made subject to a Child Protection Plan for a second or subsequent time

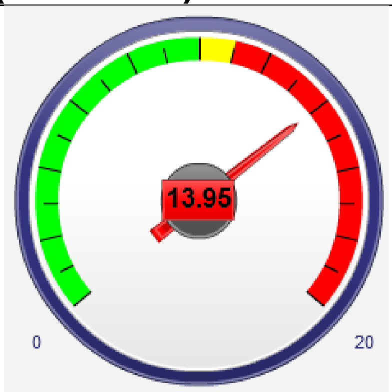


Current Performance			
Actual	**Target**	**DOT**	**Status**
24%	23%	↓	A
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
24.1%	23%	24.1%	Q

See attached Exception Report on Page 25

Co-designing and co-producing services to enable people, communities and businesses to work together, help themselves and each other

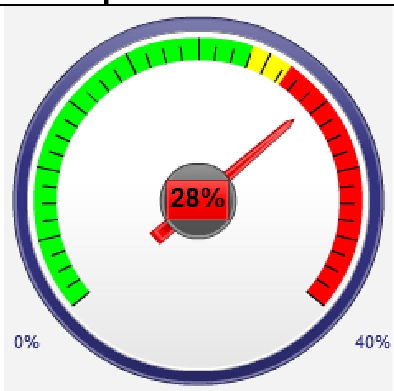
Delayed Transfers of Care attributable to Adult Social Care per 100,000 pop 18+ (ASCOF 2Cii)



Current Performance			
Actual	**Target**	**DOT**	**Status**
13.95	10	↑	R
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
18.3	10	18.30	M

See attached Exception Report on Page 27

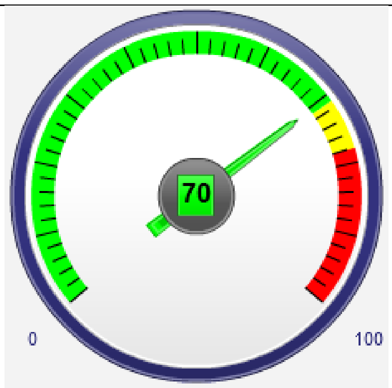
% of repeat referrals to children's social care



Current Performance			
Actual	**Target**	**DOT**	**Status**
28%	23%	↓	R
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
24%	23%	24%	Q

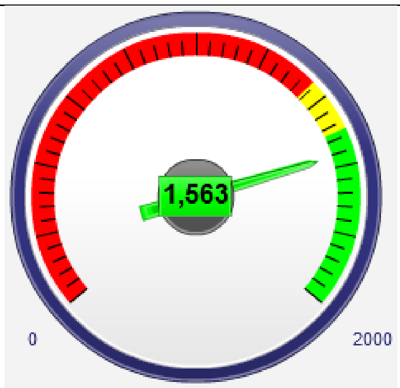
See attached Exception Report on Page 30

Children who are "looked after" rate per 10,000



Current Performance			
Actual	**Target**	**DOT**	**Status**
70	71	↑	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
70.9	65	70.9	Q

Number of NHS Health Checks delivered to the eligible population aged 40-74



Current Performance			
Actual	**Target**	**DOT**	**Status**
1,563	1,500	↑	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
5,850	6,000	5,850	Q

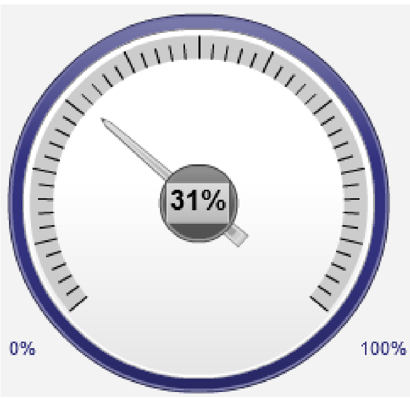
Co-designing and co-producing services to enable people, communities and businesses to work together, help themselves and each other

Reduce the number of repeat demand incidents at addresses or locations by 20% that are linked to:

- **Domestic Abuse;**
- **Missing from Home / Care;**
- **Alcohol or Substance Misuse**

Current Performance			
Actual	**Target**	**DOT**	**Status**
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
DA 300 MFC 40% ASB 445	DA 270 MFC 30% ASB 400		A

Percentage of tender exercises resulting in Social Value KPIs



Current Performance			
Actual	**Target**	**DOT**	**Status**
31%	TBC	↓	No target set
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
52%	TBC	52%	A

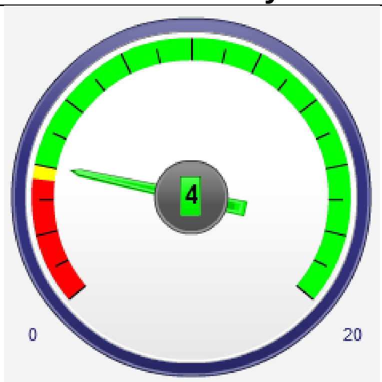
- 16 local employment opportunities (valued circa £200k based on minimum wage)
- 14 apprenticeships and training opportunities (valued circa £95k based on minimum wage)

Percentage of income generating targets that are linked to savings that are achieved

Current Performance			
Actual	**Target**	**DOT**	**Status**
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
100%	100%	100%	A

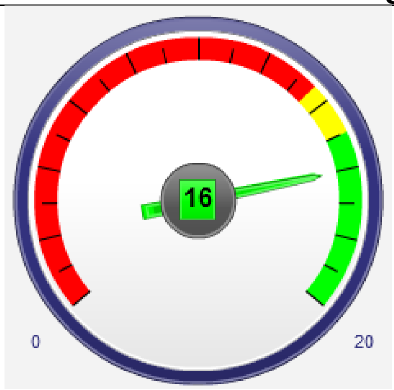
Building Strong Communities

Number of Locality Networking Events held per locality per year



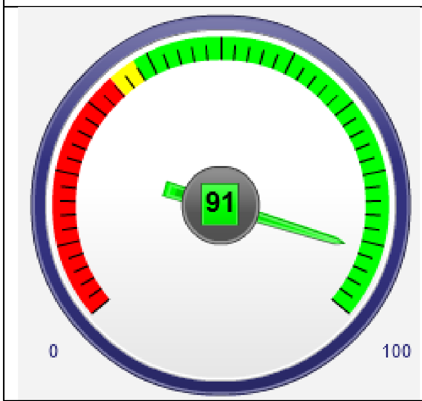
Current Performance			
Actual	**Target**	**DOT**	**Status**
4	4	↔	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
16	20	16	Q

Number of third sector organisations receiving intensive support



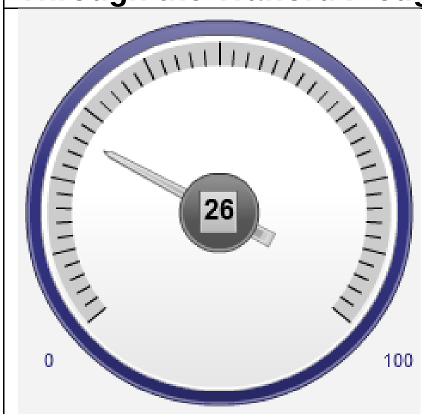
Current Performance			
Actual	**Target**	**DOT**	**Status**
16	15	↓	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
127	120	127	Q

Number of new volunteers recruited through Thrive portal and volunteer infrastructure service



Current Performance			
Actual	**Target**	**DOT**	**Status**
91	38	↑	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
	150		Q

Through the Trafford Pledge increase the number of people into employment



Current Performance			
Actual	**Target**	**DOT**	**Status**
26	No Target set	N/A	N/A
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
370	200		Q

Building Strong Communities

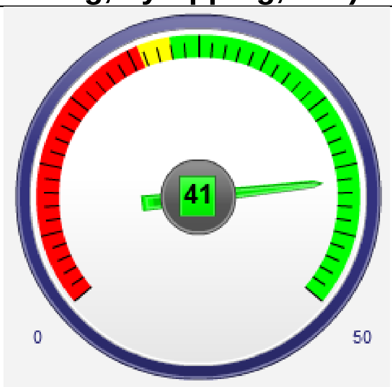
Under 75 mortality rate from liver disease (per 100,000 population)

Current Performance			
Actual	**Target**	**DOT**	**Status**
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
22.1	21	22.1	A

Smoking Prevalence in adults in routine and manual occupations

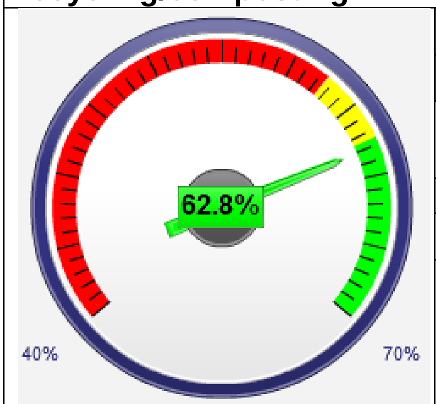
Current Performance			
Actual	**Target**	**DOT**	**Status**
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
29.3%	27.7%	29.3%	A

No. of Be Responsible events in relation to environmental responsibility (litter, dog fouling, fly-tipping, etc.)



Current Performance			
Actual	**Target**	**DOT**	**Status**
41	23	⬆	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
	90		Q

Improve the % of household waste arisings which have been sent by the Council for recycling/composting

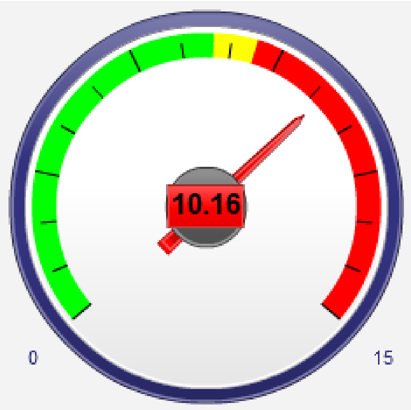


Current Performance			
Actual	**Target**	**DOT**	**Status**
62.8%	59.5%	⬆	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
61.0%	59.5%	61.0%	Q

One Trafford Partnership indicator

Building Strong Communities

Reduce the level of sickness absence (Council wide excluding schools) (Days)



Current Performance			
Actual	**Target**	**DOT**	**Status**
10.16	8.5	⬆	R
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
10.24	8.5	10.24	Q

See attached Exception Report on Page 32 for Quarter 1 performance.

