



Finance and Resources

Portfolio Performance and Resources Annual Report 2022/23



Date	5 June 2023	Version	v1.0	Approved by	JJ
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FINANCE AND RESOURCES

PORTFOLIO HOLDER'S INTRODUCTION



I am pleased to present the Year-End Portfolio Performance and Resources Report (PPRR) for the Finance and Resources Portfolio. Especially as this is the first PPRR presented to committee since I took on this role, I would like to start by acknowledging the fantastic job Councillor Allan did during the time he led the portfolio. Despite the uncertainties faced by local authorities currently, our financial position here in Stockport remains robust and resilient, which is testament to the hard work and dedication of the team, under his watch.

The report explains how crucial the Medium-Term Financial Plan (MTFP), and the process of constantly reviewing and refining it, has been to our financial decision-making and ensuring that our financial position remains strong. The council's 2023/24 Budget and the MTFP were approved at Budget Council on 23 February 2023.

It has been a well-documented difficult economic climate, and although some hopeful signs of recovery are beginning to emerge, we know that the challenges we have faced over the last couple of years are likely to be with us for the foreseeable future.

Supporting this, the report describes reviews that have been undertaken or are underway on our joint commissioning arrangements and on the financial systems we use to manage our money. This includes looking at how we are seeking to maximise the social value of our spending through our procurement processes.

Our Business Rates and Council Tax collection rates remain high. There is work to do, however, to reduce the time taken to pay invoices we receive.

The cost-of-living crisis has affected all of us to some degree or other, and we have played a key role in supporting those it has affected most - for example, through increasing benefit take-up, delivering the Household Support Fund, developing the Food Network and piloting a new Resident Advice and Support service, intended as a "first port of call" for residents who may be struggling financially.

As well as supporting our residents, we recognise the role of our workforce in achieving the council's aims and ambitions. Implementing our One Team People Strategy, informed by the insights from our Staff Survey in 2022, is the means through which we will attract and recruit new staff, and support, nurture and develop all colleagues, helping them to live our values and build thriving careers.

Our work in the digital arena continues to develop, using digital technologies to improve people's experiences of communicating with the council, and a number of examples are set out in the report. Our digital strategy, *Radically Digital Stockport*, is now being delivered and recent achievements relating to the strategy's three main priorities, Digital Communities, Digital Place and Digital Council are summarised in the report. Not least of this is our work on digital inclusion – around 15,000 people in the borough have been supported during the year to improve their digital inclusion and the number of active digital inclusion volunteers has risen from 55 to 281.



As I said at the start of my introduction, the work described in the 2022/23 Quarter 4 report was undertaken when Councillor Allan held this portfolio. He has handed over the portfolio in a very healthy state, and will be a hard act to follow, but it is a challenge I relish.

Cllr Jilly Julian
Cabinet Member for Finance & Resources

Revenue Budget (Forecast)		Capital Programme	
	£000		£000
Cash Limit	32,505	2022/23 Capital Budget	45,329
Outturn	34,492	2023/24 Capital Budget	50,568
(Surplus)/Deficit	1,987	2024/25 Capital Budget	10,053
<u>Reserves</u> Approved use of reserves balance aligned to the Portfolio is £3.752m; the forecast outturn above includes a draw down from them of £2.014m plus £2.157m net from reserve allocations reported in other Portfolios and Corporately.			

FINANCE AND RESOURCES

1. DELIVERING OUR PRIORITIES



This report is based on the **2022/23 Portfolio Agreement**, considered by Corporate Resource Management and Governance Scrutiny Committee on 6th September and approved by Cabinet on 20th September 2022. The link to the Agreement can be found by clicking [here](#).







This Quarter 4 (Year-End) report includes updates on all **delivery projects, programmes and other initiatives** set out in the portfolio agreement, up to the end of March 2023 where this is available.

Data is reported for all **performance measures** included in the agreement. This will reflect the latest available data, which in most cases will be the 2022/23 outturn. 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.

The updated Portfolio Performance Dashboards are published alongside these reports, and the new Finance and Resources Portfolio Dashboard can be [found here](#). This contains latest data across the full set of portfolio measures, including historical trend and comparative data (where available).

The criteria for RAG ratings and direction of travel status are 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 year-end position (forecast or actual) for this indicator is less favourable than the previous year-end.
	Amber – indicator is performing slightly (<5%) below target.		Stable – the year-end position (forecast or actual) 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 year-end position (forecast or actual) for this indicator is more favourable than the previous year-end.
GMS – measure is included in the Greater Manchester Strategy outcomes framework.			

Priority 1: A council founded on strong governance and financial sustainability

Progress with each of the delivery projects aligned to this priority in the 2022/23 Portfolio Agreement is summarised below.

Medium-Term Financial Plan (MTFP) and Reserves Policy

During the year we have provided updates to the Medium-Term Financial Plan (MTFP) to retest its underpinning forecasts and assumptions. These took Government announcements including the 2022 Autumn Statement and the Local Government Finance Settlement into account. This continuous update of the MTFP has been essential to address the continuing uncertainty, complexity and risk within the financial landscape. This has supported and informed decision-making during the year and ensured the council's MTFP continues to be set on a robust and resilient basis.

The MTFP update presented to Cabinet in September forecast a saving requirement of £16.953m. In response to this and further MTFP Updates during the year, the council set out its approach to responding to the financial forecasts over the medium-term period. This included corporate adjustments to forecasts and assumptions, change proposals, consideration of local taxation and use of reserves to balance the council's budget.

Following two rounds of scrutiny and public consultation and engagement, change proposals of £7.302m were identified to support the balancing of the budget and robustness of the MTFP. The change proposals identified have been shaped by the four cross-cutting programmes of the MTFP Strategy to identify areas where change is needed to improve the effectiveness of service delivery to residents and businesses and deliver a balanced budget. This has helped to frame decisions and develop change proposals around:

- Demand Management
- Value for Money and Commissioning
- Robust Corporate Governance
- Radically Digital

The council's 2023/24 Budget and Medium-Term Financial Plan (MTFP) was presented to and approved at the Budget Council meeting on 23 February 2023.

