

EXECUTIVE MEMBER REPORT TO COUNCIL

19 OCTOBER 2016

Appointment of New Strategic Director

1. James Bromiley, Strategic Director – Finance, Government and Support, took up his role on 5th September and i work closely with James, including at our weekly 1:1 briefing sessions.
2. James started his career in the third sector. He trained as a chartered accountant at the National Audit Office and managed financial and value for money audits in education, health and DTI and ran the NAO's strategy unit.
3. He worked in HM Treasury on the Gershon review of efficiency in the public sector in 2003-4, which had a major impact on local authorities. James was a senior civil servant for 12 years in Department for Education as Deputy Finance Director and then since 2010 leading the Academies programme and during those 12 years he was on secondment to North Yorkshire for 3 years working on finance, transformation and children's services. He has spent the last 12 months setting up the Tess Valley Combined Authority and its governance and ways of working, so comes with knowledge and experience of Middlesbrough.
4. James is to take over the role of Section 151 Officer from Mark Taylor who has been fulfilling this role on an interim basis since Paul Slocombe left the authority.
5. Section 151 relates to section 151 of the Local Government Finance Act 1972 and is used to refer to the Chief Financial officer, whose role is summarises by CIPFA (Chartered Institute of Public Finance and Accountancy) as:
 - a key member of the Leadership Team, helping it to develop and implement strategy and to resource and deliver the authority's strategic objectives sustainably and in the public interest;
 - must be actively involved in, and able to bring influence to bear on, all material business decisions to ensure immediate and longer term implications, opportunities and risks are fully considered, and alignment with the authority's financial strategy; and
 - must lead the promotion and delivery by the whole authority of good financial management so that public money is safeguarded at all times and used appropriately, economically, efficiently and effectively.

FINANCE

Benefit Cap

6. The Benefit Cap, which restricts the total amount of state benefits able to be received, is to be reduced from £26,000 (£500 p/w) to £20,000 (£384 p/w) for couples / lone parents and from £18,000 (£350 p/w) to £13,400 (£257 p/w) for single claimants. This includes benefits which may not be received directly by residents (such as Housing Benefit which may be paid directly to a landlord).
7. This is yet another attack on some of the most vulnerable people in our town. Based on the current restrictions, Middlesbrough has 49 families affected by the Benefit Cap. From the 7th November, when the new cap is applied, it was estimated at the end of August it will apply to 537 families. 78 families will potentially have their Housing Benefit reduced to £0.50 per week.
8. The overall annual reduction in Housing Benefit means approximately a whopping £1.24 million less money coming into Middlesbrough per year which will not just impact on those on benefits but on our local economy as well.

Business Rates

9. In September I approved Middlesbrough's response to the government's consultation on their proposals around their intention for councils to retain 100% of Business Rates collected. This is a subject of which I was part of on ANEC Task and Finish Group when initial proposals were first mooted.
10. Currently we in effect retain 49% of rates collected. 50% goes to the government who redistribute part back to local authorities. Over all we currently are net gainers in that receive back more than what we pay to the government. It is proposed to include 'equalisation' measures in the new system to protect to some degree, those adversely effected, which of course would potentially include Middlesbrough. Currently the government retains part of the overall amount collected.
11. In summary the response stated that Middlesbrough Council understands the government's desire for local government to be funded through the money it collects and the principle of councils having a stake in economic growth in their areas. It is however that any system is set up intelligently and properly reflects the fact that local government funding must enable local authorities to provide a wide range of statutory services.
12. The core principle of the new finance system should be fairness, councils must not be left in a situation where they are unable to provide proper services to their residents and the system must recognise that the circumstances faced by different areas impact upon their capacity to drive economic growth. In addition the process of moving to the new system must not be used as a method of imposing further cuts or redistribution on either individual councils or the sector generally.

Commissioning and Procurement

Support for New Housing Project for Veterans.

