



**STOCKPORT**  
METROPOLITAN BOROUGH COUNCIL

**Stockport**  
**team**  
**ambition**  
**respect**

# Resources, Commissioning and Governance

## Portfolio Performance and Resources Mid-Year Report 2021/22



[www.stockport.gov.uk](http://www.stockport.gov.uk)

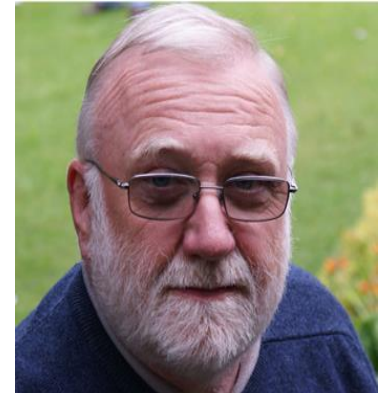
**ONESTOCKPORT**

Date	15 Nov 2021	Version	1.0	Approved by	TM
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# RESOURCES, COMMISSIONING & GOVERNANCE - PORTFOLIO OVERVIEW



Over eighteen months into the Covid pandemic there have been high points (and some low points) along the way to get to a point where we are coping as well as many authorities - and much better than some - but we still face a very hard future with more difficult decisions that we will have to make.



Over the coming 12 months (for the period 2022/23) the council's saving requirement is approx. £20M with an estimated £30M for the following two years which means that we have to look at not just what we do, but how that is done - and in some cases by whom. All of which will provoke debate because there will be some difficult decisions and choices to be made and there will be impacts on all communities and partners to some degree or another.

The past eighteen months has also been difficult for local residents and businesses – some people have been furloughed - and hopefully now are back working - some businesses have really struggled and had to change the way they work so whilst the collection rates for our Business Rates and Council Tax have reduced compared to 2 years ago they have in our view held up remarkably well given the situation we have been in.

In spite of that, we've already had to identify around £10M savings for next year (the proposals for which have been through the latest scrutiny cycle) but we still need to consider how we achieve the remaining £10M approx. and how reserves / Council Tax / more savings can be balanced to meet the remainder so that we can produce a legal budget.

Within all this Stockport (with a group of other councils) are looking into how we commission services through our STaR consortium which – where possible - are increasingly bought from local suppliers and provide added value to us and our residents whether that's, for example, economic or environmental based.

So, working with partners is essential – which is why we have a Borough Plan and not just a Council Plan - and in some cases, looking with partners for different arrangements both to provide services and perhaps how and where they are provided.

We all know that over recent years we have been building and developing our technical infrastructure so we can become more radically digital – but we need to make sure whilst we're doing this we're not excluding residents and supporting those who might be struggling.

And as important are our workforce – many of whom have been working from home or indeed have been doing different roles over the past eighteen months – this is all part of our ‘One Team ‘ People Plan including ensuring the long term wellbeing of our staff.

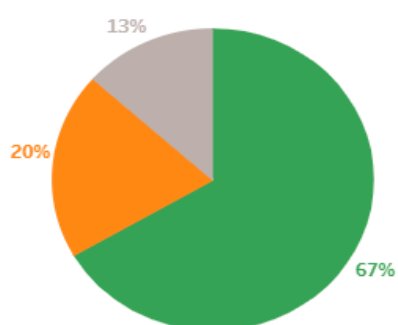
Equally, upgrading our council facilities to enable better hybrid working whilst concurrently addressing climate and carbon issues is a ‘must’ – and we’re rapidly decanting Stopford House to start on the next phase of this programme through our Asset Management Plan. This also includes, for example, upgrading leisure and changing facilities.

**Cllr Tom McGee, Deputy Leader and Cabinet Member for Resources, Commissioning and Governance**

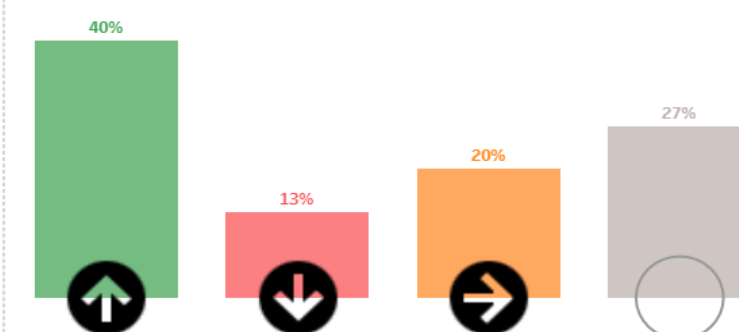
Revenue Budget 2021/22 (Forecast)		Capital Programme	
	<b>£000</b>		<b>£000</b>
Cash Limit	25,128	2021/22 Capital Budget	33,693
Forecast	25,128	2022/23 Capital Budget	43,564
(Surplus)/Deficit	0	2023/24 Capital Budget	1,805
<p><u>Reserves</u> Approved use of reserves balance is £1.159m, a draw down from them of £0.457m is assumed in the forecast outturn, with £0.018m from other reserves together with a Covid-19 financial scarring contingency allocation of £4.393m.</p>			

**Portfolio Performance Summary – Resources, Commissioning and Governance**

**Performance Against Target (RAG Rating):**



**Performance Against Previous (Trajectory):**



# RESOURCES, COMMISSIONING & GOVERNANCE



## 1. DELIVERING OUR PRIORITIES

This report is based on the **2021/22 Portfolio Agreement**, considered by the Corporate, Resource Management and Governance Scrutiny Committee on 15<sup>th</sup> June and approved by Cabinet on 29<sup>th</sup> June 2021. The link to the Agreement can be [found here](#).

Updates on **key programmes of work and other activities** are referenced within the Portfolio Priorities within this section of the report, alongside the latest available **performance data**. This report reflects the picture as at the end of October where this is available.







**Performance measures** are reported where new data or forecasts are available since the Portfolio Agreement. Latest data across all measures is available via the Portfolio Dashboard and will be included in the Annual Report. These are categorised to reflect the Council's influence and responsibility as Council, Partnership or Contextual. These categories are used to determine the type of target used as numerical, comparator, direction of travel or if no target is set. Definitions for these categories and target types are included within the Agreement.

**Highlight and exception commentary** is provided for performance measures. Where performance or progress in delivering priorities has been impacted by the Covid-19 pandemic and resulting restrictions, this is reflected within the commentary. As highlighted in the Agreements, it has not been possible to set annual targets for some measures due to these impacts, but 'direction of travel' will continue to be shown for these. For those measures reported quarterly, a full-year forecast is included where possible, based on actual performance to date as well as any other factors that are expected to affect performance in future quarters.

The Portfolio Performance Dashboards are being launched alongside these reports, and the Resources, Commissioning and Governance Dashboard can be [found here](#). This contains further historical trend data in addition to comparative data (where available) the latest of which relates to 2020/21.

The criteria for RAG rating and direction of travel status is shown below. The rationale for any variations to this will be clearly highlighted within the commentary.

### Key to symbols used in tables

	Red; Indicator is performing significantly (>5%) below target		Getting worse; The forecast year-end position for this indicator is less favourable than the previous year-end.
	Amber; Indicator is performing slightly (<5%) below target		Stable; The forecast year-end position for this indicator is within 1% either side of the previous year-end.
	Green; Indicator is on track or performing above target		Getting better; The forecast year-end position for this indicator is more favourable than the previous year-end.

**Bold measures** are 'headline' measures included in the Corporate Report.

**GMS** – measure is included in the Greater Manchester Strategy outcomes framework.

## Priority 1: A strong Council, built around our communities

*Over the next 12 months, we will ensure that the Council remains financially resilient and provides value for money for all its residents, continue to support elected members to ensure robust governance and transparent decision making, and work together to look at the goods and services we buy to keep the 'Stockport Pound' in Stockport, exploring opportunities for social value and corporate social responsibility to support an inclusive economy.*

### Delivered by:

#### **MTFP and reserves policy**

An **MTFP Update** was presented to Cabinet in September. This highlighted the continuing financial scarring impacts as a result of the pandemic and the adjustments needed to the underpinning MTFP forecasts and assumptions in order to present the most accurate forecast of the Council's financial position and saving requirement over the medium-term. The revised 2022/23 forecast cumulative saving requirement is £20.170m rising to £34.185m in 2023/24. The financial challenge facing the Council remains significant given the uncertainty, volatility and risk inherent in the financial landscape. The MTFP will continue to be updated and reported to Scrutiny and Cabinet during the financial year as part of the Council's budget setting process.

In response to the MTFP Update, Cabinet set out its proposed approach to responding to the financial forecasts. The focus is to deliver impactful and outcomes focussed transformational change for Stockport communities and businesses, whilst recognising the importance of a resilient budget to enable this change. Addressing the financial challenge includes further budget adjustments identified in future MTFP forecast and assumption updates, consideration of local taxation, use of reserves and transformational change and robust corporate governance saving proposals. Cabinet's saving proposals of £10.321m were presented and considered by the October cycle of Scrutiny Committees. These build on previous updates to Scrutiny and Cabinet providing the latest considerations on how Cabinet intend to address financial and demand challenges, enable longer term transformation and shared ambitions. Comments from Scrutiny Committees will inform the final proposals to be considered by Cabinet in early December.

The 2021 Autumn Budget and Spending Review was announced to Parliament by the Chancellor on 27 October 2021. The announcements made build upon those announced in the Government's Budget announcement in March and more recently in terms of the reform of Adult Social Care. On the face of it, the unexpected announcement of £4.8bn of additional new grant funding for Local Government over the Spending Review period is significantly more positive than commentators had expected. However, caution is advised as the detailed allocation methodology for this and other funding has not been released. In addition, as previously discussed, there are financial risks and new burdens costs over the medium-term period which will need to be considered against this additional funding allocation including price inflation, pay inflation including National Living Wage increases and increased national insurance costs. These costs will not only impact on the Council's MTFP, but also the costs of the Council's partners and providers/suppliers. The detail of funding allocation methodologies is expected to be provided as part of the Provisional Local Government Finance Settlement announcement in December.

The **Reserves Policy** was updated for 2021/22 and approved by Cabinet in September. The Policy ensures earmarked reserves remain aligned to priority areas identified over the medium term, whilst also providing assurance about the Council's ability to mitigate the impact of unplanned and unexpected events. Reserves continue to be a key part of the Council's financial

resilience and robustness, whilst recovering from the financial scarring impacts of the pandemic. Reserves support the Council to smooth the financial impact and address funding gaps in the short-term. However, a significant use of reserves for this purpose presents an opportunity cost to the Council in terms of the impact on the Council's priorities and ambitions which resources held in reserves were originally earmarked to support. For this reason, the Cabinet approved a £20m cap on the use of reserves linked to the MTFP Update to support the Council's continuing recovery from the pandemic over the medium-term period.

### **Balancing the cost of services**

Cost and demand pressures from Covid-19 have provided a challenge for services to balance the costs of delivery and the income they generate. However, throughout the year, services will continue to review their charges with an aim to recover appropriate costs. Also, the cycle of reviewing charges for social care will continue including the phased implementation of revised fees for non-residential care which was paused due to Covid-19.

