

**GREATER MANCHESTER COMBINED AUTHORITY (GMCA)
CORPORATE ISSUES AND REFORM OVERVIEW AND SCRUTINY COMMITTEE
22 JANUARY AT 1.00PM AT GMCA OFFICES**

Present:	Councillor Nathan Evans (Trafford) (in the Chair)
Bolton:	Councillor Hamid Khurram
Bury:	Councillor Stella Smith
	Councillor Tim Pickstone
Oldham:	Councillor Colin McLaren
Rochdale:	Councillor Peter Malcolm
Salford:	Councillor David Jolley
Stockport:	Councillor Linda Holt
	Councillor Yvonne Guariento
Trafford:	Councillor Bernard Sharp (Substitute)
	Councillor Amy Whyte (Substitute)
Tameside:	Councillor John Bell
Wigan:	Councillor Joanne Marshall

In attendance

Stockport Council	Pam Smith, Chief Executive Portfolio Lead for Age-friendly GM and Equalities
Tameside Council	Councillor Brenda Warrington, Portfolio Leader for Age-friendly GM and Equalities
	Councillor Allison Gwynne, Chair of Waste and Recycling Committee
Wigan Council	Councillor David Molyneux, Portfolio Lead, Resources
GMFRS	Jim Wallace, Chief Fire Officer
TfGM	Steve Warrener, TfGM Finance and Corporate Services Director
GMCA	Andrew Lightfoot, Deputy Chief Executive
	Richard Paver, GMCA Treasurer
	David Taylor, Executive Director, Waste and Resources
	Lindsay Keech, Head of Finance, Waste and Resources
	Paul McGarry, Head, Greater Manchester Ageing Hub
	Jamie Fallon, Governance and Scrutiny Officer

CI73/18 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors, Mary Watson (Manchester), Annette Wright (Manchester), Gillian Peet (Tameside), and Anne Duffield (Trafford).

CI74/18 CHAIR'S ANNOUNCEMENTS AND URGENT BUSINESS

No urgent business was raised.

CI75/18 DECLARATIONS OF INTEREST

Declarations of interest were received from Councillor Peter Malcolm on appendix 2 of the budget report re the fire service and pension funding (CI78/18).

CI76/18

MINUTES OF THE MEETING HELD ON 11 DECEMBER 2018

The minutes of the meeting held on 11 December 2018 were submitted for approval.

RESOLVED:

That the minutes of the meeting held on 11 December 2018 be approved as a correct record.

CI77/18

WORK PROGRAMME

Andrew Lightfoot, Deputy Chief Executive, GMCA introduced the work programme.

Members were informed that the work programme had been reconfigured, to incorporate the inclusion of the following items:

- Waste Procurement Update (March & May)
- GMFRS, Programme for Change (TBC possibly February or March)
- GMCA's Corporate Resilience & Brexit (February)
- Homelessness & Rough Sleeping Update (February)
- Transport Governance & Decision Making (April)
- Drug and Alcohol Strategy (TBC February or April)

Members were asked to contact the Governance & Scrutiny Officer with any further items for inclusion in the work programme.

RESOLVED:

That the reconfigured work programme be agreed.

CI78/18

GMCA BUDGETS 2018/19

Richard Paver, GMCA Treasurer, introduced a report which set out the Mayor's proposals for the Mayoral General Budget and precept for 2019-20 for consideration, which was due to be considered by the GMCA on Friday 25th January 2019.

Unique amongst Mayoral Combined Authorities, the proposals being made continue to include a significant element for the Fire Service which had previously fallen to the GM Fire and Rescue Authority to determine.

In a parallel process, the Mayor would be making a proposal relating to his PCC functions to the Police and Crime Panel, which was due to meet on 31 January 2019.

The following key points were highlighted:

- The Mayor's proposal was to set an overall Mayoral General Precept of £76.95 (Band D) comprising of £59.95 for functions previously covered by the Fire and Rescue Authority

precept (no change) and £17 (an additional £9 for 2019/20 on the current £8) for other Mayoral General Functions, specifically bus reform.