The sickness absence to the end of August is 10.07 days, which is still red, but marginally better than Q1 performance. The actions within the Exception Report are ongoing.

Reduce the gender pay gap (Council wide excluding schools)

Current Performance			
Actual	**Target**	**DOT**	**Status**
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
12.56%	10%	12.56%	A

Developing a Wider Education and Skills Offer That Better Connects People to Jobs

Proportion of children achieving a 'Good Level of Development' ('School Readiness') at Early Years Foundation Stage

Current Performance			
Actual	**Target**	**DOT**	**Status**
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
73.8%	74%	73.8%	A

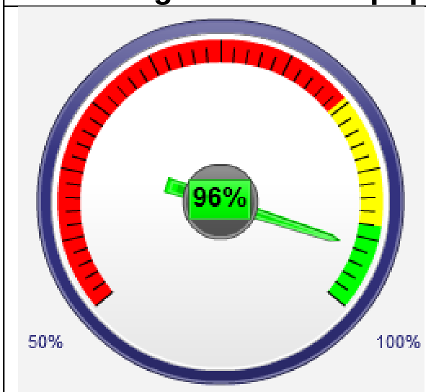
Proportion of pupils at Key Stage 2 achieving excepted levels in Reading, Writing and Mathematics

Current Performance			
Actual	**Target**	**DOT**	**Status**
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
66%	70%	66%	A

Key Stage 4: Average Attainment 8 (A8) score

Current Performance			
Actual	**Target**	**DOT**	**Status**
Reported Annually			
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
56.7	57	56.7	A

Percentage of Trafford pupils educated in a Good or Outstanding school



Current Performance			
Actual	**Target**	**DOT**	**Status**
96%	94%	⬆	G
16/17 Actual	**17/18 Target**	**Previous**	**Frequency**
94%	95%	94%	Q

Developing a Wider Education and Skills Offer That Better Connects People to Jobs

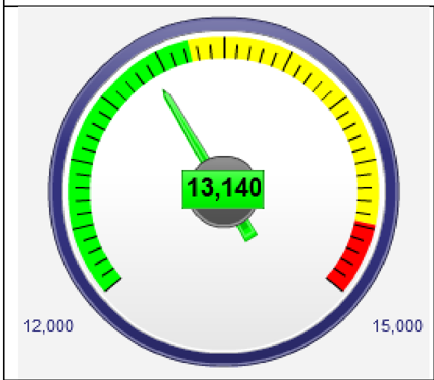
Proportion of 'Disadvantaged' pupils at Key Stage 2 achieving expected standard in Reading/Writing/Maths

Current Performance			
Actual	Target	DOT	Status
Reported Annually			
16/17 Actual	17/18 Target	Previous	Frequency
44%	44%	44%	A

Key Stage 4: Average Attainment 8 score for 'Disadvantaged' pupils

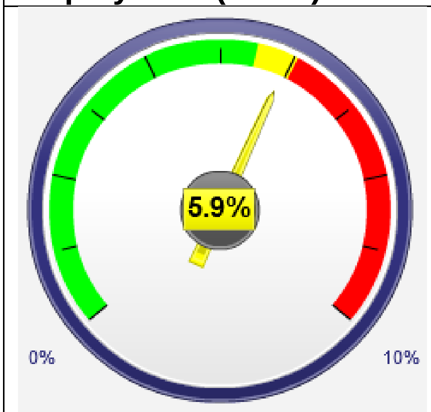
Current Performance			
Actual	Target	DOT	Status
Reported Annually			
16/17 Actual	17/18 Target	Previous	Frequency
43.6	45	43.6	A

Reduction in the number of Working Age Benefit Claimants



Current Performance			
Actual	Target	DOT	Status
13,140	13,346	⬆	G
16/17 Actual	17/18 Target	Previous	Frequency
13,515	12,840	13,515	Q

Maintain the low level of 16-17 year olds who are not in education training or employment (NEET) in Trafford



Current Performance			
Actual	Target	DOT	Status
5.9%	5.5%	⬇	A
16/17 Actual	17/18 Target	Previous	Frequency
5.59%	5.5%	5.59%	M

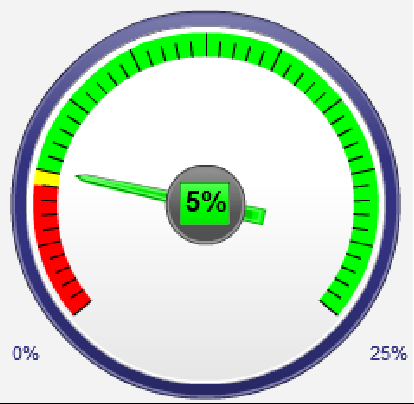
See attached Exception Report on Page 34

Developing a Wider Education and Skills Offer That Better Connects People to Jobs

Increased no. of Apprenticeships				
	Current Performance			
	Actual	Target	DOT	Status
	Reported Annually			
	16/17 Actual	17/18 Target	Previous	Frequency
	19	123	19	A

Optimising technology to improve lives and productivity

Increase in online transactions



Current Performance			
Actual	Target	DOT	Status
5%	5%	⬇	G
16/17 Actual	17/18 Target	Previous	Frequency
20%	20%	20%	Q

Reduction in printing costs from 2016/17 baseline

Current Performance			
Actual	Target	DOT	Status
Reported Annually			
16/17 Actual	17/18 Target	Previous	Frequency
	5%		A

Reduction in postage costs from 2016/17 baseline

Current Performance			
Actual	Target	DOT	Status
Reported Annually			
16/17 Actual	17/18 Target	Previous	Frequency
	5%		A

5. Exception Reports

5.1 Accelerate housing and economic growth

Theme / Priority:	**Accelerate Housing & Economic Growth**		
Indicator / Measure detail:	Percentage of major planning applications processed within timescales.		
Baseline:			
Target and timescale:	96% 2017-18	**Actual and timescale:**	94% Q1 2017-18
Why is performance at the current level?			
• Is any variance within expected limits? • Why has the variance occurred? • Is further information available to give a more complete picture of performance? • What performance is predicted for future periods?			
The number of major applications submitted to and determined by the Council every quarter is a small number. There were 18 such applications determined in Q1. 17 of these were determined within timescales. Therefore the determination of a single planning application outside of timescales has led to performance dropping below target. The application that was not determined within timescales was for a residential development of ten dwellings. The delay to determination was specifically as a result of the cancellation of an 'ordinary' Planning Committee in April 2017 to enable the consideration of the Carrington planning applications following their deferral at the specially convened March meeting. It is anticipated that as the number of applications determined increases, performance will remain on track as single applications have less impact on any variance in performance.			
What difference does this make – the implications of not meeting target?			
• Impact on service users/public. • Impact on corporate priorities and plans. • Impact on service/partner priorities. • Impact on equalities, sustainability or efficiency Can we move resources to support this or other priorities?			
It is unlikely that the determination of a single planning application outside of timescales, where Members overturned an officer recommendation to approve and the application was consequently refused, would have any wider impact. It is important, however, to maintain performance on major applications to ensure a continuing pipeline of schemes coming forward to support economic growth and investment in the Borough.			
How can we make sure things get better?			
• What activities have been or will be put in place to address underperformance? Make specific reference to action plans. • When performance will be brought back on track? • Assess the need for additional resources/funding/training/investment. • Identify the source of additional resources/funding/training/investment.			

• Consult with other services, staff, managers, relevant Members and partners.
The Planning and Development Service continues to focus resource in its Major Developments Team, seek opportunities for developer funding through Planning Performance Agreements to maintain this resource and review process and procedure. These measures assist in maintaining performance on major applications. It is unlikely that the specific circumstances which caused delay to this application (i.e. the cancellation of a Planning Committee) will arise again.

Theme / Priority:	Accelerate Housing & Economic Growth		
Indicator / Measure detail:	The number of housing units granted complete planning consent.		
Baseline:			
Target and timescale:	2017-18 1000 Quarterly target 250	**Actual and timescale:**	143 Q1 2017-18

Why is performance at the current level?

- Is any variance within expected limits?
- Why has the variance occurred?
- Is further information available to give a more complete picture of performance?
- What performance is predicted for future periods?

There are currently a number of major planning applications for residential development which are expected to be determined shortly as they have a resolution to grant planning permission from Planning Committee but await the completion of a legal agreement to secure developer contributions in order to issue the planning permission. These equate to approximately 1100 units.

Looking forward there are number of other sites across the Borough where full applications are expected to be submitted and determined within this financial year. Although the number of complete permissions granted in Q1 was lower than the target, the quarterly figure is not in this case representative of progress towards this annual target. The future pipeline of determinations demonstrates that the Council is on track to meet the overall annual target.

What difference does this make – the implications of not meeting target?

- Impact on service users/public.
- Impact on corporate priorities and plans.
- Impact on service/partner priorities.
- Impact on equalities, sustainability or efficiency

Can we move resources to support this or other priorities?

Housing growth is a corporate priority and new homes are needed to support growth ambitions at a local and regional level and meet identified local housing needs. In order to deliver these new homes there needs to be a supply of sites which have full planning consent in place to enable development to commence. Low levels of planning permission granted on an annual basis will in time become a barrier to continued housing growth.

How can we make sure things get better?

