



Resources and Governance Scrutiny Committee

Date: Tuesday, 18 June 2019

Time: 10.00 am

Venue: Council Antechamber, Level 2, Town Hall Extension

Everyone is welcome to attend this committee meeting.

There will be a private meeting for Members only at 9.30am in Committee Room 6 (Room 2006), 2nd Floor of Town Hall Extension

Access to the Council Antechamber

Public access to the Council Antechamber is on Level 2 of the Town Hall Extension, using the lift or stairs in the lobby of the Mount Street entrance to the Extension. That lobby can also be reached from the St. Peter's Square entrance and from Library Walk. **There is no public access from the Lloyd Street entrances of the Extension.**

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Meetings of the Resources and Governance Scrutiny Committee are 'webcast'. These meetings are filmed and broadcast live on the Internet. If you attend this meeting you should be aware that you might be filmed and included in that transmission.

Membership of the Resources and Governance Scrutiny Committee

Councillors - Russell (Chair), Ahmed Ali, Andrews, Battle, Clay, Davies, Lanchbury, Moore, O'Neil, B Priest, A Simcock, Stanton and Wheeler

Agenda

1. Urgent Business

To consider any items which the Chair has agreed to have submitted as urgent.

2. Appeals

To consider any appeals from the public against refusal to allow inspection of background documents and/or the inclusion of items in the confidential part of the agenda.

3. Interests

To allow Members an opportunity to [a] declare any personal, prejudicial or disclosable pecuniary interests they might have in any items which appear on this agenda; and [b] record any items from which they are precluded from voting as a result of Council Tax/Council rent arrears; [c] the existence and nature of party whipping arrangements in respect of any item to be considered at this meeting. Members with a personal interest should declare that at the start of the item under consideration. If Members also have a prejudicial or disclosable pecuniary interest they must withdraw from the meeting during the consideration of the item.

4. Minutes

7 - 12

To approve as a correct record the minutes of the meeting held on 7 March 2019.

4a. Minutes of the HR Sub Group

13 - 18

To receive the minutes of the HR Sub Group held on 21 February 2019

4b. Minutes of the Ethical Procurement Sub Group

19 - 24

To receive the minutes of the Ethical Procurement Sub Group held on 21 February 2019

5. Call In: Extension to the Joint Venture Agreement with NCP for the Management and Maintenance of NCP and MCC car parks

25 - 26

The decision of the Chief Executive on 21 May 2019 has been called in Councillors Wheeler, Douglas, Lyons, Johns and Jeavons in accordance with paragraph 13.3 of the Scrutiny Procedure Rules.

The terms of the call in are:

“The Joint Venture (JV) covers sites of particular strategic and local interest for city centre councillors and it is inappropriate to tie them up for a further 18-24 months at a time of rapid change for our city without proper analysis.”

- *Having asked for information of the revenue raised by this JV, this information has not been forthcoming.*
- *Having asked for information on the governance structure of the JV, this information has not been forthcoming.*
- *Having asked for information regarding the security of these sites, given specific issues of criminality reported to city centre councillors by residents, this information has not been forthcoming;*
- *No case has been presented as to why this agreement, which has run for twenty years, was not renegotiated for the deadline, subject to proper scrutiny; and*
- *No case has been presented as to why this situation will have changed in 18-24 months.*

As such, City Centre Councillors believe further scrutiny is required”

A copy of the Decision Notice is attached.

Members of the Committee are asked to consider whether or not they will refer the decision back to the decision maker for reconsideration.

- 5a. Officer Report - Extension to the Joint Venture Agreement with NCP for the management and maintenance of NCP and MCC car parks**
Report to follow
- 5b. Call In Protocol (for Information)** 27 - 30
The Council’s Call In Protocol is attached for information
- 5c. Call In Guidance for questioning witnesses (for information)** 31 - 32
The Council’s Call In guidance is attached for information
- 6. Review of the Council's Capital Outturn position 2018/19 and Revised Capital Programme for 2019/20** 33 - 84
Report of the City Treasurer (Deputy Chief Executive) attached
- This report provides an overview of the outturn of capital expenditure and financing for 2018/19, the forward commitments for 2019/20 to 2023/24 within the capital programme and how funding streams were managed to best utilise resources available to fund the capital programme.
- 7. Update on Capital Projects**
Report to follow
- 8. Update on Highways Maintenance Capital projects** 85 - 92
Report of the Director of Operations (Highways) attached

This report provides an update on the progress of capital projects within Highways Maintenance, against the agreed costs. The highways capital maintenance investment work is in year 3 of a 5 year programme.

- 9. Living Wage Accreditation** 93 - 100
Report of the City Treasurer (Deputy Chief Executive) attached

This report provides an update regarding the Living Wage and the work that has been undertaken to assess the implications for the Council in considering potential accreditation as a Living Wage Employer. The views of the Committee are being sought in advance of a formal decision to progress with accreditation via the Council's Executive and Council.

- 10. Re-establishment of the Human Resources Sub Group** 101 - 110
Report of the Governance and Scrutiny Support Unit attached

This report seeks to re-establish the Human Resources Sub Group for the 2019/20 Municipal Year.

- 11. Re-establishment of the Ethical Procurement and Contract Management Sub Group** 111 - 122
Report of the Governance and Scrutiny Support Unit attached

This report seeks to re-establish the Ethical Procurement Sub Group for the 2019/20 Municipal Year.

- 12. Overview Report**
Report to follow.

- 13. Strategic Acquisition in the Northern Gateway (Part A)**
Report to follow

- 14. Exclusion of Press and Public**
The officers consider that the following item contains exempt information as provided for in the Local Government Access to Information Act and that the public interest in maintaining the exemption outweighs the public interest in disclosing the information. The Committee is recommended to agree the necessary resolutions excluding the public from the meeting during consideration of this item.

- 15. Strategic Acquisition in the Northern Gateway (Part B)**
Report to follow

Information about the Committee

Scrutiny Committees represent the interests of local people about important issues that affect them. They look at how the decisions, policies and services of the Council and other key public agencies impact on the city and its residents. Scrutiny Committees do not take decisions but can make recommendations to decision-makers about how they are delivering the Manchester Strategy, an agreed vision for a better Manchester that is shared by public agencies across the city.

The Resources and Governance Scrutiny Committee areas of interest include finances, Council buildings, staffing, corporate and partnership governance as well as Council tax and benefits administration. .

The Council wants to consult people as fully as possible before making decisions that affect them. Members of the public do not have a right to speak at meetings but may do so if invited by the Chair. If you have a special interest in an item on the agenda and want to speak, tell the Committee Officer, who will pass on your request to the Chair. Groups of people will usually be asked to nominate a spokesperson. The Council wants its meetings to be as open as possible but occasionally there will be some confidential business. Brief reasons for confidentiality will be shown on the agenda sheet.

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Joanne Roney OBE
Chief Executive
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Further Information

For help, advice and information about this meeting please contact the Committee Officer:

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This agenda was issued on **Monday, 10 June 2019** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Mount Street Elevation), Manchester M60 2LA

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Resources and Governance Scrutiny Committee

Minutes of the meeting held on Thursday, 7 March 2019

Present:

Councillor Russell (Chair) – in the Chair
 Councillors Ahmed Ali, Andrews, Barrett, Clay, Davies, Lanchbury, Kilpatrick, Moore, B Priest, A Simcock, Watson and Wheeler

Also present:

Councillor Ollerhead, Executive Member for Finance and Human Resources

Apologies: Councillor Rowles

RGSC/19/19 Minutes

Decision

To approve the minutes of the meeting held on 7 February 2019 as a correct record.

RGSC/19/20 Our Manchester - financial impact on decision making and business planning

The Committee considered a presentation that provided an evaluation of Our Manchester and how this was helping to deliver the required Council savings targets and the effect that it would have on the Council's future budget process. The presentation started by setting out the Our Manchester approach, then showed how the Monitoring and Evaluation framework operated and finally covered how this related to savings delivery and budget strategy.

Officers referred to the main points and themes within the presentation, which included:-

- An overview of Our Manchester, including an explanation of the different roles of the Our Manchester Strategy and approach, including the role of Bringing Services Together
- The monitoring and evaluation framework, outlining the approach to monitoring and evaluating Our Manchester;
- A summary of how Our Manchester was being put into practise as evidenced through Our Manchester updates to scrutiny committees and case studies;
- How Our Manchester had fed into our allocation of resources through the business planning process; and
- Monitoring and budget strategy impact, including how the Council monitors progress towards the vision for the city through the State of the City Report and how this impacts on the Council's budget position.

Some of the key points that arose from the Committees discussions were: -

- A distinction needed to be made between the Voluntary and Community Sector and Community Groups;
- Resilient communities that had delivered positive outcomes appeared to have been penalised through reduced resources;
- More needed to be done to support community groups to compliment and support the ambitions for social prescribing in communities;
- Would Social Value be included as a key metric in the State of the City Report;
- Commenting that the metrics within the State of the City report were very challenging, especially around the issues of life expectancy and victim based crime;
- Noting the success of the Wigan Deal in managing and communicating expectations with residents, what similar work was being done in Manchester to raise awareness of Our Manchester with residents, commenting that there appeared to be currently a disconnect;
- 'Have your say' events should be delivered across the whole of the city as a mechanism to engage with residents;
- How was spend against outcome measured and assessed;
- What resources were allocated to the analysis of the impact of 'Our Manchester', noting the complexity and range of metrics; and
- Noting the importance of the interactions between frontline staff and residents, staff needed to be empowered to influence appropriate change.

Officers stated that the Our Manchester Investment Fund was designed to facilitate innovative approaches and build resilience within communities to reduce the demand on services. Officers stated that the new health model had been supported by funding from Greater Manchester and a business case was being developed to further support community groups to assist with social prescribing. Officers described that conversations were ongoing with a range of services and partners, including the police and health to align the geographical footprint in which they worked to deliver services and support the 'Our Manchester' approach.

Officers stated that consideration would be given as to how social value could be reported within future State of the City reports. Officers acknowledged the challenges to improve against key metrics, noting that a range of partners, such as health and the police and national policies would have an influence on these outcomes. Officers further stated that there was a challenge to report on how 'Our Manchester' had impacted on these, noting that the Logic model and analysis of data would assist with that reporting and measuring impact and outcomes. Officers stated that it was important to recognise that the data within the State of the City report was collated over the year however the report was published on an annual basis and used the data available at the time of publication.

In response to a request from a Member, Officers commented that the data was complex and available at different times of the year, however consideration would be given on how best to report performance to the Committee throughout the year, noting that the intention is to review and report annually on the impact and performance of Our Manchester, and consideration was being given on how to capture and report added value, considering all of the contributing factors as a metric.

Officers stated that there were a number of different methods employed to engage with and communicate 'Our Manchester' with residents. These included the delivery of 'Have Your Say' events in a range of neighbourhood settings with the intention to roll these out across the whole of the city; integrating services within neighbourhoods; joined up resident engagement with partners to ensure a consistent message is communicated. Officers stated the challenge was then to understand and measure the outcomes of such events and interventions, however work was progressing to capture and measure this. Noting the comment from the Member regarding the need for clear communications with residents regarding expectations, Officers stated that this would be reviewed in consultation with the communications team, noting the model adopted in Wigan.

In regard to spend and outcomes, Officers reported that this was assessed and an analysis and review of the success of interventions would be undertaken, using the lessons learnt from other experiences. Officers reported that analysis of the Our Manchester approach was undertaken by the existing Performance, Reform and Innovation Team, stating that a dedicated officer would be allocated to focus specifically on this area of work. Officers reported that consideration was also being given to appointing an academic researcher to support this work and the funding options for this were being explored. Officers reported that a number of staff across the organisation had contributed to the Logic model work.

Officers noted the importance of both Council staff and the staff of partners when interacting with residents to influence behaviour change and that staff awareness and engagement sessions were being delivered to all staff, further complimented by the 'Our People' HR strategy to drive culture change and embed the Our Manchester principals in the workforce and across all services.

Decision

The Committee:-

- (1) Recommends that a one-page document is produced, similar to that available in Wigan, that clearly communicates with residents the Our Manchester approach and expectations.
- (2) Recommends that analysis of the development and empowerment of those front line staff who regularly engage with residents, across a range of services is undertaken.

RGSC/19/21 Responses to Government Consultations on the Fairer Funding Review and Business Rates proposals

The Committee considered a report of the City Treasurer, which provided an overview of the proposed reforms to Local Government Financing and the Council's response to the two most recent government consultations which were Business Rates Retention Reform and. A review of local authorities' relative needs and resource.

The City Treasurer referred to the main points and themes in the report which included: -

- In October 2015 the Government committed to further reforms to Business Rates retention followed by consultations in July 2016, February 2017 and December 2018. In February 2016, the Government announced there would be a review of relative needs and resources, followed by consultations in July 2016, December 2017 and December 2018;
- The two recent consultation papers were the next steps in the Government's programme of reform to local finance which aimed to provide a fairer and more transparent mechanism for allocating formula grant and to give Councils greater control over the money they raised locally;
- From 2020/21, there would be significant changes to Local Government financing;
- The Council was engaging with central government and other interested bodies through formal consultation responses and working groups to ensure the impact of the potential changes on local government, and particularly cities was recognised;
- In relation to Business Rates Reform Manchester had been involved in a number of programmes to maximise the resource available in the region including a Business Rates Pool across Greater Manchester (GM) and Cheshire, the Business Rates Growth Retention Scheme 2015 and a three-year 100% retention pilot from April 2017 to March 2020; and
- With regard to the review of relative need and resources the Council was working closely with the Ministry of Housing, Communities and Local Government (MHCLG), Local Government Association (LGA) and other Local Authorities (particularly Core Cities) to ensure the circumstances of metropolitan cities were represented in the review, specifically in relation to the impact of deprivation on the need to spend.

Copies of the Council's responses to the two consultations were appended to the report for the Committees consideration.

Some of the key points that arose from the Committees discussions were: -

- Members welcomed the substantive and detailed responses, noting the cuts imposed on the City Council;
- Thanking the City Treasurer and Deputy City Treasurer for the work that had been undertaken to produce the detailed and compelling submission;
- Supporting the argument put forward that deprivation needed to be a material consideration in the funding formula and not simply calculated on population figures alone, noting the continued impact of austerity and the financial pressures experienced as a result of increased social care costs;
- Welcoming the inclusion of the issues arising as a result of the significant student population, and the associated loss of revenue, within the response;
- The responses should have included recommendations that Private Landlords are charged Business Rates;
- Was the resource allocated to Business Rates appeals sufficient; and

- In relation to Business Rates and the expanding University estate, what discussions had been had with other core cities, with similar large establishments;

The City Treasurer stated that it was very difficult to agree a funding formula that fits all due to the different pressures and demographics experienced in cities and this presented a challenge nationally. In relation to Business Rates and those large estates that were exempt she said discussions had been conducted with other core cities to explore this issue further.

It was noted that the Committee were of the view that the City Council should be recommending private landlords are charged business rates. The City Treasurer explained some of the work in this area and that the City Council was continuing to push for a position that recognised the financial impact of students on the council's income.

The City Treasurer stated that the calculation of the resource required for the number of Business Rates appeals had been modelled using the available data, commenting that this was robust and had been signed off by the external auditor. She further advised that work was underway with other core cities around the issue of the impact on funding of student accommodation and the different options available.

The City Treasurer acknowledged the comment regarding the pressures experienced regarding the cost of social care, and modelling of this continued so as to understand and the scale of this challenge in Manchester, also taking into consideration other factors such as the impact of the roll out of Universal Credit and other initiatives. She further commented that this had been frustrated due to the uncertainty around the potential changes to funding for adult social care with the Green Paper now expected in Spring 2019.

The City Treasurer responded to a question from a Member regarding the possibility for a judicial review if the proposed formula was imposed by stating that she could not pre-empt the outcome of the consultation, however all options would be considered.

Decision

The Committee notes the report.

RGSC/19/22 Overview Report

The report of the Governance and Scrutiny Support Unit which contained key decisions within the Committee's remit and responses to previous recommendations was submitted for comment. Members were also invited to agree the Committee's future work programme.

Decision

The Committee notes the report and approve the work programme.

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Overview and Scrutiny Human Resources Sub Group

Minutes of the meeting held on 21 February 2019

Present:

Councillor Russell – in the Chair
Councillor Clay

Also present:

Councillor Ollerhead, Executive Member for Finance and Human Resources
Councillor Stogia, Executive Member for Environment, Planning and Transport

RGSC/HRSG/19/01 Minutes

Decision

To approve the minutes of the meeting held on 21 November 2018 as a correct record.

RGSC/HRSG/19/02 Staff Travel Policy Update

The Chair announced that consideration of this item would be deferred to a future meeting.

Decision

To defer consideration of this item to a future meeting of the Sub Group.

RGSC/HRSG/19/03 Highways Work Force - Presentation

The Sub Group considered the presentation provided by the Director of Operations (Highways).

Officers referred to the main points and themes within the presentation which included: -

- An overview of the Highways structure and teams;
- A profile of the workforce;
- Health and Wellbeing data;
- Comparative information for the 2017 and 2018 BHeard survey results and areas identified for improvement; and
- Identified challenges and opportunities.

Some of the key points that arose from the Sub Group's discussions were: -

- To recognise the improvements that were being made to the Highways Service;
- The rate and type of sickness absence within the service;
- That it was important to be clear to staff that expectations had changed and that they would be supported through good management to improve rather than

dwelling on past performance issues which had stemmed from poor management;

- The importance of About You sessions as a starting point for performance management and, where necessary, capability procedures, and to request information on what percentage of staff had had an About You session with their manager;
- What the results of the BHeard Survey were for senior staff within the service;
- What was being done to fill vacancies, including those at senior levels, and the importance of offering flexible working to attract people to the service; and
- The importance of ensuring that appropriate reasonable adjustments were being made for disabled staff.

The Director of Operations (Highways) reported that previously staff on long term sickness absence had not been managed back to work but that now this was being addressed through return to work plans, home visits and regular contact. The Head of Transformation (Highways) informed Members that, of the 44 people that had been absent during the reporting period due to long-term sickness, 13 of these were stress related. The Executive Member for Environment, Planning and Transport reported that, in a presentation to a future meeting, officers would include more detailed information on absences. She highlighted that Manchester Contracts had particular challenges which required additional support and that their figures were not representative of the whole Highways Service.

The Head of Transformation (Highways) agreed that staff needed the opportunity and support to do their job well and outlined the training being provided to supervisors and how staff were being engaged with. The Head of HR Operations reported that the service had a full-time HR officer allocated to it.

The Head of Transformation (Highways) informed Members that staff at Grades 10 to 12 were the most disengaged, according to the BHeard survey, and that this was in relation to the Fair Deal, My Team and My Company factors. She reported that workshops had taken place with this staff group and plans were being put in place to address the issues they raised.

The Head of Transformation (Highways) reported that officers were reviewing the recruitment strategy in terms of the best channels and materials to promote the vacancies and that it would include targeting specific groups, such as women in construction. The Director of Operations (Highways) reported that he was working with the Head of Work and Skills to develop a 'Made in Manchester' programme to offer graduate schemes and apprenticeships which included placements with a range of partners. He informed Members that officers were also working with military charities to see if the Council could attract ex-armed services personnel to work in this area. The Chair welcomed this.

The Director of Operations (Highways) informed Members that health screening in relation to Hand-Arm Vibration Syndrome (HAVS) and hearing tests had been undertaken for all staff in Manchester Contracts. This had identified a number of people that required adjustments, and reasonable adjustments had then been made, where appropriate. This was also welcomed by the Chair. A Member suggested that

the next presentation including information on the impact this was having on staff absence.

Decision

To request a further presentation or report in 6 to 9 months' time to include:

- What percentage of staff in the service had had About You sessions with their manager and the reasons for any which had not taken place, whether this was resulting in improvements in performance and any capability procedures which had been started;
- Information demonstrating that reasonable adjustments were being made for disabled staff;
- What the impact on staff absences was of testing for health issues such as HAVS and making reasonable adjustments;
- Information on any remaining vacancies in the service, including why they had not been filled, what the plan was to fill them and, if applicable, an analysis of the reasons that a particular post could not be filled. To also include consideration of apprenticeships and recruitment opportunities for groups such as ex-offenders and Our Children (young people leaving care).

RGSC/HRSG/19/04 BHeard 2018 Overview - Presentation

The Sub Group considered a presentation that provided an overview of the outcomes of the BHeard survey that was conducted in 2018. Officers referred to the main points and themes within the presentation which included: -

- The context of the BHeard survey;
- Comparative data on the response rates;
- Headline results;
- Comparative data against the 2017 survey results;
- Identified key strengths of the organisation;
- Those areas identified for improvement;
- Response analysis for staff with protected characteristics, by gender and by age;
- The work to embed the Our Manchester behaviours;
- Case studies; and
- A description of the corporate response and the service level response to the survey results.

The Chief Executive outlined the steps being taken to make improvements in relation to the leadership factor. She reported that she had sought feedback from the top 100 managers on what they thought good leadership looked like and what improvements could be made, which managers had reacted positively to. She informed Members that the Corporate Plan had been published after the BHeard Survey had taken place and that the Listening in Action sessions had since been changed to ensure that staff and managers understood that there was one single plan and set of priorities that the Council had to deliver together. She reported that a development programme had now been put in place for senior managers and that a leadership plan was being developed collaboratively with the top 100 managers.

Some of the key points that arose from the Sub Group's discussions were: -

- Request for further information on the breakdown of responses to the leadership factor by grade;
- Request for a list of questions in the survey;
- Whether exit interviews were carried out with managers who left the organisation;
- How staff were responding to the new values;
- Request for information on the service areas which had performed less well in the survey; and
- What plans were in place to fill the post of Director of HR and OD.

The Head of Workforce Strategy provided the Sub Group with further detail of the responses to the leadership factor, broken down by grade. The Executive Member for Finance and Human Resources highlighted the recent changes in organisational culture, including the introduction of Our Manchester ways of working and changes in performance management, and advised that this would have impacted on the results, as staff and managers were still adapting to this new approach. He reported that he expected next year's results to show clear progress, as these changes became more embedded.

The Head of HR Operations reported that all staff leaving the organisation were offered the opportunity for an exit interview, which could be carried out by their line manager or an HR officer. She advised Members that staff might have previously felt that there were too many different lists of values, behaviours and priorities but that the Corporate Plan pulled everything together into a single plan for the organisation. She informed Members about work taking place to develop managers' softer skills so that they could manage staff behaviours.

The Head of Workforce Strategy provided information on the services which had performed less well in the survey, reporting that focussed work was taking place with these services but that a number of them had improved significantly on their results from 2017.

The Chief Executive informed Members that the Council had started the process of recruiting a new Director of HR and OD. She reported that, as it could take about 6 months to get someone in post, arrangements had been made for two officers to cover this work and that the Council was also exploring the option of bringing in additional interim support. The Members said that this appointment was of great concern and that they would like to see someone permanent in post as soon as possible.

Decisions

1. To request an update report in 6 months' time.
2. To request that the list of questions in the BHeard Survey be circulated to Members of the Sub Group.

RGSC/HRSG/19/05 Work Programme

The Sub Group were invited to consider and agree the work programme.

Decision

To agree the work programme, subject to the amendments agreed under the previous items.

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Overview and Scrutiny Ethical Procurement and Contract Management Sub Group

Minutes of the meeting held on 21 February 2019

Present:

Councillor Russell (In the Chair)
Councillors Ahmed Ali, Clay, Hacking, Lanchbury, Reid and Watson

Also present:

Councillor Ollerhead, Executive Member for Finance and Human Resources

Apologies: Councillors H Priest and Shilton Godwin

RSG/EP/19/01 Minutes

Decision

To approve as a correct record the minutes of the meeting held on 29 November 2018.

RSG/EP/19/02 Small Format Advertising – Council Influence on Adverts Displayed on Council Assets

The Sub Group considered the report of the Strategic Director, Development that provided a summary of the Council's position to ensure that inappropriate content was not displayed through the advertising estate. The report also summarised how the Council intended to engage the market through the procurement process in order to find the appropriate supplier to operate the small format advertising estate.

The main points and themes within the report included: -

- The context in which the Strategic Director, Development had been asked to provide an assurance that the Council would not be supportive of any advertising that celebrated inappropriate conduct and what the Council could do through the procurement process to influence advertisers who wished to use Council owned land;
- Providing information on the scale of the current small format advertising contract;
- An update on the ambition to generate income from this estate from 2020;
- Information on the guidance as set out by the Advertising Standards Agency to ensure that adverts are legal, decent, honest and truthful and consumer confidence was maintained;
- The additional criteria expected by the Council to ensure that the Council would not be seen to be promoting anything that would be out of line with its ethos; and
- An update on the procurement process.

Some of the key points that arose from the Sub Group's discussions were: -

- How long had the previous contract been in existence and what would the duration of any new contract be;
- Consideration should be given to sharing the advertising criteria which would be agreed by any supplier in order to control the type of advertisements with other Greater Manchester Authorities as an example of good practice;
- Noting that clarification was required to determine which organisations associated with the Authority or Greater Manchester Local Authorities were being referred to in the list of criteria;
- Noting that the wording of all of the criteria needed to be reviewed to ensure it was succinct so as to avoid duplication and more specific, as some of the wording was open to a wide variety of interpretations;
- Noting that the Council has no influence on what could be displayed on screens or boards on private land or other platforms that have approved planning permission on the adopted highway such as the BT Inlink stations.
- Consideration should be given to using the digital advertising boards to promote relevant local community events and to promote the wider cultural offer and library service in the City; and
- Had any complaints been received to date regarding the subject matter advertised, either directly to the Council or to the Advertising Standards Agency.