The council continues to face significant financial challenge over the medium-term. The council's forecast saving requirement over the next two financial years 2024/25 to 2025/26 is £23.817m. It continues to be a period of unprecedented uncertainty for local communities, businesses and indeed local government itself. The cost-of-living crisis has created ever challenging circumstances for residents. Inflation is increasing costs across the board, energy prices are challenging, interest rates are making borrowing much more difficult and there are still the residual impacts of the pandemic. All are placing acute pressure on local government financing at a time of increasing demands from residents for support. Meeting this demand whilst transforming services and mitigating financial risk requires a robust and resilient budget that provides the council with a stable financial platform over the medium-term period. The council's financial position will continue to be monitored.

Providing Value for Money

STAR, Finance and Directorate representatives have been meeting monthly to develop Category Management Plans. There are six portfolio teams covering the whole of the Council's spend (Place, CSS, Education, Children's, Adult Social Care and Public Health). Each plan outlines the total spend with third parties, the micro and macro market environments, a review of the previous spend and the pipeline of activity for the next 18 months. This also includes a review of the social value for that area of work to ensure we are proactively working with providers to receive the social value promised when we awarded contracts.

Over the next quarter, Directorate Management Teams will be presented with the work and asked to give direction and support to the Category Management Teams on priorities for the pipeline of future procurement and the potential for re-specifying, reducing or ceasing existing areas of external commission to contribute to MTFP targets.

Reviewing our joint commissioning arrangements

Stockport has reviewed its Section 75 pooled budget joint commissioning commitments and has now delegated responsibility for NHS GM Integrated Care Board (ICB) delegated budgets with key strategic partners. Both areas of funding are now aligned to the responsibilities of the One Health and Care Board supported by both the Place Based Lead and the Deputy Place Based Lead with strong links to Greater Manchester health and care integration. Within these governance arrangements a review of the Better Care Fund was agreed. The review was supported by colleagues in the Local Government Association with an initial desktop review. It was agreed at The Locality Board that an approach should be focused on a review of outcomes and spend in light of the national refocus on the areas as well as the aspirations of the One Health and Care Plan. Collaboration, transparency and participation of key stakeholder and partners have underpinned this review. The review has provided an opportunity for diligence against the national conditions and assurance of its use and opportunities for greater alignment.

SEND Joint Commissioning for 0-25 year olds is currently being reviewed with a sharp focus on the current investment position across education, health and care. This analysis alongside the SEND JSNA should give a clear indication of levels of investment for different types of need and identify areas that may require re-profiling.

We have also jointly commissioned a review and potential remodel of therapy services across Stockport to ensure we have sufficient provision in the right place for children and young people who need this support.

We have secured Family Hubs investment - developing a local network of connected buildings, services and virtual help across the wide range of public services and VCFSE provision.

We have jointly developed a short, medium and longer-term plan for the provision of Intermediate Care / Step Down to Assess provision across the borough. This has been developed as a system-wide approach to align joint investment and consolidation of both bed and home based capacity for out of hospital care and support.

Reviewing our financial systems

Discovery workshops were held in February and March with financial system stakeholders and supported by Socitm Advisory. These workshops helped identify and understand the council's current system landscape, strategic drivers, and pain points of the current financial system. With these findings, Socitm Advisory provided a draft discovery report to outline the 'as-is' position and to inform the option appraisal to identify system solutions available to meet future needs/requirements aligned to the council's radically digital transformation priority. Socitm Advisory will be holding further discovery and soft market testing sessions in May and June with key stakeholders to inform and develop an Outline Business Case for the council.

Supporting effective and informed decision making

We have continued to support our elected members through strong governance and member training and briefings programme to ensure effective and informed decision-making that is open and transparent, and subject to appropriate scrutiny. During Quarter 4, the following sessions for our elected members took place:

- Elections (1 February 2023).
- GMP Update (15 February 2023).
- United Utilities (29 March 2023).

Investing in our civic complex, community buildings and school estate

Refurbishment of Stopford House has now completed with the majority of service teams now relocated. The exit of Fred Perry House is ongoing. The refurbishment and letting of part of Fred Perry House will see The Ministry of Justice occupy part of the ground floor from Quarter 1 2023.

A package of works to renew pool plant at Hazel Grove Life Leisure has been procured and will be delivered from Quarter 2 2023, together with car park repairs.

The former Reddish Vale Technical College demolition has been procured and is ongoing, the demolition of a disused pavilion at Gatley recreation ground has completed, these will remove redundant buildings from the estate and provide modest savings to the Single Property Budget.

Refurbishment of the galleries at Hatworks Museum has completed in time for its relaunch and the launch of Stockport Town of Culture.

Minor improvements continue to be made to park pavilions, community centres and other buildings, the focus remains on ensuring continued statutory compliance particularly in respect of fire safety and water systems.

Delivering social value

We have launched the engagement tool which describes the needs of our priority cohorts to bidders so they can form their social value offer around what Stockport considers important. This is being issued as part of the tender documents. Through further discussions, we are working with STAR to measure the impact and monitor social value offers through communication with priority leads at the tender stage and effective contract management. This way we are able to engineer social value contributions to relevant priority areas. We continue to monitor feedback from suppliers to develop this approach so we can evolve the process, including the Social Value Portal. We continue to develop and share a bank of case studies to illustrate the good work taking place in the borough. There are early discussions taking place to explore digitising the match between community social value needs and provider/supplier offers through a brokerage system to record deliverables and measure impact.

The Social Value Steering Group is evolving and now invites guest speakers to influence Stockport's approach. A guest from the Growth Hub joined and offered their extensive knowledge of local businesses around Stockport who are able to help facilitate the social value contributions (e.g. care leaver opportunities). Pure Innovations were also invited and provided great insight in the work they do and how we can work more closely with them through social value.

The Stockport Social Value Round Table termly meeting provides positive connection and networks between all wider sectors across the borough to maximise the potential of social value to Stockport residents and businesses.

Social value training for commissioners is live on Learning Pool. We have completed two training sessions to date and these are now a bi-monthly offer. The focus is on the importance of monitoring social value delivery aimed at contract managers and commissioners so we make the most of the social value offers from providers and suppliers. In addition, we continue to work with the Communications team to raise the awareness of social value internally through the intranet promoting social value and linking the training.

The Social Value Statement is in development, to set out our focus, aims and objectives for the delivery of social value for the coming year.

Work continues under the Strategic Commissioning Group subsequent to our Real Living Wage (RLW) accreditation in March 2023. We are implementing a three-year plan to work towards our contracted suppliers becoming RLW employers, making this a focus of those they contract with, within their supply chain.

Integrated Care Systems (ICS)

The One Stockport Health and Care Board which is Stockport's locality board brings together partners from across health and care alongside Greater Manchester Police, Stockport Homes and the Voluntary, Community, Faith and Social Enterprise (VCFSE). It has been operating since July 2022 and has now been formally constituted as a committee of the Greater Manchester Integrated Care Board in March 2023. The draft terms of reference were presented to scrutiny committees on February 2023 as part of this process.

Measuring Performance and Reporting Progress

Latest available performance on all measures relating to this priority is summarised in the table below. All measures relating to this priority are categorised as "Council" measures. Commentary on any measures that have a "Red" RAG rating, as well as those rated "Amber" with a deteriorating trend, is set out beneath the table.

Indicator Name	Good Perf.	2yr Prev. (YE)	Prev. Year End	Values	Forecast	Target		
F&R 1.1: Percentage of Business Rates collected	High (Council)	93.42 %	95.6 %	96.48 % (31/03/2023)		97%	A	→
F&R 1.2: Percentage of Council Tax collected	High (Council)	97.36 %	97.46 %	97.47 % (31/03/2023)		95.5%	G	→
F&R 1.3: Average time taken to process new Housing Benefit claims and changes (days)	Low (Council)	6.1 days	4.6 days	5.6 days (31/03/2023)		10days	G	↓
F&R 1.4: Percentage of invoices paid in 30 days	High (Council)	94.65 %	94.1 %	86.5 % (31/03/2023) 9085 / 10500		95%	R	↓
F&R 1.5: Percentage of invoices paid to local suppliers in 10 days	High (Council)	88 %	80.6 %	74.1 % (31/03/2023) 2948 / 3981		85%	R	↓
F&R 1.6: Social Value - local spend on contracts	High (Council)			30.78 (31/03/2023)		Maximise	N/A	↓
F&R 1.7: Operational property costs (£/sqm)	Low (Council)	15.39 (£/sqm)	15.08 (£/sqm)	13.34 (£/sqm) (31/03/2023)		Maintain	G	↑
F&R 1.8: Property occupancy/ownership costs (£/sqm)	Low (Council)	44.18 (£/sqm)	42.99 (£/sqm)	53.5 (£/sqm) (31/03/2023)	49.18(£/s..	Maintain	N/A	↓
F&R 1.9: Annual energy consumption (KWH/sqm)	Low (Council)	90.28 KW/h/sqm	81.88 KW/h/sqm	79.91 KW/h/sqm (31/03/2023)		Minimise	G	↑

Commentary on performance

F&R1.4: Invoices paid within 30 days

There has been a further reduction in performance during the final quarter of the year. As reported previously, the cause is due to delays in resolving Purchase Order (PO) mismatches where there are price and/or quantity discrepancies between the invoice and PO. This is due to several factors including:

- Staff turnover and the time taken to recruit and train new staff across teams linked to the invoice approval process.
- POs raised incorrectly resulting in invoice mismatches.
- Delay in the receipt of good/services which delays the PO to invoice matching required for invoice approval and payment.

Officers are currently reviewing the end-to-end invoice approval process with several solutions identified including:

- Reviewing business processes to ensure proactive checking with services that goods/services have been provided so PO's can be receipted and invoices matched.
- Speaking to colleagues across the council about importance of their role in ensuring prompt invoice payment. This includes notifying central teams when good/services have been received so POs can be receipted and notifying central teams of invoice disputes so disputed invoices can be put on hold; invoice payment performance is measured on receipt of valid (undisputed) invoices.
- Regular check-in meetings between central teams i.e. Central Invoicing Team and Spend Hub to ensure issues affecting the prompt payment of invoices are raised and resolved.
- A review of suppliers' invoices where payment delays occur to identify any causes that can be resolved i.e. additional delivery charges included on invoices that are not included on the PO resulting in mismatches.

F&R1.5: Invoices paid to local suppliers within 10 days

The impact described above for F&R1.4 is amplified on the ten-day target to pay local suppliers. Invoices received by local suppliers continue to be prioritised and as stated in F&R1.4, officers are reviewing end-to-end processes with colleagues and suppliers.

Priority 2: Supporting our vulnerable residents through the cost-of-living crisis

Progress with each of the delivery projects aligned to this priority in the 2022/23 Portfolio Agreement is summarised below.

Immediate crisis support offer

Key activity in Quarter 4 included:

- Continuing to meet demand for and deliver crisis support to vulnerable residents through successful delivery of the Household Support Fund Phase 3.
- Continuing development and strengthening of the Food Network to ensure a sustainable food bank and food pantry offer across the borough to support residents struggling with increasing food costs.