- What activities have been or will be put in place to address underperformance? Make specific reference to action plans.
- When performance will be brought back on track?
- Assess the need for additional resources/funding/training/investment.
- Identify the source of additional resources/funding/training/investment.
- Consult with other services, staff, managers, relevant Members and partners.

The Planning and Development Service continues to focus resource in its Major Developments Team, seek opportunities for developer funding through Planning Performance Agreements to maintain this resource and review process and procedure. These measures assist in bringing forward major residential consents quickly and enable a continued pipeline of housing consents.

Theme / Priority:	Accelerate Housing & Economic Growth		
Indicator / Measure detail:	The number of housing completions per year (gross) (Quarterly)		
Baseline:			
Target and timescale:	Annual Target 400 Q1 Target 100	**Actual and timescale:**	Q1 Actual- 50

Why is performance at the current level?

- Is any variance within expected limits?
- Why has the variance occurred?
- Is further information available to give a more complete picture of performance?
- What performance is predicted for future periods?

The quarter 1 target of 100 housing completions has not been met however there is a pipeline of sites coming on-stream and it is anticipated that c100 units will be completed by the end of Qtr 2 (based on information received from developers).

What difference does this make – the implications of not meeting target?

- Impact on service users/public.
- Impact on corporate priorities and plans.
- Impact on service/partner priorities.
- Impact on equalities, sustainability or efficiency
- Can we move resources to support this or other priorities?

Housing growth is a corporate priority and new homes are needed to support growth ambitions at a local and regional level. New homes are also required to meet identified local housing needs across the borough, ensuring that Trafford has the homes which residents need and aspire to and continues to be an attractive place to live.

The delivery of new homes provides the Council with income from additional Council Tax revenue and New Homes Bonus, paid direct by central government. This income plays an important part in the Council's future funding strategy and can be used to support the delivery of Council services to benefit the residents and businesses in the Borough.

How can we make sure things get better?

- What activities have been or will be put in place to address underperformance? Make specific reference to action plans.
- When performance will be brought back on track?
- Assess the need for additional resources/funding/training/investment.
- Identify the source of additional resources/funding/training/investment.
- Consult with other services, staff, managers, relevant Members and partners.

The Trafford Economic and Housing Growth Framework sets out clear strategic activities and interventions to support the Council's economic and housing growth ambitions. The Framework outlines interventions on ensuring an appropriate supply of sites with full planning consent and measures to support and facilitate these developments commencing and new homes physically being delivered. The Council's Housing Strategy has also been commissioned that will set and outline the strategic housing priorities in the borough, and the practical measures required to achieve them, over a 5yr period.

The Strategic Growth Service monitors the progress of housing sites in the borough through a 'tracker' that is used to identify stalled developments so that support can be offered to kick-start them, and links can be made with regional/national funding streams, such as the Housing Investment Fund.

Housing growth is now a primary focus of the Trafford Strategic Housing Partnership. Through the Partnership, action plans have been developed that include themes around land supply and delivery, to ensure that Registered Housing Providers are better placed to maximise opportunities for development and bring forward sites and develop a future pipeline.

The Council is also working closely with key strategic partners such as the Homes and Communities Agency, the Police and Crime Commissioner and Trafford Housing Trust, on key sites which present significant opportunities for residential development, for example Chester House, Sale Magistrate Court and the Old Trafford Masterplan. Master planning of these sites is a key step in taking them to the market for future delivery.

5.2 Co-designing and co-producing services to enable people, communities and businesses to work together, help themselves and each other

<table>
<tr><td>Theme / Priority:</td><td colspan="3">Co-designing and co-producing services to enable people, communities and businesses to work together, help themselves and each other</td></tr>
<tr><td>Indicator / Measure:</td><td colspan="3">Reduction in the proportion of the current Child Protection cohort that are subject of a Child Protection plan for a second or subsequent time</td></tr>
<tr><td>Baseline:</td><td colspan="3">24.1% March 2017</td></tr>
<tr><td>Target and timescale:</td><td>20% at March 18</td><td>Actual and timescale:</td><td>24.3% at Q1 (June) 2017/2018</td></tr>
<tr><td colspan="4">Why is performance at the current level?</td></tr>
<tr><td colspan="4">• Is any variance within expected limits?
• Why has the variance occurred?
• Is further information available to give a more complete picture of performance?
• What performance is predicted for future periods?</td></tr>
<tr><td colspan="4">The proportion of the cohort with a second / subsequent CP Plan remains similar to that seen at Q1 last year. Due to the significant reductions in the numbers of children and young people that are the subject of a CP Plan during the latter part of 2016/17, however, this means that the actual number children within this cohort has reduced from 75 to 60.

We will continue to strive to reach the target of 20%.</td></tr>
<tr><td colspan="4">What difference does this make – the implications of not meeting target?</td></tr>
<tr><td colspan="4">• Impact on service users/public.
• Impact on corporate priorities and plans.
• Impact on service/partner priorities.
• Impact on equalities, sustainability or efficiency
Can we move resources to support this or other priorities?</td></tr>
<tr><td colspan="4">The impact on service users (children and their families) is that they are potentially being supported at a more intense and intrusive level than they require. It can also be confusing for families to “bounce around” the thresholds of intervention (e.g. from child protection to child in need and back into child protection) and this can at times make sustaining positive working relationships more difficult.

The most appropriate corporate priority is “Services focussed on the most vulnerable people”. Whilst we should be reassured that we are protecting the most vulnerable children in Trafford we need to be confident that we are working at the most appropriate level and that our families are not becoming overly reliant on statutory services.

In terms of “Reshaping Trafford Council”, please see section below.

Working with families at CP level is time and resource-consuming and therefore costly to Trafford Council and our partner agencies. We need to ensure in future that when CP plans are ended there is a robust multi agency child in need plan in place to lessen the risk of future child protection concerns. The number of re-plans suggests that the current system is not working in the most effective and efficient manner.</td></tr>
<tr><td colspan="4">How can we make sure things get better?</td></tr>
</table>

• What activities have been or will be put in place to address underperformance? Make specific reference to action plans. • When performance will be brought back on track? • Assess the need for additional resources/funding/training/investment. • Identify the source of additional resources/funding/training/investment. • Consult with other services, staff, managers, relevant Members and partners.
A great deal of effort and energy is currently being directed towards addressing this issue and rebalancing our system. In introducing a new model of practice, we aim to change the culture of referrals and escalation to rebalance the number of young people requiring social care services. A review of existing cases will be undertaken to de-escalate young people currently in child protection with support where possible. The CIN and CP offer will be reviewed to provide asset-based support at the earliest possible level, and provide a service between the Early Help and CIC thresholds to assist stepping young people down from high levels of support, and to act as a firewall against unnecessary escalations. This will be supported by the newly created high-intensity short-term Edge of Care (Family Focus) service. Child Protection figures have reached the target of a reduction to 249 this year, (from a high of 352 in October 2016 and 283 in April 2016) - the target now is to maintain this level and seek incremental improvement in coming months.

Theme / Priority:	**Co-designing and co-producing services to enable people, communities and businesses to work together, help themselves and each other**		
Indicator / Measure detail:	Delayed Transfers of Care attributable to Adult Social Care per 100,000 pop 18+ (ASCOF 2Cii) (Target is <7.9 anyone time)		
Baseline:			
Target and timescale:	**10.0**	**Actual and timescale:**	**13.95**

Why is performance at the current level?

- Is any variance within expected limits?
- Why has the variance occurred?
- Is further information available to give a more complete picture of performance?
- What performance is predicted for future periods?

At the end of Quarter 1 2017, the DToC figure was **13.95** which represents a slight improvement on the 2016/17 year-end figure of **14.8**. However, Trafford is under-performing relative to the year-end target of 10.

There continues to be a high volume of delayed discharges from University Hospital South Manchester (UHSM) that is due to a range of factors including the following:

Some homecare providers having insufficient provision for business continuity to cover peak periods due to recruitment difficulties. We are working with providers to resolve this and have been commissioning new providers.

There is an ongoing lack of intermediate care beds in Trafford which is putting additional pressure on other types of care packages thus increasing delayed discharge volumes. This is recognised by Trafford CCG and the bed capacity was recently increased to address this.

There have been substantial challenges with recording in line with national definitions i.e. consistency of approach/interpretation being an issue across the hospitals.

Significant work is underway between the council, UHSM and Trafford CCG to review the processes in place from admission onwards, including requiring the acute providers to look at their own processes as well as medical bed capacity.

What difference does this make – the implications of not meeting target?

- Impact on service users/public.
- Impact on corporate priorities and plans.
- Impact on service/partner priorities.
- Impact on equalities, sustainability or efficiency

Can we move resources to support this or other priorities?

The implications of not meeting the target include:

- Patients remaining in hospital longer than necessary and this may impact on their independence and recovery.
- The council will incur a financial cost for Social Services attributable delays.
- The delays contribute to pressures on bed availability during this period although it should be noted that the hospital have also reduced the bed availability over the last 12 months.
- The acute providers' ability to maintain NHS targets may be compromised

- The reputation of the organisation is affected negatively

Intervention measures have been put in place to improve flow and new Homecare providers have been awarded contracts to reduce the continuous demand.

How can we make sure things get better?

- What activities have been or will be put in place to address underperformance? Make specific reference to action plans.
- When performance will be brought back on track?
- Assess the need for additional resources/funding/training/investment.
- Identify the source of additional resources/funding/training/investment.
- Consult with other services, staff, managers, relevant Members and partners.

Below are details of initiatives aimed at helping expedite timely discharges and minimise DTOC levels:

UHSM funded Social Workers (2)

The UHSM funded social work posts has created additional capacity which has been invaluable given the high workload within the integrated health and social care team at UHSM and without which additional delays would have been inevitable.

