

EXECUTIVE MEMBER REPORT TO COUNCIL 17th FEBRUARY 2016

Finance Training

1. In January I asked for and chaired training on Local Government Finance aimed at new members but offered to all. This included information on:
 - Financial Governance
 - Finance and Investments
 - Internal and External Audit
 - Council Finances
 - Revenue and Capital
2. In the run up to this training, a Glossary of Financial Terms has been compiled which was given out at the training sessions. This will be emailed out to all members and if anyone has any suggestions for terms to be included in an updated version please let me know. I would like to thank Cllr Terry Lawton for his help with the glossary.

Budget

3. The week following the Finance Training, two Budget Consultation meetings were held, open to all members, one during the day and one on an evening.
4. At the time of writing this report local authorities had not been supplied with either the details of the amount of the annual Public Health Grant (it is known there will be a substantial cut, just not precisely how much) or the final settlement from the Government. Therefore the information supplied to members within the consultation was based on the Provisional Local Government Finance Settlement 2016/17 and may be subject to last minute change. Representation has been made to the government on the problems this poses in relation to the budget setting process and not having accurate figures to work on.
5. Under the Comprehensive Spending Review, there is a whopping 56% cut in central government support to councils over a 4 year period. As usual Middlesbrough is hit harder than the average, facing a 66% or £23million cut in Revenue Support Grant.
6. Moreover George Osborne has announced that in 2020 the Revenue Support Grant will stop altogether with an expectation that councils will raise money locally from Business Rates and Council Tax. Affluent areas with higher levels of Council Tax income or more capacity in their area for business growth suffer least. According to the Government's own figures over a 4-year period Middlesbrough is facing a 3.8% reduction in Spending Power, once again worse than the national average and in contrast to neighbouring North Yorkshire benefitting from a 3.5% increase and Great London a 9.8% increase.

7. The assumption that councils should raise more money locally accompanied by the removal of central government grants is accompanied by the government telling local authorities in general that they can put up Council Tax by up to 2% per year with a further 2% increase for those running social care services in recognition of additional pressures in that area.

Financial Reports Timetable

8. I asked that a timetable showing when and where financial reports are considered by members be included as part of the finance training, but also thought this may be of interest to all members:

Financial Reports Timetable				
Report Title	Executive	Overview & Scrutiny Board	Corporate Affairs	Council
Council tax base report	December	n/a	n/a	January
Revenue Budget, Council tax and Prudential Indicators	February	February/March	n/a	March
Revenue Budget 1st Review	September	October	n/a	n/a
Revenue Budget 2nd Review	December	December	n/a	n/a
Revenue Outturn	July	August	n/a	n/a
1 st Capital Monitoring & Review	November	December	n/a	n/a
2 nd Capital Monitoring & Review	April	April/May	n/a	n/a
Capital Outturn	July	August	n/a	n/a
Mortgage Interest Rate Report 1	September	n/a	n/a	September
Mortgage Interest Rate Report 2	February	n/a	n/a	March
Annual Treasury Management Report	November	n/a	n/a	n/a
Statement of Accounts (Draft)	n/a	n/a	June	n/a
Statement of Accounts (Final)	n/a	n/a	September	n/a

Coroners Service

9. All four local authorities involved in the potential merger of Coroners areas have now taken their formal decisions, with: Middlesbrough, Stockton-On-Tees, and Redcar and Cleveland supporting the merger, subject to an indemnity from the Ministry of Justice for any liabilities arising from an open competition to recruit the new Senior Coroner for the area. The Addendum Business Case will now be sent to the Ministry of Justice, together with the decisions of all four authorities, for them to consider the way forward.
10. In the meantime, however, the Teesside Coroners service continues to perform very well, and has recently been given approval to utilise an Assistant Coroner from Hartlepool, which will further assist with performance.

Legal Services

11. I would like to congratulate two members of Legal Services who have been given Police Commendations for their involvement in a multi-national, multi-agency, cross-border child protection case, which resulted in the safe return of two vulnerable children from overseas. Over a period of a year, Samantha Dorchell and Ronald Lamb worked with other agencies to ensure the safety of those children removed from the UK, together with those who remained, and the Police Commendations are a reflection of the dedication and commitment of the entire child care team.”

Annual Equality and Diversity report

12. I recently approved the 2015 annual Equality and Diversity report. The report, which is an annual requirement, set out by the Equality Act 2010, outlines progress made by the Council over the past 12 months in relation to promoting equality and diversity. It sets out:

- the equality duties placed upon the Council
- how equality and diversity is embedded within our processes
- how equalities data is used by the Council
- the Council’s equality objectives
- a summary of performance in relation to equality and diversity during 2015 (calendar year).

13. The 2015 report marks the end of the first four year cycle for equality objectives and the Council will be taking the opportunity to review, not only its objectives, but also its wider approach to equality and diversity. This will enable the Council to take stock of its approach to date, ensure that we continue to comply with legislation and identify areas where it can do better in relation to equality and diversity

Corporate Peer Review

14. The Council recently underwent a Corporate Peer Review process to test where we are, where we have strengths and where we can improve our organisation. A group of officers and Elected Members from other parts of the country led by the Local Government Association (LGA) spent a week with us and take a good look at our corporate approach. There are no scores, but there will be feedback which will include areas we perform well in and those where we could improve. A report will be brought forward on this once the formal feedback process has been completed to share the team’s findings and outline what the Council plans to do next.

I would like to thank the staff who put a lot of hard work into arranging this

NICKY WALKER
EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE