

## AGMA EXECUTIVE BOARD

**DATE:** Friday, 10th February, 2023

**TIME:** At the rise of the GMCA meeting

**VENUE:** Council Chamber, Salford City Council, Salford Civic  
Centre, Chorley Road, Swinton, Salford, M27 5AW

## AGENDA

**6. AGMA Budget Update 2022/23 and Budget 2023/24** 1 - 10

Report of Cllr David Molyneux, Portfolio Lead for Resources & Investment.

For copies of papers and further information on this meeting please refer to the website [www.greatermanchester-ca.gov.uk](http://www.greatermanchester-ca.gov.uk). Alternatively, contact the following Governance & Scrutiny Officer: [Sylvia.Welsh@greatermanchester-ca.gov.uk](mailto:Sylvia.Welsh@greatermanchester-ca.gov.uk)

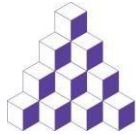


This agenda was issued on 7 February 2023 on behalf of Julie Connor, Secretary to the Greater Manchester Combined Authority, Churchgate House, 56 Oxford Street, Manchester M1 6EU

<b>BOLTON</b>	<b>MANCHESTER</b>	<b>ROCHDALE</b>	<b>STOCKPORT</b>	<b>TRAFFORD</b>
<b>BURY</b>	<b>OLDHAM</b>	<b>SALFORD</b>	<b>TAMESIDE</b>	<b>WIGAN</b>

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**AGMA**  
ASSOCIATION OF  
GREATER MANCHESTER  
AUTHORITIES

## AGMA Executive Board

Date: 10<sup>th</sup> February 2023

Subject: AGMA Budget Update 2022/23 and Budget 2023/24

Report of: ~~Cllr David Moynieux, Portfolio Holder - Resources~~

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Steve Wilson, Treasurer to AGMA / GMCA

### Purpose of Report

The report sets out the revenue budget for the Association of Greater Manchester Authorities (AGMA) 2023/24. It also includes the forecast outturn position for 2022/23.

The proposed charges in respect of AGMA to be approved for 2023/24 are included within the report together with the recommended allocations to the District Councils of Greater Manchester.

### Recommendations:

AGMA Executive Board is requested to:

- (i) note the report and the current AGMA revenue outturn forecast for 2022/23 shows a breakeven position as set out in section 1 of this report;
- (ii) approve a budget of £938,000 relating to AGMA functions in 2023/24 as set out in section 2 of this report;
- (iii) approve the charges to the GM District Councils in support of the AGMA functions for 2023/24 of £843,000, as set out in Appendix 1 to this report, noting the increase of £139,000 from 2022/23;
- (iv) note the forecast position on reserves as detailed in section 3 of the report.

### Contact Officers

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**Risk Management** – An assessment of the potential budget risks faced by the authority are carried out quarterly as part of the monitoring process.

**Legal Considerations** – See section 4 of the report.

**Financial Consequences** – Revenue – The report sets out the out the budget position for 2022/23 and planned budget strategy for 2023/24.

**Financial Consequences** – Capital – There are no capital considerations contained within the report. Number of attachments to the report: 0

**Comments/recommendations from Overview & Scrutiny Committee**

**Background Papers**

AGMA Executive Board: AGMA Budget Update 2021/22 and Budget 2022/23 - 11

February 2022

AGMA Executive Board: AGMA 2021/22 Final Outturn – 24 June 2022

BOLTON  
BURY

MANCHESTER  
OLDHAM

ROCHDALE  
SALFORD

STOCKPORT  
TAMESIDE

TRAFFORD  
WIGAN

## 1. AGMA FORECAST OUTTURN AND BUDGET UPDATE 2022/23

- 1.1 The forecast outturn position for the year ending 31 March 2023 is a breakeven position. The forecast position includes increased use of reserves of £99k to fund costs in 2022/23 which are additional to the budget agreed in February 2022. Further information is set out below:

Revenue Budget 2022/23	2022/23 Approved Budget	2022/23 Forecast Outturn	Variance
	£000	£000	£000
<b>Resources</b>			
Contribution from Districts	704	704	0
Contribution from Reserves	8	107	99
External income & contributions	46	46	0
<b>Total</b>	<b>758</b>	<b>857</b>	<b>99</b>
<b>Expenditure</b>			
Protect Duty	0	10	10
Flood and Water Management	0	51	51
Sharepoint	0	34	34
Police and Crime Panel	74	74	0
County Records	216	216	0
Specialist Trading Standards	62	62	0
GM Archaeology Service	138	142	4
Waste and Minerals Unit	60	60	0
Ecology Unit	208	208	0
<b>Total</b>	<b>758</b>	<b>857</b>	<b>99</b>
<b>Net Position</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 1.2 There are part year additional costs of £10k in relation to preparation for the Protect Duty legislation due in 2023, to improve the protection of publicly accessible place from terrorist attacks. GM local authority chief executives agreed to fund two GM Protect posts within the GM Resilience Unit. The cost of the two positions is £106k per annum which is proposed to be added to the AGMA budget in 2023/24. The Police and Crime Commissioner's Office have agreed a contribution of £15k and the ten Districts meeting will meet £91k. The estimated cost in 2022/23 is £10k and will be funded from AGMA reserve.
- 1.3 Following a report to GM chief executives in January 2020 it was agreed that the GM Flood and Water Management Board (FWMB) would be abolished and