### **Getting the most from our assets**

The main focus this for 2021/22 has been around the Town Centre Asset Review. A comprehensive update on this project is included under Priority 4 – A workplace for the future.

Through Stockport CAN, the Council is committed to reducing its carbon footprint in line with the GM 5-year Environment Plan – Low Carbon Buildings, Renewable Energy, Sustainable Travel and Protecting/Enhancing the Natural Environment.

### **School place planning**

The School Place Planning Board meets regularly to make decisions on emerging sufficiency issues and is due to receive the Sufficiency Investment Plan which will inform the 5-year School Estate Asset Management Plan. The strategy and plan will be taken through scrutiny before being requested to be authorised by Cabinet in December.

### **Designing services fit for the future**

We are undertaking a number of reviews against areas of work where joint commissioning of services will take place. These include Speech and Language provision, children's equipment and adaptations, an all age autism strategy and provision and the commission of a single point of access for early help with a focus on mental health.

### **VfM procurement**

Project plans continue to be developed and delivered with some area of spend being identified as areas for centralisation to further control spend.

The current measure on cumulative spend on Social Value delivered through contracts does not accurately reflect the social value benefit to the Stockport community. We will be developing a more appropriate indicator as part of the work to progress maximising social value benefits and local wealth building.

Work continues to embed the Social Value Charter for Stockport and develop an agreed list of disadvantaged groups to target social value benefits. The Social Value Working Group are currently consulting on priority groups to target our social value investment.

### **Supporting local businesses**

This objective is closely linked into areas that the Inclusive Neighbourhoods portfolio is leading on. Work on incorporating social value into our commissioning has continued with engagement

across our VCFSE partners. This has focused on capacity building and commissioning in addition to training on carbon literacy and social value. This approach will enable us to better measure and understand the local impact of social value investments.

Priority themes and cohorts have been identified and are currently going through a sign off process with senior leaders and will subsequently be agreed at the STAR Procurement Board in November. Again, identifying key areas of focus, based on Stockport's needs, will enable a clearer narrative to be developed in terms of social value impact.

The Stockport Mayor is also keen to maximise the opportunities in relation to social value and in particular is focusing on building and developing relationships and conversations across all our sectors. Dialogue will be encouraged through a round table discussion forum in November, aligned to work on the emerging Stockport Cross Sector Forum.

An accelerated invoice payment system is in place for local suppliers to help micro and small businesses with a head office in Stockport with cash flow. (see commentary below on RCG 1.10.)









### **Responding to government consultation on remote committee meetings**

Whilst results from the national consultation are awaited, following consultation with Group Leaders and Scrutiny Chairs, the Council has continued to hold meetings of the members of the scrutiny committees remotely on an informal basis without statutory or decision-making powers. Cabinet agreed that all comments from committees would continue to carry the same weight as if these had been held in person. Meanwhile, Council Meetings continue to be held in the Town Hall Ballroom to enable social distancing, whilst all other meetings that are convened under the Local Government Act 1972, have had to return to be held face-to-face such as Cabinet, Planning & Highways Regulation Committee, Area Committees etc. Many meetings of working parties have continued online such as Constitution Working Party, Town Centre Task Force and Scrutiny Review Panels.

Coronavirus infection rates in Stockport have remained at high levels as we moved into autumn and Scrutiny Chairs considered the position on returning to face-to-face meetings in detail in September. This included mitigations required if returning to meetings at the civic complex including social distancing, screens and face coverings. It was acknowledged that meetings that were still permitted to be held online (i.e. are not convened under the Local Government Act 1972) were more accessible for some councillors and residents, but as restrictions had been lifted, some councillors requested that consideration be given to returning to face-to-face meetings.



It was determined that the October cycle of scrutiny committees should continue to be held as meetings of the members of the scrutiny committees on an informal remote basis with a decision on the format for future meetings being subject to further and ongoing review by the Scrutiny Co-Ordination Committee each time that it met. A request was made by members for criteria to be developed for a return to face-to-face meetings along with addressing concerns around the constitutional position of continuing to undertake scrutiny on an informal basis (this latter point already having been addressed at the Council Meeting on 7 October 2021) and this will be considered further at the meeting on 8 November 2021.

**Performance Measures and Targets:**

PI Code	Short Name	Good Performance	2019/20	2020/21	2021/22			
			Actual	Actual	Forecast	Target	Status	Trend
<b>Council Measures</b>								
RCG.1.1 BV.09	In-year Council Tax collection rate	High	97.14%	97.36%	96.30%	96.30%		
<p>The Council Tax collection rate as at the end of September is the same as that achieved at September 2020, and is forecast to meet the full-year target. This represents a drop of just over 1% compared to last year, although the amount of debt available to collect has increased by just over £1m since 1st April 2021 as a result of:</p> <ul style="list-style-type: none"> <li>• New properties being built, banded and charged Council Tax</li> <li>• Single Person Discount Review, increasing bills where the discount is removed</li> <li>• Reduction in the Council Tax Support caseload, again increasing the amount of Council Tax payable</li> </ul> <p>The focus remains on contacting customers proactively in order to bring accounts up to date and make affordable payment plans prior to the issue of recovery documentation.</p>								
RCG.1.2 BV10	In-year Business Rates collection	High	97.45%	93.42%	92.50%	94.00%		
<p>The collection rate as at the end of September was 2.75% down when compared with the same point in 2020. The amount available to collect over the same period has increased by £22.2m, which is in part attributable to the statutory reduction in Expanded Retail Discount reducing from 100% to 66% with effect from July 2021.</p> <p>Whilst a year end collection rate of 92.50% is forecast, it is noted that this is subject to a number of factors that could have an adverse impact over the remaining 6 months of the financial year including the uncertainty of the current economic climate, changes to reliefs, impact of appeals, and the effects of furlough schemes coming to an end and how this will impact on businesses ability to pay.</p> <p>The team have recently concluded the administration of the various Covid related grants schemes and are now focussing on 'business as usual' work. This will provide the capacity to directly contact those businesses who have fallen into arrears to help improve the collection rate by the end of 2021 into early 2022.</p>								
RCG.1.3	Average time taken in calendar days to process Housing Benefit (HB) new claims and change events	Low	7.4	6.1	7.0	7.0		
<p>Capacity is currently being directed to support the Test &amp; Trace Support Payment Scheme, however Housing Benefit processing times are currently within target and are expected to be maintained. The caseload continues to reduce as a result of residents moving to Universal Credit.</p>								
RCG.1.4	<i>Partnership Measure</i> Average time taken in calendar days to process Council Tax Support (CTS) new claims and change events	Low	19.1	15.1	15.0	18.0		



