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| Present: | Councillor | Piddington (in the Chair) |
| | Councillors | Alexander, Cornes, Emmott, Fitzpatrick, Godwin, Gordon, Hunt, Jones, Merrett, C Murphy, N Murphy, Peel, Piddington, Price, Quinn, Sherrington, Skillen, Young and Zaman |
| | Officers | Clerk to the Authority, Treasurer & Deputy Clerk, Director of Contract Services, Director of Resources & Strategy, Solicitor, Deputy Treasurer, Head of Corporate Services and Head of Finance |
| Apologies: | Councillors | All Members were present |
| | Officers | All Officers were present |

M44 Urgent Business, if any, introduced by the Chair

There was no urgent business introduced by the Chair.

M45 To receive Declarations of Interest in any contract or matter to be discussed at the meeting

There were no declarations of interest received at the meeting.

M46 Public & Members' Question Time (limited to 15 minutes)

No questions were received from the public or Members.

M47 Exclusion of Press and Public

RESOLVED: That, in accordance with Section 100(4) of the Local Government Act 1972, the public and press are excluded from the meeting at this juncture for the following business on the grounds that it involves the disclosure of exempt information as defined in the respectively indicated paragraph(s) of Part 1 of Schedule 12A of the Act.

It would not be, on balance, in the public interest to disclose this information to the public and press for the reasons indicated within the report(s).

M48 Budget 2016/17 and Medium Term Financial Plan to 2020/21 - Commercial Considerations

Consideration was given to the joint report of the Clerk, Treasurer & Deputy Clerk and the Director of Contract Services which, set out commercial considerations in respect of the 2016/17 and beyond budget and Levy prospects. It was noted that all matters contained in this report had been appropriately summarised in the complementary open Budget and Levy report so that all relevant information was included in a single place, to facilitate formal decision making. This also ensured that the Authority was, in so far as possible, delivering on its aim to be open and transparent.

The report covered the following areas:

- a) 2016/17 and facility performance rectification works;
- b) facility optimisation;
- c) budget reduction measures; and
- d) commercial risk assessment and Balances.

The Solicitor to the Authority reminded Members, that following legal advice in terms of budget considerations, all matters were of a confidential nature and should not be discussed outside of the meeting. In light of this, the Head of Corporate Services advised Members that they would need to sign a Confidentially Declaration form that would be mailed to Members in due course. The Vice-Chair suggested and Officers agreed that the Leaders' Waste Task Group (LWTG) would also be asked to sign a form.

The Clerk to the Authority introduced the item and explained that this budget was the final year of the three year agreement with the Association of Greater Manchester Authorities (AGMA), which was approved in January 2014. It was reported there would be a Levy spike in 2017/18 and the report set out details on how that was being addressed.

Following the Clerk's introduction, the Treasurer & Deputy Clerk and Director of Contract Services provided Members with a verbal summary to accompany the report. Members' attention was drawn to paragraph 6.4 of the report and Members agreed that following the update at the meeting, recommendation c) within the report be amended to ensure the option was fully evaluated by June 2016.

Officers provided Members with further clarification in relation to repairs at facilities, landfill and environmental impacts, advisor costs, the Levy increase in 2017/18, the Circular Economy, the Combined Authority and the European Union (EU).

A discussion took place about recycling in high rise buildings and how work in Milan had reached a recycling participation rate of 85%. The Director of Contract Services agreed to provide Members with a case study about the Milan model.

Members thanked Officers for the comprehensive report.

In accordance with the Authority's Constitution (paragraph 18.5 Voting), the Head of Corporate Services conducted a named vote, which was recorded as follows:

For: Alexander, Cornes, Emmott, Fitzpatrick, Godwin, Gordon, Hunt, Jones, Merrett, C Murphy, N Murphy, Peel, Piddington, Price, Quinn, Sherrington, Skillen, Young and Zaman;

Against: none; and

Abstained: none.

RESOLVED: That the Authority:

- a) endorses the budget assumptions for 2016/17 as set out in Section 4 of the report and the associated critical judgements in relation to the MTFP;
- b) notes the on-going work to improve facility performance and optimisation to deliver best value for money as set out in Section 5 of the report;

- c) approves the continued development of budget reduction measures, as set out in Section 6 of the report, the approach being taken to scrutinise these via external expert inputs, and overseen by the Leaders' Waste Task Group (WTG) and approves the actions proposed in the verbal update in paragraph 6.4 of the report, by delegating to the Clerk (in consultation with the Chair and Vice-Chair (Chair of the Waste Management Committee)) all necessary actions (including, if appropriate, action under the Special Urgency Provisions) to ensure that this alternative savings option is fully evaluated by June 2016, so as to enable it to be assessed against other options, which are being produced to that timeline; and
- d) agrees the detailed risk assessment, proposed general Balances position and mitigations being employed, as set out in Section 7 of the report.

M49 Authority to pass resolution to open the meeting up to the Press and Public

RESOLVED: That the meeting be opened to the press and public for the remaining items contained within the agenda.

M50 Budget and Levy 2016/17 and Medium Term Financial Plan to 2020/21

Members considered the joint report of the Clerk, Treasurer & Deputy Clerk and the Director of Contract Services that sought agreement for a MTFP for a five year period to 2020/21.