Rapid Discharge Beds

Commissioned in partnership with Trafford CCG to expedite discharges. For eligible patients, the process for accessing these beds has enabled an efficient pathway from discharge to placement. These are monitored by the Strategic Lead for Hospital Discharges at UHSM and reported to the CCG.

CHC

Improvements and clarity in the CHC application and screening processes for Trafford staff has resulted in workload benefits for the social care team and reduced the number of likely delays for the CCG at MDT by ensuring the required evidence is available at the time of application.

Nursing Needs Assessment

Where a nursing need has been identified these are now completed at the social workers request and the CHC screen is completed prior to the agreed date of discharge.

Flexible Nursing Cover

Nursing cover has been amended to cover from 8am – 5pm (instead of 4pm) to help expedite later discharges. An audit is ongoing to identify essential work and establish workload levels post 4pm.

Market Capacity

This remains one of the primary reasons for delay with work ongoing with both Home Care and Residential/Nursing providers to increase capacity at both local and Greater Manchester levels.

In addition the SAMS service is currently being assessed with a view to expanding the service and Trafford commissioners now also have a presence on site to help expedite discharges, especially those that are proving difficult to find placements and/or packages of care.

CEC Pilot

The community Enhanced Care team pilot placed CEC urgent and community enhanced teams at UHSM in ED and AMU to screen patients presenting at the hospital and establish whether the CEC service could provide the care they needed in the community, rather than progressing to a hospital admission.

Whilst the above measures have generally proved a success, weekend discharges continue to prove a challenge and options to facilitate weekend discharges with providers will be considered during future contract discussions. The increased demand on services (especially the seasonal winter pressures) and shortages in the provider market continue to have an adverse impact on the level of Trafford DTOC's at UHSM, (as they have nationally).

<table>
<tr><td>Theme / Priority:</td><td colspan="3">Co-designing and co-producing services to enable people, communities and businesses to work together, help themselves and each other</td></tr>
<tr><td>Indicator / Measure:</td><td colspan="3">Reduction in the proportion of referrals that are repeat referrals (within 12 months of a previous)</td></tr>
<tr><td>Baseline:</td><td colspan="3">23.7% March 2017</td></tr>
<tr><td>Target and timescale:</td><td>23% at March 18</td><td>Actual and timescale:</td><td>27.5% at Q1 (June) 2017/2018</td></tr>
<tr><td colspan="4">Why is performance at the current level?</td></tr>
<tr><td colspan="4">• Is any variance within expected limits?
• Why has the variance occurred?
• Is further information available to give a more complete picture of performance?
• What performance is predicted for future periods?</td></tr>
<tr><td colspan="4">This can be a volatile measure month-on-month. To end of Q1 number of re-referrals is actually 29% lower than at same point last year, but the number of referrals is down by 25% compared to last year.

The number of referrals is likely to be a recording issue with MARAT CSAs not progressing “contacts” received to the “referral” stage when required. There is no risk associated with this, and it has no impact on the quality of the work, but it obviously gives an inaccurate picture of the complexity of the cases being dealt with as well as affecting referral numbers.

Corrective action has been taken to address this issue and consequently the number of referrals recorded has risen since July. This should have a direct impact on the number of re-referrals as a proportion of the total (indeed the figure reported at the end of August 2017 indicates that the rate had reduced to 22% for the year).</td></tr>
<tr><td colspan="4">What difference does this make – the implications of not meeting target?</td></tr>
<tr><td colspan="4">• Impact on service users/public.
• Impact on corporate priorities and plans.
• Impact on service/partner priorities.
• Impact on equalities, sustainability or efficiency
Can we move resources to support this or other priorities?</td></tr>
<tr><td colspan="4">Re-referrals would generally be viewed as a negative – the impact on families would potentially be some confusion about why concerns were repeatedly being sent into social care and not being addressed at the first attempt.

In terms of impact on the service and our partners, there is clearly resource issue if a family’s circumstances are being reviewed repeatedly by a number of agencies.

The most appropriate corporate priority is “Services focussed on the most vulnerable people”. We need to be reassured that we are giving the right advice to potentially vulnerable families requiring additional support at the first point of contact. Re-referrals suggest that this has not been the case for the families involved.</td></tr>
<tr><td colspan="4">How can we make sure things get better?</td></tr>
<tr><td colspan="4">• What activities have been or will be put in place to address underperformance? Make specific reference to action plans.</td></tr>
</table>

- When performance will be brought back on track?
- Assess the need for additional resources/funding/training/investment.
- Identify the source of additional resources/funding/training/investment.
- Consult with other services, staff, managers, relevant Members and partners.

A great deal of effort and energy is currently being directed towards addressing this issue and rebalancing our system to ensure as far as possible we are giving the most appropriate response when referrals are made to our children's social care Front Door.

The recently submitted Transformation bid includes the introduction of a new model of practice, within which we aim to change the culture of referrals and escalation to rebalance the number of young people requiring social care services.

Key to this will be the review and mapping of the Early Help offer, forming part of the wider scoping of the Early Help project. The initial work is around gaining clarity of definition of Early Help across partners and gaining greater buy-in of the assessment and intervention process, improve monitoring and governance. Greater confidence in the Early Help offer should lead to a reduction in referrals (and re-referrals) into children's social care and more robust multi-agency responses should those referrals be felt necessary.

5.3 Building Strong Communities

<table>
<tr><th>Theme / Priority:</th><th colspan="3">Building Strong Communities</th></tr>
<tr><td></td><td colspan="3"></td></tr>
<tr><td>Indicator / Measure detail:</td><td colspan="3">Reduce the level of sickness absence (Council-wide, excluding schools) (days)</td></tr>
<tr><td>Baseline:</td><td colspan="3"></td></tr>
<tr><td>Target and timescale:</td><td>8.5 days</td><td>Actual and timescale:</td><td>10.16 days</td></tr>
<tr><td colspan="4">Why is performance at the current level?</td></tr>
<tr><td colspan="4">• Is any variance within expected limits?
• Why has the variance occurred?
• Is further information available to give a more complete picture of performance?
• What performance is predicted for future periods?</td></tr>
<tr><td colspan="4">For a number of years, the Council set a target of 9 days absence, per employee per annum. At the end of 2015/16, this target was achieved. In order to drive further improvement in this area, a stretch target of 8.5 days was set for 2016/17. There was further improvement at the end of Q1, where the sickness absence and levels decreased to 8.9 days. However, during Q2, there was an increase in absence levels which rose to an average of 9.5 days per employee per annum. This was attributed to a small increase in long term absence cases, which had a significant impact on the overall performance figure. This trend continued and in Q4 the sickness absence and levels increased to 10.5 days per employee per annum. This was again attributable to an increase in long term absence cases as well as an increase in short term absence cases in an area of the workforce that had been subject to organisational change. In addition to the Health & Wellbeing strategy that was developed to improve attendance in 2016/17, HR Business Partners worked closely with managers in hotspot areas to develop bespoke strategies to tackle increasing absence levels. An additional HR resource was also put in place to support managers. This work continues and HR are working with key leaders from CFW leading on an intervention project to review resourcing, wellbeing and talent in CFW. The aim is to improve attendance, reduce agency spend, improve staff retention and wellbeing and optimise the use of apprenticeships. The 2017/18 sickness absence target remains at 8.50 per employee per annum and Q1 has shown a small reduction in absence levels to an average of 10.16 days per employee per annum. These strategies are slowly having an effect on sickness absence levels and will be closely monitored over the coming months.</td></tr>
<tr><td colspan="4">What difference does this make – the implications of not meeting target?</td></tr>
<tr><td colspan="4">• Impact on service users/public.
• Impact on corporate priorities and plans.
• Impact on service/partner priorities.
• Impact on equalities, sustainability or efficiency
Can we move resources to support this or other priorities?</td></tr>
<tr><td colspan="4">If sickness absence levels are high, then this has a significant impact on service delivery and costs at a time when the Council has to manage with limited resources. High absence levels also carry the indirect cost of increased workload pressure on colleagues of absent staff.</td></tr>
<tr><td colspan="4">How can we make sure things get better?</td></tr>
<tr><td colspan="4">• What activities have been or will be put in place to address underperformance? Make specific reference to action plans.
• When performance will be brought back on track?</td></tr>
</table>

• Assess the need for additional resources/funding/training/investment. • Identify the source of additional resources/funding/training/investment. • Consult with other services, staff, managers, relevant Members and partners.
An action plan to improve attendance across the Council has been incorporated into the Health and Wellbeing Strategy which is being delivered across the Council. This strategy is continuously reviewed and a Steering Group has been established to ensure the plan is focused and delivers tangible improvements. A pro-active approach is in place to improving a number of key areas to support attendance levels such as the prevention of illness and injury. moving and handling training, access to training and support for mental health conditions, access to staff benefits such as reduced rates for leisure activities. It also focuses on improving staff morale through reward and recognition initiatives e.g. Celebrating Success, Staff Awards, the implementation of a succession planning strategy; there is also a focus on continuing to drive forward improvements to our policies and processes e.g. refreshing the Improving Attendance Policy, improving management information on sickness absence and updating the approach to stress and the management of mental health conditions. In addition refresher Attendance Management training sessions are being delivered for all service managers. We continue to monitor sickness absence at all levels throughout the organisation from an individual level via return to work interviews through to the involvement of Elected Members at Member Challenge sessions.