Income Maximisation, Spend Minimisation

Initiatives delivered this quarter include:

- Delivery of the Household Support Fund Phase 3 providing £1.980m of targeted support to residents including:
 - £1.181m spent on supporting 9,218 households with energy costs.
 - £0.132m spent on supporting 9,696 households with food costs.
 - £0.630m spent on supporting 6,888 households with wider essentials.
 - £0.011m spent on supporting 18 households with housing costs.
- Following stakeholder engagement, finalisation of the Household Support Fund Phase 4 delivery plan. The council's funding allocation is £4.3m and will be delivered through targeted support to vulnerable residents in 2023/24, building on the success of previous phases. The delivery plan was submitted to the Department of Work and Pensions on 17 May.
- Approval for widening of free school meals eligibility in Stockport for one academic year as part of the council's 2023/24 budget setting process. This will be delivered in 2023/24.
- Continued benefit uptake campaigns linked to pension credit uptake and attendance allowance uptake. To date, 149 residents have been supported to claim Pension Credit worth between £0.274m and £0.476m annual cash gain.
- Since April 2022, there has been a continued delivery of our Spend Well, Live Well campaign which aims to build both locality-based information, advice and guidance provision as well as digital-based support. In terms of locality-based support, a range of events and activities have been delivered. Three Money Maximisation roadshows were held in Woodley Civic Centre (June 2022) and at two schools in Heaton Norris (December 2022). Four community-led drop-in sessions (Edgeley, Lancashire Hill, Romiley, Heaton Norris) have been supported to broker attendance by relevant services. Finally, drop-in sessions have been held alongside activities funded through the Holiday Activities and Food (HAF) programme during February and Easter school holidays. In terms of digital support, we have continued to build the number of followers of our Spend Well, Live Well in Stockport Facebook page (as of May 2023, the page had over 1,400 followers).
- Supporting the delivery of the Government's Energy Bill Support Scheme – alternative funding support to residents who have non-standard contracts with energy providers.

Organisational Response and Understanding

Following the success of the Cost of Living roundtable event in October and the subsequent collective call to respond across the borough, a second roundtable event is planned for early June. This will bring together key businesses and VCFSE partners to review our collective response, opportunities to do more and understand the emerging issues that will affect Stockport residents and businesses over the next 12 months.

In January 2023, approval was given to pilot a new Resident Advice and Support (RAS) service. This service is the first port of call for residents who may be struggling to pay their bills or who have other financial worries. The service will help residents access help and funds that they perhaps were not aware they could get. There is a helpline which residents can call for support from the service and also a project team which will involve workers going out into neighbourhoods to promote all of the help we have available to our communities. This offer adds to what we already have on offer for people in crisis but with a focus on financial support.

Measuring Performance and Reporting Progress

Latest available performance on all measures relating to this priority is summarised in the tables below.

Contextual measures

Indicator Name	Good Perf.	2yr Prev. (YE)	Prev. Year End	Values	Forecast	Target		
F&R 2.1 GMS: Percentage of children living in low income families	Low (contextual)		14.1 %	15.8 % (31/03/2022)		N/A	N/A	↓
F&R 2.2: Number of children in receipt of Free School Meals	Low (contextual)			8,622 (31/12/2022)		N/A	N/A	↓
F&R 2.3 GMS: Percentage of households experiencing food insecurity	Low (contextual)			30 % (31/03/2022)		N/A	N/A	↓
F&R 2.4: Percentage of households in fuel poverty	Low (contextual)	12.2 %	11.9 %	12.2 % (31/12/2021)		N/A	N/A	↓

Partnership measure

Indicator Name	Good Perf.	2yr Prev. (YE)	Prev. Year End	Values	Forecast	Target		
F&R 2.5 GMS: Volume of unsecured personal loans	Low (Partnership)		151	148 (30/06/2021)		Minimise	G	↑

Priority 3: Caring about our staff and engaging them in the future

Progress with each of the delivery projects aligned to this priority in the 2022/23 Portfolio Agreement is summarised below.

One Team People Strategy

During 2022/23 work has continued at pace on our One Team People Strategy, responding to the insights from our May 2022 All Colleague Survey and recognising the role of our workforce in achieving the council's aims and ambitions. Workforce has now been included as one of the four key enabling functions within our Council Plan for 2023/24.

Join Us

Recruitment activity has continued to be extremely busy, with 579 adverts placed during 2022/23 and a total of 1,060 job offers issued to successful candidates (note that advertisements are often for multiple posts).

In January 2023 the council, in partnership with colleagues from the NHS and Stockport College, ran a Jobs Fair in Brinnington – piloting a new approach of showcasing vacancies within our organisations direct to the community and offering free training for people to get them 'work ready'. The pilot was a success, with eight people engaging with the training programme, and plans are now being put in place to run similar events elsewhere in the borough.

Belong here

The council has a range of Employee Engagement Groups, where colleagues meet to share their experiences. These include groups based around ethnicity, sexuality, disability and for working carers.

To strengthen and support these groups each group now has a Corporate Leadership Team sponsor who will, over the next 12 months, work closely with the group to ensure their experiences are better understood by the council's leadership and assist them to lead actions to improve their experience of working at Stockport Council.

Grow and Thrive

Our Leading Stockport programme was launched on 31 January at an event attended by over 500 of the council's leaders and managers. This was followed up by a second online event on 27 March.

At our leadership forums we are exploring the expected behaviours of leaders in Stockport, and how these relate to our council's vision, mission, values and the council plan. We are also using the events to highlight the development available to our managers, which includes access to qualifications funded by the apprenticeship levy, online training materials and coaching sessions.

Feel supported

The council continues to provide a wide range of support to colleagues impacted by the cost-of-living crisis. As part of our Wellbeing Hub, we have a 'Financial Wellbeing' section on the intranet, which contains a directory of financial support available to colleagues as well as a 'Making Your Money Count' guide. Our Welfare Rights team are also able to provide specific personal and confidential support to colleagues through its "Stockport Money Advice Referral Tool" (SMART).

Live our values

In January 2023, as part of our Leading Stockport development programme, we launched a set of Leading Stockport Behaviours. These behaviours, which were co-designed with our managers and leaders at the first Leading Stockport Forum, describe our expectations of how we will collectively lead our teams to deliver on Stockport's aims and ambitions, whilst staying true to our organisation's values.

Measuring Performance and Reporting Progress

Latest available performance on all measures relating to this priority is summarised in the table below. Commentary on any measures that have a “Red” RAG rating, as well as those rated “Amber” with a deteriorating trend, is set out beneath the table.

Note that for measures F&R 3.1 and 3.2, which relate to the staff survey carried out in 2022, there is no trend indicator provided as this was the first such survey undertaken.