It was explained that those plans would be delivered by:

- a) seeking agreement to the 2016/17 net budget requirements (Section 8 of the report); and allocation of the net Levy to constituent Districts in accordance with the Inter-Authority Agreement (IAA) methodology (paragraph 8.3 of the report);
- b) approving the use of the MTFP Reserve to:
 - i) provide for £21.5m support to the 2016/17 budget requirement, and hence deliver a zero percent average Levy increase for 2016/17; and
 - ii) use the balance of that Reserve (£9.1m) to partially support the 2017/18 budget requirement, producing an average Levy increase forecast of 9.6%.
- c) noting the potential for 7.6% increase in Levy in 2018/19 (due to no support from the MTFP Reserve being available), before returning to a normative level of 2.5%, which is around 70% of predicted annual inflation (as measured by the Retail Price Index, excluding mortgages (RPIx)); and
- d) approving the process for development of further budget reduction measures, as set out in paragraph 7.2, with the aim (in so far as possible) of mitigating spikes in Levy in 2017/18 and 2018/19 noted above at (b) (ii) and (c).

The Treasurer & Deputy Clerk introduced the report and advised verbally at the meeting, that the predicted overspend of £2.5m in 2015/16, now appeared likely to increase as a result of the impact of flooding. In light of this, Members agreed that recommendation a) within the report be amended to reflect the update.

Officers provided Members with clarity about the European Union's (EU's) Solidarity Fund and if this could be used to mitigate increased costs at Household Waste Recycling Centres (HWRCs) during the flood periods. It was explained that the Government could potentially claim. However, the claim needed to be made by a Minister, within 12 weeks after the first side effects became clear from the disaster. The Deputy Treasurer added that funding was available to Authorities under the Bellwin Scheme. Councils could apply to have 100% of their costs above the threshold reimbursed. If the Government did apply for Solidarity funding then it could offset the money incurred. However, if the costs were more than £50m, then it was uncertain where the funds would come from. In terms of the Authority, it would need to bear any cost increases directly, and this could mean a further increase in the 2015/16 overspend.

A Member added that a £500 flood grant was available to individual home owners to build resilience in the future and cover flood recovery costs. The Member also pointed out that HWRCs were inundated with debris items following the floods, and it would be beneficial if funding was also available to offset these costs.

Following, the targeted campaign in Rochdale, a Member reported that recycling had reached 40%, which was very good news.

In accordance with the Authority's Constitution, the Head of Corporate Services conducted a named vote, which was recorded as follows:

For: Alexander, Cornes, Emmott, Fitzpatrick, Godwin, Gordon, Hunt, Jones, Merrett, C Murphy, N Murphy, Peel, Piddington, Price, Quinn, Sherrington, Skillen, Young and Zaman;

Against: none; and

Abstained: none.

RESOLVED: That the Authority:

- a) notes the proposed revised budget for 2015/16, which requires use of an additional £2.492m of MTFP Reserve, due to overspends in the year as set out in Section 6 of the report and from the verbal update at the meeting the potential for the overspend level to be higher mainly due to the effects of flooding;
- b) approves actions in train to seek to identify cost savings in the Recycling & Waste Management Contract (the Contract) as set out in Section 7 of the report;
- c) approves the 2017/18 Trade Waste rate at £89.40 (i.e £87.30 plus 2.4%), as set out in paragraph 8.6 of the report, to allow forward planning by Districts;
- d) agrees the Capital Programme 2016/17 to 2018/19 as set out as Appendix C of the report and inclusion of the consequential revenue effects in the budget and Levy from 2016/17 (paragraph 8.7 of the report);
- e) approves the Procurement Plan 2016/17 and delegate the implementation of the Plan to the Treasurer & Deputy Clerk as set out in paragraph 8.8 and Appendix D of the report;
- f) agrees the base budget for 2016/17 of £182.641m (3.75% increase), and a Levy requirement of £161.103m (a zero percent increase) (Section 8 and Appendices A to H of the report);

- g) notes the expected Levy increase in 2017/18 of 9.6%, 2018/19 rise of 7.6% (both due to the unwinding of MTFP Reserve support), before returning to an inflationary linked 2.5% increase in 2019/20 and 2.6% increase in 2020/21 (Section 9 of the report);
- h) notes the risk position set out in the Balances Strategy, and the support that that provides to require Balances be retained at their current £9.4m level (Sections 10 and 15, and Appendix F of the report);
- i) agrees the updated IAA schedules (1 and 3) and Levy apportionments as set out in paragraph 8.3 and Appendices B(1) and B(2) of the report;
- j) approves the instalment dates for receipt of Levy payments from the constituent Districts set out in Appendix I of the report; and
- k) notes the proposals to review charging policies, as set out in paragraph 8.9 of the report, at the 18th March 2016 Authority meeting.

The Member from Stockport advised that he had been asked to be the Mayor of Stockport in 2016/17 and that after 16 years' service on the Authority reported that it would be his last Authority meeting. He expressed his thanks to Officers and his fellow Members for the best public experience of his life. He added that all Members had been engaged and they should be proud of the work they have done for residents in Greater Manchester. He specifically thanked the Chair (and previous Chair) of the Authority for their leadership, which had been politically unbiased. The Member was very sorry to leave the Authority. Members showed their appreciation with a round of applause.

The Vice-Chair (Chair of the Waste Management Committee) responded and thanked the Member for his hard work whilst serving on the Authority. He was praised for his cross party working relationships and his integrity. The Chair applauded the Member's commitment and stated that he had always been a positive contributor. The Chair wished him good luck as the Mayor of Stockport.

The meeting opened at 11.00 am and closed at 12.16 pm.

GMWDA