The implementation of changes to procedures in dealing with CTS claims last year have provided a sustained and significantly improved service to those claimants. The volume of changes received for Universal Credit claimants will remain very high, these are being offset by the reduction in new Housing Benefit claims.





RCG 1.9	Housing Benefit Accuracy Award Indicator	High	69.8%	71.0%	N/A	Aim to maximise		
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The latest figure for Q4 2020/21 was published by DWP in September, and achieved reductions of £57,741 against expected reductions of £81,674. This compares to a national and North West score of 67%.

There is a significant time lag for this measure which is based on monthly submissions to DWP. Cases are identified through a 'risk matrix' using an estimate of the number of HB claims that may be inaccurate. This produces a monthly 'target' for the value of reductions forecast to be achieved through more accurate processing.

PI Code	Short Name	Good Performance	2019/20	2020/21	2021/22			
			Actual	Actual	Forecast	Target	Status	Trend







**Council Measures**

RCG 1.5 BV8(i)	% of invoices paid within 30 days	High	95.6%	94.6%	95.3%	95.0%		
<b>RCG 1.10</b>	<b>Percentage of invoices paid to local suppliers in 10 days</b>	<b>High</b>	<b>74.9%</b>	<b>88.0%</b>	<b>82.8%</b>	<b>85.0%</b>		





During the first half of 2021/22 a total of 23,277 invoices were processed of which 95.3% were paid within 30 days. The average number of days to pay was 20 days. Payments to local suppliers within 10 days was at 82.8% and average days to pay were 11 days.

The Council aims to pay local suppliers (with an SK postcode) invoices within 10 days of receipt to support local business sustainability through improved cash flow. This compares to the standard 30 day payment terms applied to other suppliers. As at Q2 82.8% of local suppliers were paid within 10 days.

Although down from 2020/21 of 88%, last year included a number of additional support payments to local businesses that temporarily increased payment performance beyond the standard timescales. Therefore performance between 80-85% is expected and an improvement on 2019/20 performance.

RCG.1.6 BSDR 27.01	Total property costs (occupancy, operational and m'gement) per m <sup>2</sup>	Low	£43.26	£44.18	£42.82	Aim to maintain		
RCG.1.7 BSDR 27.04	Total property occupancy / ownership costs (revenue) per m <sup>2</sup>	Low	£15.50	£15.39	£15.14	Aim to maintain		
RCG.1.8 BSDR 27.15	Total Annual Energy Consumption (KW/h) per m <sup>2</sup>	Low	100.33	90.28	87.37	Aim to minimise		

Latest mid-year forecasts for these measures suggest reducing costs and energy consumption, although these measures will be impacted by the planned works for Stopford House in 2022 (see update in Priority 4 – A workplace for the future).

PI Code	Short Name	Good Performance	2019/20	2020/21	2021/22			
			Actual	Actual	Forecast	Target	Status	Trend
<b>Council Measures</b>								
RCG 1.12	Percentage of children allocated their first choice school place for a) Primary and b) Secondary schools	High	a) 91.1% b) 84.8% (2019)	a) 90.5% b) 85.8% (2020)	a) 92% b) 83% (2021)	Aim to maximise	 	 
<p>The level of first preference attained in the primary phase has been bolstered by relatively low pupil numbers meaning a greater proportion of children could access a preferred school.</p> <p>The secondary phase is seeing a bulge of pupils moving through the primary phase which is placing capacity under significant pressure. Sufficiency will remain assured however it is expected that first preference attainment will be impacted for the next 5 years.</p>								

## **Priority 2: Valuing partnerships and collaboration**

*Over the next 12 months, we will develop delivery plans based on the vision set out in our shared One Stockport Borough Plan, continue to develop the One Stockport leadership network and facilitate collaboration across sectors, 'build back better' across our estate, and work with partners across health and care to design our locality model and respond to national changes regarding Integrated Care Systems.*

### **Delivered by:**

#### **One Stockport Borough Plan delivery and outcomes framework**

A number of 'Bitesize' workshops have been held with partners over recent months to focus on delivery of the Borough Plan priorities. These include areas linking into development of strategic partnership plans such as the Health & Care Plan, Safer Stockport Partnership Plan and Economic Plan. A Climate Change Summit is being held in November, with a further Inequalities Summit planned for December.

Work is progressing on development of an outcomes framework to support delivery of the Borough Plan priorities and identify the impact on a range of key measures. An outline framework will be agreed by the end of the year, with a prototype dashboard based around the nine priorities. This will include an over-arching approach to measuring our impact on the key factors driving inequalities across the borough. This will also be aligned with the priorities and measures set out in the refreshed Greater Manchester Strategy (see separate report on CRMG Agenda).