5.4 Developing a Wider Education and Skills Offer That Better Connects People to Jobs

<table>
<tr><th>Theme / Priority:</th><th colspan="3">Developing a Wider Education and Skills Offer That Better Connects People to Jobs</th></tr>
<tr><td></td><td colspan="3"></td></tr>
<tr><td>Indicator / Measure detail:</td><td colspan="3">Maintain the low level of 16-17 year olds who are NEET plus unknown in Trafford</td></tr>
<tr><td>Baseline:</td><td colspan="3">No baseline Q1 – New measure</td></tr>
<tr><td>Target and timescale:</td><td>5.5% Target end Q1</td><td>Actual and timescale:</td><td>5.9% Actual Q1</td></tr>
<tr><td colspan="4">Why is performance at the current level?</td></tr>
<tr><td colspan="4">• Is any variance within expected limits?
• Why has the variance occurred?
• Is further information available to give a more complete picture of performance?
• What performance is predicted for future periods?</td></tr>
<tr><td colspan="4">Performance is within 10% tolerance of new target. As there is no previous baseline for this performance indicator, the target was based on previous data sources and recent performance. The current performance is in line with rising seasonal NEET changes in Trafford and across other LA areas and it may be that the target should have been a little higher to adjust for the seasonal trend. From Q3 there will be a full years data to provide a revised baseline and targets will be more realistic as a result. Improved performance in reducing the number of young people with an unknown destination has continued but at a slower pace than before. This is because young people who can be easily contacted via phone, email, Facebook etc. have already responded and others will require higher resource interventions e.g. home visits.</td></tr>
<tr><td colspan="4">What difference does this make – the implications of not meeting target?</td></tr>
<tr><td colspan="4">• Impact on service users/public.
• Impact on corporate priorities and plans.
• Impact on service/partner priorities.
• Impact on equalities, sustainability or efficiency
Can we move resources to support this or other priorities?</td></tr>
<tr><td colspan="4">Increased numbers of NEET young people have a detrimental effect on the local economy and have wider societal costs. 16 and 17 year olds who are NEET will not be meeting their duty to remain in learning and the LA has to ensure they are provided with a suitable offer.

For young people who are unknown it may be that they are participating but it may also be that they have moved away and/or are not participating in learning. In order to engage them in positive activities and employment it is important to confirm an up to date destination. Better tracking can have a positive impact on the LAs RPA (in learning) rates.</td></tr>
<tr><td colspan="4">How can we make sure things get better?</td></tr>
<tr><td colspan="4">• What activities have been or will be put in place to address underperformance? Make specific reference to action plans.
• When performance will be brought back on track?
• Assess the need for additional resources/funding/training/investment.
• Identify the source of additional resources/funding/training/investment.
• Consult with other services, staff, managers, relevant Members and partners.</td></tr>
</table>

A number of activities are being undertaken to improve NEET and Unknown performance including:

1. NEET delivery redesign – An evaluation has taken place in order to better target NEET hotspots in Trafford to ensure better targeting of NEET young people. 4 wards have been identified to receive NEET caseload support; Bucklow St Martin; Gorse Hill; Stretford; Longford. This new support is targeted at the 4 wards with the highest number of NEET young people. In addition Connexions staff will double the number of NEET drop in sessions from 1 to 2 per week at Stretford library due to higher NEET rates in the surrounding wards.
2. ESF NEET project – An additional member of agency staff will be supporting delivery of the project from July 31st 2017 in order to increase the numbers in "re-engagement provision" which will reduce the number in the NEET category.
3. Tracking – To reduce the numbers of unknown young people, Connexions staff will be conducting enhanced tracking activities, including home visiting, over the summer holiday period.

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MINUTES OF THE GREATER MANCHESTER COMBINED AUTHORITY, HELD ON FRIDAY 28 JULY 2017 AT MANCHESTER TOWN HALL

PRESENT

GM MAYOR	Andy Burnham
DEPUTY MAYOR (Police and Crime)	Baroness Beverley Hughes
BOLTON COUNCIL	Councillor Linda Thomas
BURY COUNCIL	Councillor Rishi Shori, Deputy Mayor
MANCHESTER CC	Councillor Richard Leese, Deputy Mayor
OLDHAM COUNCIL	Councillor Jean Stretton
ROCHDALE MBC	Councillor Richard Farnell
SALFORD CC	Councillor John Merry
STOCKPORT MBC	Councillor Alex Ganotis
TAMESIDE MBC	Councillor Kieran Quinn
TRAFFORD COUNCIL	Councillor Sean Anstee
WIGAN COUNCIL	Councillor Peter Smith

OTHER MEMBERS IN ATTENDENCE

Fire Committee Chair	Councillor David Acton
GMWDA	Councillor Michael Young

OFFICERS IN ATTENDENCE

GMCA Chief Executive	Eamonn Boylan
GMCA – Deputy Chief Executive	Andrew Lightfoot
Bolton Council	Sue Johnson
Bury Council	Pat Jones-Greenhalgh
Manchester CC	Joanne Roney
Oldham Council	Carolyn Wilkins
Rochdale MBC	Steve Rumbelow
Salford CC	Ben Dolan
Stockport MBC	Laureen Donnan
Tameside MBC	Steven Pleasant
Trafford Council	Joanne Hyde

Wigan Council	Donna Hall
TfGM – Chief Executive	Jon Lamonte
GM HSCP – Chief Officer	Jon Rouse
GMCA – Monitoring Officer	Liz Treacy
GMCA	Simon Nokes
GMCA	Julie Connor
GMCA	Sylvia Welsh
GMCA	Amanda Fox
GMCA	Nicola Ward

120/17 APOLOGIES

Apologies for absence were received and noted from Councillors Cliff Morris (Bolton - Cllr Linda Thomas attending), City Mayor Paul Dennett (Salford – Cllr John Merry attending), and Nigel Murphy (GM Waste – Cllr Michael Young attending).

Chief Executives – Margaret Asquith (Bolton - Sue Johnson attending), Jim Taylor (Salford – Ben Dolan attending), Theresa Grant (Trafford – Joanne Hyde attending) and Jim Taylor (Salford – Ben Dolan attending).

121/17 CHAIR'S ANNOUNCEMENTS AND URGENT BUSINESS

a) Manchester Arena Attack Update

The Mayor informed the meeting that the funeral for the Saffie Rose Roussos, victim of the Manchester Arena attack had taken place earlier this week and re-iterated that the thoughts of members of the GMCA remain with all the bereaved families and of the families of the people who were injured on that evening. He praised the response of all GM emergency services during and after the event. He also welcomed the appointment of Sir Bob Kerslake to Chair an Independent Review into the preparedness of GM services to the Manchester Arena Incident and lessons learnt from the incident.

Councillor Richard Leese further reported that Manchester City Council had held an Extraordinary Council meeting where discussions had began regarding the installation of permanent memorials for the victims and informed members that a Strategic Recovery Group had been established to look at ways that Greater Manchester, as a whole, could support those affected by the attack. The first meeting had taken place recently with Bev Hughes, Deputy Mayor, representing the GMCA, with the establishment of a welfare and health workstream to be overseen by the Group, acknowledging that this may result in lifetime support for some, if not all, victims.

The Mayor confirmed that obligations would continue to be met and thanked colleagues for their work and support in the aftermath of the incident. He also advised that Councillor Peter Smith had submitted a bid to the Department of Health to assist with the provision of specialist support. GM Police have also been visiting schools in recognition that young people would continue to require support.

b) Grenfell Tower Fire

The Mayor reminded members that following the devastating Grenville Tower Fire in Kensington, Greater Manchester had established a Task Force to review all high rise towers in the sub-region. He expressed his thanks to Greater Manchester Fire and Rescue Service for all their work in progressing this work.

Councillor David Acton, the Chair of the Fire Committee, provided the meeting with an overview of the work undertaken following the fire, advising of the outcome of recent national fire testing of cladding and insulation. The removal and replacement of materials was going to be expensive, albeit essential, with discussions on financial support to continue. Current Fire and Building regulations were not fit for purpose and need to be changed. The GM Task Force will have assessed 491 tower blocks by mid-September and the development of the Fire Safe and Secure Strategy was currently under development.

He further advised that recent investigations had also recommended that sprinkler systems should be installed across all high rise towers. It was hoped that this would be a recommendation for implementation going forward. Discussions with Government do need to progress on the basis that all new buildings do need to have fire prevention as a priority measure.

Councillor John Merry spoke on behalf of Salford City Council, providing an update on recent testing procedures, advising that work was underway to evaluate solutions going forward, including short term measures such as 24 hour fire marshals and improvements to alarm systems. Work was to continue with a view to ensuring the needs and safety of tenants was addressed.

The Mayor further added that the GM Fire Committee was best placed to respond to the outcome of the work of the GM Taskforce Group and he would work with the Chair, David Action to agree what work was required by the Committee with a view to bringing back a proposal to the GMCA in September 2017.

RESOLVED/-

That the update report be noted and that a report on GM's High Rise Task Force and Fire Safe and Secure Strategy be submitted to the September meeting of the GMCA.

122/17 DECLARATIONS OF INTEREST

Councillor Richard Leese declared an interest in relation to item 24 as a Board member of Manchester Life Developments.

123/17 MINUTES OF GMCA MEETINGS HELD ON 30 JUNE 2017

The minutes of the GMCA Annual Meeting and GMCA Ordinary meeting held on the 30 June were submitted.

RESOLVED /-

That the minutes of the GMCA Annual Meeting and GMCA Ordinary Meeting held on 30 June 2017 be approved as correct records.

124/17 MINUTES OF THE GREATER MANCHESTER LOCAL ENTERPRISE PARTNERSHIP HELD ON THE 17 JULY 2017

RESOLVED /-

That the minutes of the GM Local Enterprise Partnership held on the 17 July be noted.

125/17 MINUTES OF THE TRANSPORT FOR GREATER MANCHESTER COMMITTEE HELD ON THE 14 JULY 2017

RESOLVED /-

That the minutes of the Transport for Greater Manchester Committee held on the 14 July be noted.

126/17 GMCA SCRUTINY POOL APPOINTMENTS PROCESS

The Mayor circulated a list of proposed appointments to each of the 3 new GM Overview and Scrutiny Committees following nomination from the Greater Manchester Local Authorities, advising that it was proposed to appoint 11 members to each Overview and Scrutiny Committee with a view to the additional members from the pool to be appointed at the GMCA meeting on 29 September 2017.

