

CORPORATE, RESOURCE MANAGEMENT & GOVERNANCE SCRUTINY COMMITTEE

Meeting: 5 September 2023
At: 6.00 pm

PRESENT

Councillor Christine Carrigan (Chair) in the chair; Councillor Carole McCann (Vice-Chair); Councillors Dickie Davies, Ian Hunter, Mark Jones, Jeremy Meal, Will Sharp, Charlie Stewart and Alex Wynne.

1. MINUTES

The minutes (copies of which had been circulated) of the meeting held on 13 June 2023 were approved as a correct record and signed by the chair.

2. DECLARATIONS OF INTEREST

Councillors and officers were invited to declare any interests which they had in any of the items on the agenda for the meeting.

No declarations of interest were made.

3. CALL-IN

There were no call-in items to consider.

4. 2023/24 QUARTER 1+ BUDGET MONITORING UPDATE

The Deputy Chief Executive (Section 151 Officer) submitted a report (copies of which had been circulated) providing an update on the revenue budget forecast outturn for the period to the end of July 2023 (Quarter 1+). The report also provided an update on the Dedicated Schools Grant, Housing Revenue Account (HRA) and Capital Programme.

The Cabinet Member for Finance and Resources (Councillor Jilly Julian) attended the meeting to respond to councillors' questions.

The following comments were made/ issues raised:-

- Members queried whether additional funds were available for a new home for looked after children and in response it was stated that work was progressing on a children's home which would increase the capacity to house looked after children within the borough.
- In response to a question about transfers of the budget from non-cash limits to cash limits, it was stated that when the budget was set in February 2023 assumptions had been made such as the rate of price inflation but the council had faced increased demands. The budget held a non-cash limit at the start of the year which provided an element of corporate control and offered a release contingency budget upon demonstration that inflation rises had crystallised.

- Almost half of the national living wage contingency had been used in the first quarter of this year as a result of contracts having been signed and fees paid such as adult social care services. This had been expected and measures had been taken to ensure that service budgets were achievable.
- In the current economic climate the council examined every pound spent in Stockport on behalf of residents at a granular level of detail. The council had detailed financial recovery plans and had created a surplus in order to offset overspends.
- The ten Leaders of the Greater Manchester Authorities, along with the ten Chief Executives and Borough Treasurers met regularly to find ways to drive efficiencies and savings and the STAR procurement programme also looked strategically at markets to drive savings.
- It was commented that some services provided by STAR procurement such as line-marking had not been sourced locally and some taxi services were being provided by drivers from well outside of the borough.
- Members commented upon the Quarter 1 forecast position deficit and noted it had been caused by an expected under-recovery of income. Members queried why this had not been included in the budget.
- In response it was stated that a piece of work on fees for building control was underway which would bring fees in line with an inflationary perspective and yield additional income. That work was due to be reported to this Committee at a future date.
- In relation to the Dedicated Schools Grant, it was reported that the grant is ring-fenced. The deficit had been brought forward and it was anticipated to reach 14.9 million at the end of the financial year.
- In relation to the SEN transport deficit, it was reported that this had been an significant cost to the council for the past few years, exacerbated by the provision of SEN schools. There were challenges with routes to SEN schools due to the need to find places for children outside of the borough. A huge programme of work, including a planned SEN school within the borough, was underway to mitigate this cost.
- In relation to the DbV (Delivering Better Value) support programme, it was reported that this work had enabled the recruitment of more educational psychologists who had been able to look at the challenges faced by young people and in turn to avoid expensive placements. The focus was to enhance and improve services for children.

RESOLVED – That the report and recommendation to Cabinet be noted.

5. TREASURY MANAGEMENT REVIEW Q1

The Deputy Chief Executive (Section 151 Officer) submitted a report (copies of which had been circulated, updating the Committee on treasury management activities and ensuring that the council was implementing best practice in accordance with the CIPFA (Chartered Institute of Public Finance and Accountancy) Code of Practice for Treasury Management.

The Cabinet Member for Finance and Resources (Councillor Jilly Julian) attended the meeting to respond to councillors' questions.

The following comments were made/ issues raised:-

- Members queried whether any council funds had benefitted from high rates of interest and in response it was stated that some income had increased as a result of the Bank of England base-rate increase.