Council measures

Indicator Name	Good Perf.	2yr Prev. (YE)	Prev. Year End	Values	Forecast	Target		
F&R 3.1: Average working days lost due to sickness absence per employee	Low (Council)	8.14 days	10.77 days	9.86 days (31/03/2023)		10days	G	↑
F&R 3.2: Employee satisfaction with working for Stockport Council	High (Council)			80 (30/09/2022)		79.7	G	○
F&R 3.3: Employee engagement – overall score on ‘engage to success’ model	High (Council)			70 (30/09/2022)		70	G	○
F&R 3.4: Apprenticeships - SMBC	High (Council)	177	175	172 (31/03/2023)		Maximise	A	↓

Commentary on performance

F&R3.4: Apprenticeships (SMBC)

Whilst the number of current apprentices is slightly down on 2021/22, it is worth highlighting that in 2022/23 we had record numbers of apprentices both completing and starting their apprenticeship courses. We continue to expand the range of courses we offer and link the courses to our hard-to-recruit-to roles across the council.

Contextual measure

Indicator Name	Good Perf.	2yr Prev. (YE)	Prev. Year End	Values	Forecast	Target		
F&R 3.5: Staff turnover	Low (contextual)			14.97 (31/03/2023)		N/A	N/A	↑

Priority 4: A Resident Focused and Radically Digital Council

Progress with each of the delivery projects aligned to this priority in the 2022/23 Portfolio Agreement is summarised below.

Resident focus and digital access

Work to improve our residents' experience of interacting with the council continues as part of Digital Access workstream, focusing on increasing the offer available to people to digitally self-serve, including making payments, where they are able. In Quarter 4 we have:

- Supported some of our core council services through a busy quarter in terms of the releasing of Council Tax bills and 1st April service changes.
- Improved the Jobs and Carers areas of our website to share the amazing work we do at Stockport and attract more great talent to work with us.
- Continued to redesign processes with the aim of reducing avoidable demand in the Contact Centre for several processes (examples set out below). The release of these improved processes will continue into 2023/24 Quarter 1.
 - Verges and trees reporting
 - Councillor Enquiry reviews.
 - Arranging a bulky waste collection.
 - Multiple Taxi Licensing Enquiry forms – to be released in 2023/24 Quarter 1
- Planned and designed work has taken place to improve our online information for Children's Services. Once the work is complete it will be easier for parent/carers, professionals and young people to navigate all the support we provide online and refer directly into service when needed. We will update you on this work in Quarter 1 and beyond.
- Following a successful trial of the members' portal, a new online method for raising member enquiries, we have extended the trial period to the 3rd May for the six members involved. Training will also be available on 6th June for all members, including new ones elected at the May election. The portal will be updated to include a range of functions, including tracking of enquiries, timescales etc.

Radical Digital Stockport Strategy – Digital data

New neighbourhood profiles, summarising key data on Stockport's population including health outcomes, have been developed. They will be shared with colleagues at the next Neighbourhoods & Prevention workshop on 22nd May. Feedback will be used to help develop the next version that will be interactive and available online, including a version that will be shared on our open data portal.

We have started work on our Local Digital Fund project that is looking for a data/digital solution to help support the hospital discharge process by better understanding capacity and demand across the system. The project is sponsored by the Department for Levelling Up and also involves Manchester and Oldham. If a common tool can be developed, we would look to bid for more funding to support development of such a tool.

We continue to develop our data integration capabilities. Recent examples include integrating the Youth Offending data with our Family Context tool – this will provide social workers with information on youth offending. These capabilities are also being used to support the project to widen Free School Meal (FSM) eligibility to children of parents who do not currently receive FSM but are in receipt of other benefits e.g. Council Tax Support.

Radical Digital Stockport Strategy – Digital architecture

The Local Full Fibre Network (LFFN) has been fully rolled out to over 130 sites across Stockport. It is now ready to be used as the foundational infrastructure of the GM One Network.

The GMAOne Network is the data service that “lights up” the LFFN. Stockport has been at the forefront of design, procurement and now the building phase of this globally-significant digital city region partnership initiative. The latest networking and security technologies will start to become live in Stockport’s 130 LFFN sites (and close to 2,000 sites across GM partner authority’s localities) around December 2023.

Radical Digital Stockport Strategy – Digital inclusion

We have seen a significant increase in all aspects of digital inclusion. This includes a 411% rise in the number of digital inclusion volunteers, from 55 to 281.

Around 15,000 people who live and/or work in Stockport were supported to improve their digital inclusion in 2022-23 (over 38,000 since the establishment of DigiKnow) and 7,500 devices were loaned out to local people. We have also supported 348 VCFSE organisations to improve their digital skills, devices and connectivity.

Stockport Council have also been working with Age UK and Sky to develop a Sky Hub (one of only 10 across the country) based in Edgeley, but available for any Stockport resident to utilise. This is a unique digital opportunity for Stockport residents which will work fully and collaboratively with DigiKnow. Age UK and Stockport Council jointly fund the project, with “in-kind” support, such as shopfitting, connectivity and Sky volunteers, being supplied by Sky. The hub will provide a physical space for local people to learn new digital skills, access devices and data and be more connected with their local community, with a specific focus on supporting those most digitally excluded, including older people and young people who experience financial exclusion or disadvantage.

Our DigiKnow partner, Starting Point has been focusing on developing stronger links between digital and financial inclusion. This has included developing a digital offer at Money Max Roadshows, to promote the availability of Databank and device loans and the delivery of Digital Inclusion activities for residents in Lancashire Hill, where up to 26% of residents are offline.

Measuring Performance and Reporting Progress

Latest available performance on all measures relating to this priority is summarised in the table below. Commentary on any measures that have a “Red” RAG rating, as well as those rated “Amber” with a deteriorating trend, is set out beneath the table.

