

Resources and Governance Scrutiny Committee

Minutes of the meeting held on 30 June 2016

Present:

Councillor Ollerhead - in the Chair

Councillors Ahmed Ali, Barrett, Collins, Connolly (RGSC/16/08-11), Davies, Karney, Lanchbury, Russell, Siddiqi, and Strong

Councillor Flanagan, Executive Member for Finance and Human Resources

Councillor Priest, Deputy Leader

Gemma Marsh, Acting Director of Skills for New Economy.

Apologies: Councillor Teubler

RGSC/16/06 Minutes Silence

The Chair invited members to hold a minutes silence in remembrance of the victims of the attacks in Turkey, and the death of Jo Cox MP who was recently tragically killed. He invited members to reflect on 2016, which had been a difficult year.

RGSC/16/07 Minutes

Decision

To approve as a correct record the minutes of the meeting held on 26 May 2016

RGSC/16/08 Revenues and Benefits Annual Update

The Committee received a report of the City Treasurer which provided performance data for the 2015/16 financial year for the Council Tax, Benefits and Business Rates Service areas. The report also provided an update on key areas of work and the welfare reform changes. The Head of Revenues, Benefits and Shared Services introduced the reports across its broad themes.

Members welcomed a thorough and detailed report. A member queried why benefit overpayments were so large; noting that £6 million had been recouped in 2015/16 from Housing Benefit overpayments. The Head of Revenues explained that this was often due to changes in circumstances where the Council had not been informed. She explained it was not high in the context of the overall payments made.

A member queried whether Discretionary Housing Payments (DHP) would continue. The Head of Revenues responded that it would continue to be paid next year and a slight increase was expected in 2016/17; but the government had not confirmed beyond that. The Corporate Assessments Manager added that it was expected to level out in 2017/18 and following that decrease. The Head of Revenues assured members that the Council would seek to fully utilise any grant funding to ensure this was not reduced in future years.

Members noted that the information provided within the report was a useful indicator of deprivation across the city and would be of use to other organisations. A member queried whether the information could be cross-referenced with the Index of Multiple Deprivation (IMD). The Head of Revenues responded that its primary purpose was to provide an annual update on the work of the service but the report had been developed over time following members' feedback. She added that she would develop this further in next year's report.

Members sought clarity on the time taken to deal with claims; asking how many applications had gone beyond the average processing times. The Head of Revenues described the application process explaining that it was paper based and non intuitive and that often information was missing or unclear. She added that the process was subject to guidelines and applicants had to be given a reasonable time to respond where further information was required. She explained that online applications were being promoted and support workers were available for those who needed it. She added that a risk based approach was used to reduce the amount of information applicants needed to provide, where appropriate.

Members discussed those applications that took more than 50 days. The Corporate Assessments Manager described the application process explaining that the caseload had increased in complexity; added to an increased number of fraud investigations. Members sought assurance that the length of time to process applications was not due to council error; and officers explained the various reasons for this. The Head of Revenues offered to provide more information on the reasons for lengthy applications in a future update, to which members agreed. The Corporate Assessments Manager advised he met with the Senior Management Team on a fortnightly basis to review cases and processes and learn from experience. He explained the official and informal complaints process. In response to a member's query the Head of Revenues explained that customers had a right of appeal and in some cases could refer the matter to tribunal.

The Chair queried whether in year collection rates could be improved in order to reduce collection costs later on. The Head of Revenues explained the legislation which governed the process; adding that the Council had decided to reduce the use of bailiffs. The Executive Member for Finance and Human Resources praised the work of the team, noting that even in difficult economic times they were still improving collection rates whilst not attempting to drive people into further poverty.

Decisions

1. To thank officers for a detailed and thorough report
2. To request that a future update includes further information on deprivation across the city; and the reasons for lengthy application processing times.

RGSC/16/09 Individual Electoral Registration (IER)

The Committee received a report of the Chief Executive which provided an update on electoral registration trends and patterns over the past twelve months and reported on work undertaken by Greater Manchester to develop and submit pilot proposals to

government to improve the national electoral registration system. The Head of Executive Office introduced the report across its main themes. The Senior Project Manager responsible for leading on the Greater Manchester work with the Cabinet Office was also in attendance. Members were also provided with supplementary information on the polling station turnouts for the recent European Union (EU) Referendum.