#### **Stockport Stations Alliance**

Work has progressed over the past 12 months to develop outline proposals for potential development at 4 Stations in Stockport - Cheadle Hulme, Hazel Grove, Marple Rosehill and Bramhall. Officers are now in a position to seek expressions of interest from potential development partners for Cheadle Hulme, but proposals for the other 3 stations are not as advanced. We are continuing to work closely with Stations Alliance members to establish the feasibility and viability of opportunities at these locations.

#### **Integrated Care Systems**

The One Health and Care Plan has been signed off and adopted by the Health and Wellbeing Board. The Plan outlines the new 'shadow' governance arrangements in place ahead of the ICS coming into place in March 2022, whilst a Joint Commissioning Framework for residential and nursing care was recently agreed across health and social care.

A delivery plan out outcomes framework is currently being drafted for the Health and Care Plan. This work will be aligned to Stockport infrastructure to delivery collaboratively across health and care to deliver the triple aim of better health, care and wellbeing, better quality and sustainable use of resources.

*NB - There are no performance measures for this priority, but the outcomes framework for the Borough Plan will be used to inform Portfolio Reports during the course of the year.*

### **Priority 3: Maximising the opportunities of digital**

*Over the next 12 months, we will support intelligence-led decision making and service design through the availability of interactive service data and dashboards for all service managers, as well as continuing to automate data-related business processes and implement our Master Data Management Strategy. We will also build on reliable, secure technical foundations, ensuring the flexibility to adapt as needs change and for systems to be able to talk to each other so information can be shared and combined to achieve greater value.*

#### **Delivered by:**

#### **Developing and delivering a digital strategy for Stockport**

The Council is working in partnership with the GMCA, TfGM and six GM local authorities to deliver the GM Local Full Fibre Programme, which will provide state-of-the-art connections to over 1,300 public sector sites across GM through the provision of an optical 'Dark' full fibre network. It aims to have a transformational impact on digital infrastructure, which would lead to an increase of full fibre coverage from 2% now to around 25% within three years. Greater Manchester would then have the best high-speed digital infrastructure coverage of any city-region in the UK.

In Stockport the programme will connect 138 corporate and education sites to the full fibre network providing 1GB broadband to participating properties. The programme is funded jointly by the Department for Culture, Media and Sport (DCMS) (for costs incurred prior to end June 2021 up to £0.868m) and the Council (£0.740m). Stockport Council has now received 100% of its allocated DCMS funding.

The programme has now delivered the majority of sites (134) to completion and testing. Virgin Media aims to complete two sites by the end of December 2021 and the remaining two by the end of March 2022. An additional payment of £0.153 will be made in December to cover, in full, the cost of annual maintenance of the dark fibre network across Stockport for a period of 30 years.

Work has continued to progress on developing our Digital Strategy - a draft of which will be presented to Scrutiny in the new year. The draft strategy is framed around three core pillars and will be delivered in partnership across all portfolios:

- Digital Communities
- Digital Place
- Digital Council

More detailed updates on these pillars are included within the Citizen Focus and Engagement Portfolio Report.

#### **Single Source of the Truth**

The first phase of this development work has now been completed. This includes the development of a robust, automated infrastructure that can manage future expansion and compile information from multiple sources.

A proof of concept has been completed that demonstrates that we can align this data in one simple to use format. An initial list of datasets to incorporate has been identified and scoping work has now commenced to understand which measures can be automated.

Over the next few months, we aim to automate the production of more datasets and develop a hybrid solution that will allow us to incorporate the still manually produced datasets alongside the automated ones.

### **Stockport Picture – Open Data Platform**

We launched the open data portal, Big Stockport Picture (<https://bigstockportpicture.co.uk>) in June. The first version includes a variety of data from a range of topics including; demographics, health & wellbeing, places, skills & economy and communities.

There were a number of news articles relating to the new site and we will continue to promote it with council colleagues, partners and citizens to help drive its use. We will also be able to monitor the number of visits to the various parts of the site to help inform development.

Work is ongoing to identify additional data to publish and a publication schedule will be created.

### **Continued roll out of interactive, self-service dashboards**

New insight has been generated via self-service dashboards. The most recent examples include:

- Early Help Dashboard – series of dashboards that provide insight into children entering the Early Help process.
- ASC Basics Dashboards – series of dashboards to provide insight into Adult Social Care services including ARCH, CLDT, mental health and neighbourhoods
- Demographics Dashboard – information relating to the resident population in Stockport

The intelligence is being used to support decision making and planning. Dashboards continue to prove useful and popular, for example we have had over 10,000 views to the Stockport Family dashboards since April 2021.

### **Workforce Transformation Programme**


In our recent Let's Talk surveys, the majority of colleagues have told us that they want to adopt hybrid working – some time working in an office, some time working in the community and some time working from home depending on business need and this beginning to be rolled out. Hybrid technology has been installed in a number of meeting rooms in the civic complex to support a gradual and measured return to the office which dovetails with the 'Getting the most from our assets' programme outlined in Priority 1 above. A large (temporary) hybrid meeting space has been created on the second floor in Stopford House to enable colleagues to collaborate and connect as this is what they have told us they miss the most. A booking application for desks has also been developed which will provide insight into hybrid working and building usage to inform further decision making.

The 'digital first' approach remains a priority and an audit of where service areas can further digitalise their processes and procedures has been undertaken aligned to the medium-term financial plan in terms of deliverables. A One Team Hub has also been set up on the intranet with information around hybrid working and the support offers available for individuals and teams including access to digital learning support.