Council measures

Indicator Name	Good Perf.	2yr Prev. (YE)	Prev. Year End	Values	Forecast	Target		
F&R 4.1: Contact Centre Calls	High (Council)	89.33 %	85.59 %	82 % (31/03/2023) 156661 / 190514		85%	A	↓
F&R 4.2: Digital Contacts	High (Council)	90.2 %	84.9 %	85.9 % (31/03/2023) 1270288 / 1478015		87%	A	↑
F&R 4.3: DigiKnow - individuals	High (Council)	9387	23101	38,364 (31/03/2023)		Maximise	G	↑
F&R 4.5: Number of active digital volunteers	High (Council)			281 (31/03/2023)		80	G	○
F&R 4.6: FOI Response Time	High (Council)	90.8 %	89.8 %	88.1 % (31/03/2023) 612 / 695		95%	R	↓
F&R 4.7: Stage 1 complaints upheld	Low (Council)	28.9 %	27.3 %	31.8 % (31/03/2023) 50 / 157		30%	A	↓
F&R 4.8: Stage 2 complaints upheld	Low (Council)	31.1 %	33.3 %	35.5 % (31/03/2023) 22 / 62		31%	R	↓
F&R 4.9: Stage 1 complaints response	High (Council)	88.89 %	79.72 %	82.2 % (31/03/2023) 129 / 157		86%	A	↑
F&R 4.10: Stage 2 complaints response	High (Council)	82.35 %	72.88 %	90.3 % (31/03/2023) 56 / 62		77%	G	↑

Commentary on performance

F&R4.1: Contact Centre calls

During Quarter 4, we received 44,929 calls and of these 39,878 calls were answered (89%). Though this outperformed the annual target rate, the overall annual outturn of 82% meant the annual target of 85% was narrowly missed. This was largely due to the setbacks reported in Quarter 2 relating to staff turnover issues and increased one-off call demand as a result of residents contacting the council for help with the energy rebate campaign.

F&R4.6: Freedom of Information request response times

There has been a decrease in the number of requests received overall however the complexity and nature of the requests continues to present challenges. Some service areas are being supported to improve their performance with a number of measures, including access to a dashboard detailing each of the requests allocated to them.

F&R4.7: Stage 1 complaints upheld

Performance improved in Quarter 4, with nine out of 40 Stage 1 complaints upheld (22.5%). The final outturn for 2022/23 was 31.8% however, marginally higher than 30% annual target.

F&R4.8: Stage 2 complaints upheld

During Quarter 4, six out of 14 Stage 2 complaints were upheld (42.9%). Whilst this indicator was not met, it must be noted that of these, two cases were partially upheld and having checked the case detail, the partially upheld cases related to upholding individual elements concerning service delivery and not the full range of issues raised. The annual outturn was 35.5%, missing the 31% target.

Contextual measure

Indicator Name	Good Perf.	2yr Prev. (YE)	Prev. Year End	Values
F&R 4.4 GMS: Download speeds (areas below 30Mbps access target)	-(contextual)			2.1 (31/12/2022) 4 / 190

FINANCE AND RESOURCES

2. FINANCIAL RESOURCES AND MONITORING



2.1 Revenue – Cash limit

Budget at Outturn:

	Previously Reported (Q3) £000	Increase (Reduction) £000	Budget at Q4 £000
Cash Limit Budget	29,024	3,481	32,505

Budget Changes since previously reported at Quarter 3

The Portfolios cash limit allocation has increased by £3.481m from the figure reported in the previous reporting cycle. This is a temporary allocation from Contingencies to address the deficit on the Investment and Development Account (I & D) because of the ongoing Covid-19 scarring issues and flat rental performance.

Outturn:

Net Cash Limit Budget	Net Expenditure	Net Appropriations (from) Reserves	Outturn (Surplus) / Deficit Q4
£000	£000	£000	£000
32,505	38,645	(4,153)	1987

The Portfolio had a deficit outturn variance of £1.987m on the revised cash limit budget allocation of £32.505m. This represents an adverse variance in percentage terms of 6.1% and is £0.120m more than forecast at Q3.

The outturn variance is largely due to a significant deficit in Estate and Asset Management of £1.551m, primarily driven by energy costs incurred by the Single Property Budget (Operational Estate) with the remaining £0.436m deficit elsewhere in legal, technology and data support services.

The I & D account required £1.248m and £3.481m of reserves and Covid scarring contingency to address an otherwise £4.729m deficit.

Though considerable, the loss shows only a marginal increase from that anticipated at Q3. The I & D account position reflects a flat rental income yield position in the commercial estate, a prudent approach being taken with regards to Bad Debt Provision and cost of living pressures, together with the borrowing repayment charges that the account faces as development schemes are completed.

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 2022/23 Reserves Policy approved by Cabinet on 28th September.

Reserve Category	Reserve Narration	To be used for	Approved Earmarked Balance £000	Use & Changes 2022/23 £000
Strategic Priority	Digital by Design Reserve	Digital by Design Projects - Phase II	250	250
Strategic Priority	Digital By Design	Finance Systems Discovery Project	111	57
Strategic Priority	Equipment Refresh Reserve	To support the implementation of CivicaPay	66	0
Strategic Priority	Equipment Refresh Reserve	To Fund Capital element of Nutanix/Virtual Servers & data backup scheme.	29	0
Strategic Priority	Equipment Refresh Reserve	IT Kit for Stopford House re-occupancy	250	250
Directorate	Directorate Flexibility Reserve - CSS	To fund an apprentice in Finance	40	0
Directorate	Directorate Flexibility Reserve - CSS	Staff Surveys	30	9
Directorate	Directorate Flexibility Reserve - CSS	Temporary post Finance Transaction Team	70	0
Directorate	Directorate Flexibility Reserve - CSS	Temporary Data records manager, Information and Governance	54	29
Linked to Budget	Workforce Investment/Change Reserve	The All-Age Programme	250	123
Linked to Budget	Transformation - Invest to Save Reserve	Early Payment Programme implementation	51	0
Linked to Budget	Workforce Investment/Change Reserve	Adult Social Care Transformation & MTFP Project Manager	224	80
Linked to Budget	Workforce Investment/Change Reserve	One Team People Plan Implementation	545	197
Linked to Budget	Workforce Investment/Change Reserve	Citizen Focus Transformation	283	141
Linked to Budget	Transformation – Invest to Save	Additional support in Contracts and commissioning to support savings programme	146	21