RESOLVED – That the report be noted.

6. TREASURY MANAGEMENT ANNUAL REPORT 2022/23

The Deputy Chief Executive (Section 151 Officer) submitted a report (copies of which had been circulated) reviewing treasury management activities and the actual prudential and treasury indicators for 2022/23. It also met the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

The Cabinet Member for Finance and Resources (Councillor Jilly Julian) attended the meeting to respond to councillors' questions.

The following comments were made/ issues raised:-

- In the light of the recent announcement that Birmingham City Council had issued a section 114 notice, members queried whether the council would assess what had gone wrong in Birmingham.
- In response it was stated that every last detail would be looked at in order to learn from what had gone wrong elsewhere, including other local authorities which had issued section 114 notices.

RESOLVED - (1) That Cabinet be recommended to approve the actual 2022/23 prudential and treasury indicators; and

(2) That the Annual Treasury Management Report for 2022/23 be noted.

7. 2023-24 RESERVES POLICY

The Deputy Chief Executive (Section 151 Officer) submitted a report (copies of which had been circulated) providing the outcome of the annual review of the Council's Reserves Policy following the reporting of the council's 2022/23 outturn position.

The Cabinet Member for Finance and Resources (Councillor Jilly Julian) attended the meeting to respond to councillors' questions.

The following comments were made/ issues raised:-

- In reference to the recent announcement that Birmingham City Council had issued a Section 114 notice, members queried whether Stockport Council might be more likely in the future to use its reserves.
- In response it was stated that a full exploration of the possible use of reserves would take place and would be reported to future meetings of this Scrutiny Committee.

- Members commented that it was positive to hold on to a reserve, but stated that the council was not in a position to be complacent and the use of earmarked reserves could push the council's finances into a precarious position.

RESOLVED - (1) That the annual review of Council's 2023/24 Reserves Policy including the level and rationale for the reserves held be noted.

(2) That Cabinet be recommended to approve the adjustments and reclassification of earmarked reserves held in line with the recommended amounts.

(3) That Cabinet be recommended to approve the proposed 2023/24 Reserves Policy.

8. ANNUAL WORKFORCE REPORT

The Deputy Chief Executive submitted a report (copies of which had been circulated) providing insights about the council's workforce over the full year 2022/23, presenting progress in implementing our People Plan, developing the People Plan to reflect changing priorities including the clearer focus provided by our updated Council Plan, our Vision and Mission. The reports also included trends within our workforce.

The Cabinet Member for Finance and Resources (Councillor Jilly Julian) attended the meeting to respond to councillors' questions.

The following comments were made/ issues raised:-

- Members expressed concern in relation to the staff turnover rate of 11 per cent and, in particular, the higher rate of turnover for staff working in Adult Social Care. Members queried what plans the council had to reduce the rate of staff turnover.
- In response it was stated that an examination of the point at which people looked to leave their careers was taking place. Furthermore, consideration was being given to recruitment and the early stages of employment. The council was also looking at ways to attract candidates to the organisation: using online recruitment portals, being more proactive in explaining the culture and values of the organisation, what support and benefits exist for staff and why Stockport Council is a great place to work.
- In response to a query about next steps in terms of the workforce, it was reported that a pilot scheme was due to be implemented to encourage individual staff members to own their performance and wellbeing, to align themselves with the values of the organisation and align their performance with the Stockport Council plan. Plans were in place to measure how individual colleagues' performance delivered against the council plan. It was further recognised that the quality of leadership at the council was crucial to employee wellbeing.
- It was reported that the annual staff survey would be rolled out within the next month and that it would give a very clear indication of the extent to which employees understand the corporate plan and organisational values. It would also shed light on the diversity of the council's services and its staff. It was recognised that not all sections of the organisation were in the same place in terms of employee wellbeing and the staff survey would allow the council to target those areas.

