

CORPORATE, RESOURCE MANAGEMENT & GOVERNANCE SCRUTINY COMMITTEE

Meeting: 3 September 2024
At: 6.00 pm

PRESENT

Councillor Christine Carrigan (Chair) in the chair; Councillor Carole McCann (Vice-Chair); Councillors Jake Austin, Dickie Davies, Mark Jones, Jeremy Meal, Micheala Meikle, Paul Wright and Alex Wynne.

1. MINUTES

The Minutes (copies of which had been circulated) of the meeting held on 11 June 2024 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.

The following interest was declared:

<u>Officer</u>	<u>Interest</u>
Jonathan Davies	Agenda Item 9 – ‘Amendments to the Constitution’ as non-executive Director of Stockport Active CIC

3. CALL-IN

There were no call-in items to consider.

4. 2024/25 Q1 BUDGET MONITORING UPDATE

The Assistant Director of Finance (Interim Section 151 Officer) submitted a report (copies of which had been circulated) which provided an update on the revenue budget forecast outturn for the period to the end of June 2024 (Quarter 1). The report also provided an update on the Dedicated Schools Grant (DSG), Housing Revenue Account (HRA) and Capital Programme as at Quarter 1.

The Cabinet Member for Finance & Resources (Councillor Jilly Julian) attended the meeting to respond to councillor’s questions.

The following comments were made/ issues raised: -

- Members noted that the overspend had been balanced by the lack of staffing and expressed concern about the effect a full staff might have upon the budget.
- It was noted that the Housing Revenue Account showed an income from rents at £65 million, with an expenditure of £37 million to Stockport Homes. Members commented

that the charge for managing the properties was more than half of the rental income, which appeared to be high compared to that charged by private housing management companies.

- This Scrutiny Committee would have the opportunity to review the work of Stockport Homes later in the municipal year.
- The recovery plan for the Childrens and Family portfolio included investments in preventative measures and early help. Work was underway to help to keep children with their families which was ultimately better for children and financially beneficial to the council. It was intended that the recovery plan should go further and faster in investing in preventative work. That included ensuring that the local authority had internal sufficiency of children's homes, foster carers, that it could retain social workers and maintain foster care recruitment at adequate levels.
- It was reported that one of the newly purchased children's homes within the borough would come online in September/October 2024 and that the council had just confirmed the purchase of a second children's home. Work was ongoing with the Estates team to secure a third property.
- Delays in opening new children's homes had been caused by a number of factors including market challenges, locations, health and safety and renovations to ensure that buildings were fit for purpose. There had been a learning curve in the purchase of the first three properties which had helped officers to understand the risks involved. These had been built into future forecasts.

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

5. TREASURY MANAGEMENT ANNUAL REPORT 2023/24

The Assistant Director of Finance (Interim Section 151 Officer) submitted a report (copies of which had been circulated) which reviewed treasury management activities and the actual prudential and treasury indicators for 2023/24. 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 & Resources (Councillor Jilly Julian) attended the meeting to respond to councillor's questions.

The following comments were made/ issues raised: -

- Members were encouraged to attend Treasury Management Training scheduled to take place later in the year.
- Interest rates were expected to fall, but at a slower rate than previously predicted. The Bank of England base rate was expected to be at about 4 per cent by the end of the financial year and continue thereafter to reduce at a more normal rate.
- There were no plans to alter the cautious approach taken to treasury management. The council would continue to remain compliant with the CIPFA code of practice and in terms of borrowing would look for the best time to take advantage of interest rates.

RESOLVED – That the report be noted.

6. TREASURY MANAGEMENT Q1 REPORT 2024/25

The Assistant Director of Finance (Interim 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 & Resources (Councillor Jilly Julian) attended the meeting to respond to councillor's questions.

RESOLVED – That the report be noted.

7. 2024/25 RESERVES POLICY

The Assistant Director for Finance (Interim Section 151 Officer) and Cabinet Member for Finance and Resources 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 2023/24 outturn position.

The Cabinet Member for Finance & Resources (Councillor Jilly Julian) attended the meeting to respond to councillor's questions.

The following comments were made/ issues raised: -

- In terms of the potential spending of reserves, the council set boundaries as a collective to ensure that the lines were clear and worked for the borough as a whole. Those boundaries ensured that the council did not risk becoming short-termist or reckless with its use of reserves.
- The council's reserves were categorised, including budget resilience, corporate priorities, capital programme, demand-led services and legislative and corporate reserves. Reviews of categories were undertaken on a regular basis to ensure that reserve funds were held within the correct category.
- Flexibility had been built into the reserves system to support the robustness of the budget and the medium term financial plan. There was £15 million of resources set aside covering the medium term period which provided resilience to deal with any unknown issues over that period.
- The data demonstrated that the council's reserves were at their lowest as a percentage of total expenditure. The council was not an outlier in terms of holding or using its reserves.
- Stockport had, over a number of years, taken a consistently cautious approach to reserves and it had not been reckless in increasing exposure by plundering its reserves, which compared favourably to other local authorities cited in the report.
- The workforce plan would be reported at the October meeting of this scrutiny committee which would provide the full scope and detail of the council's workforce investment.

RESOLVED – That the report, including the recommendations to Cabinet, be noted.

8. UPDATE ON IMPACT OF VOTER ID REQUIREMENTS IN ELECTIONS

The Assistant Director for Legal & Democratic Governance submitted a report (copies of which had been circulated) updating the Scrutiny Committee on the impact of the Voter ID requirements in relation to the number of residents unable to vote in the three elections which took place in 2024; namely the Local Elections and GM Combined Authority Mayoral Election in May 2024 and the Parliamentary Election in 2024.

The Cabinet Member for Finance & Resources (Councillor Jilly Julian) attended the meeting to respond to councillor's questions.

The following comments were made/ issues raised: -

- Members commented favourably upon the work of the council's Elections team noting in particular the work undertaken to encourage Stockport's residents to use their vote in the recent elections.
- Members noted that, of those people who turned up to a polling station to vote without a correct ID, over 68 per cent returned with ID in order to cast their vote.
- It was not possible to determine how many people did not vote because of the voter ID requirements.
- In terms of voter authority certificates, applications were processed locally at Stockport Town Hall, but certificates were issued by a centrally appointed supplier. The council had information on the numbers of applications which were rejected. The data was held on the national portal and further information for the reasons for rejected applications would be requested.
- It would not be possible to determine whether voters had turned up without ID on more than one occasion because, by law, that data had to be destroyed post election.

RESOLVED – That the report be noted.

9. AMENDMENTS TO THE CONSTITUTION

The Assistant Director for Legal & Democratic Governance submitted a report (copies of which had been circulated) setting out various suggested amendments to the Constitution, mainly relating to the amendments to the Officer Scheme of delegations within the Officer Functions section of the Scheme of Delegation to realign some functions due to recent changes in roles and post holders.

The Cabinet Member for Finance & Resources (Councillor Jilly Julian) attended the meeting to respond to councillor's questions.

It was noted that communications would be made to all council staff on the changes to the whistleblowing procedure.

RESOLVED – That the report be noted.

10. SCRUTINY WORK PROGRAMME

A representative of the Assistant Director for Legal & Democratic Governance submitted a report (copies of which had been circulated) setting out planned agenda items for the

Corporate, Resource Management & Governance Scrutiny Committee - 3 September
2024

Scrutiny Committee's next meeting and Forward Plan items that fall within the remit of the Scrutiny Committee.

RESOLVED – That the report be noted.

The meeting closed at 6.54 pm