the GM Flood and Water Management Programme Manager, previously employed by Rochdale Council on behalf of the 10 districts, would be transferred to GMCA. It was agreed that 50% of the cost of the role would continue to be met from Districts as Lead Local Flood Authorities and 50% would continue to be funded from the Environment Agency. The costs up to 2022/23 of £51k have been met from the AGMA reserves with £33k proposed to be added to the AGMA budget for 2023/24.

- 1.4 The GM Archaeology Advisory Service (GMAAS), hosted by the University of Salford has agreed with Directors of Place in the ten GM local authorities to fund increase the budget by 2.5% (£4k) per year until 31 March 2026 to meet the increased cost of service. The provision of non-core Archaeological services by the unit benefits local authorities and GM wide services and provides advice to the GM district authorities on all matters relating to archaeology and planning processes. GMAAS have published 28 volumes of interesting archaeological findings from across Greater Manchester.
- 1.5 As reported to AGMA in June 2022, Wigan hosts the Sharepoint platform on behalf of AGMA districts to enable the secure sharing of data, with an estimated 350 users across GM. The annual cost of the system is £34k which is proposed to be met from reserves in 2022/23 and 2023/24.

## **2. PROPOSED AGMA BUDGET 2023/24**

- 2.1 Taking account of the additional costs identified as part of the 2022/23 forecast outturn set out above, the proposed budget for 2023/24 is £938k which is an increase of £180k. The 2023/24 proposed budget is summarised in the table below:

<b>AGMA Revenue Budget</b>	<b>2022/23 Approved Budget</b>	<b>2023/24 Proposed Budget</b>	<b>Change</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Resources</b>			
Contribution from Districts	704	843	139
Contribution from Reserves	8	34	26
GMCA Contribution	46	61	15
<b>Total</b>	<b>758</b>	<b>938</b>	<b>180</b>
<b>Expenditure</b>			
GM Protect Management	0	106	106
Flood and Water Management	0	33	33
Sharepoint	0	34	34
Police and Crime Panel	74	74	0
County Records	216	216	0
Specialist Trading Standards	62	62	0
GM Archaeology Service	138	145	7
Waste and Minerals Unit	60	60	0
Ecology Unit	208	208	0
<b>Total</b>	<b>758</b>	<b>938</b>	<b>180</b>
<b>Net Position</b>	<b>0</b>	<b>0</b>	<b>0</b>

2.2 It is proposed that the 2023/24 AGMA budget is funded by a contribution from Districts of £843k which is an increase of £139k compared to 2022/23, a contribution from GMCA of £61k which is an increase of £15k and a contribution from reserves of £34k which is an increase of 26k. The proposed change in recharge to Districts is shown in the table below with further details in Appendix 1.

<b>Authority</b>	<b>Mid-Year 2020 Population</b>	<b>2022/23 Recharge £000</b>	<b>2023/24 Recharge £000</b>	<b>Change £000</b>
Bolton	288,248	70	84	14
Bury	190,708	55	64	9
Manchester	555,741	119	147	28
Oldham	237,628	62	74	12
Rochdale	223,659	60	71	11
Salford	262,659	66	79	13
Stockport	294,197	71	86	15
Tameside	227,117	61	72	11
Trafford	237,579	62	74	12
Wigan	330,712	78	93	15
<b>Total</b>	<b>2,848,248</b>	<b>704</b>	<b>843</b>	<b>139</b>

### 3. RESERVES

- 3.1 The position on General AGMA reserves at 31<sup>st</sup> March 2022 reported to AGMA Executive Board in June 2022 was £553k. The forecast balance for 31<sup>st</sup> March 2023 is £446k. A review of further potential agreed commitments against the AGMA budget which may be a call on reserves in 2022/23 will be brought to a later meeting of the AGMA Executive.

<b>Reserves</b>	<b>Final Balance 31/03/22</b>	Planned Transfers out/(in)	<b>Projected Balance 31/03/23</b>
	<b>£000</b>	£000	<b>£000</b>
<b>AGMA Reserves</b>	<b>-553</b>	107	<b>-446</b>

### 4. LEGAL CONSIDERATIONS

- 4.1 In coming to decisions in relation to the revenue budget the Authority has various legal and fiduciary duties. The amount charged to the Districts in respect of the Authority's AGMA functions must be sufficient to meet the Authority's legal and financial commitments, ensure the proper discharge of its statutory duties and lead to a balanced budget.
- 4.2 In exercising its fiduciary duty the Authority should be satisfied that the proposals put forward are a prudent use of the Authority's resources in both the short and long term and that they are acting in good faith for the benefit of the community whilst complying with all statutory duties.