Members welcomed a thorough and detailed report. Members agreed they wished to thank the elections team, staff in ICT and all the backroom staff involved in supporting the recent European Union (EU) Referendum.

In response to a members query regarding how the electoral process could be improved the Head of Executive Office responded that the report detailed a number of suggestions to Cabinet Office. She described the barriers to electoral registration posed by the requirement for individuals to take action themselves to ensure they were registered to vote, a transient population, and misconceptions that people were automatically added to the electoral roll once they were registered for Council Tax. She praised the work of the Council's Communications Team in promoting awareness of IER.

The Chair referred to the work of the Communications Subgroup, a previous Subgroup of the Resources and Governance Scrutiny Committee who had recommended that messages encouraging people to register to vote should be included in Council Tax bills. The Head of Executive Office confirmed this had been done. The Chair requested that the Deputy Leader look into the possibility of printing voter registration on Council Tax bills, to which he agreed. Members discussed the reference to engagement with young people through schools and colleges and agreed on the benefits of targeting 17 year olds in this way. Members agreed on the important role that social media could play in respect of promoting awareness. In response to a member's query the Head of Executive Office described the re-registration process and how updates from the Department of Work and Pensions were handled.

A member queried whether the Council's website directed people to vote when registering for Council Tax. The Head of Executive Office confirmed that this had been introduced in 2014. A member noted that Registered Providers (RP's) of social housing encouraged residents to register to vote and suggested this be extended to the Private Rented Sector (PRS) registration scheme.

Decisions

1. To thank officers for a detailed and thorough report
2. To thank officers within elections, ICT and all the back office staff who supported the recent EU referendum elections.
3. To request that the Deputy Leader explore the possibility of printing voter registration on the envelope of Council Tax bills.

The Committee received a report of the Chief Information Officer which provided an update on the Council's ICT service including the Operating Model; key projects; and the financial position for the service. The Chief Information Officer introduced the report across its broad themes. He noted that the Council had now received its Public Service Network (PSN) connection compliance certificate which was included within the report under Appendix 1.

The Chair congratulated ICT on achieving PSN compliance and thanked ICT for all the support given to the recent EU referendum election. In response to a member's query regarding a timeframe for new equipment the Chief Information Officer advised this would be implemented using a phased approach from September 2016 onwards. A member enquired whether the new equipment would improve the Council's planning portal. The Chief Information Officer advised he would check this and respond to the member directly. In response to a query from the Chair regarding Phase 1 of the Digital Workplace Strategy Programme, which included the replacement of all windows XP desktops, laptops, and Wyse terminals the Chief Information Officer advised this was on track to be completed by the end of August 2016. In response to a further query regarding current vacancies the Chief Information Officer described the efforts made to address this to date, and explained that different solutions may need to be considered.

Members discussed the development of a Virtual Private Network (VPN) solution for home workers. Members were assured that staff could still access Council systems remotely using the current Citrix Access Gateway (CAG) solution.

The Chair advised that ICT would be bringing further reports to the July meeting of the Committee which included the ICT Strategy 2016-19 prior to its submission to Executive. He added that a visit to ICT had been arranged prior to the next meeting for members of the Committee to view the new equipment and meet recent appointees and the Committee Support Officer would provide further details.

Decisions

1. To note the report
2. To thank officers within ICT who supported the recent EU referendum elections.
3. To request the Committee Support Officer provide details of the ICT visit to members

RGSC/16/11 Funding from the European Union (EU)

The Committee received a report entitled the Greater Manchester European Structural and Investment Fund (ESIF) Programme Update of the Chief Executive of New Economy. New Economy works on behalf of the Greater Manchester Combined Authority (GMCA) and the Greater Manchester Local Enterprise Partnership (GMLEP) to deliver policy, strategy and research for Greater Manchester's economic growth and prosperity. The purpose of the report was to bring the Resources and Governance Scrutiny Committee up to date on the Greater Manchester ESIF Plan following approval of the Operational Programmes. The Resources & Programmes Manager introduced the report across its main themes.

He explained that he held a dual role, working for both the Council and the GMCA. He was accompanied by Gemma Marsh, Acting Director of Skills, New Economy who led the European Social Fund (ESF) programme. He explained that the report presented the 'as is' position and it was too early to assess the implications of the recent EU Referendum result.