Linked to Budget	Transformation – Invest to Save	Legal Services Time Recording	48	12
Reserve Linked to Budget	Transformation - Double Running Reserve	To Support 2022/23 phased savings - CSS VFM	278	278
Linked to Budget	Transformation - Double Running Reserve	To Support 2022/23 phased savings - CSS Radically Digital	175	175
Corporate	Legislative and Statutory Requirements	Elections (Conducting of)	340	190
Corporate	Legislative and Statutory Requirements	Court Fees refund	176	0
Corporate	Revenue Grant Reserve (includes ringfenced reserves)	Local Digital Fund Grants	336	254
Corporate	Revenue Grant Reserve (includes ringfenced reserves)	DWP (Department for Work and Pensions) New Burden Housing Management Information	0	(18)
		Total	3,752	2,048

Approved use of the Reserves balance is £3.752m and the net draw down from them is £2.048m, of which £2.014m is funding revenue expenditure in this Portfolio, and £0.052m revenue spending in other Portfolios. In addition, a DWP grant for £0.018m has been appropriated to reserves as the expenditure (in Benefits and Taxation) will not be incurred until 2023/24.

The portfolio is also drawing down £2.157m (net) from reserve balances held corporately and in other Portfolios. Of this, £1.248m is appropriated from the corporately held Income and Interest Rate Mitigation Reserve to part support the I and D Account. The remaining £0.909m is mainly the funding of temporary staffing structures built up from the Council response to Covid-19 and funded by reserves. This should fund the remaining expenditure on several schemes for a further limited period of around two years.

2.3 Portfolio Savings Programme

MTFP Transformational Lens	Savings Programme	Value £000	RAG Rating
Radically Digital	Automation and Self Service / Increased Income Target of Oxygen Finance	448	AMBER
Robust Corporate Governance	Corporate Asset Review/ Increased Income/ Spend Review	113	GREEN
Robust Corporate Governance	Vacancy Management / Change in Way We Deliver	485	GREEN
Value for Money	Contract Management / Procurement and Commissioning	498	AMBER
	Total	1,544	

Outstanding balances of savings in the table above were covered in year by temporary savings and support from the Transformation (Double Running) reserve. As noted in the Q3 PPRR (Portfolio Performance and Resource Reports), the balances of these saving proposals were assimilated into the 2023/24 to 2025/26 MTFP Financial Landscape and Forecasts, and Cabinet response for 2023/24.

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 Finance Update and Outlook

Programme

Expenditure as at 31 Mar 2023 £000	Scheme	2022/23 Programme £000	2023/24 Programme £000	2024/25 Programme £000
	Non Education Capital Schemes			
2,491	Asset Management Plan	2,491	7,002	2,100
0	Reprovision of Dialstone Facility	0	150	2,853
0	Borough Care	0	150	0
20	Disposal of Assets	20	0	0
0	IT - Nutanix	0	66	0
17,611	Town Centre Asset review	17,611	0	0
0	TLC Fleet Vehicle Loan Facility	0	0	5,100
1,990	Public Sector Decarbonisation Scheme (PSDS)	1,990	173	0
5,524	Asset Purchase linked to Leisure Provision Transfer	5,524	0	0
13	Adswood Depot Purchase	13	0	0
27,649	Sub-total	27,649	7,541	10,053
	Education - Schools Capital Programme			
0	Early Years	0	13	0
7,188	Primary Sector	7,188	6,224	0
242	Secondary Sector	242	622	0
8,675	Special Sector	8,675	6,050	0
0	Funding to be allocated	0	28,830	0
1,575	Individual School Schemes	1,575	1,288	0
17,680	Sub-total	17,680	43,027	0
45,329	TOTAL	45,329	50,568	10,053

Resources

Resources	2022/23 £000	2023/24 £000	2024/25 £000
Capital Grants	18,571	25,188	0
Directly Funded Borrowing	15,820	461	5,100
Unsupported Borrowing	7,992	24,322	2,100
Capital Receipts	20	150	2,853
External Contributions	2,510	310	0
Revenue Contributions (RCCO)	416	137	0
TOTAL	45,329	50,568	10,053

Programme Amendments – Rephasing

Scheme	2022/23 £000	2023/24 £000	2024/25 £000	Funding Source	Reason
<u>Non Education Schemes</u>					
Asset Management Plan	0	923	295	USB	23/24 AMP Budget setting
Asset Management Plan	(939)	939	0	USB	Scheme Rephasing
Asset Management Plan	(71)	71	0	RCCO	Scheme Rephasing
Re-provision of Dialstone Facility	(150)	150	0	Capital Receipts	Scheme Rephasing
Borough Care	(150)	150	0	DFB	Scheme Rephasing
Disposals	8	0	0	Capital Receipts	Scheme Increase
IT - Nutanix	(66)	66	0	RCCO	Scheme Rephasing
Town Centre Asset Review	1,725	0	0	DFB	Funding Adjustment
Town Centre Asset Review	860	0	0	External Contributions	Funding Adjustment
Town Centre Asset Review	(264)	0	0	RCCO	Funding Adjustment
Public Sector Decarbonisation Scheme (PSDS)	(132)	132	0	Capital Grants	Scheme Rephasing
Adswood Purchase	13	0	0	DFB	New Scheme
<u>Education Schemes</u>					
Early Years	(13)	13	0	Various	Scheme amendments / rephasings
Primary	(2,192)	2,255	0	Various	Scheme amendments / rephasings
Primary	1	0	0	Grant/DFB/Cont	Scheme amendments / rephasings
Secondary	(308)	230	0	Various	Scheme amendments / rephasings
Special Sector	(3,049)	2,940	0	Various	Scheme amendments / rephasings
Individual School Schemes	(1,164)	1,288	0	Various	Scheme amendments / rephasings
Individual School Schemes	1,363	0	0	DFC	Scheme amendments / rephasings
Individual School Schemes	393	0	0	RCCO	Scheme amendments / rephasings
Individual School Schemes	157	0	0	DFB	Scheme amendments / rephasings
TOTAL	(3,978)	9,157	295		