The Head of Commissioning and Delivery informed Members that the small format advertising contract currently covered 99 sites across the city centre, owned and maintained by JC Decaux and the contract was a legacy contract that was 26 years old. He reassured the Members that although any new contract would not be awarded for such a length of time, throughout this period JC Decaux had complied with all of the requirements of the contract and that no complaints had been received. He said that any future contract would be for a 15 year period, awarded using the Ethical Procurement Policy and the contract would be monitored.

In response to the comments regarding the wording of the criteria the Strategic Director, Development accepted the points raised by the Members and gave an assurance that these would be reviewed. The Contract and Commissioning Manager stated that these had been produced following the examples provided by Transport for Greater Manchester and Nottingham County Council and welcomed the feedback from the Members. He said that they would work closely with any supplier to ensure that any agreed criteria was adhered to.

The Strategic Director, Development advised there was evidence to indicate that BT Inlink stations were associated with anti-social behaviour and crime and in effect operated as advertising boards. He said work was ongoing to address this issue as these installations were outside of planning requirements.

The Executive Member for Finance and Human Resources noted the comments regarding incorporating the advertising of local community events, noting that this could

be part of the social value element of any contract awarded. The Head of Commissioning and Delivery advised that it was already agreed that a percentage of advertising time would be dedicated to promoting Council campaigns. The Chair stated that the timing of any such adverts needed to be at an appropriate time of the day to maximise their effectiveness and that the contract would need to make provision for this.

The Executive Member for Finance and Human Resources stated that he noted the comments expressed by Members regarding the subject matter of adverts and the requirement that they should adhere to the values of the Council, stating that a correct balance would be met to maximise this important revenue stream.

Decisions

The Sub Group;

1. Recommend that there should be no promotion of sexual entertainment venues displayed through the advertising estate;
2. Recommend that the proposed criteria to be set by the Council which will be agreed by the supplier in order for them to control the type of advertisements is to be reviewed;
3. Recommend that once agreed, the proposed criteria to be set by the Council which will be agreed by the supplier in order for them to control the type of advertisements is shared with other Greater Manchester Authorities to promote good practice;
4. Recommend that clarification was obtained to determine which organisations associated with the Authority or Greater Manchester Local Authorities were being referred to in the list of criteria; and
5. Recommend that the Communications Team work with the appointed supplier to advertise local community events and the wider cultural offer in an appropriate manner.

RSG/EP/19/03 Procurement of Building Works for Schools

The Sub Group considered the report of the Head of Major Projects that provided a summary of the social value activities and outcome resulting from the major construction projects commissioned on schools during 2018.

The main points and themes within the report included: -

- During 2018 all major school construction projects were procured through a competitive 2 stage tender exercise through the North West Construction Hub for the programme of works, noting that ISG were the contractor successfully appointed;
- ISG recorded and reported on their social value delivery compared to their individual project targets on a monthly basis;

- ISG like many other major contractors employed social value specialists and utilised a social value profit calculator to attach a monetary value to their activities;
- Information on how social value was measured and collated; and
- Providing case studies to demonstrate the social value activities.

Some of the key points that arose from the Sub Group's discussions were: -

- Would future contracts deliver similar outcomes;
- Noting the progress and delivery of social value through such contracts;
- The need to promote the construction industry as a career option for all with consideration given to the language used when engaging with young people to ensure it was inclusive;
- Did targets exist for engaging with residents with protected characteristics, noting that positive action should be adopted to address inequalities experienced in society; and
- How was social value calculated.

The Head of Major Projects said that social value had been embraced and represented a significant cultural shift in the construction industry nationally, and future contracts would replicate this activity. In response to the comments regarding promoting the industry as a career option he said that they were keen to promote this and did engage with schools and FE providers in Manchester.

The Executive Member for Finance and Human Resources stated that caution needed to be taken when attempting to calculate a financial value for social value, commenting that an industry had developed around this very issue. However, noted the comments regarding KPIs in regard to protected characteristics.

Decisions

The Sub Group;

1. Recommend that a review of the Social Value Policy be undertaken to ensure that it complies with the equality objectives of the Council; and
2. Recommend that any future update report includes information on the level and number of apprentices achieved through the procurement of building works for schools.

RSG/EP/19/04 Work Programme

The Subgroup were invited to consider and agree the work programme.

Decision

To agree the Work Programme subject to the recommendations agreed for item RSG/EP/19/06.

RSG/EP/19/05 Exclusion of Press and Public

A recommendation was made that the public was excluded during consideration of the following items of business.

Decision

To exclude the public during consideration of the following items which involved consideration of exempt information relating to the financial or business affairs of particular persons and public interest in maintaining the exemption outweighs the public interest in disclosing the information.

RSG/EP/19/06 Social and Environmental Requirements, contractual enforceability and remedies (Public Excluded)

The Subgroup considered the report of the City Solicitor that set out the legal framework in respect of social value considerations and how these were reflected in the Council's commercial and contractual arrangements and to be aware of the position in respect of enforcing such terms and remedies available to the Council.

The Head of Corporate Procurement introduced the report and both he and the City Solicitor responded to questions from the Members.

Decisions

The Sub Group;

1. Recommend that a report be submitted for consideration at the next meeting that provides information on the Social Value Policy and how equality outcomes are measured and recorded; and
2. Recommend that a report be submitted for consideration at the next meeting that provides an update on how Social Value is being delivered through the Our Town Hall Project. This report will also provide an update on the activities to address Modern Day Slavery.

RSG/EP/19/07 National Agreements in associated construction industries – Our Town Hall Contract (Public Excluded)

The Subgroup considered the report of the City Treasurer that provided information on the National Agreements for the employment, welfare, grading and training of

apprentices in the associated construction industries in relation to the letting of the Our Town Hall Contract.

The City Solicitor introduced the report and responded to questions from the Members.

In response to a question from a Member the Executive Member for Finance and Human Resources informed the Group that the Unite Construction Charter had been incorporated into the Our Town Hall contract and the contractor had agreed to adhere to this. He advised that this Charter, along with other nationally agreed standards would also inform future contracts. Members welcomed this, stating that this should be monitored very closely.

Decision

To note the report.

Decision taken

Made by an Executive Member or Chief Officer



**MANCHESTER
CITY COUNCIL**

Notice of Decision Made

Decision maker	Chief Executive
Date of decision	1 st April 2019
What is the decision?	<p>To enter into an agreement with NCP to extend the existing arrangements with the company, which is due to end in June 2019, for an 18 month period, i.e. to the end of December 2020) with the ability to further extend the agreement for a further six months on a rolling basis if necessary, pending completion of the review of the future strategy for surface and multi-storey car parks.</p>
Reasons for the decision (but excluding any exempt or confidential information)	<p>In 1999, the JV contract with NCP created a wholly owned company, NCP Manchester Ltd, (NML) with a 55%/45% shareholding to NCP/MCC respectively, to manage and maintain those car parks listed in the JV Agreement. The JV Agreement was for 20 years and did not include an extension clause in the Agreement. As a result the current Agreement will come to an end in June 2019.</p> <p>The car parks in the JV Agreement include a mixture of NCP and MCC owned/rented sites, and include multi-storey and surface car parks. The JV Agreement is a Management and Maintenance Agreement to allow NCP Manchester Ltd to operate and maintain both NCP and MCC car parks.</p> <p>Procurement colleagues advise that while the formal JV contract cannot be extended, the Concession Contracts Regulations 2016, regulation 43 could be used as it allows for the modification of contracts during their term under certain specific criteria.</p> <p>An agreement could therefore be entered into with NCP to extend an arrangement with the company for a defined and limited period. This would enable to Council to carry out important tasks that are necessary to bring the current contract to a satisfactory conclusion and would enable the Council to define more clearly what would be required from a future contract.</p> <p>Officers have considered what an appropriate period for the agreement would be that enables the necessary work to be undertaken while enabling a new tender to be issued and alternative arrangements to be put in place as soon as possible. The conclusion is that while it would be legally feasible to enter into an agreement for any</p>

	length of time from one to three years, and extension for eighteen months until December 2020 would provide the right balance between setting new arrangements in place as quickly as possible and the need to carry out the necessary preparatory work Officers are also asking for agreement for the new agreement to be extended for further six month periods on a rolling basis if this is necessary to complete the review of the future strategy for surface and multi-storey car parks.
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Alternatives considered and rejected	
Interests Declared	None
Officer contact details For any further information	Name: Steve Robinson, Director of Highways (Operations) Tel: 34828 Email: steve.robinson@manchester.gov.uk

Register of Key Decisions

Register of Key Decisions Reference	2018/12/14A
OR – if not published in the Register of Key Decisions	
Reasons for special urgency such that this was not published in a Register of Key Decisions	N/A

Scrutiny Call In

Call-in deadline	4pm on Wednesday 29 May 2019
OR – if Exempt from Call-in	
Advice as to how any delay would seriously prejudice the legal or financial position of the Council	
Scrutiny Chair who agreed the urgency	

Date this notice was published	21 May 2019
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CALL-IN PROTOCOL

1. Purpose of Call-In and the Protocol

- 1.1. The purpose of the Call-In process is to identify issues, explore them fully and make informed recommendations based upon a proper consideration of all relevant issues.
- 1.2. It is vital that a Call-In is perceived to be not only searching and transparent but also equitable, fair and not oppressive. All stakeholders and parties to the process must feel that they have been fairly treated. If they do not then the process and any recommendations arising from it will be diminished.
- 1.3. A well conducted Call-In process should make everyone feel that they have contributed rather than just been questioned.