RESOLVED /-

1. That the first eleven nominations to each of the Overview and Scrutiny Committees be approved as follows:

CORPORATE ISSUES & REFORM OVERVIEW & SCRUTINY			
1	Bolton	Darren Whitehead	LAB
2	Bury	Stella Smith	LAB
3	Manchester	Zahra Alijah	LAB
4	Oldham	Ateeque Ur Rehman	LAB

5	Rochdale	Neil Butterworth	LAB
6	Salford	David Jolley	LAB
7	Stockport	Yvonne Guariento	LAB
8	Tameside	John Bell	CON
9	Trafford	Nathan Evans	CON
10	Wigan	Pam Stewart	LAB
11	Bury	Tim Pickstone	LIB DEM
12	Vacancy		
13	Vacancy		
14	Vacancy		
15	Vacancy		

ECONOMY, BUSINESS GROWTH & SKILLS OVERVIEW & SCRUTINY			
1	Bolton	Susan Haworth	LAB
2	Bury	Jane Lewis	LAB
3	Manchester	Ahmed Ali	LAB
4	Oldham	Chris Goodwin	LAB
5	Rochdale	Michael Holly	CON
6	Salford	Kate Lewis	LAB
7	Stockport	Elise Wilson	LAB
8	Tameside	Yvonne Cartey	LAB
9	Trafford	John Holden	CON
10	Wigan	Charles Rigby	LAB
11	Stockport	Mark Hunter	LIB DEM
12	Vacancy		
13	Vacancy		
14	Vacancy		
15	Vacancy		

HOUSING, PLANNING & ENVIRONMENT OVERVIEW & SCRUTINY			
1	Bolton	Elaine Sherrington	LAB
2	Bury	Rachel Skillen	LAB
3	Manchester	James Wilson	LAB
4	Oldham	Hannah Roberts	LAB
5	Rochdale	Linda Robinson	LAB
6	Salford	Robert Sharpe	LAB
7	Stockport	Elise Wilson	LAB
8	Tameside	Gill Peet	LAB
9	Trafford	Rob Chilton	CON
10	Wigan	Lynn Holland	LAB
11	Stockport	Lisa Smart	LIB DEM
12	Vacancy		
13	Vacancy		
14	Vacancy		

15	Vacancy	

2. That the remaining four appointments to each of the Overview and Scrutiny Committee be considered at the GMCA meeting held on 29 September 2017, noting that political balance and gender would need to apply in accordance with the constitution.

127/17 GMCA APPOINTMENTS

RESOLVED /-

1. To appoint Councillor Jean Stretton to the Greater Manchester Local Enterprise Partnership.

2. To appoint Beverley Hughes, Deputy Mayor as a representative of the GMCA to the Regional Leaders Board.

128/17 GREATER MANCHESTER STRATEGY REFRESH

The Mayor introduced a report providing the refreshed Greater Manchester Strategy (GMS) which will be developed with communities at the centre of its ambitions. Designing policies with the engagement of residents was central to unlocking the key objectives of the strategy. It is also important that the strategy recognised the different life stages of residents in GM, with a focus on social as well as economic outcomes.

He further added that the next stage of the strategy development would include developing the principles into practices with each of the GMCA's Portfolio Leads and bringing individual priorities to future meetings of the GMCA for closer examination.

Councillor Richard Leese proposed an amendment to paragraph 2.1,with the need to be more explicit in terms of GM's commitment to climate change:

'A place at the forefront of action on climate change, with clean air and a flourishing natural environment'.

Councillor Kieran Quinn advised of a number of areas that should be strengthened, including internationalisation as a key to the growth of the economy, and the aspiration of creating an orbital transport link around GM, which was just as important as links to the regional centre.

Beverley Hughes highlighted the importance of emphasising the interdependencies of the individual elements of the strategy alongside the 10 priorities. In acknowledging that data was available to support the delivery of the Strategy, in developing Implementation Plans a range of performance indicators will need to be considered to push forward the delivery of ambitions.

Councillor Peter Smith reiterated the need to engage with communities, advising of the imperative of having the right people to develop the

Implementation Plan that can be delivered on a local level. He also emphasised the importance of changing the family life experience in a holistic way and the removal of barriers to achievement. Targets do need to be developed recognising the process to reach those overall aspirations.

Donna Hall reminded the meetings that outputs on a neighbourhood level and the relationship between the strategies collectively to deliver these outputs was important.

Councillor John Merry also reminded the meeting that the GM Strategy needs to be owned by the GM Local Authorities in addition to the GMCA to ensure delivery of its aspirations, adding that the 'asks' of Government do need to be clear in order to achieve the required outputs.

The Mayor reported that all schools should be encouraged to sign up to the school readiness principles as contained within the GM Strategy, in addition to the development of an outcomes framework to monitor the outputs of the GM Strategy.

In conclusion, members supported the above comments for incorporation into the strategy.

RESOLVED /-

1. That (subject to the changes to the narrative as discussed) the revised Greater Manchester Strategy be approved.

2. That authority be delegated to the Chief Executive, in consultation with the Mayor to approve the final changes to the GM Strategy, reflecting the above comments.

3. That it be agreed that additional public facing material on the GM Strategy be developed and that the strategy should be formally launched in early-Autumn.

4. That the GM Strategy Implementation Plan, also under development, linked to portfolio priority actions, be noted for submission to the GMCA on 29 September 2017.

129/17 GREATER MANCHESTER MOVING – 2017-21

Councillor Peter Smith, Portfolio Lead for Health and Social Care shared the final version of the Greater Manchester Moving Plan (2017-21), also considered by the Health and Social Care Partnership Board held earlier in the day, which aimed to promote physical activity to improve the physical and mental health of people in GM.

The Mayor commented that this was a good and positive strategy for promoting levels of activity as a pathway to better health and wellbeing. He further announced the appointment of Chris Boardman as the Cycling and Walking Commissioner for GM and welcomed the support he will bring to this important agenda.

RESOLVED /-

1. That the GM Moving Plan for 2017-21 be endorsed and supported.

2. To continue to lead and support the implementation of GM Moving, further embedding physical activity within the work of GMCA, and to continue to work collaboratively with Greater Manchester Health & Social Care Partnership Board and Sport England through the MOU.

3. That the development of the Implementation Plan be supported.

130/17 TRANSPORT FOR GREATER MANCHESTER BOARD – APPOINTMENT OF NON EXECUTIVE DIRECTORS

The Mayor introduced a report seeking approval to extend the appointments of Mr Richard Paver, Mr Edward Pysden and Mr Les Mosco as Non-Executive Directors of Transport for Greater Manchester.

RESOLVED /-

1. That the short term extension of the appointments of Mr Richard Paver, Mr Edward Pysden and Mr Les Mosco as Non-Executive Directors of TfGM to 31 March 2018 be approved.
2. That authority be delegated to the Chief Executive of TfGM to formalise the terms of their re-appointment.

131/17 URBAN PIONEER AND NATURAL CAPITAL UPDATE

Councillor Alex Ganotis, Portfolio Lead for Green City-Region, introduced a report which provided members with an update on the progress of the Urban Pioneer Project, including how this may support delivery of the Mayors' ambition for a Green City Region. He added that the pilot project looked to create clean, safe places for inclusive growth and maximise GM's natural capital, and further suggested that the City of Trees initiative may be further practical project to help the sub region achieve wider ambitions around healthy lives and economic growth.

The Mayor echoed his comments that this project had great potential and could bring many benefits to GM.

RESOLVED /-

That the report be noted and the Urban Pioneer Project Plan be approved.

132/17 LOCAL ENERGY ADVICE PROGRAMME (LEAP) FOR FUEL POOR

Councillor Alex Ganotis, Portfolio Lead for Green City-Region, introduced a report which detailed an opportunity to initiate a free GM-wide Local Energy Advice Programme (LEAP) aimed at supporting the alleviation of fuel poverty in GM. He reported that Tameside Council had been a pilot for this scheme and that it was envisaged that this would be rolled out across GM.

The report also summarised 'Flexible Eligibility', the new element to Energy Company Obligation (ECO) funds, which are provided by utility companies to assist fuel poor residents.

Councillor Jean Stretton, Portfolio Lead for Equality, Fairness and Inclusion welcomed the report and informed members that Oldham Council had succeeded in reducing fuel poverty through their current programme and would welcome the new programme to support more families. Oldham staff will be participating in the programme and training.

RESOLVED /-

1. That the delivery of the proposed Local Energy Advice Programme (LEAP) across GM to assist fuel poor residents be agreed and the signing of a Memorandum of Understanding on LEAP be approved and supported.

2. That the proposed GM Flexible Eligibility Statement of Intent (SOI) be approved to enable GM to further assist vulnerable residents through ECO funds where appropriate and placed on the GMCA website, as required by BEIS.

3. To note that the statement has been developed in consultation with all 10 local authorities.

133/17 BREXIT MONITOR – MONTHLY REPORT

Councillor Richard Leese, Deputy Mayor and Portfolio Lead for Business & Economy, introduced a report which updated members on the key economic and policy developments in relation to the UK's decision to leave the European Union (EU). He added that the report demonstrates increasing levels of uncertainty due to an unstable UK economy and that unemployment figures for GM remained high, both of which were serious concerns for GM.

He advised that transitional arrangements post 2019, should be on a longer rather than shorter term transition, reiterating the need to be involved in the ongoing Brexit discussions.

The Mayor reiterated the sentiments in relation to Brexit discussions, adding that the meeting of Elected Mayors was still to take place and that he would be pushing for the establishment of a Brexit Committee on a national and regional level.

RESOLVED /-

That the July Brexit Monitor be noted.