#### Duties of the Treasurer (Chief Finance Officer)

- 4.3 The Local Government Finance Act 2003 requires the Chief Finance Officer to report to the Authority on the robustness of the estimates made for the purposes of the calculations and the adequacy of the proposed financial reserves. The Authority has a statutory duty to have regard to the Chief Finance Officer's report when making decisions about the calculations.
- 4.4 Section 28 of the Local Government Act 2003 imposes a statutory duty on the Authority to monitor during the financial year its expenditure and income against the budget calculations. If the monitoring establishes that the budgetary



situation has deteriorated, the Authority must take such action as it considers necessary to deal with the situation. This might include, for instance, action to reduce spending in the rest of the year, or to increase income, or to finance the shortfall from reserves.

4.5 Under Section 114 of the Local Government Finance Act 1988, where it appears to the Chief Finance Officer that the expenditure of the AGMA incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure, the Chief Finance Officer has a duty to make a report to the Authority.

4.6 The report must be sent to the Authority's External Auditor and every member of the Authority and the Authority must consider the report within 21 days at a meeting where it must decide whether it agrees or disagrees with the views contained in the report and what action (if any) it proposes to take in consequence of it. In the intervening period between the sending of the report and the meeting which considers it, the authority is prohibited from entering into any new agreement which may involve the incurring of expenditure (at any time) by the authority, except in certain limited circumstances where expenditure can be authorised by the Chief Finance Officer. Failure to take appropriate action in response to such a report may lead to the intervention of the Authority's Auditor.

#### Reasonableness

4.7 The Authority has a duty to act reasonably taking into account all relevant considerations and not considering anything which is irrelevant. This Report sets out the proposals from which members can consider the risks and the arrangements for mitigation set out below.

#### Risks and Mitigation

4.8 The Treasurer has examined the major assumptions used within the budget calculations and considers that they are prudent, based on the best information currently available.

## Basis of Apportionment of Costs to District Authorities

- 4.9 The amount payable by each Council is determined by apportioning the costs between the Councils in such proportions as they (unanimously) agree or, in default of such agreement in proportion to the resident population. Appendix 1 details the apportionment of costs across the Districts.
- 4.10 The remaining functions, with the exception of those listed below, are apportioned to Districts on a population basis.
- Police and Crime Panel Support – Historic funding split 17% Manchester City Council and the remaining 83% split equally to the remaining nine Districts
  - County Records Unit – Each District pays an equal Contribution

## **5. RECOMMENDATIONS**

- 5.1 Detailed recommendations appear at the front of this report.

## Appendix 1

AGMA Recharges 2023/24														
	Basis of Apportionment	Bolton	Bury	Manchester	Oldham	Rochdale	Salford	Stockport	Tameside	Trafford	Wigan	Total District Charges	Cont From GMCA	Total Funding Available
Mid Year Population 2020		288,248 £	190,708 £	555,741 £	237,628 £	223,659 £	262,659 £	294,197 £	227,117 £	237,579 £	330,712 £	£	£	£
Police & Crime Panel	Per Division	6,824	6,824	12,580	6,824	6,824	6,824	6,824	6,824	6,824	6,824	74,000		74,000
County Records	Fixed	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	170,000	46,000	216,000
Specialist Trading Standards	Population	6,275	4,151	12,097	5,173	4,869	5,718	6,404	4,944	5,172	7,199	62,000		62,000
GM Archaeology Service	Population	14,674	9,709	28,292	12,097	11,386	13,374	14,977	11,562	12,095	16,836	145,000		145,000
Waste and Minerals Unit	Population	6,072	4,017	11,707	5,006	4,712	5,534	6,197	4,784	5,005	6,967	60,000		60,000
Ecology Unit	Population	21,050	13,927	40,584	17,353	16,333	19,184	21,484	16,586	17,350	24,151	208,000		208,000
GM Protect Management	Population	9,209	6,093	17,756	7,592	7,146	8,392	9,399	7,256	7,591	10,566	91,000	15,000	106,000
Flood & Water Management	Population	3,340	2,210	6,439	2,753	2,591	3,043	3,409	2,631	2,753	3,832	33,000		33,000
<b>Total Charge 23/24</b>		<b>84,444</b>	<b>63,931</b>	<b>146,455</b>	<b>73,799</b>	<b>70,861</b>	<b>79,069</b>	<b>85,695</b>	<b>71,588</b>	<b>73,788</b>	<b>93,375</b>	<b>843,000</b>	<b>61,000</b>	<b>904,000</b>

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