**Performance Measures and Targets;**

PI Code	PI Name	Good Performance	2019/20 Actual	2020/21 Actual	2021/22			
					Forecast	Target	Status	Trend

**Council Measures**

RCG 3.1 NEW	Number of new construction projects compliant with BIM Framework.	High	N/A	N/A	100% (1/1)	20%		N/A
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This is a new measure which supports an innovative approach to construction of new assets to be compliant with the Building Information Modelling (BIM) framework, which will help to target better cost certainty and quality of design for completed projects.

There is currently one new asset in delivery, (Lisburne Primary School) which will be delivered to BIM Level 3. Note that this measure relates to new build projects and not works to existing buildings unless the investment is significant enough to warrant BIM outputs.

## Priority 4: Caring about our staff and engaging them in the future

*Over the next 12 months we will deliver our 'One Team' People Plan based around five pillars and continue to make our estate Covid-secure, planning for new ways of working.*

### Delivered by:

#### 'One Team' People Plan

Work has been underway developing and delivering under each of the pillars in the People Plan as follows:

- **Feel supported here** - a number of engagement activities have taken place such as a 'Let's Talk – Flexible Working' survey, a number of directorate led 'Let's Talk' sessions and the All Colleague Briefings in July where we asked people about what support they needed and what they were doing to maintain their personal resilience during the interactive sessions. The support offer to colleagues has continued along with the weekly 'Wellbeing Wednesday' messages which go out to all colleagues. A Wellbeing Week was held in November built around the five ways to wellbeing to really focus on things that can help colleagues particularly as winter months draw in.
- **Grow and thrive here** – we have continued to promote the benefits the apprenticeship levy brings and aim to maximise the use of the levy in support of corporate priorities, recruitment and our workforce strategy and People Plan. A range of Leadership Development training sessions have been set up focusing on supporting teams to adopt the new hybrid ways of working. Dashboards are in development to make training completion and performance management more accessible for those with line management responsibility.
- **Live our values** – our values are a 'golden thread' embedded in all we do – we have recently revised our recruitment paperwork using the Councils branding and a more human centred narrative with the values at the core of this. We have also developed a new induction programme ensuring that all new starters are quickly introduced to our values along with the Councils' strategic priorities.
- **Belong here** - we have a commitment to inclusion, and we are proud of our diversity. We continue to embed employee engagement groups within the organisation. Equalities training is now mandatory and is promoted through the Chief Executive's all colleague e-mails. A facilitated leadership discussion on Diversity, Equality and Inclusion has also been delivered to all senior leaders specifically focusing on the Public Sector Equality Duty of the Equality Act 2010 and 'paying due regard' to the General Duty. Webinar training has been updated based on from feedback given from the corporate equalities steering group and the employee engagement groups.
- **Work well** – significant work has taken place to develop ways of working for the future based on learning from throughout the pandemic. A programme has been set up called One Team – Working our Way with colleagues from estates, HR and OD, IT, information governance, business support, health and safety, public health and communications working together to plan a gradual and measured approach to working in the office in a hybrid way.





A One Team Hub has been set up on the intranet with information around hybrid working and the support offers available for individuals and teams including access to digital learning support. Embedding hybrid working will be an iterative process learning from feedback from colleagues on what is working well and what needs to be improved.

### A workplace for the future

An outline business case (OBC) setting out the Council's ambitions to provide a modern, inviting and sustainable working environment designed around flexible, hybrid and agile working practices was approved by Cabinet in June. The OBC made recommendations to adopt new agile/flexible ways of working and also to reduce costs across the corporate estate. A full business case (FBC) is in the process of being finalised to look in detail at the costs of refurbishment of Stopford House and the business case to let Fred Perry House to increase revenue. The FBC will be presented to Cabinet in December and if approved refurbishment works would commence in Spring 2022 with a target completion date of Spring 2023.

The refurbishment and occupation of Stopford House is predicated upon the hybrid working model and we have continued to engage with all teams to ensure the workplace will meet service needs and promote collaborative working where it can provide benefit for service delivery, whilst securing efficiencies and value for money for residents.

### Performance Measures and Targets;

PI Code	Short Name	Good Performance	2019/20	2020/21	2021/22			
			Actual	Actual	Forecast	Target	Status	Trend
<b>Council Measures</b>								
RCG.4.1 BV12 (ii)	The average number of working days lost due to sickness absence per employee	Low	9.59	8.14	8.23	9.00		
The latest rolling 12-month figure (at the end of August) shows a slight increase in sickness absence since the end of March, although this is well within the target figure.								
RCG 4.2 NEW	Number of Stockport Council employees undertaking apprenticeship qualifications	High	124	177	181	Aim to maximise		
The figures cover Stockport Council, including council maintained schools but not including partner organisations (Stockport Homes, TLC etc.). The 2020/21 figure included a total of 71 new apprentices along with existing employees who began an apprenticeship qualification during the year.								



## 2. RESOURCES, COMMISSIONING & GOVERNANCE

### FINANCIAL RESOURCES & MONITORING



#### 2.1 Revenue – Cash limit

	Previously Reported (Q1.5)	Increase/ (Reduction)	Budget at Q2
	£000	£000	£000
<b>Cash Limit Budget</b>	25,151	(23)	25,128

#### Budget Changes since previously reported at Quarter 1.5

The cash limit budget has reduced by £0.023m reflecting the following changes: responsibility for managing the café arrangements, including tenants, at Etherow Park transferring from Neighbourhoods (Sustainable Stockport Portfolio) to Estates and Asset Management (£0.025m reduction); and an immaterial adjustment relating to a previous staffing related adjustment (£0.002m increase).