134/17 LOCAL GROWTH FUND APPLICATIONS

Councillor Richard Leese, Portfolio Lead for Business and Economy, introduced a report which provided details of business cases for four schemes, seeking funding from the Local Growth Fund 3. These schemes were recommended to the GMCA approval by the GM Local Enterprise Partnership (GMLEP) on 17th July 2017. He further commented that there was not sufficient capital for the skills system going forward, and that it would be necessary for GM to press for other funding opportunities.

The Mayor informed members that the Digital Summit had been held in June, with representatives from the skills sector which had highlighted the need for greater emphasis on children and schools around digital skills and the existing workforce to provide increased opportunities in higher education for skills conversion courses.

Beverley Hughes suggested that the cyber innovation hub project could have potential links to the work GM Police was undertaking into cyber and digital crime.

Councillor Peter Smith advised that funding had now been secured to implement the Health and Social Care Information Management and Technology Strategy.

RESOLVED /-

1. That the Skills Capital Strategic Outline Business Case (gateway 1) be approved that it be agreed that the applications process should be launched in August 2017.

2. That the Digital Skills Outline Business Case (gateway 2) be approved as a portfolio scheme and that authority be delegated to the GMCA Treasurer, in consultation with the Portfolio Lead Member for Skills & Employment and the Portfolio Lead Member for Digital City Region.Gateway 3, to sign-off for individual elements.

3. That the International Screen School Manchester Full Business Case (gateway 3) be approved and that it be agreed that a grant should be offered subject to the following conditions being met prior to drawdown of funds:

    - Finalisation of detailed scheme costings

- MMU Board approval of the Business Case and confirmed commitment to the capital sums required to deliver the scheme.
- Appointment of the construction contractor
- Sign off that the project is State Aid compliant

4. That the Cyber Innovation Hub business case (Gateway 3) be approved and that it be agreed that a grant agreement should be issued to Manchester City Council, subject to agreement of the operating model of the Cyber Hub.

5. That the development of a full business case for the Productivity Programme be noted and submitted to the GMCA on 29 September.

6. That the addition of the Local Growth Fund 3 spend on Skills Capital, Cyber Hub and Screen School to the GMCA capital programme be approved.

135/17 GREATER MANCHESTER EMPLOYER ENGAGEMENT FRAMEWORK

Councillor Sean Anstee, Portfolio Lead for Skills, Employment & Apprenticeships, introduced a report which updated members on the development of an Employer Engagement Framework across GM partners. He reported that long term dialogue was crucial to the success of employer engagement and that there were already strong links within the business community which could be used to further strengthen engagement with SME and independent businesses.

He further re-iterated the value of work experience, as evidence shows that a person is more likely to enter work or further education following this opportunity.

The Mayor was concerned about some of the context of the report which indicated that on average 40% of children in GM were not school-ready when going to Reception, and that 47% left school without a GCSEs. This was a significant challenge that would need to be addressed in multiple ways across a number of workstreams. Councillor Sean Anstee added that these figures represented GM averages, in some places the situation was much worse.

He also highlighted the opportunities created in attracting businesses to the region with a wide ranging accessible workforce with inherent skills.

Beverley Hughes further added that in promoting the 'The Mayor Employment Charter', the contribution of the public sector as a significant employer should be included.

RESOLVED /-

1. That the proposed five key employer engagement priorities be noted.

2. That the progress made to date in moving towards 'excellent employer engagement' be noted.

3. That the areas for immediate focus within each Priority over the next 6 months, as highlighted in Section 4 of the report, including the alignment and support for The Mayor Employment Charter, be noted.

4. That an Action Plan be developed for each element above which will set out key partners and lead which will be presented at GMCA in September/October 2017.

136/17 TRANSPORT FOR THE NORTH AND RAIL NORTH

Councillor Richard Leese, Deputy Mayor, introduced a report requesting the GMCA to re-affirm its decision to become a constituent authority of Transport for the North (TfN) and to consent to the making of regulations to establish TfN as a statutory Sub-National Transport Body (STB).

He drew members' attention to section 4.6 of the report, which reflected a late change from the Department for Transport stating that Combined Authority representatives on Transport for the North must be elected Mayors. Representations will be made to Government on the basis that those Combined Authorities with devolved powers should be able to select their own representative to the Board rather than it being prescribed by the Department for Transport.

The Mayor reminded members of the recent announcement of the Government's decision to move forward with Cross Rail 2 and the impact on schemes in the north of England including HS2, Northern Powerhouse Rail, Leeds-Manchester electrification and the Northern Hub was highlighted, with further discussions to be held with Government seeking reassurance of the investment required to progress these crucial schemes.

As a consequence a 'Northern Rail Summit' has been scheduled for the 23 August 2017, which would provide the opportunity for both the public and business sectors to discuss the implications and next steps for rail in the north.

Councillor Richard Leese concurred with the Mayor's points, and added that the Northern Powerhouse needs large scale transport infrastructure and commitment from Government to ensure it can reach its potential. He reminded the meeting that a Public Inquiry reports on the Northern Hub had now been with Ministers for 2 years. The Department for Transport had also commissioned a report from Steer Davies Gleaves which had been concluded but not yet released. He also highlighted the impact of underinvesting in rail which has led to safety issues surrounding platforms 13 & 14 at Piccadilly due to overcrowding, the Chair of Network rail has advised that the Leeds – Manchester electrification required track and signal improvements.

In supporting comments, Councillor Sean Anstee added that the pace of conception to delivery of schemes needs to be expedited, together with the use of future technology to develop ambitious transport schemes

Councillor Jean Stretton also reminded colleagues that there was not a fair spread of resources with priority given to spend on infrastructure schemes in the South East of England rather than the North of England.

In conclusion the Mayor suggested that the issues be further debated at the GMCA on 29 September following the Northern Rail Summit on 23 August.

RESOLVED /-

1. That the decision of 29 July 2016 to become a constituent authority of a statutory Transport for the North (TfN) be reaffirmed.

2. That , subject to recommendation 3, to consent to the making by the Secretary of State of regulations under section 102E of the Local Transport Act 2008 to establish Transport for the North (TfN) as a Sub-national Transport Body (STB) and to TfN having such concurrent local transport functions as specified in paragraph 4.3 of this report.

3. That authority be delegated to the Chief Executive, in consultation with the Mayor and Deputy Mayor, to consent to the final draft of the regulations before they are laid before Parliament.

4. That TfGM be requested to consent (if required) to the draft regulation providing TfN with the concurrent PTE function under section 13 of the Railways Act 2005.

5. That the transfer of the membership of Rail North Ltd (RNL) to TfN, be agreed, subject to entering to an agreement with TfN preserving for GMCA rights equivalent to those under the RNL Members' Agreement.

6. That it be agreed to pay to TfN after the transfer an amount equivalent to the sums currently paid to RNL in respect of GMCA's membership of RNL.

137/17 GMCA REVENUE OUTTURN 201617

Councillor Kieran Quinn, Portfolio Lead for Finance & Investment, introduced a report informing members of the revenue outturn for 2016/17, the position on reserves and seeking approval of the transfer of funds to earmarked reserves.

RESOLVED /-

1. That it be noted that the GMCA transport revenue outturn position for 2016/17 is in line with budget after transfers to earmarked reserves.

2. That the GMCA Economic Development and Regeneration revenue outturn position for 2016/17, which shows a favourable position of £1.311 million after transfers to earmarked reserves, be noted.

3. That the contribution to earmarked Economic Regeneration and Development reserves, as summarised in paragraph 3.1 of the report, be approved.

4. That the contribution to earmarked transport reserves, as summarised in paragraph 5.1, be approved.

5. That it be noted that the TfGM revenue position for 2016/17 shows a favourable position of £0.090 million against budget, as detailed in paragraph 6.

6. That the position on reserves, as detailed in paragraph 7, be noted.

7. That it be noted that the final outturn position was subject to the completion of the annual external audit to be finalised by 30 September 2017 which will be reported to the GMCA Audit Committee at its meeting in September.

138/17 GMCA CAPITAL OUTTURN 2016/17

Councillor Kieran Quinn, Portfolio Lead for Finance & Investment presented a report informing members of the GMCA capital outturn for 2016/17.

RESOLVED /-

That the 2016/17 outturn capital expenditure compared to the forecast position presented to GMCA in January 2017 be noted**.**

139/17 GMCA CAPITAL UPDATE 2017/18

Councillor Kieran Quinn, Portfolio Lead for Finance & Investment ,introduced a report which provided the first quarterly update of the GMCA 2017/18 capital expenditure programme. He reported that appendix 1 summarised the capital programme for the year and the forecast outturn and that there should be a correction noted to the two lines of the table in relation to 'Other Metrolink Schemes' that should read, *Trafford Line – current forecast £44.413m* *(variance of £5.797m) and Metrolink renewal – current forecast £2.247m (variance of £0.7m)* both of which have no impact on the bottom line forecast.

RESOLVED /-

1. That an increase to the capital budget of £71 million in connection with Skills Capital (Growth Deal 2 and 3), as detailed within paragraph 8.7, be approved.

2. That an increase to the capital budget of £15 million in connection with the International Screen School Manchester, as detailed within paragraph 8.11, be approved.

3. That an increase to the capital budget of £5 million in connection with the Cyber Innovation Hub, as detailed within paragraph 8.12, be approved.

4. That the current 2017/18 forecast compared to the 2017/18 capital budget ben noted.

140/17 STOCKPORT TOWN CENTRE ACCESS PLAN PHASE 2B AND STOCKPORT BRIDGE

The Mayor introduced a report a report seeking full approval and the release of the necessary funding to enable the delivery of the Stockport Town Centre Access Plan Phase 2B scheme and the advanced bridge works.

Alex Ganotis, Leader of Stockport Council, provided the meeting with an overview of the works underway in Stockport Town Centre re-iterating the benefits to the transport system across GM in response to these improvements.