13. The Commissioning unit have supported Riverside Housing to develop a new supported housing project in central Middlesbrough. The brand new development called Hardwick House, attracted capital investment from the Veterans

Accommodation Fund supported by the MoD. The project offers 20 modern furnished flats, staff 24/7 for single homeless Veterans providing accommodation and support for up to 18months, helping veterans make the successful transition into permanent housing and employment. The project has been delivered on time and within budget and will start accepting its first residents at the end of October / beginning of November. All referrals will be made via SPACES, currently based at Catterick Garrison as a link through the MoD. This is a really exciting project helping our local veterans reconnect back to our local communities.

Increase in contribution to Nursing Home Fees

14. The government commissioned a review of the nursing rate, which is the amount that a care home receive for an individuals for the Nursing element if they are residing in a nursing home. This review has been recently conducted by the audit firm Mazars. As a result of the review the Nursing rate has been increased by 40% from £112 per person per week to £156.25 per person per week to take account of the “reasonable costs” of funding the service. This is funded by the Clinical Commissioning Group. Providers are now receiving the increased fees facilitated by the Council.

GOVERNANCE

Democratic Services

15. In September I chaired a briefing for all members on the outcome of the Democratic Service Review.
16. All required savings will have been achieved by 2017/18. The process, as with all other areas of the Council, has not been an easy one and I’m informed staff are relieved that it’s over.
17. There are reduced staffing levels in all areas, including the services accessed by members but changing the way services are delivered, including streamlining processes, will minimise the impact. Members will, for example, be provided with means by which they can contact services such as IT directly and self-serve through agenda in other areas.
18. As mentioned in earlier reports there will be a new improved, easier to use system for members’ casework replacing the current version of our ‘onestop’. This is currently in the process of being developed.
19. There will now only be one officer from Democratic Services attending meetings.
20. A review will take place in 6 months. Copies of the slides have been emailed to all members

HR

Business Change Leads

21. A Business Change Lead has been nominated from each Outcome area to help raise awareness of and embed various projects and activities that are seen as being key to the Change Programme. The Business Change Leads will act as key stakeholders for certain projects and their views and input will be sought as these are developed. To date the Business Change Leads have been involved in the work on embedding the Middlesbrough Manager/Middlesbrough Employee competency framework and, in particular, the development and design of the acronym, DIRECT.

- Deliver
- Influence
- Responsible
- Engage
- Change
- Think

Long Term Sickness Alerts

22. The Council needs to ensure that it is making effective use of all available resources. Staffing is a crucial element of this. A new email alert has been introduced to assist managers in their management of long term sickness cases. This email notifies managers of any long term sickness cases in their area and provides managers with the opportunity to ensure the correct sickness management procedures are being followed. This will also benefit staff who are absence on long term sickness as the process will ensure that they are receiving the appropriate support in line with the Managing Health, Attendance and Wellbeing policy.

Alignment of Annual Leave

23. An agreed action from the staff survey and which relates to improving staff morale, was a review of the possible alignment of annual leave for staff on TUPE terms and conditions with the annual leave for staff on Middlesbrough Council's terms and conditions. This review has taken place and all TUPE staff affected have received a letter advising them of the proposal and to offer the opportunity to opt out, in the unlikely event of them not wanting to access this additional leave. This means that from 1 October all staff will have the same annual leave entitlements. Where a TUPE'd member of staff already has a more generous annual leave entitlement this will not be affected

Workforce Development

24. Project Management Training - successful project management has been identified as being a key factor in achieving the delivery of the Mayor's Vision and the Council's objectives. The Council is currently reviewing the way programmes and projects are structured. As part of this work, the roll-out of a two day workshop 'An Introduction to Project and Programme Management' was completed in September. This was a collaborative learning exercise during which feedback was sought on the existing programme and project management framework. Staff who attended the workshops came from the different Outcome areas and were identified by their managers as either being currently involved in project work, or who will be involved in project work in the future. A total of 166 staff were trained.

25. Middlesbrough Learns' – the development of modules for the Council's e-learning system, continues. The modules are being produced by in-house subject matter experts working alongside the workforce development team. Data Protection, Information Governance and Display Screen Equipment (DSE) training modules are now available to support the roll out of agile working. An equality and diversity module is currently under development to raise employee and managers' awareness.

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