- It was also reported that all colleagues have access to leading-edge wellbeing support. Staff usage of those services was tracked anonymously on a monthly basis, including information on the numbers of referrals to occupational health, counselling and physiotherapy. It was found that those services were well used.
- The launch of the Supported Internships Scheme was scheduled to take place the following day. That scheme played an important role in the kinds of people the council was able to offer jobs to such as care leavers and those with learning disabilities. The council had also provided work experience for 60 students.
- In terms of the Apprenticeship Levy, it was reported that the fund was fully utilised by the council each year and that the range of apprenticeships offered by the council was impressive with roles not normally associated with apprenticeships such as solicitor apprentices.
- It was also reported that Stockport College now has an OFSTED rating of 'good' which meant that it was eligible to offer students for apprenticeship placements. Stockport College had recently given a presentation to council officers and the procurement of apprentices from the college was expected going forward.
- Overall, the council had enrolled 236 apprentices on 77 courses and had a 73 per cent completion rate, well above the national average.
- It was reported that the council had made some redundancies and, wherever possible, they had been voluntary. The council was always looking to make savings and restructure its services where possible. Furthermore, the figures for the numbers of redundancies in the past year was likely to be skewed as a result of temporary contracts coming to an end in the post-Covid era.
- In terms of sickness absence, Covid was reported to be the most significant reason for absence of council colleagues in the past year, although there was a general downward trend in incidents of Covid among staff. Those colleagues suffering from long-Covid were being managed in a sensitive and appropriate manner.

RESOLVED – That the report be noted.

9. ANNUAL COMPLAINTS REPORT 2021/22

The Director of Place Management submitted a report (copies of which had been circulated) giving an overview of the complaints received by the Council this year and more importantly the lessons learnt in dealing with those complaints.

The Cabinet Member for Finance and Resources (Councillor Jilly Julian) attended the meeting to respond to councillors' questions.

Members welcomed the report and its contents.

RESOLVED – (1) That the information contained within the Annual Complaints Report be noted, and

(2) The positive progress being taken to improve complaints handling across the council be noted.

10. STOCKPORT COUNCIL MODERN SLAVERY STATEMENT 2022/23: REVIEW AND REFRESH

The Deputy Chief Executive submitted a report (copies of which had been circulated) setting out actions the council had already taken to ensure its supply chains were not linked to modern slavery, as well as further action it intended to take. It also briefly summarised the review process and presented the fourth iteration (2023/24) of the Stockport Council Modern Slavery Statement, to cover the period up to 30 September 2024, and sought the Committee's approval to adopt that refreshed statement.

The Cabinet Member for Finance and Resources (Councillor Jilly Julian) attended the meeting to respond to councillors' questions.

The following comments were made/ issues raised:-

- Members requested that STAR procurement be asked to produce its own statement on modern slavery. In response, it was stated that STAR was not an entity in its own right, but a joint committee. However, a commitment was made to explore and develop that suggestion.
- In response to a question about training for staff and third parties on identifying red flag indicators for modern slavery, it was reported that training on modern slavery was in place for frontline staff. Further consideration would be given to providing such training for Members as a valuable addition to safeguarding.
- Members requested clarification in relation to the publication of the 2022/23 Stockport Modern Slavery Statement. In particular whether it would include links to previous versions of the statement which would demonstrate how it had improved over time. It was suggested that, in so doing, the council would be seen to be acting in accordance with the principles contained within the Modern Slavery Act 2015 which recommended continuous improvement.

RESOLVED - (1) That the draft updated statement which was scheduled to run to 30 September 2024 be noted; and

(2) That, subject to any necessary amendments, Cabinet be recommended to agree that the statement be approved for publication.

11. PORTFOLIO DASHBOARDS

The Scrutiny Committee was given the opportunity to consider the portfolio dashboards for the Finance and Resources portfolio and raise any issues with regard to performance.

RESOLVED – That the portfolio dashboards be noted.

12. AGENDA PLANNING

The Assistant Director – Legal & Democratic Governance submitted a report (copies of which had been circulated) setting out planned agenda items for the Scrutiny Committee's next meeting and Forward Plan items that fall within the remit of the Scrutiny Committee.

The following comments were made/ issues raised:-

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- Members requested that the proposed meeting dates for the CRMG Scrutiny Review on Bus Franchising should be set for this calendar year in order that the review's findings had the potential to feed into next year's budget considerations.

RESOLVED – That the report be noted.

The meeting closed at 7.04 pm