#### Outturn Forecast

Net Cash Limit	Forecast Net Expenditure	Forecast Appropriations	Forecast Outturn
£000	£000	£000	£000
25,128	25,603	(475)	0

The Portfolio is reporting a breakeven position on a budget of £25.128m in 2021/22; this includes a notional Covid-19 financial scarring contingency allocation of £4.393m that is effectively giving the balanced position. The main cause of the underlying deficit on the Portfolio remains the Investment and Development account (I&D), which includes the land and property assets held for regeneration and commercial activity - rather than utilised as resources for directly providing Council services.

The amount of Covid-19 financial scarring support thought needed to balance the Portfolio has fallen by £0.612m since the previous quarter because of improved forecasting and more up to date information regarding the trading position of some of the assets following the cessation of lockdown. Outside the I&D there are other minor, generally favourable, variations in the Portfolio's (mainly support) services reflecting vacancies and preparations for 2022/23 budget savings requirements. These help to support the overall position.

## 2.2 Earmarked Reserves

Most earmarked reserves are held at a corporate level and services produce a business case to drawdown funds, which is approved through Corporate Leadership Team and Members. This strategic approach is designed to provide financial resilience for the Council and to ensure that Council reserves are used on an invest-to-save basis and to support Council priorities. The exceptions to this are ringfenced reserves and the Directorate Flexibility Reserve.

The table below reflects any approved revised balances in reserves, aligned to the 2021/22 Reserves Policy report taken to Cabinet on the 21<sup>st</sup> September.

Reserve Category	Reserve Narration	To be used for	Balance of Reserve/ "Approved Use" £000	Planned use of Reserves / "Approved Use" 2021/22 £000	Balance of Reserve/ "Approved Use" £000
Linked To Budget	Transformation – Invest to Save	Business Intelligence Predictive Modelling	21	0	21
Linked To Budget	Transformation – Invest to Save	Early Payments Programme	51	0	51
Strategic Priority	Equipment Refresh	Servers and data backup	29	0	29
Strategic Priority	Digital By Design	Radical Digital Authority	952	(457)	495
Strategic Priority	Equipment Refresh	Civica Pay Cash Management	66	0	66
Directorate Reserve	Flexibility	Apprenticeships	40	0	40
<b>TOTAL</b>			<b>1,159</b>	<b>(457)</b>	<b>702</b>

The revenue outturn forecast presented this quarter assumes £0.475m of appropriations from earmarked reserves including £0.457m from the allocations above and a further £0.018m from reserves allocations held in another Portfolio.

## 2.3 Portfolio Savings Programme

Proposal	Risk Rating	Value £000	Additional Information
Adjustment to budget in line with expected expenditure / income.	Green	60	Fall in consumption of office stationery and sundries; enforcement fees in Benefits and Taxation.
Vacancy management.	Green	276	Deletion of vacant posts from the establishment.
Technology costs and new solutions.	Green	166	IT and Data licence savings including developing in-house document storage solutions; fewer copiers/printers (MFDs); electoral registration (canvassing, printing and mailing cost savings)
<b>Total</b>		<b>502</b>	

### Risk rating

**Green** – good confidence (90% plus) the saving is/will be delivered or minor variances (<£0.050m) that will be contained within the portfolio.

**Amber** – progressing at a reasonable pace, action plan being pursued may be some slippage across years and/or the final position may also be a little unclear.

**Red** – Significant issues arising, or further detailed consultation required which may be complex/contentious.

## 2.4 Capital Programme

*Expenditure as at 30 Sep 2021 £000	Scheme	2021/22 Programme £000	2022/23 Programme £000	2023/24 Programme £000
	<b>Non Education Capital Schemes</b>			
2,034	Asset Management Plan	5,403	4,828	1,805
13	Reprovision of Dialstone Facility	13	3,009	0
2	Disposal of Assets	27	0	0
0	IT - Nutanix	29	0	0
93	Town Centre Asset review	580	0	0
0	Manchester Airport - Shareholder Support Loan	3,290	0	0
1,700	TLC Fleet Vehicle Loan Facility	1,700	0	0
154	Public Sector Decarbonisation Scheme (PSDS)	5,602	0	0
<b>3,996</b>	<b>Sub-total</b>	<b>16,644</b>	<b>7,837</b>	<b>1,805</b>

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<b>Education - Schools Capital Programme</b>				
(20)	Early Years	13	0	0
1,259	Primary Sector	5,045	6,288	0
1,874	Secondary Sector	3,003	392	0
1,046	Special Sector	8,117	9,537	0
0	Funding to be allocated	0	19,510	0
392	Individual School Schemes	871	0	0
<b>4,551</b>	<b>Sub-total</b>	<b>17,049</b>	<b>35,727</b>	<b>0</b>
<b>8,547</b>	<b>TOTAL</b>	<b>33,693</b>	<b>43,564</b>	<b>1,805</b>

\* This relates to expenditure on SAP and accruals for goods received or work performed up to the period end.