- The proposal was the second year of a 2-3 year strategy for setting the Mayoral precept baseline which would be adjusted in future years as further Mayoral functions are covered by funding raised, and that Governance had again provided flexibility on the level of the Mayoral (General) precept.
- The proposal allowed £5.75 million of Earnback grant to be used to support GMCA costs relating to bus related activity, including bus reform.
- The overall budget proposed for the Fire and Rescue Service, recognised that detailed proposals in relation to Programme for Change would be considered in the near future.
- The proposal included the use of the reserves to support the revenue and capital budgets, and the assessment by the Treasurer that the reserves to March 2020 were adequate.
- The proposed Fire Service capital programme, and proposals for funding the medium term financial position for all functions were covered by the Mayoral precept.
- In the absence of the outstanding Parliamentary Order relating to Transport Functions, the Mayor is unable to raise monies directly for Bus Reform and related activity and such costs fall on Districts by means of the transport levy. It is envisaged that the Parliamentary Order would shortly be issued to Districts for their consent and would then be laid in Parliament. It was anticipated that the Order would be in force before the end of the financial year, but, as it was not in place in time for the budget decisions, it is proposed that grants totalling £8.3 million would be made to District Councils to support their increased levy costs in relation to Bus Reform and the 16-18 Opportunity Pass.
- A revised budget would be submitted to the Committee on 12th February 2019, and to the GMCA on 15 February 2019, consistent with the precept proposals, to reflect final tax base and collection fund calculations and the final Revenue Support Grant settlement.

Members raised the following questions:

- A Member queried how viable the Fire budget was, given the use of reserves. It was confirmed that given the current scale of activities falling on the General budget, the level of reserves held was felt to be appropriate. In considering the medium term financial position of the Fire Service, the ongoing level of reserves is falling, and whilst the short-term position is sustainable, this was not the case in the longer term without Programme for Change being implemented. Recent announcements by the Treasury concerning the changes to the discount rate for unfunded public sector pension schemes had increased employers' contributions substantially, however, for 2019/20; the Home Office had confirmed a Section 31 grant of £4.802 million, towards estimated costs for GMFRS of £5.3 million. The continuation of grant support for pension costs, would be considered by Government as part of the Comprehensive Spending Review.
- When would the Programme for Change be complete? It was confirmed that the outcomes from the Programme for Change would affect the GMFRS Revenue Budget for 2019/20 and onwards, with decisions anticipated in March 2019. In light of this, there is a requirement for reserves to be used to underpin the Budget until approved proposals could be implemented.
- A Member queried whether the amount budgeted for the Greater Manchester Spatial Framework (GMSF) had increased. It was confirmed that £800,000 had been allocated to the Spatial Development Strategy (as detailed at paragraph 2.7) which included an amount to cover contingencies.
- A Member requested clarification regarding the Mayoral General Precept. It was confirmed that the £59.95 for functions previously covered by the Fire and Rescue Authority Precept

had not changed, however, the Mayor was proposing to increase the current £8 to £17 (per Band D property), which would raise (on the latest estimated tax band) £12.74 million. When taken with the estimated Mayoral Capacity Funding, surplus on Collection Funds and Bus Service Operators Grant (£13.1 million) this would give overall funding of £28.180 million (the allocation of this amount is detailed at page 7 of the report).

- What happens if the Transport Order does not progress through Parliament? If Order is not in place then work can still proceed on the basis of the budget now proposed.
- Would the Mayor be submitting his proposals in relation to the Police and Crime Precept to the GMCA for joint decision? The Mayor is consulting on increasing the PCC Mayoral precept by the maximum permitted of £24.
- The Mayor's proposal relating to his PCC functions would be submitted to the Police and Crime Panel on 31st January 2019, and sets out, the Mayor's proposal to increase the police precept by £24 for a band D property with effect from 1 April 2019. The Mayoral Precept would be set on 15th February 2019.
- Members raised concerns regarding how the increases would be communicated to the Public, in particular, emphasising that the full increase would only be applied to each Band D household. It was confirmed that each household would receive a Council Tax bill, which would include a breakdown. The PCC element was currently out for consultation, which detailed how the additional funding would be spent.
- Consideration was given to the breakdown provided at paragraph 2.7 within the report. A Member requested further information on what the reference to 'Transport, Policy and Strategy' encompassed. The funding allocated to 'Transport, Policy and Strategy' was related to the TfGM Policy and Strategy Team, which was previously funded by the Levy but had become a Mayoral function the previous year. It was confirmed that the Team were responsible for a number of policy and strategy functions, which recently included the development of the recently published 2040 Delivery Plan. The Committee recommended that the table (paragraph 2.7) be updated to succinctly describe what the funding related to. In addition, the Committee requested further information on the 'Transport, Policy and Strategy' function and the funding allocated over the past five years.
- Members raised concerns regarding the timeframes associated with the publication of the reports, noting that it had left them little time to review and digest the intricate reports.
- Members also felt that the reports were complex and not easy to understand. It was agreed that the February reports would be simplified and include a summary table.

RESOLVED:

1. That the report be noted.
2. That a recommendation be submitted to the Mayor, to enhance the table at paragraph 2.7 within the report to succinctly describe what the funding related to.
3. That a recommendation be submitted to the Mayor, to simplify the budget reports, and include a summary table.
4. That further information be provided to the Committee in relation to the 'Transport, Policy and Strategy' function and the allocation of funding over the past five years.

Members considered a report that outlined the proposed Budget and Levy 2019/20 for waste and resource management services for Greater Manchester.