RESOLVED /-

That full approval for the Stockport Town Centre Access Plan Phase 2B scheme, including the advanced works package for Stockport Interchange Bridge and the associated release of £16.121 million and £3.730 million, respectively of funding from the Local Growth Deal budget to enable the delivery of the schemes, be approved.

141/17 GREATER MANCHESTER ROAD PERMIT SCHEME YEAR 4 PERFORMANCE UPDATE

The Mayor introduced a report which updated the GMCA on the fourth year operation of The Greater Manchester Road Activity Permit Scheme (GMRAPS) and provided a report which gave a financial forecast for the fifth year of operation.

RESOLVED /-

1. That the financial review and forecasts, as set out in Section 2, be noted.

2. That, based upon the financial update, set out in Section 2, the scheme not be amended during year five of operation.

142/17 GREATER MANCESTER INVESTMENT FRAMEWORK PROJECTS UPDATES

Councillor Kieran Quinn, Portfolio Lead for Finance & Investment introduced a report seeking GMCA approval for investments to AZoNetwork UK Limited and SGV (Salford) Limited. The report also provides an update on FPE Global and switchmybusiness.

RESOLVED /-

1. That that the funding applications by AZoNetwork UK Limited (investment of £500k) and SGV (Salford) Limited (loan of £2,000k) be conditionally approval and progress to due diligence.

2. That authority be delegated to the GMCA Treasurer and Monitoring Officer to review the due diligence information and, subject to their satisfactory review and agreement of the due diligence information and the overall detailed commercial terms of the transactions, to sign off any outstanding conditions, issue final approvals and complete any necessary related documentation in respect of the loans at a) above.

3. That the changes to the commercial terms in line with the updates provided on FPE Global and switchmybusiness as set out in the confidential part of the agenda be approved.

143/17 GREATER MANCHESTER HOUSING INVESTMENT FUND – ANNUAL REPORT

Eamonn Boylan introduced a report which informed members of the outturn position of the GM Housing Investment Loans Fund for 2016/17 and noted the position in relation to the indemnity entered into by each of the Local Authorities in relation to the GM Housing Investment Loan Fund.

RESOLVED /-

That the outturn position of the Git also be noted that there has been no requirement for the GM Local Authorities to account for any impairments as a result of the performance of the Fund.

144/17 GREATER MANCHESTER HOUSING INVESTMENT LOANS FUND – INVESTMENT APPROVAL RECOMMENDATION

Councillor Richard Leese declared an interest in relation to item 24 as a Board member of Manchester Life Developments.

Eamonn Boylan introduced a report seeking approval of the GM Housing Investment Loans Fund loans.

Councillor Richard Leese provided members with an overview of the impact of the Crusader Mill Works scheme, which was used by local artists, work was now underway to find them alternative space in East Manchester, as greed by Department for Education, on a peppercorn rent basis. He further added that there was still unmet demand for residential developments for young professionals particularly in the city centre and Salford and that there will be continued re-investment into schemes once loan monies begin to be returned.

RESOLVED /-

1. That the GM Housing Investment Loans Fund loans in the table below, be approved

BORROWER	SCHEME	DISTRICT	LOAN
Capital & Centric (Cinnamon) Ltd.	Crusader Works	Manchester	£25,450,000
Casey Living Ltd.	Hulton Lane	Bolton	£950,000
Former Delph Chapel Ltd.	Delph Chapel	Oldham	£987,000
Hillcliffe Homes Ltd.	Harvey Street, Ince	Wigan	£664,000

2. That the use of £130,000 of City Deal receipts to provide additional mezzanine lending to Former Delph Chapel Ltd, noting that this investment will be subject to the approval of the Homes and Communities Agency to be obtained through the GM Housing Investment Board be approved.

3. That Manchester City Council be recommended to approve the above and prepares and effects the necessary legal agreements in accordance with its approved internal processes.

145/17 EXCLUSION OF PRESS AND PUBLIC

Members noted that the commercially sensitive information contained in Items 27 and 28 Greater Manchester Investment Framework Projects Update and Greater Manchester Housing Investment Fund – Investment Approval recommendations was taken as read during consideration of the Part A Greater Manchester Investment Framework Projects Update (minute ref 142 & 143/17 refers) and for this reason the exclusion resolution was not moved.

146/17 GREATER MANCHESTER INVESTMENT FRAMEWORK AND CONDITIONAL PROJECT APPROVALS

CLERK'S NOTE: This item was considered in support of the Part A Greater Manchester Investment Framework Projects Update at minute 142/17 above.

147/17 GREATER MANCHESTER HOUSING INVESTMENT LOANS FUND – INVESTMENT APPROVAL RECOMMENDATION

CLERK'S NOTE: This item was considered in support of the Part A Greater Manchester Investment Framework Projects Update at minute 143/17 above.

MINUTES OF THE JOINT GREATER MANCHESTER COMBINED AUTHORITY AND AGMA EXECUTIVE BOARD, HELD ON FRIDAY 28 JULY 2017 AT MANCHESTER TOWN HALL

PRESENT

GM MAYOR	Andy Burnham
DEPUTY MAYOR (Police and Crime)	Baroness Beverley Hughes
BOLTON COUNCIL	Councillor Linda Thomas
BURY COUNCIL	Councillor Rishi Shori, Deputy Mayor
MANCHESTER CC	Councillor Richard Leese, Deputy Mayor
OLDHAM COUNCIL	Councillor Jean Stretton
ROCHDALE MBC	Councillor Richard Farnell
SALFORD CC	Councillor John Merry
STOCKPORT MBC	Councillor Alex Ganotis
TAMESIDE MBC	Councillor Kieran Quinn
TRAFFORD COUNCIL	Councillor Sean Anstee
WIGAN COUNCIL	Councillor Peter Smith

OTHER MEMBERS IN ATTENDENCE

Fire Committee Chair	Councillor David Acton
GMWDA	Councillor Michael Young

OFFICERS IN ATTENDENCE

GMCA - Chief Executive	Eamonn Boylan
GMCA – Deputy Chief Executive	Andrew Lightfoot
Bolton Council	Sue Johnson
Bury Council	Pat Jones-Greenhalgh
Manchester CC	Joanne Roney
Oldham Council	Carolyn Wilkins
Rochdale MBC	Steven Rumbelow
Salford CC	Ben Dolan
Stockport MBC	Laureen Donnan
Tameside MBC	Steve Pleasant

Trafford Council	Joanne Hyde
Wigan Council	Donna Hall
TfGM – Chief Executive	Jon Lamonte
GM HSCP – Chief Officer	Jon Rouse
GMCA – Monitoring Officer	Liz Treacy
GMCA	Simon Nokes
GMCA	Julie Connor
GMCA	Sylvia Welsh
GMCA	Amanda Fox
GMCA	Nicola Ward

41/17 APOLOGIES

Apologies for absence were received and noted from Councillors Cliff Morris (Bolton - Cllr Linda Thomas attending), City Mayor Paul Dennett (Salford – Cllr John Merry attending), and Nigel Murphy (GM Waste – Cllr Michael Young attending).

Chief Executives – Margaret Asquith (Bolton - Sue Johnson attending), Jim Taylor (Salford – Ben Dolan attending), Theresa Grant (Trafford – Joanne Hyde attending) and Jim Taylor (Salford – Ben Dolan attending).

42/17 CHAIR'S ANNOUNCEMENTS AND URGENT BUSINESS

The Chair had no announcements or urgent business in respect of this meeting.

43/17 DECLARATIONS OF INTEREST

There were no declarations of interest made by any member in relation to any items on the agenda.

44/17 MINUTES OF JOINT GMCA AND AGMA EXECUTIVE BOARD MEETINGS HELD ON 28 APRIL AND 30 JUNE 2017

The minutes of the Joint GMCA and AGMA Executive Board meeting held on the 28 April and the Annual Meeting and ordinary meetings of the AGMA Executive Board held on 30 June were submitted.

RESOLVED /-

That the minutes of the Joint GMCA and AGMA Executive Board meeting held on 28 April and Annual Meeting and ordinary meetings of the AGMA Executive Board held on 30 June be approved as correct record.

45/17 GREATER MANCHESTER APPOINTMENTS

RESOLVED /-

That Councillor Terence Halliwell (Wigan) be appointed to the GM Pensions Fund Management Panel.

46/17 AGMA REVENUE OUTTURN 2016/17

Councillor Kieran Quinn, Portfolio Lead for Finance & Investment presented a report informing members of the revenue outturn position for 2016/17 and requested members to note the position on reserves.

RESOLVED /-

1. That the revenue outturn position for 2016/17, as detailed in section 1, which showed an underspend of £0.114 million after contributions to earmarked reserves be noted.
2. That the contribution of £8.637 million to earmarked reserves, as detailed in section 2 of the report, be approved.
3. That it be noted that there was no longer a requirement for a separate external audit of the AGMA Annual Accounts from 2015/16.

47/17 GMCA AND AGMA REVENUE UPDATE 2017/18

Councillor Kieran Quinn, Portfolio Lead for Finance & Investment introduced a report which informed members of the 2017/18 forecast revenue outturn position as at the end of June 2017.

RESOLVED /-

1. That the AGMA revenue outturn position for 2017/18, which was in line with budget, be noted.
2. That the Economic Development and Regeneration revenue outturn position for 2017/18, which was in line with budget, be noted.
3. That the transport revenue outturn position for 2017/18, which was in line with budget, be noted.
4. That the budget adjustments as detailed in sections 2 – 4 be approved.
5. That the transfer of the Metrolink Western Loop grant to TfGM who will undertake the development works as detailed in paragraph 4.6, be approved.
6. That the draw-down of £0.5 million to further develop the 'Case for Change for Rail Stations' to DfT as detailed in paragraph 4.10, be approved.

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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