2. The Decision to Call-In

- 2.1. The right to Call-In applies to a decision made by the Executive or a Key Decision taken by an Officer under delegated authority.

A matter in which the final decision falls to the full Council is not subject to the call-in provisions.

Call-in provides an opportunity for Scrutiny Members to understand the process underlying the making of a decision and consider whether all relevant issues were given due consideration.

It is not a form of appeal against a decision which has been properly made or a forum for a case to be argued for a different decision.

- 2.2. Records of Decisions are published, normally within 2 days of the decision being made and they may not to be implemented until the expiry of five working days after the publication of the Decision Notice.

During that five-day period the Chair of the relevant Scrutiny Committee, or five Members of the Council may request a Call-In.

There are urgency exceptions to the right to Call-In. The Chief Executive will endeavour to assist Members of the Committee in requests for information about decisions which could be the subject of a Call-In.

- 2.3 A decision may not be called-in if the Committee has already made recommendations to the Decision Taker and those recommendations have been accepted by the Decision Taker either in whole or without significant addition or modification.

3. What is required when a Call In is made?

- 3.1. The written notification of a Call-In shall specify reason(s) for the Call-In and any specific matters it seeks to see addressed, to assist the Decision Taker and Committee Members in preparing for the Committee Meeting.
- 3.2. Once a decision to Call-In has been properly taken then the item will be placed on the agenda for the next meeting of the relevant Scrutiny Committee.
- 3.3. The relevant Chief Officer and/or Exec Member shall have the right to attend the meeting to explain the reason for the decision and to respond to comments made at the meeting.

4. Issues to be addressed before the Scrutiny Committee Meeting

- 4.1. The Decision Taker will be invited to submit a written statement for consideration by the Committee. The written statement will specify the decision, the reasons for it and all matters/factors taken into account in making the decision.
- 4.2. The Decision Taker must be able to call in support whomsoever they feel appropriate. The Decision Taker shall notify the Chair as soon as reasonably possible of the witnesses they wish to be called in support of the decision and any such persons shall be called as witnesses, if the Chair considers it appropriate to do so.
- 4.3. In addition to that the Scrutiny Committee will have a view about who they wish to interview.

When a decision to Call-In is taken at Committee then the Committee can indicate simultaneously who they wish to interview.

Where the decision is taken outside the Committee it might not be realistic to have another Committee meeting to decide who to interview. In these circumstances the Chair shall consult with those Members who were party to the Call-In as to whether any additional witnesses are to be called and any nominations made by Members on that consultation may be called as witnesses, if the Chair considers it appropriate to do so.

- 4.4. Where any person called to be a witness is unable or unwilling to attend on the required date, then the Chair of the Scrutiny Committee shall either:
 - if the person is a Member of the Executive or an Officer, insist on the Member/Officer's attendance on the required date; or
 - if the Member or Officer is willing to attend on an alternative date, amend the original request to attend by deciding to arrange an alternative date for attendance; or
 - amend the original request to attend by deciding to accept a substitute Member, Officer or other person to attend on the original required date; or
 - revoke the original request to attend and decide that the Scrutiny Committee shall proceed with the review of the decision in the absence of the Member, Officer or other person or a substitute.

- 4.5. The Decision Taker's statement should be published with the agenda of the meeting at which interviews are to take place. It should be an open item unless there are valid press exclusion reasons. Where a decision has been treated as a press excluded item previously then advice will be given upon the relevant issues for the Committee to consider as to whether there are valid press exclusion reasons.
- 4.6. If the Chief Executive or the City Solicitor believes that dealing with a Call-In as an open item could cause any Officer to publicly disclose any matter which would be prejudicial to the Council, or prejudicial to a third party or in breach of a duty of confidentiality, then either of them may instruct the Officer to give such evidence only in the press and public excluded part of the meeting.

5. Process

- 5.1. All those to be interviewed should be present throughout but seated away from the Committee.

It is important that when someone is interviewed they have a full understanding of the Committee's concerns and what other interviewees have said. If someone is not present throughout then they will be disadvantaged in this regard. The process will not have been fair to them and their contribution will be diminished as will any decision of the Committee. There may be some interviewees whose involvement is peripheral and who may leave after interview if they wish and the Committee agrees.

- 5.2. If appropriate legal and financial advice should be given and considered.
- 5.3. The proposer of the Call-In may if he/she wishes make a presentation outlining his/her main concerns to help focus issues.

This should concentrate on any perceived deficiencies in the process by which the decision was made, and whether all relevant issues were taken into account and given due weight; **it should not be simply be an argument for an alternative decision to be made.**

- 5.4. Interviewees are to be called to the Committee table one at a time and allowed to make a presentation of up to 5 minutes without interruption. Thereafter Members of the Committee may ask questions.

The questions must be courteous and relevant. If an interviewee does not possess knowledge or information to answer a question then he or she must not be pressed.

- 5.5. At the conclusion of each interview the interviewee should be asked if there is anything he/she wishes to add/clarify and should be allowed so to do.
- 5.6. At the conclusion of all interviews all interviewees should be asked if they wish to add or clarify anything and should be allowed so to do.
- 5.7. The Committee will consider all relevant matters, debate the issues and decide which of the resolutions it wishes to adopt set out in paragraphs 13.7, 13.8 and 13.9 of the Scrutiny Procedure Rules, those being:-

- i. To support the original decision;
- ii. To refer back to Decision Taker (with or without recommendations); or
- iii. To refer to Council (this is only applicable if the decision is contrary to the policy framework or contrary to or not wholly in accordance with the budget).

5.8 If referred back to the Decision Taker they shall then reconsider and may amend the decision or not, before adopting a final decision which will come into effect immediately.

5.9 If the Scrutiny Committee does not refer the decision back to the Decision Taker, the decision shall take effect on the date of the scrutiny meeting.

6. Call in and Urgency

6.1 The call-in procedure shall not apply where the decision being taken is considered urgent. A decision will be urgent if any delay likely to be caused by the call-in process would seriously prejudice the legal or financial position of the Council or the interests of the residents of Manchester.

6.2 The record of the decision, and the notice by which it is made public shall state whether in the opinion of the decision making person or body (having considered the advice of the Head of the Paid Service and/or the Monitoring Officer and/or the Chief Finance Officer), the decision is an urgent one, and therefore not subject to call-in.

6.3 The Chair of a relevant scrutiny committee must agree both that the decision proposed is reasonable in all the circumstances and to it being treated as a matter of urgency.



**MANCHESTER
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GUIDANCE FOR QUESTIONING OF WITNESSES ON CALL-INS

The purpose of a Call-In is to ensure that there is an efficient and effective scrutiny of decisions. For this to be achieved not only must all relevant information be available for the Committee, but Members in questioning witnesses should make the best use of the opportunity by focusing on the relevant issues.

Unless all relevant information is disclosed in an appropriate Executive report, then witnesses should endeavour to prepare, for prior circulation to Members, a statement of the relevant information.

To assist witnesses Members should, in calling-in a matter, be as clear as possible as to the issues that they are concerned with.

Members involved in the Call-In are consulted on the appropriate witnesses and Members may wish to advise them in advance of particular issues they wish to raise or documents which they wish to refer to.

Officer/Member Protocol

The Protocol on relations between Members and officers stresses that for the effective conduct of business there must be mutual respect in all meetings and contact between Members and officers. In particular

- Members and officers should apply the rules of common courtesy to each other
- Members should be aware that officers are constrained in the response they may give to public comments by Members
- Members should not abuse officers and should not seek to undermine an officer's position by abuse, rudeness or ridicule.

This in no way reduces the Members' proper right and duty to criticise reports, actions and work of any department or section of the Council with the belief that such criticism is merited.