The Deputy Leader advised that the result in Manchester was not reflected nationally. He said over the next few years there would be a need for the Council to be resolute to ensure that the national decision did not impact disproportionately on areas like Manchester that had been able to access EU funding. He said the Council would make representations to national government; and the Leader was already doing this. Since the result created uncertainty it was important to exercise caution and not make assumptions. The Leader had made a statement to Executive addressing the social impact of the leave vote on Manchester stating that xenophobia and racism are unwelcome in the city. The Deputy Leader added this was also true of economic uncertainty. A number of the Council's long term strategies would need to be reviewed in light of the result and he emphasised the importance of planning for the future.

The Executive Member for Finance and Human Resources agreed, adding that whilst the Council accepted the result, Manchester was a European city and would continue to work closely with its neighbours. He informed members that the Council still intended to set a three year budget in order to provide stability for staff and the residents of Manchester. He emphasised the importance of the approach of 'Our Manchester' (the Manchester Strategy) and how communities and partners worked together over the years ahead.

The Chair and members expressed deep concern regarding the current financial uncertainty and how it impacted on the residents of Manchester. A member noted that this report would be one of many future reports that would consider the financial implications of the referendum result. Members noted that the ESIF Programme lasted until 2020 and queried to what extent the programme would continue. The Chair asked whether applications could still be made. The Resources and Programme Manager confirmed that applications could still be made and the team would continue operating under 'business as usual' until they received further guidance on the future of the programme. He added that he was aware that a hold had been placed on approval letters until the position was clarified. The Chair requested that the Resources and Programme Manager communicate the position as soon as it was known to all members.

A member expressed concern that applications were still being made; questioning the logic of this if the programmes future was uncertain. The Resources and Programme Manager advised that there were £139 million of projects already in the system where a substantial amount of work had already been carried out by the Council, the GMCA and its partners. In respect of those projects where it made sense to do so applications would continue. The Chair noted that whilst we were still members of the EU and contributing financially we should still benefit from the membership.

Members commented that any planned projects should proceed regardless of where the funding came from stressing the importance of public and private sector partnerships; and of devolution. The Deputy Leader agreed stating that the Council needed to remain resolute about the economic future of our city. The Resources and Programme Manager agreed that all planned projects would be reviewed and impact assessments carried out. He added that most approved projects currently operating would complete within the next two years.

Members asked for clarity on the division between loan funding and grants, whether lending was at commercial rates and secure, and how returns were re-invested. The Resources and Programme Manager advised that the proposed loan funds totalled £92 million. In respect of the European Regional Development Fund (ERDF) this was nearly 50% of the total. He advised the approach was a continuation of the previous loan period and the loan funds had not yet started as they did not yet have approval. Members were informed that from the previous loan period two funds existed at a North-West level and those loans were already invested, in line with legislative requirements, on commercial terms. The majority of these investments spanned a 3-5 year period, matured over next few years and were not deemed to be at risk. This included the Evergreen Fund (for land and property) totalling £60 million. He added that the uncertainty was around the £92 million of proposed loan funds. Members were advised an Investment Strategy governed re-investment of returns, which for the evergreen fund involved investing in commercial property.

Decisions

1. To request future reports updating members on the implications of the EU Referendum 'out' vote on the Council's budget.
2. To request that the Resources and Programme Manager update all members on the position of the ESIF once confirmed

RGSC/16/11 Overview Report

This report contained the details of the key decisions due to be taken within the Committee's remit and updates on the recommendations of the Committee. The Committee's work programme was included as an appendix. The report also included details of any key decisions that the Chair would be asked to exempt from call in.

Members agreed to defer consideration of the item of information on Council Motions to the July meeting. The information had been provided under a supplementary agenda as it was not available. The report on EU Funding was also issued late under a supplementary agenda as it could not be legally published until the EU Referendum had finished.

Members discussed what they would like to consider under the work programme going forward. A member expressed concern as to whether Highways and potholes were value for money, members agreed to refer this to Neighbourhoods and Environment Scrutiny Committee.

The Executive Member for Finance and Human Resources suggested the Committee

may wish to request a regular update on the Council's budget position following the EU Referendum result to which members agreed.

The Chair encouraged members to identify key decisions regarding Council contracts that the Committee could scrutinise.

A member suggested Equality Monitoring be considered and members agreed to refer this to the HR Subgroup.

Decision

To agree the work programme, subject to the above amendments