Progress against individual schemes

Scheme	Description
Asset Management Plan (AMP)	<p>Refurbishment of Stopford House has now completed with the majority of service teams now relocated. The exit of Fred Perry House is ongoing. The refurbishment and letting of part of Fred Perry House will see The Ministry of Justice occupy part of the ground floor from Quarter 1 2023.</p> <p>A package of works to renew pool plant at Hazel Grove Life Leisure has been procured and will be delivered from Quarter 2 2023, together with car park repairs.</p> <p>The former Reddish Vale Technical College demolition has been procured and is ongoing, the demolition of a disused pavilion at Gatley recreation ground has completed, these will remove redundant buildings from the estate and provide modest savings to the Single Property Budget.</p> <p>Refurbishment of the galleries at Hatworks Museum has completed in time for its relaunch and the launch of Stockport Town of Culture.</p> <p>Minor improvements continue to be made to park pavilions, community centres and other buildings, the focus remains on ensuring continued statutory compliance particularly in respect of fire safety and water systems.</p>
Reprovision of Dialstone Facility	Reprovision of a Community Building following the sale of the Dialstone Centre for housing redevelopment. Early work on this project has commenced, however this was conducted by internal council resources, so no costs were attributed to the project at feasibility stage.
Borough Care	Proposed delivery of a new Care Home facility on the Booth Street site in Edgeley. The project was placed on hold during the pandemic but during the financial year 2022/23 design feasibility works and review of potential operating models have been undertaken to determine the viability of the project. Early work on this project has commenced, however this was conducted by internal council resources, so no costs were attributed to the project at feasibility stage.
Disposal of assets	Programme for enabling costs for the disposal/development of council assets/sites.
IT – Nutanix	<p>The hardware and software within the new data centre has come to the end of its supported life and needs to be replaced, with the chosen solution centring on a Nutanix based product, with majority of the Capital expenditure having taken place in 2020/21 and 2021/22.</p> <p>Additional components including switches, security gateway software and a cloud-based management server have been identified. Additional costs of £0.037m are to be financed by RCCO, meaning the projected total spend for the remainder of the scheme is £0.066m. This was expected to be spent by the end of the 2022/23 financial year, however it is now likely to be spent in Quarter 1 of 2023/24.</p> <p>It is currently in procurement with STAR with an estimated cost of £0.050m; this may increase marginally.</p>

Town Centre Asset Review	<p>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.</p> <p>As part of the Asset Review the Council has secured its first external letting of Fred Perry House. The Probation service taking occupation and bespoke fit out works begin on site during Quarter 4 of 2022/23. This has increased the level of expenditure on this project to £17.218 million, however the Ministry of Justice will repay the majority of the additional capital investment on completion of the works to the Authority.</p>
Public Sector Decarbonisation Scheme (PSDS)	<p>The PSDS project is a 100% grant funded scheme encompassing projects funding energy efficiency and heat decarbonisation schemes on ten buildings across council buildings, leisure and schools: Stockport Town Hall, Stopford House, Fred Perry House, Grand Central Life Leisure, the new Lisburne Special School and Westmorland, Dial Park, High Lane, Hazel Grove and Cheadle Hulme Primary Schools.</p> <p>The work has covered fabric improvement (Windows), LED lighting and installation of Air Source Heat Pumps on five of the buildings.</p> <p>The project has been led by the Estates Team and represents a total investment of £4.500m. The investment is forecast to save 7,900 tonnes of CO₂ over the lifetime of the projects.</p> <p>The project is now substantially complete. An allowance is made for commissioning, retention payments and minor snagging as agreed with GMCA.</p>
Asset Purchase Linked to Leisure Provision Transfer	<p>Asset purchases made as part of the transfer of Leisure provision from the Charitable Trust to the wholly-owned Community Interest Company.</p>
Adswood Depot Purchase	<p>Adswood Depot is of strategic importance to the Council offering approximately 7.5 acres supporting TLC's storage and recycling and the Highways Department storage compound and the Borough's only gritting salt store depot.</p> <p>The Council's future at the depot was uncertain as the lease was due to expire in October 2022 and there was a significant risk that the site could be lost to housing redevelopment.</p> <p>The Council's purchase of the land will secure permanent control of the depot, will remove a significant outgoing lease rent liability, and facilitate any major capital projects the Council may wish to undertake on the land including supporting the redevelopment opportunity of the Bird Hall Site.</p> <p>The costs incurred in 2022/23 represent initial insurance and survey fees prior to the purchase which will take place in early 2023/24, with the purchase price being added to the programme in quarter 1 of the new financial year.</p>

Education

A collection of school schemes across all sectors relating to both maintenance/condition works and basic need provision of school places provide for the £17.680m spend in 2022/23.

The council continues to review and assess school projects for the future linked to the latest asset management plan reviews of all school buildings, funding available and deploy according to priority / needs (i.e., health and safety requirements, etc.).

A number of schemes will continue into 2023/24 until completion alongside any new schemes identified and approved for capital investment, with any further scheme details / commitments / updates to be reported in the 2023/24 corporate scrutiny cycle.

2.5 Allocated One-Off Resources

As part of the 2022/23 Budget, several positive investments were identified and approved. These investments are aligned to support the delivery of the council's ambitions and priorities for the borough. The investments are aligned to the following portfolios:

Item	Investment £000	Portfolio
Digital Inclusion – enhancing Library provision	100	Highways, Parks & Leisure Services
Health and wellbeing-supporting Mental Health and Addiction Services	150	Health & Adult Social Care
Targeted Youth Support	150	Education, Children & Families
Flooding Remediation and Environmental Infrastructure	500	Highways, Parks & Leisure Services
District and Local Centres Infrastructure	250	Economy and Regeneration
Armed Forces Engagement and Development	100	Communities & Housing