Call-In Protocol

The Call-In Protocol confirms

- Questions must be courteous and relevant
- If an interviewee does not possess knowledge or information to answer a question then he or she must not be pressed
- At the conclusion of each interview the interviewee should be asked if there is anything he or she wishes to add/clarify and should be allowed to do so

General Advice on Questioning

The following points should be borne in mind by Members in order that the debate and questioning can be focused and effective

- The purpose of the interview is to ask questions of interviewees and not to make statements. Interviewees are under no obligation to respond to statements not properly phrased as questions
- Little is gained by Members asking questions which are clearly already answered in either a report or statement already given
- Members are encouraged not to repeat questions asked either by other Members or indeed by the same Member
- The questions must be relevant to the concerns raised and should be aimed at gaining information which will assist enabling the Committee to make the appropriate decision
- The simpler and more direct that the question is then the more likely it is that an interviewee will answer directly
- If all relevant information has been obtained from a witness following questioning by other Members then Members can feel free to refrain from asking further questions as there is no obligation to ask questions.
- Purely rhetorical questions should be avoided
- If information has been obtained from one witness, there may be little point in asking the same questions of another witness

**Manchester City Council
Report for Resolution**

Report to: Audit Committee – 11 June 2019
Resources and Governance Scrutiny Committee – 18 June 2019
Executive – 26 June 2019

Subject: Capital Programme Outturn 2018/19

Report of: The Deputy Chief Executive and City Treasurer

Summary

This report informs members of:

- (a) The outturn of capital expenditure and financing for 2018/19.
- (b) The major variances between the 2018/19 outturn and the previous Capital Programme monitoring report submitted in February 2019.
- (c) The commitments to be carried over into the five year Capital Programme 2019/20 to 2023/24.

Recommendations

Audit Committee are asked to note the report.

Resources and Governance Scrutiny Committee are asked to note the report.

The Executive is requested to:

1. Note the outturn of capital expenditure 2018/19 for the Manchester City Council Programme was £361.6m. The outturn of capital expenditure 2018/19 for the Programme on behalf of Greater Manchester was £91.2m.
 2. Note the changes to the outturn attributable to movement in the programme that occurred after the previous monitoring report to Executive in February 2019.
 3. Approve the budget transfers between capital schemes to maximise the use of funding resources available to the Council.
 4. Note the decisions of the Deputy Chief Executive and City Treasurer regarding the funding of capital expenditure in 2018/19.
 5. Note the impact of final expenditure in 2018/19 on the revised Capital Programme 2019/20 to 2023/24.
-

Wards Affected: All

Manchester Strategy outcomes	Summary of the contribution to the strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	The capital programme contributes to various areas of the economy including investment in public and private sector housing, education and children's social care, transport infrastructure, major regeneration activities, environmental, cultural and leisure services.
A highly skilled city: world class and home grown talent sustaining the city's economic success	The capital programme includes substantial investment in education and also provides opportunities for the construction industry to bid for schemes that could provide employment opportunities at least for the duration of contracts.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The capital programme includes investment in adult and children's social care, education, housing and the environment, cultural and leisure services, all of which contribute towards the strategy.
A liveable and low carbon city: a destination of choice to live, visit, work	Investment in all areas of the capital programme contributes towards this community strategy, notably the investment in sustainable and affordable housing, building schools for the future, transport, environmental and major regeneration programmes.
A connected city: world class infrastructure and connectivity to drive growth	The capital programme includes investment in highways infrastructure, and broadband expansion.

Full details are in the body of the report, along with any implications for:

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

Financial Consequences – Revenue

All Revenue consequences are included in the current Revenue Budget.

Financial Consequences – Capital

The Capital Outturn 2018/19 for Manchester City Council is £361.6m compared to the revised budget of £400.0m submitted to Executive in February 2019. The Capital Outturn 2018/19 for the programme on behalf of Greater Manchester is £91.2m compared to the revised budget of £95.8m.

The programme is subject to continual review to establish whether the forecast remains achievable. Whilst the intention is for the City Council to progress the programme as stated, some projects and their sources of funding may require re-profiling into future years.

The Greater Manchester programme is hosted by the City Council, but is managed by the Combined Authority which also monitors the projects. The City Council is currently working with the Greater Manchester Combined Authority (GMCA) to finalise the novation of a number of Housing Investment Fund projects following the granting of the relevant borrowing powers to the CA. This will be reported in further detail once the position is confirmed.

Contact Officers:

Name: Carol Culley
Position: City Treasurer
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Name: Janice Gotts
Position: Deputy City Treasurer
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Name: Tim Seagrave
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Telephone: 0161 234 3445
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Name: Kate Stonehouse
Position: Principal Finance Manager – Capital
Telephone: 0161 245 7853
E-mail: k.stonehouse@manchester.gov.uk

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.

- Report to the Executive 13th February 2019 – Capital Strategy and Budget 2019/20 to 2023/24
- Report to the Executive 13th March 2019 – Capital Programme – Capital Programme Update

1 Introduction

1.1 The purpose of the report is to:

- Inform the Executive of the outturn position for 2018/19.
- Inform members of the forward commitments into the 2019/20 to 2023/24 capital programme.
- Confirm that funding streams were managed to best utilise resources available to fund the capital programme.

1.2 This report has been redesigned, to provide more information on the activities undertaken in delivering the programme and the risks associated with the works, as well as the financial monitoring and changes required.

1.3 A summary of each part of the programme is included within the report, providing details on the major projects. This is presented alongside a summary of the outturn position, and as a result any changes to the budget that are required. Risks associated with each of the programme areas are highlighted in section 16 of the report.

1.4 Appendix A details the virements requested across the programme since Executive approved the capital budget in February 2019 for 2019/20 onwards. Appendix B details the cost variations since the capital budget was approved in February. Appendix C details the revised capital budget for each project, taking into account the virements requested, any cost variations and any re-profiling between years which has been identified.

2 Capital Budget

2.1 Executive approved the Capital Budget for the period 2018/19 to 2023/24 in February, and there was a subsequent capital budget increase report submitted to Executive on 13 March 2019. The revised capital budget for the period 2018/19 to 2023/24, before changes proposed at outturn, is shown below:

Capital Programme 2018-2024	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total Programme
	£m	£m	£m	£m	£m	£m	£m
Capital Budget (Feb 19)	495.4	505.6	419.0	244.0	87.0	39.0	1,790.0
Capital Programme Update (Approved March 19)	0.4	3.4	1.3	0.3	0.0	0.0	5.4
Revised Capital Budget	495.8	509.0	420.3	244.3	87.0	39.0	1,795.4
<i>Of which:</i>							
Manchester City Council Programme	400.00	362.5	382.3	244.3	87.0	39.0	1,515.1
Programme on behalf of Greater Manchester	95.8	146.5	38.0	0.0	0.0	0.0	280.3

2.2 The figures shown above include those approved by the Executive Member for Finance and Human Resources and the Deputy Chief Executive and City

Treasurer under delegated powers and budget increases approved by the Executive.

3 Projects carried out on behalf of Greater Manchester

- 3.1 The Greater Manchester programme has spent £91.2m against a budget of £95.8m, a variance of £4.6m, as the number of loan requests during the year was lower than originally anticipated. The Housing Investment Fund has novated to the Greater Manchester Combined Authority, and most of the associated investments will novate across. The Council will retain a number of loans which cannot easily be novated and the Combined Authority will provide loan finance to offset these assets and provide a guarantee against any losses. The exact number and value of loans retained will be reported once the novations are completed.

4 Capital Outturn 2018/19

- 4.1 The final spend position for the Manchester City Council Capital Programme in 2018/19 is £361.6m compared to a revised budget of £400.0m. The outturn for the 2018/19 Programme on behalf of Greater Manchester is £91.2m compared to a revised budget of £95.8m. The variations, by service area, are shown in the table below.

Capital Programme 2018/19 Outturn

Manchester City Council Programme	Budget £m	Outturn £m	Variance £m
Highways	37.8	38.3	0.5
Neighbourhoods	11.7	8.9	-2.8
Strategic Development	123.0	100.3	-22.7
Town Hall Refurbishment	11.1	8.5	-2.6
Housing - GF	27.8	26.8	-1.0
Housing - HRA	16.7	15.2	-1.5
Children's Services	31.6	29.8	-1.8
ICT	6.3	3.7	-2.6
Corporate Services	134.0	130.0	-4.0
Manchester City Council Programme	400.0	361.6	-38.4
Programme on behalf of Greater Manchester	95.8	91.2	-4.6
TOTAL	495.8	452.8	-43.0
		Reprofiling	-41.4
		Cost Variations	-1.0
		Net over (under) spend	-0.6

- 4.2 There is a capital programme variance of £43.0m between the budget and the outturn position.

