

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

Meeting: 4 March 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, Frankie Singleton, Paul Wright, Micheala Meikle and Mike Newman.

1. MINUTES

The Minutes (copies of which had been circulated) of the meeting held on 21 January 2025 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 10 – ‘Life Leisure Business Plan 2025/26 as members of Life Leisure.

<u>Officer</u>	<u>Interest</u>
Jonathan Davies	Agenda Item 10 – ‘Life Leisure Business Plan 2025/26 as a Director of Life Leisure.

3. EXCLUSION OF THE PUBLIC AND THE PUBLIC INTEREST TEST

The Chair invited the Committee to consider whether to exclude the public and press from the meeting during consideration of agenda item 10 as it contained information that was ‘not for publication’.

RESOLVED – That the press and public be excluded from the meeting during consideration of Agenda item 10 – ‘Life Leisure Business Plan 2025/26’ which contained information ‘not for publication’ by virtue of Category 3 ‘Information relating to the financial or business affairs of any particular person (including the authority)’ as set out in the Local Government Act 1972 (as amended).

4. CALL-IN

There were no call-in items to consider.

5. TREASURY MANAGEMENT QUARTER 3 REPORT 2024/25

The Director of Finance (Section 151 Officer) submitted a report (copies of which had been circulated) updating members on treasury management activities in accordance with The Chartered Institute of Public Finance and Accountancy Code of Practice (CIPFA) 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 noted that inflation was on the rise and expected to return to a level of 2 per cent and asked about the potential impact in the event that inflation does not return to expected levels.
- In response, it was stated that the current economic climate was volatile with inflation changing regularly. The council had confidence in its advisors and forecasts were regularly updated.
- It was reported that all council borrowing was at a fixed rate and its strategy was to borrow on a short-term basis of between one and five years in order to manage risks related to inflation and interest rates.
- Whilst interest rates were still expected to come down, international events might impact that forecast.
- Members thanked the finance team for their work in looking after the council's money.
- It was reported that environmental, social and governance (ESG) considerations were currently mainly relevant to pension funds, and their impact upon financial markets was still in development.

RESOLVED – That the report and treasury activity be noted.

6. 2024/25 Q3 BUDGET MONITORING UPDATE

The Director of Finance (Section 151 Officer) submitted a report (copies of which had been circulated) providing an update on the revenue budget forecast outturn as at the end of December 2024 (Quarter 3). 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 3.

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 pleased to note the increase in the reserve.
- The profit made on rental income from Stockport Homes properties was based on rent charged, which was set by central Government. Furthermore, there were costs

associated with providing social housing, as set out by the Housing Revenue Account (HRA). In those circumstances, any surplus in housing revenue was a positive position.

- The detailed review of children's and families services included an analysis of the placement for every looked after child in the borough to ensure that their placement was right to achieve the best outcome for them. That was also the most cost effective approach for the council; the right financial outcomes went hand in hand with the right outcome for the child.
- The council continued to search for opportunities to increase its sufficiency of provision for children's homes. Where the council was able to establish a residential home, it made a positive difference not only financially but in terms of outcomes for children when they were able to reside in their hometown.
- That review was also an opportunity for the council to look not only at national issues around children's and family care, but also to consider what the council could do locally in terms of provision.
- The savings achieved through vacancies were as a result of the council being unable to fill those vacancies.

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

7. RADICALLY DIGITAL STOCKPORT: UPDATE

The Executive Director for Corporate & Support Services submitted a report (copies of which had been circulated) providing an update on our award winning Radically Digital Stockport programme 2022-25, with 2025 signifying the end of our existing strategy and therefore an opportunity reflect and to set out our ambitions for the next 5 years, restating the programmes importance as a key enabler to Stockport's big ambitions and delivering the priorities of the Borough Plan and Council Plan.