Richard Paver, GMCA Treasurer, highlighted that this was the first time the GMCA had set the budget for waste, in particularly the Levy on Districts. It was noted that a further budget report would be presented to the GMCA on the 15th February 2019 and brought forward to the Committee on the 12th February 2019.

The interim proposals for the 2019/20 budget and Levy had been prepared by building upon Contract and savings updates provided to GMWDA meetings in 2017/18 and the Waste and Recycling Committee, and GMCA meetings during 2018/19.

The budget for 2018/19 was set by the GMWDA at £197.347m on 8th February 2018. After some £27.753m of support from the MTFP reserve and the return of £77/701m of additional GMCA levy, the levy was then allocated to Districts by way of a £91.893m Levy (62.8% decrease) and using the Levy Allocation Methodology Agreement (LAMA). The total budget in 2019/20 replicates, the previous MTFP forecast by GMWDA of £174.6 m. It was highlighted that the introduction of the LAMA was delivering increased predictability in the allocations between districts.

RESOLVED:

That the update on be noted.

Brenda Warrington, Portfolio Leader, Age-Friendly Greater Manchester and Equalities, presented a report, which provided an update on the progress made on the Age-Friendly Greater Manchester Strategy since the February 2018 report.

The following key points were highlighted:

- An age-friendly Greater Manchester is priority ten of the Greater Manchester Strategy (GMS). Delivering on this priority is a hugely collaborative undertaking involving partners from across the GM system working together on economy and work, housing and planning, transport, culture, age-friendly places and health ageing.
- There are three key objectives for priority ten for 2020:
 - Put in place a network of Age-friendly neighbourhoods across GM
 - Design and deliver employment support programme for people aged over 50
 - Deliver a series of GM showcasing events, positioning GM as global leader in Ageing
- In March 2018, GM became the UK's first age-friendly city region as recognised by the World Health Organisation. This status acknowledges the plans we have in place to improve the lives of older people.
- Future plans include:

- On 13 February 2019, the second Greater Manchester Age-Friendly Conference ‘Doing Ageing Differently’ will bring together GM’s system leaders, older people’s groups, world-leading academics and other partners
- Launch ‘Doing Ageing Differently’ magazine to showcase work and stimulate critical thinking around age-friendly policy and practice, primarily targeted at policy makers and practitioners
- An evidence review for an employability pilot which will inform the scope and focus for the development and testing of new approaches to support people aged 50 and over back into work
- Age-friendly supplementary guidance document to support the Greater Manchester Spatial Framework
- International Centre for Age-Friendly Culture at the Museum for Life (Manchester Museum)
- Report by think –tank the International Longevity Centre on how GM can take advantage of the growth opportunities associated with an ageing population
- Building new international partnerships around urban ageing, including with researchers
- Expand membership of GM Older People’s Network, and launch new programme of activities

Members posed questions to the Portfolio Leader, and Pam Smith, Chief Executive Lead, Age-friendly Greater Manchester and Equalities, who was also in attendance:

- How can we change the attitude of some employers and seek to eradicate ageism? The employment factor was being addressed, noting that the over 50’s Employability Pilot had been developed to provide employability support for over 50’s in GM. In addition, it was anticipated that a significant proportion of participants supported through the Working Well programme would be aged 50 and over.
- How can we work with employers to develop more robust employment procedures that did not discriminate against older people who may have health problems? One of areas of work embodied within the strategy, was seeking to persuade people to live healthier lifestyles, through a number of initiatives such as cycling and walking. A GM age-friendly handbook for employers was also being developed.
- A Member highlighted that communication was key to informing older people how they can access help such as interview skills, and CV support. The evidence from the Employability Pilot would inform the scope and focus for the development and testing of new approaches to supporting people aged 50 and over back into work.
- Were opportunities for older people to retrain being considered, given the associated costs? The work was seeking to ensure that new opportunities were available for older people, which would include apprenticeships targeted at older workers.
- Members welcomed the update and were in support of the approach.

RESOLVED:

1. That the progress made by the GM Ageing Hub and partners on the GM Age-Friendly Strategy since its launch in March 2018 be noted.
2. That the strategic approach set out in the report be endorsed including the core features of:
 - Ensuring the voices of older people are represented in this work

- Supporting the development of partnerships that bring together research institutions with policy makers, practitioners and citizens
 - Basing our GM approach on the World Health Organisations Age-friendly cities and communities programme, whilst acknowledging the social inequalities experienced by many old people in our city –region
 - Promoting a modern and positive narrative on ageing across public services, communities and business in GM that emphasises that contribution of older people rather than utilising a deficits approach
 - Positioning the Age-Friendly Strategy as part of the next phase of public service reform, doing ageing differently
 - Continuing to promote GM as a pioneering European and global city-region.
3. That the Committee support the next phase of development of the GM Ageing Hub and the actions set out in the GM Age-Friendly Strategy.
 4. That the Committee support the second phase of GMCA's five year partnership with Centre for Ageing Better

CI80/18

UPDATE ON PROCUREMENT OF WASTE SERVICES – PART A

Councillor Allison Gwynne, Chair of the Waste and Recycling Committee, introduced a report, which provided an update on the ongoing procurement process for waste and resource management services for Greater Manchester.

