

**CORPORATE, RESOURCE MANAGEMENT & GOVERNANCE SCRUTINY
COMMITTEE**

Meeting: 21 January 2025
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, Frankie Singleton, Paul Wright and Alex Wynne.

1. MINUTES

The Minutes (copies of which had been circulated) of the meeting held on 26 November 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 interests were declared:-

Personal Interests

<u>Councillor</u>	<u>Interest</u>
Carole McCann and Paul Wright	Agenda Item 8 – ‘Stockport Active CIC (Life Leisure) – New Management Arrangements’ as members of Life Leisure.

<u>Officer</u>	<u>Interest</u>
Jonathan Davies	Agenda Item 8 – ‘Stockport Active CIC (Life Leisure) – New Management Arrangements’ as a Director of Life Leisure.

3. CALL-IN

There were no call-in items to consider.

4. USE OF SURVEILLANCE POWERS - REGULATION OF INVESTIGATORY POWERS ACT 2000 AND THE INVESTIGATORY POWERS ACT 2016

The Assistant Director for Governance submitted a report (copies of which had been circulated) setting out The Council’s Regulation of Investigatory Powers Act (RIPA) Policy which must be considered by elected members annually to set the Policy and to ensure that if the Council is using its RIPA powers, it is doing so appropriately and complying with its own Code of Practice when carrying out covert surveillance.

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

RESOLVED - (1) That the Council has not exercised its RIPA powers since the last report be noted.

(2) That the RIPA Policy/ Code of Practice be approved for the forthcoming year.

5. CABINET RESPONSE: RESPONDING TO MEDIUM TERM FINANCIAL PLAN

The Cabinet Member for Finance and Resources submitted a report (copies of which had been circulated) which, following the November meetings of the Scrutiny Committee, provided further detail on the budget change proposals, taking into consideration the feedback received to date. The appendix to the report outlined the budget proposals being considered by cabinet to address our financial challenges and balance the rising cost of delivering services to the people in our communities who need it most.

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 response to a question about the recovery grant, it was stated that the grant was allocated on the basis of the council's ability to collect tax. Stockport was 0.01% above the threshold for receiving the recovery grant.
- It was reported that the polarisation of the borough was not reflected in the allocation of the recovery grant and that it did not take account of factors such as child poverty or the aging population.
- It was also reported that there was likely to be consultation on the recovery grant and that Stockport Council intended to use that opportunity to lobby for more nuance within the formula for calculating the recovery grant going forward.
- The recovery grant was not ringfenced and local authorities who received the grant were able to exercise choice in terms of how it was spent; this reflected the government's intention to move away from spending pots.
- Natural turnover had been cited as one of the ways that the council would save money. The council had been using natural turnover as a cost saving measure for a number of years and had a robust sign off process.

RESOLVED – That the report and proposals presented that were relevant to the committee's remit be noted.

6. 2024/25 QUARTER 2+ BUDGET MONITORING UPDATE

The Director of Finance (Section 151 Officer) and Cabinet Member for Finance and Resources submitted a report (copies of which had been circulated) providing an update on the revenue budget forecast outturn as at the end of November 2024 (Quarter 2+). The report also provided an update on the Dedicated Schools Grant (DSG), Housing Revenue Account (HRA), Collection Fund, Reserves and Capital Programme as at Quarter 2+.

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 response to a question about the financial forecasts of the crematoria service, it was reported that work was ongoing to look at options to future proof the service. It was further reported that the crematoria service income was expected to recover in 2025-26.
- It was noted that this year's budget deficit was smaller than it had been at the same time last year.
- Within the report, the reference to positive changes being offset by adverse variances, related to the Q2 position surplus being better than budgeted for.
- In response to a question about York Street moving over to metered utilities during the year, meaning the income was received by Stockport Homes instead of the Housing Revenue Account, officers undertook to respond to members following this meeting.
- It was noted that 72 per cent of the deficit related to looked after children, largely due to the sums charged by external providers. It was reported that the council was trying to build internal sufficiency. It was also engaging in preventative work where, in the right circumstances, families could stay together. The target was for that prevention agenda to be as strong as possible.

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

7. ASSET MANAGEMENT PLAN CAPITAL PROGRAMME - OPERATIONAL ESTATE 2025/26 - 2028/29

The Director of Finance submitted a report (copies of which had been circulated) setting out the progress of the 2024/25 Asset Management Plan (AMP) capital programme, the programme of work for inclusion in the 2025/26 financial year and the indicative programme up to 2028/29.

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 relation to the council's investment in children's homes, members commented that the homes, including their decoration, should be as good for children as they possibly could be.
- It was reported that there had been a significant rise in the number of children looked after within the borough. One children's home had been open for a few months, another had recently exchanged contracts and a third was under offer. This was likely to impact positively on the accounts in a short period of time and show a significant impact when all three children's homes were operational.
- Where asbestos was found within buildings, it was removed only where necessary; asbestos caused no risk if it was not disturbed. The Asset Management Plan Budget was drawn upon to remove asbestos when necessary.

