

**Manchester City Council
Report for Resolution**

Report to: Council – 6 March 2015

Subject: Business Plans 2015/16- 2016/17: Comments of Overview and Scrutiny Committees

Report of: Governance and Scrutiny Support Unit

Summary

This report advises members of the approach that scrutiny committees have taken to looking at business plans this year. It summarises which business plans scrutiny committees have looked at and sets out their key findings and recommendations.

Recommendations

The Council is asked to take this information into account during its consideration of the Executive's budget proposals for 2015/16- 2016/17.

Wards Affected: All

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Background documents (available for public inspection):

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

None

1.0 Approach to Scrutiny of Business Plans in 2015/16

- 1.1 The Council carries out a business planning process to determine how resources are allocated to achieve its objectives. On 12 November 2014 the Council published reports to scrutiny committees setting out a series of budget options being considered for 2015/16-2016/17. As the Financial Settlement had not been published at that time, options were designed in response to the estimated funding gap of £59m in 2015/16 rising to £91m in 2016/17. The revised financial position following the receipt of the Provisional Local Government Financial Settlement on 18 December 2014 and the application of the interim airport dividend has created capacity for £5.5m investment in priority areas.
- 1.2 As in previous years, the Council's business planning approach consists of two connected elements, the plan itself and a self-assessment. The self-assessment is a preparation exercise for developing the plan. It is a process of self-evaluation and reflection, based on analysing performance towards existing objectives and savings targets to identify key challenges for the directorate to address in its business plan.
- 1.3 The Council's business planning structure mirrors its organisational structure, and there are three business plans, the 'Corporate Core', 'Growth and Neighbourhoods' and 'Children and Families'.
- 1.4 The six scrutiny committees do not exactly match this structure, although there are clear links. The committees were consulted on how they wished to scrutinise the business plans and agreed to the following arrangements:
- 1.5 The Young People and Children Scrutiny Committee and the Health Scrutiny Committee both considered the draft Children and Families Business Plan at their respective February meetings. This plan contains some elements that come under the remit of the Economy Scrutiny Committee, such as 16+ skills. Members of the Economy Scrutiny Committee were therefore invited to attend the meeting of the Young People and Children Scrutiny Committee.
- 1.6 The Economy Scrutiny Committee and the Neighbourhoods Scrutiny Committee both considered the draft Growth and Neighbourhoods Business Plan at their respective February meetings.
- 1.7 The Finance Scrutiny Committee considered the draft Corporate Core Business Plan at its February meeting.
- 1.8 Each business plan contains an equality action plan. As in previous years, the Communities Scrutiny Committee will consider these elements of the business plans at its March meeting.
- 1.9 This report will now set out the key findings of each committee.

2.0 Young People and Children Scrutiny Committee

- 2.1 At its meeting on 10 February 2015 the Committee considered the draft Directorate for Children and Families Business Plan. The Committee made no comments.

3.0 Neighbourhoods Scrutiny Committee

- 3.1 At its meeting on 10 February the Neighbourhoods Scrutiny Committee were invited to comment on the Draft Business Plan for Growth and Neighbourhoods.
- 3.2 The Chair recommended that consideration of the Draft Growth and Neighbourhoods Business Plan be considered in conjunction with the discussion relating to Budget Proposals for Growth and Neighbourhoods 2015-17. The Committee agreed to this recommendation.
- 3.3 The Deputy Chief Executive (Growth and Neighbourhoods) introduced both reports. She explained that the Business Plan sets out the directorate's role in working with its partners to deliver or commission services which support local objectives, the Council's objectives and the overall priorities for the city. She said that the Business Plan is written in context of the Budget Proposals.
- 3.4 The Committee were generally supportive of the Business Plan and the ambitions described within the document. A member commented that she objected to the use of the term 'customers' when referring to residents and requested that this be changed. Another member commented that attention needs to be given to ensure there is consistency within the use of terminology within the report.

4.0 Economy Scrutiny Committee

- 4.1 At its meeting on 11 February 2015 the Committee considered the draft Directorate for Growth and Neighbourhoods Business Plan, along with the Neighbourhoods Scrutiny Committee. Members considered different elements of the Business Plan and sought clarification on part of it. The Committee were broadly supportive of the Business Plan and suggested no changes.
- 4.2 Members found it difficult to tell how the new arrangements for neighbourhood delivery teams, regeneration teams and ward coordination would work, particularly in terms of how local councillors would interact with them and hold them to account. The Committee was reassured that there would be further work on determining this, and that under the plan, services will be more efficient but the level of provision will be maintained.
- 4.3 The Committee discussed the priority to refresh and develop the strategy for District Centres across the city, and were keen to see progress on this. Members noted that they would be returning to this in detail in the future.
- 4.4 Members expressed some concern about new criteria for cash grants that

would be aligned to the city's priorities. Members were reassured that the priorities would allow for broad criteria and not restrict local councillors in their decisions on how to award cash grants. The Committee felt that any prescription of narrow criteria on cash grants would be resisted by ward councillors and relevant scrutiny committees, but was happy with the broad criteria described.

- 4.5 The Committee noted that the Business Plan did not express the importance of bringing public and private investment together to support the ambitions for growth. The Committee accepted the Leader's response that this was not the right document to express this and agreement that it was a key part of what the Council was trying to do and should be expressed clearly in other areas of the Council's work.

5.0 Finance Scrutiny Committee

- 5.1 At its meeting on 12 February 2015 the Committee considered the draft Corporate Core Business Plan. It discussed various aspects of the plan and indicated areas of future interest for the Committee. It was broadly supportive of the Business Plan and suggested no changes.
- 5.2 The Committee identified the support that the Core will provide to the Children and Families relating to the introduction of the Care Act 2014 as an area of risk. Members heard from the City Treasurer that there had not been much progress and there were concerns around whether the funding would be sufficient. The Committee therefore felt that this area would need to continue to be monitored in the future.
- 5.3 The Committee also noted the areas of risk and resilience highlighted in Appendix 4 of the Business Plan, and expressed the intention to monitor these areas through its future work.
- 5.4 The Committee indicated that it intended to look in more detail at a later date at the demographic information and requested a future report be brought back to the Finance Scrutiny Committee This would include what data the Council uses and how it uses it.

6.0 Health Scrutiny Committee

- 6.1 At its meeting of 12 February the Health Scrutiny Committee considered the Draft Children and Families Business Plan.
- 6.2 The Chair recommended that consideration of the Draft Business Plan be considered in conjunction with those elements of the Budget Proposals for Children and Families 2015-17 that fell within the remit of the Committee. The Committee agreed this recommendation.
- 6.3 The Deputy Chief Executive (People) introduced both reports. He explained that the Draft Children and Families Directorate Business Plan was produced in the context of the Council's business planning process and that it introduced

the key objectives and changes described in more detail. He informed the Committee that the business plan set out the strategy for achieving the volume of savings required by the budget settlement, whilst continuing to deliver high quality services for the people of Manchester, and to make progress towards the objectives for the council and the city.

6.4 The Committee was generally supportive of the Business Plan and the ambitions described within the document.

7.0 Recommendations

7.1 The Council is requested to note and take into consideration the comments of all scrutiny committees in respect of the draft business plans.