4.3 The main changes to the programme since the report to Executive in February 2019 are in the Strategic Development Programme where planned spend is £22.7m lower than budgeted. The main reasons are as follows:

- The fit out of floors 4 and 5 of Heron House, at a cost of £3.8m has been rescheduled for 2019/20.
- Although the legal agreements for the Civic Quarter Heat Network have now been signed this has taken longer than originally forecast and the £3.6m estimated spend for the scheme will now be moved into 2019/20.
- There have been changes to the schedule of works from the contractor with additional fire stoppage works required at One Central Park meaning the final £2.7m will now be spent in 2019/20.
- The £5.1m to support the land acquisitions for the Northern Gateway and the additional works as part of the Eastern Gateway Project will now be required in 2019/20.
- Changes to the planned drawdown of the grant, loan and equity for the City Labs scheme means that £2.0m will now be required in 2019/20 when it is scheduled to complete. The outstanding £2.0m grant for the Digital Business Incubators project has also been made in April 2019 moving it into the next financial year.

4.4 Across the rest of the Capital Programme some of the other main changes include:

- An updated forecast for the Our Town Hall Project, based on the actual tendered costs and the rephasing of some early works. Professional fees for 2018/19 have now been drawn down based on the number of days and following the finalisation of the Management Contractor terms, the cost and drawdown profile has now been amended. As a result £2.6m will be moved in to 2019/20.
- Hardware for the Data Centre Network Design and Implementation project that was scheduled to arrive at the end of March arrived in early 2019/20, meaning the £1.4m budget will be required in next financial year.
- £2.4m for the BioMedical investment programme has been reprofiled in to future years. The company is ahead of progress as set out in the business plan. A variation in the work programme has led to a re-phasing to the timing of the loan drawdown.

4.5 The detail of this report will focus on the Council's Capital Programme outturn for 2018/19. Major variances, by service area are explained below. The implications for the programme from 2019/20 onward are explored towards the end of the report.

5 Highway Services Programme

5.1 The Highways capital programme has spent £38.3m compared to a budget of £37.8m, a variance of £0.5m. The programme is shown in the table below:

Highways	18/19 Budget £m	18/19 Outturn £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Highways Planned Maintenance Programme	14.0	17.3	3.3	116.4	116.3	-0.1
Manchester/Salford Inner Relief Road (MSIRR)	6.0	3.7	-2.3	13.9	13.9	0.0
Street Lighting PFI	11.1	12.1	1.0	32.8	32.8	0.0
Mancunian Way and Princess Parkway NPIF	0.4	0.3	-0.1	8.2	9.7	1.5
Other Projects	6.3	4.8	-1.4	119.0	123.1	4.0
Total Highways	37.8	38.3	0.5	290.3	295.7	5.4
	Reprofiling		0.7			
	Cost Variations		-0.3			
	Net over (under) spend		0.1			

- 5.2 The schemes within the current Highways portfolio include the highways improvement investment fund, projects to improve and increase the use of cycle routes which relieve congestion and reduce air pollution from CO₂ emissions, improvements to pedestrian access in areas in the City, improvements to safety measures and schemes to reduce energy consumption for street lighting.

Activities

- 5.3 Following the original contractor going into administration in early March, a new contractor has now been appointed for the Manchester/Salford Inner Relief Road (MSIRR) scheme, with works re-commencing in early April. The overall scheme will not be significantly affected with completion expected in 2020.
- 5.4 An updated methodology to establish the programme of works for the School crossings programme has been agreed and as a result the first seven schemes were awarded to contractors in the final quarter of 2018/19.
- 5.5 Highways are currently developing a localised social value strategy. Companies will be encouraged to align social value offers in areas such as women in construction, employment of ex-forces personnel, and road safety to maximise impact and ensure social value is achieving key outcomes.
- 5.6 The public consultation for the Manchester to Chorlton Cycleway is now complete. The scheme will now cover a wider area and further improvements have been added meaning additional funding from the Greater Manchester Mayor's cycling fund is required.

- 5.7 A social value meeting has been held with Trafford Council regarding the Cycle City Ambitions Grant (CCAG) scheme which crosses Local Authority boundaries. It has been agreed to set joint targets which will be included with tender documentation.
- 5.8 The Carriageway Resurfacing and Prevention programme continues to progress well with patching works and gully cleaning being delivered across the city. The scheme has also seen a Manchester resident recruited by the contractor with training also provided to three Council employees to increase skills available within the internal workforce. A draft programme for year 3 of this scheme has now also been produced.

Variances – All Years

- 5.9 There is an underspend of £0.1m on the Planned Highways Maintenance Programme which backdates to 2014/15. Highways have confirmed that all retentions have been paid for that year.
- 5.10 Various projects in the Highways Portfolio are contributing to the remaining overspend of £5.5m. However, applications for grant funding have been made to cover the costs associated with the Stockport SEMMMS A6 scheme (£2.9m) for works carried out by Stockport MBC on a section of the Council's road network, and work on the Mancunian Way and Princess Parkway NPIF scheme (£1.5m). There is further forecast spend of £1.9m on the Hyde Road Pinch Point Widening scheme due to changes in the design and additional cycling elements being added and it is anticipated this will be funded by the GMCA.

Variances – In Year

- 5.11 The main variances reported are:

Highways Maintenance Programme

- The Carriageway Preventative and Carriageway Resurfacing Programmes have progressed well, with the outstanding works due to poor weather conditions in 2017/18 now completed alongside a significant amount of the 2018/19 programme. Re-profiling of the entire scheme has resulted in an acceleration of £2.9m in 2018/19.
- Drainage works have progressed quicker than expected, resulting in acceleration of £0.7m to 2018/19.
- There has been significant progress on the Large Patching Repairs scheme in the final quarter of 2018/19 with £0.5m budget moved from 2019/20 into 2018/19.
- A revised programme for the Footway schemes now factors in the recent bad weather conditions during the spring. This has resulted in £0.8m of budget being moved in to 2019/20.

MSIRR

- Manchester/Salford Inner Relief Road (MSIRR) has seen £2.3m re-profiling in to next financial year as a result of the main contractor going into administration in early March. As noted in 5.3, a new contractor has now been appointed for the scheme and the works have recommenced.

Street Lighting PFI

- The LED forecast provided by the contractor at the start of the year anticipated that the rate of installation would slow down once works commenced in the City Centre region. However the contractor has been able to remain ahead of the programme and £1.0m has been accelerated into 2018/19.

Other Projects

- The funding agreement for Green Bridge at Airport City will be signed in 2019/20, meaning detailed designs will also be received next financial year. The airport has also delayed construction due to planning permission of an adjacent multi storey car park, which requires a movement of £0.4m into future years.
- £0.5m of budget within the Public Realm Highways scheme will be moved in to 2019/20 to support the works to the Exchange Square Water feature and the Automatic Bollard Replacement project. The tender will go out in April 2019.
- As per forecasts from Stockport Metropolitan Borough Council, the Stockport SEMMMS A6 scheme has total slippage of £0.3m in to 2019/20.
- The Bus Priority Package programme – Oxford Road is near completion with an underspend expected. The remaining budget of £0.2m has been moved to 2019/20 while it is determined if there will be any further costs.

Cost Variation

- A further £0.3m is required for project delivery procurement within the Highways Investment Programme and discussions are ongoing with TfGM regarding the funding.

6 Neighbourhoods Programme

- 6.1 The Neighbourhoods programme is shown in the table below, and is split across three main themes, the details of which are provided separately below:

Neighbourhoods Capital Outturn 2018/19

Neighbourhoods	Budget £m	Outturn £m	Variance £m
Environment and Operations	1.3	1.0	-0.3
Leisure	9.7	7.4	-2.3
Libraries	0.7	0.5	-0.2
Total Neighbourhoods	11.7	8.9	-2.8
		Reprofiling	-2.5
		Cost Variations	-0.1
		Net over (under) spend	-0.2

Environment and Operations Programme

6.2 The Environment and Operations programme has spent £1.0m compared to a budget of £1.3m. The programme is shown in the table below:

Environment and Operations	18/19 Budget £m	18/19 Outturn £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Waste Reduction Measures	0.3	0.3	0.0	4.7	4.7	0.0
Waste Contract	0.5	0.5	0.0	11.5	11.5	0.0
Other Projects	0.5	0.2	-0.3	1.3	1.3	0.0
Total Environment	1.3	1.0	-0.3	17.5	17.5	0.0
		Reprofiling	-0.3			
		Cost Variations	0.0			
		Net over (under) spend	0.0			

6.3 The schemes are centred on improving the environment with the main focus on the control of waste disposal and promoting recycling.