- The shortfall within the Priority 1 repairs funding was noted, along with the three-year rolling programme to address costs, which did not cover all Priority One repairs. Members asked whether any grant funding might address and mitigate that shortfall.
- In response it was stated that funding grants were sought and one example of their use had been the repairs to the roof of Bramhall Hall. In addition the council was working on funding bids for heritage buildings. It was also working on Climate Action Now projects for the decarbonisation of buildings, such as boiler repair and moves to alternatives such as heat pumps.
- In response to a question about the completion of condition surveys, it was reported that the council was fortunate to have knowledge and expertise within the team, including building surveyors and architects who were constantly on the lookout for problems with council buildings. The condition survey programme had been reduced as part of the cost-cutting measures, but the surveys were now in the process of being commissioned would be carried out in the coming 12 months.
- It was further reported that insurance surveys would be carried out in the coming 12 months.
- In terms of prioritising work on council assets, the focus was on keeping buildings open and users safe. The purpose of the building was also a factor in determining priorities.

RESOLVED – That the report be noted.

8. COUNCIL PLAN REFRESH

The Cabinet Member for Finance and Resources submitted a report (copies of which had been circulated) setting out the Stockport Council Plan 2024-2027, the council's main strategic document. It described the key role the council played in supporting the borough through the provision and delivery of services that were essential to everyday life. The plan also outlined the council's four big ambitions for the upcoming years, that would create opportunities for everyone within the borough. The report outlined how the refreshed plan, which accompanied this report, had developed from the original version.

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 welcomed the report and noted that it reflected the important work carried out by the council, along with its overarching mission.
- The plan would be updated when the anticipated changes to the Local Plan targets had been finalised.
- It was reported that improvements to the EHCP process were underway and that pinch points within the process had been identified; the improvements were designed to expedite the process. There was, however, a national shortage of Educational Psychologists and it was reported to be difficult to recruit to those posts.
- Members noted that the Secretary of State for Education had allocated significant additional funding for SEND which indicated that further reform and resources should be available in the future.
- In terms of whether any element of the plan could have been done differently, it was reported that there was always an appetite to go further and faster in terms of the

council's ambitions. Reflection upon what the council could do differently was a worthwhile exercise. However, the council must be honest and realistic about what it could deliver within the confines of its budget and what it was asking of its teams.

- It was reported that the ambitions set out within the council plan were reflected within the granular measures set out within the Portfolio Performance and Resources reports. They reflected the finding that 80 per cent of its staff were intrinsically motivated to work for the council because they want to make a difference to the borough.

RESOLVED – That the report be noted.

9. STOCKPORT ACTIVE CIC (LIFE LEISURE) - NEW MANAGEMENT ARRANGEMENTS

The Director of Finance submitted a report (copies of which had been circulated) proposing a change to the current management arrangements between Stockport Council and Stockport Active CIC (trading as Life Leisure).

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:-

- It was reported that, following a change to legislation through a court challenge by Chelmsford Council, local authorities across the country were making similar amendments to their management arrangements. Four local authorities had already made those changes and a further twelve were due to have their management arrangement changes go live by April 2025.
- The expected savings resulting from this change had been accounted for within the Medium Term Financial Plan. The risks associated with this change not taking place were low, given that a precedent had been set.
- Members welcomed the extra funding resulting from this change being used for leisure facilities.

RESOLVED – That the report be noted.

10. SCRUTINY WORK PROGRAMME

A representative of the Assistant Director for 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 reports were requested for future meetings of this Scrutiny Committee:-

- The work of the Estates, including priorities for Estates.
- The council's spending on legal fees.
- Members suggested that the requested report on bus franchising be deferred until the next municipal year in the light of the continuation of the £2 fare cap.

RESOLVED – That the report be noted.

11. ANNUAL PAY POLICY STATEMENT 2025/26

The Executive Director for Corporate and Support Services submitted a report (copies of which had been circulated) setting out the Council's approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. The statement also had due regard for the associated statutory guidance including supplementary guidance issued in February 2013 and the Local Government Transparency code 2014. The statement also incorporated the Council's Gender Pay Gap (GPG) information in order to fulfil the Council's obligation to publish this on an annual basis under the GPG reporting requirements.

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:-

- It was noted that the pay gap was, unusually, in favour of women; ideally there should be no gender pay gap.
- In comparison to other Greater Manchester councils, five paid women higher than men and five paid them lower.
- The gender pay gap in Stockport reflected the significant proportion of female staff, including those within the senior team.
- The work undertaken by the council on the ethnicity pay gap was important.
- The Medium Term Financial Plan took account of forecasts for the forthcoming pay increase. Those forecasts were based on historic experience and the tendency to a link between pay awards and inflation.
- Members welcomed the work undertaken by the council to align staff pay to benefits.

RESOLVED – That the report be noted.

Item 'Not for Publication'

12. WRITE OFF OF RENT ARREARS DEBT

The Deputy Chief Executive submitted a report (copies of which had been circulated) detailing a proposal to write off arrears of rent, insurance and service charges in the sum of £175,753.19 that were now deemed irrecoverable associated to the subject property.

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

Members commented on this report.

(NOTE: This report contained information 'Not for Publication' that had been circulated to members of the Scrutiny Committee only).

RESOLVED – That the report be noted.

The meeting closed at 7.35 pm