### Resources

Resources	2021/22 £000	2022/23 £000	2023/24 £000
Capital Grants	14,511	13,176	0
Directly Funded Borrowing	3,063	0	0
Unsupported Borrowing	15,342	27,379	1,805
Capital Receipts	40	3,009	0
External Contributions	614	0	0
Revenue Contributions (RCCO)	123	0	0
<b>TOTAL</b>	<b>33,693</b>	<b>43,564</b>	<b>1,805</b>

### Programme Amendments

Scheme	2021/22 £000	2022/23 £000	2023/24 £000	Funding Source	Reason
Asset Management Plan	94	0	0	RCCO	Scheme Addition
Asset Management Plan	2,217	(2,217)	0	USB	Rephasing
Town Centre Asset Review	580	0	0	DFB	Scheme Addition
TLC Fleet Vehicle Loan Facility	1,700	0	0	DFB	Rephasing
<b>Education Schemes</b>					
Thorn Grove projects	(171)	0	0	Ext contributions	Removed as per Sch Estates
Primary	(6,288)	6,288	0	CM & BN	Re-phase
Secondary	(392)	392	0	CM & BN	Re-phase
Special	(4,137)	4,137	0	CM & BN	Re-phase
Funding to be allocated	(19,510)	19,510	0	Various	Re-phase
Primary	535	0	0	CM & BN	Scheme alignment

Special	759	0	0	HN Prov Capital	Scheme alignment
Funding to be allocated	(1,294)	0	0	Various	Scheme alignment
Lisburne relocation	0	1,400	0	USB	Add budget req
<b>TOTAL</b>	<b>(25,907)</b>	<b>29,510</b>	<b>0</b>		

### Commentary

- **Asset Management Plan (AMP)** – Due to the impact of Covid-19 all schemes were reviewed during 2020/21 in terms of programme, priority and cost. In order to mitigate project risk, a significant number of items were rephased into 2021/22.

The most significant of these is the rephasing of £2.3million across quarter 1 and quarter 2 of the proposed spend on the leisure estate - much of the funding was allocated to car park and changing room works which are now progressing to a revised programme: changing room works to Avondale Life Leisure, along with lift replacement at the same site concluded during Quarter 1 2021/22; roofing works have started at Avondale and works are now progressing at Romiley Life Leisure to fully refurbish the changing rooms and will complete in Quarter 3 2021/22. Following this, the car park works at Romiley Life Leisure will be undertaken during Quarters 3 and 4. The car park works at Hazel Grove have been rephased into 2022/23.

Other significant projects that were rephased into 2021/22 include the refurbishment of Gatley Hill House, with an overall cost of £0.750m and the replacement of lift controls within Stopford House, with an overall cost of £0.550m. Both these projects are now on site and progressing to their respective revised programmes.

A proportion of the allocated budgets for Heritage and Library projects have been deferred into 2022/23.

- **IT – Nutanix** – Of the £0.029m that is left in the budget, £0.019m will be spent on one of two switches needed to support the upgraded internet. The equipment has been ordered and mostly delivered but a small number of items are still outstanding before receipting the full order can take place. This will leave a balance of £0.010m remaining. Going forward the second internet switch will need to be ordered - this will be partly funded from what remains in the capital budget with the balance funded by RCCO.
- **Town Centre Asset Review** – This review focuses on meeting the current and future business needs of the Council, ensuring future resilience to the office estate provision being fit for purpose, agile and an efficient workplace whilst also having a positive impact on the Council's CAN objectives.  
The current design phase is expected to cost £0.580m.
- **TLC Fleet Vehicle Loan Facility** - During 2020/21, TLC's Board authorised the order of a further range of vehicles, to be financed via the agreed £10.800m loan facility with SMBC. Such specialised vehicles, especially Refuse Collection Vehicles (RCVs), typically take up to a year to be produced, often involving the manufacture of chassis in Germany and the addition of bodyworks, specialised lift mechanisms, cranes etc at different facilities in the UK. Such lead times have been extended in

some cases because of delays related to Covid-19 and also a shortage of components following Brexit.

These vehicles have started to arrive in late summer 2021, September and early October 2021. A small number were expected in October 2021 but have now been delayed until December 2021. Consequently, between 1<sup>st</sup> April and 31<sup>st</sup> August 2021, TLC did not need to draw down any of the loan facility. However, on 24<sup>th</sup> September 2021, TLC drew down two separate tranches (totalling £1.700m) from the two loan facilities that constitute the total facility of £10.800m.

The first tranche (£1.300m) was against Loan No.1 and will be used to finance additions to the Refuse, Arbs and Streetcare fleets. It is to be noted that Loan No1 is to finance vehicles that will be used solely on cost contracts delivered to SMBC, and hence is at a lower rate of interest. The second tranche (£0.400m) was against Loan No.2 and will be used to finance additions to the Highways Capital fleet. It is to be noted that Loan No2 is to finance vehicles that may be used on both cost contracts delivered to SMBC and third-party commercial contracts, and hence is at a higher, fully state-aid-compliant, rate of interest.

Currently, at the end of quarter 2, TLC does not anticipate drawing any further tranches, from either loan, in 2021/22.

- **Public Sector Decarbonisation Scheme (PSDS)** - The PSDS project is 100% grant funded scheme encompassing projects across 16 buildings, including corporate buildings and schools. The work will deliver energy efficiencies through insulation measures (for example double-glazed windows) and install decarbonisation technologies in the form of Air Source Heat Pumps, Solar hot water supply. The grant is time constrained as it must be spent before March 2022.

Spend to date is £0.154m with the remaining spend being programmed across the next 6 months.

- **Education** – A number of school schemes across all sectors relating to both maintenance/condition and basic need provision of school places are in progress (c £17m) and due for completion within their individual scheme plans. The LA continues to review and assess school projects for the future linked to the latest asset management plan reviews of all school buildings, with an approximate £90m back-log of works required across all the school estate.

Government grant not yet allocated to individual schemes and/or projects not yet commenced have been rephased to 2022/23 and further update/next stage of school development projects identified for approval will be presented to the Cabinet for sign-off in December 2021.