The following key points were highlighted:

- Procurement of future operating contracts commenced in November 2017 on a three lot basis with contract award programmed for February 2019 and service commencement in June 2019. The procurement route being used was Competitive Dialogue.
- In order to maximise the competition and to attract specialist service providers, the procurement was originally divided into 3 Lots based on waste stream and facility type. The 3 Lots identified were:

Lot One	Waste and Resource Management Services (WRMS)
Lot Two	Household Waste Recycling Centre Management Services (HWRCMS)
Lot Three	Biwaste Management Services (BMS)

- The Invitation to Submit and Interim Tender (ISIT) stage, saw the withdrawal of FCC from Lot two and Biffa/Viridor from Lot three, based upon the strategic fit of this procurement into their wider business objectives.
- Following the draft tender evaluation, further Competitive Dialogue was held with all Tenderers. During the latter stages, Viridor confirmed their intention to also withdraw from Lot one.
- On 15 October 2018, following further analysis and in light of national policy uncertainty around biowaste, the delegated decision was made to cancel Lot 3 procurement and to place the management of this tonnage and the two associated Vessel Composting (IVC) facilities under the Lot one contractor.
- The cancellation of Lot three and the withdrawal of Viridor from Lot one now means that there are two remaining Tenderers, Suez and Veolia. Final tender submissions were received

from both organisations for Lots one and two were received on 20th December in accordance with the procurement programme.

- Compliance checks have been undertaken and the tender responses are currently being evaluated and scored with this process including moderation to conclude by 14th February 2019.
- The decision to award the contract(s) is a key decision under the GMCA constitution. As such, a report is scheduled to go to the GMCA meeting on 15th February 2019 making a recommendation to award the Lot one and two contracts, and seeking delegation to officers in consultation with the GMCA Chief Executive and Chair, Waste and Recycling Committee, to conclude the biowaste procurement process.

Members asked the following questions to Councillor Allison Gwynne, and David Taylor, Assistant Director, Waste and Resources, who was also in attendance:

- A Member explored whether the withdrawal of Lot three had meant Tenderers had had to resubmit their tenders. It was confirmed that termination of Lot three had occurred in October 2018, prior to the final tender documents being released, and so they were updated to reflect the position. Both Suez and Veolia had submitted their tenders against the new documents.
- What was the level of risk associated with the processing of green waste? It was confirmed that the two facilities originally included within Lot three would now be managed by the Lot one contractor. The GMCA are currently procuring third party facilities through a framework contract, noting that there would be multiple facilities with several companies.

RESOLVED:

1. That the progress to date on the procurement of future waste services contracts be noted.
2. That the Committee note the proposed governance arrangements leading up to the appointment of preferred bidder(s) in February 2019.

CI81/18 GMCA REGISTER OF KEY DECISIONS

RESOLVED:

That the report be noted.

CI82/18 DATE AND TIME OF NEXT MEETING

Tuesday 12th February, 6pm, GMCA Boardroom, Churchgate House, Manchester, M1 6EU

CI83/18 EXCLUSION OF PRESS AND PUBLIC

RESOLVED:

That, under section 100 (A)(4) of the Local Government Act 1972 the press and public should be excluded from the meeting for the following items on business on the grounds that this involves the likely disclosure of exempt information, as set out in paragraph 3, Part 1, Schedule 12A of the

Local Government Act 1972 and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

CI84/18

UPDATE ON THE PROCUREMENT OF GM WASTE SERVICES- PART B

The Committee considered a report, which provided an update on the progress of the procurement of Lot 1 Waste and Resource Management Services and Lot 2 Household Waste Recycling Centre Management Services.

RESOLVED:

1. That the Committee note the evaluation framework for Lots 1 and 2.
2. That the Committee note the Tenderer technical solutions for Lots 1 and 2.
3. That the Committee note the added value proposals set out in the report.

CI85/18

**BUDGET AND LEVY 2019/20 AND MEDIUM TERM FINANCIAL PLAN
2022/23M COMMERCIAL CONSIDERATIONS**

The Committee considered a report, which set out commercial considerations in respect of the outturn for 2018/19 and budget for 2019/20 and beyond. The report also covered the process for scrutiny that the budget will follow. Following contract evaluation, a further report would be brought to the Committee on 12th February 2019.

RESOLVED:

That the report be noted.