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 welcomed the work of the team and noted, in particular, that the Magic Notes trial had resulted in a 52 per cent time saving for caseworker assessments. This enabled caseworkers to better engage with clients and in turn created better quality provision for residents.
- It was reported that data security was a concern in the use of Artificial Intelligence (AI). The council had two AI pilots underway and it had carried out full GDPR and Data Protection Impact Assessments (DPIA) checks on their data uses. Microsoft Copilot was part of the Office 365 package licenced by the council from Microsoft and was secure for the council's controlled data.
- The team had communicated with council staff to ensure that best practice was employed in the use of AI.
- AI and digital technology were tools to enhance the way in which staff performed their roles; it was not intended to replace staff with AI.
- All digital technology had an environmental impact; this was a particular concern for AI because of its proliferation and growth. The market was working towards less energy intensive uses of AI. The carbon footprint of AI was outwith the control of the council.

- Different forms of AI performed different functions. The AI used within Magic Notes performed a transcription function and had been developed specifically for that task. Other types of AI such as ChatGP had wider uses.
- Members were requested to complete the Digital Survey.
- Members welcomed the Council's partnership with Digiknow which had helped over 70,000 residents to tackle digital exclusion and thanked the 456 Digital Champion volunteers who had delivered that work.
- The Virtual House technology allowed residents to walk through a virtual house to learn how digital adaptation worked within the space and contextualised digital technology.
- Technology enabled care allowed residents to visit their local library and make appointments with services such as Neighbourhood and Prevention and Work Well.
- The AI team had been proactive in supporting the borough's schools with technology and had delivered an event on cybersecurity for headteachers.
- The team was planning to deliver induction sessions for members on the council's use of AI.
- Members noted that the council was leveraging the use of AI and technology across its workforce. The challenge was to ensure that staff were upskilled in the use of technology and in so doing, the council could transform the way that jobs were performed, as well as outcomes for the borough.
- The technology also enabled colleagues across the council to carry out tasks that they might previously might have been unable to perform.
- Members welcomed the report along with the work of the AI team and requested a further update at a future meeting of this Scrutiny Committee.

RESOLVED – That the progress, direction of travel and next steps outlined within the report be noted.

8. FINAL SCRUTINY REVIEW REPORT - STAR PROCUREMENT AND SOCIAL VALUE

The Director of Finance submitted a report (copies of which had been circulated) detailing the review carried out by the Corporate, Resource Management and Governance Scrutiny Review Panel into STAR Procurement and Social Value.

The following comments were made/issues raised:-

- Members thanked the Scrutiny Review for its work and welcomed the recommendations contained within the report.
- The Match My Project scheme had demonstrated the benefits of social value.
- STAR procurement had an annual rotating chair and Stockport was scheduled to chair next year. Stockport continued to lead the way by piloting new ways to attract social value and it was continually looking for ways to go further and faster and to ensure that spend remained local.
- The council's work on social value and procurement was something to be proud of and it should look for opportunities to communicate its work to a wider audience.
- It was suggested that Section 106 decisions be determined by members at an Area Committee level; this would be explored outwith the recommendations contained within the report.

RESOLVED – That the report be noted and recommendations be endorsed for submission to the Cabinet.

9. CABINET RESPONSE - FINANCIAL IMPACT OF BUS FRANCHISING SCRUTINY REVIEW

A representative of the Director of Place Management submitted a report (copies of which had been circulated) detailing the Cabinet Response to the Corporate, Resource Management and Governance Scrutiny Review relating to the Financial Impact of Bus Franchising and providing an update to the four recommendations in the original scrutiny review.

RESOLVED – That the report be noted and endorsed.

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.

RESOLVED – That the report be noted.

Item 'Not for Publication'

11. LIFE LEISURE BUSINESS PLAN 2025/26

The Director of Finance submitted a report (copies of which had been circulated) providing Stockport Active CIC's proposed business plan for 2025/26 together with an indicative budget for the operation of Council-owned/leased leisure centres, delivery of active communities programmes and specialist physical activity services.

The Cabinet Member for Finance & Resources (Councillor Jilly Julian) attended the meeting to respond to councillors' 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 7.20 pm