Activities

6.4 In line with previous forecasts, the remaining budget to procure residual bins to encourage recycling in communal properties and residential housing will be spent within the 2019/20 financial year. A scheme to improve recycling facilities within the City's passageways will now also be progressed by the Environment team.

6.5 The Waste Contract scheme is a loan to Biffa for the purchase of vehicles for use within the waste and street cleansing contract. Biffa have purchased a further five vehicles and further purchases are now being considered.

6.6 The Smart litter bins project is now to be funded through Clean City funds rather than by borrowing.

Variances – In Year

6.7 The Smart Litter Bin scheme is to introduce a 'Bigbelly' bin system that combines smart bin technology with a solar powered compactor which pushes waste down fitting up to eight times more rubbish in the bin. The £0.3m budget for this scheme will be moved in to 2019/20 to firm up the social value implications and associated cost plans to ensure maximum value for money is achieved.

Leisure Programme

6.8 The Leisure programme has spent £7.4m compared to a budget of £9.7m, a variance of £2.3m. The programme is shown in the table below:

Leisure	18/19 Budget £m	18/19 Outturn £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Parks Programme	1.7	0.8	-0.9	29.4	21.3	-8.1
Indoor Leisure – Abraham Moss	0.7	0.4	-0.3	14.8	14.8	0.0
Indoor Leisure – Moss Side	5.6	5.6	0.0	8.7	8.7	0.0
Other Projects	1.7	0.7	-1.0	38.3	38.3	0.0
Total Leisure	9.7	7.4	-2.3	91.3	83.2	-8.1
		Reprofiling	-2.2			
		Cost Variations	-0.1			
		Net over (under) spend	0.0			

6.9 The Leisure Programme provides leisure, sports and park facilities and services to communities across the City to promote health and wellbeing. It includes improvements to energy equipment to reduce consumption to realise economic and environmental benefits. The programme also includes improvements to facilities which are used for events and which may provide an economic benefit.

Activities

- 6.10 Recruitment to the supporting structure for the Parks Development Programme (PDP) is progressing and work is underway to re-profile the budget across the three elements of the programme: Heaton, Wythenshawe and City Wide.
- 6.11 Works at a number of parks are progressing to improve the quality and capacity of play facilities on site. Works at King George V Park is expected to be completed at the end of April 2019, with Wythenshawe and Heaton Park South Play area to follow in early May.
- 6.12 The contractor for the Abraham Moss Leisure Centre was appointed in early 2019/20 with start-up meetings held shortly after. The project team are now working with the contractor to align design and cost with available funding and site investigations are ongoing.
- 6.13 Progress has been made with the proposed refurbishment and ongoing maintenance works at the Manchester Aquatics Centre (MAC) and works to the National Cycling Centre (NCC). For the MAC, Estates Board have agreed to use the £0.9m approved Asset Management Programme (AMP) expenditure for 2019/20 to develop plans to RIBA Stage 2. Ongoing reactive maintenance will continue while discussions are held with the University regarding the current lease on the venue. The same approach to develop

plans to RIBA Stage 2 in order to submit a business case in January 2020 is likely to be followed for the NCC.

- 6.14 Two further projects, funded by external contributions, have been identified by Leisure. Sports England have agreed to fund £0.4m improvement works at the NCC (outside of the works highlighted in 6.13), and Manchester City Football Club's City in the Community are seeking to invest £0.4m in Council assets.

Variances – All Years

- 6.15 Following a review of the proposed Parks Development Programme (PDP), the grant giving body are now more likely to focus grants on historic buildings than parks, which means it can no longer be assumed that they will support the programme. As there is a risk the grant will not be forthcoming the £8.1m grant element supporting the scheme has been removed from the Capital Programme.

Variances - In Year

- 6.16 Various schemes within the Parks programme have seen total slippage of £0.9m. For the Parks Events Infrastructure Project, one remaining work package at Platt Fields Park to alleviate seasonal flooding is outstanding. Works have commenced on site and will finish in early 2019/20 and £0.2m has moved to next year. An arborist issue relating to Heaton Park South play area is likely to result in a two week programme delay and therefore £0.3m will be reprofiled to 2019/20. £0.3m has been reallocated into next financial year in relation to Wythenshawe Park, Northenden Riverside Park and King George V Park due to slight delays in getting contracts signed, meaning works will now complete in early 2019. Lastly, due to the recruitment to the Parks Development Programme (as noted in 6.10) taking longer than expected, the £0.1m budget for 2018/19 will be moved into the next financial year.
- 6.17 For the Indoor Leisure - Abraham Moss project, £0.3m budget has been re-profiled to 2019/20 whilst the contractor's cost plan is being reviewed. This may result in a need to revisit the profiling of the whole scheme.
- 6.18 The Boggart Hole Clough Visitors Centre project is currently on hold while the current cost plans are reconsidered against the available budget. This will be reviewed as part of the Parks Development Programme city wide investment feasibility works. As a result the £0.5m budget will be reallocated to 2019/20.
- 6.19 Works at the Velodrome track have now been completed. The £0.1m contingency element of the budget will be moved in to 2019/20 in case of any defects, although this is unlikely.
- 6.20 Finally, the two recently approved projects; Booth Street Car Park and the Contact Theatre Loan will be actioned early next financial year and hence the combined budgets of £0.4m will be reallocated to 2019/20.

Libraries Programme

6.21 The Libraries programme has spent £0.5m against a budget of £0.7m, a variance of £0.2m. The programme is shown in the table below:

Libraries	18/19 Budget £m	18/19 Outturn £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Open Libraries	0.0	0.0	0.0	0.5	0.5	0.0
Other Projects	0.7	0.5	-0.2	2.7	2.5	-0.2
Total Libraries	0.7	0.5	-0.2	3.2	3.0	-0.2
	Reprofiling		0.0			
	Cost Variations		0.0			
	Net over (under) spend		-0.2			

6.22 The library programme seeks to bring up to date accessible technology to communities, provide high quality exhibition areas attracting visitors and residents and create new community meeting spaces.

Activities

6.23 Libraries are reporting 488 registered users at Withington Library as part of the Open Libraries project with this being monitored as a benefit during the ongoing operation of the facility. A 2.7% increase in self-service transactions was reported for 2017/18 as part of the RFID Refresh.

Variations – All Years and In Year

6.24 The roll out of the Central Library ICT project has identified equipment on a revenue lease basis which will provide an improved specification compared to the planned capital purchase resulting in an underspend of £0.2m.

7 Strategic Development Programme

7.1 The Strategic Development programme is shown in the table below, and is split across three main themes, the details of which are provided separately below:

2018/19 Strategic Development Capital programme outturn

Strategic Development	Budget £m	Outturn £m	Variance £m
Culture	26.7	28.4	1.7
Corporate Estates	49.2	39.7	-9.5
Development	47.1	32.2	-14.9
Total Strategic Development	123.0	100.3	-22.7
	Reprofiling		-22.1
	Cost Variations		-0.1
	Net over (under) spend		-0.5

Culture Programme

- 7.2 The Culture programme has spent £28.4m compared to a budget of £26.7m, a variance of £1.7m. The programme is shown in the table below:

Cultural	18/19 Budget	18/19 Outturn	18/19 Variance	All Years Budget	All Years Forecast	All Years Variance
	£m	£m	£m	£m	£m	£m
The Factory	26.7	28.4	1.7	138.6	139.4	0.8
Other Projects	0.0	0.0	0.0	26.8	26.8	0.0
Total Cultural	26.7	28.4	1.7	165.4	166.2	0.8
	Reprofiling		0.9			
	Cost Variations		0.8			
	Net over (under) spend		0.0			

- 7.3 The Factory will act as a driver of the next stage of Manchester's and the North's regeneration – with clear cultural, economic, educational and social benefits for the city and the wider region. It will be a new type of venue – one that can commission, produce and present the widest range of opera, dance, theatre, visual arts and popular culture, with an emphasis on new cross-art form collaborations, for a much wider audience than any traditional venue.

Activities

- 7.4 Further activity for the project includes the first cranes being erected and site cabins arriving onsite for occupation by site staff from April 2019 onwards. 51% of the value of work packages are now let.
- 7.5 Laing O'Rourke have submitted their sustainability plan for the project, identifying their social value commitments. This includes 60 mentoring, training, employability skills or career development sessions and 50 work experience placements. Delivery of targets is being monitored by the project team.

Variances – All Years

- 7.6 As part of the report to Executive in January 2017, the City Council approved funding of £20.0m for the scheme from Capital Receipts and Non-recurring Revenue Receipts. At that stage it was estimated the revenue required would be £2.1m. This has now been revised and as per the report to Executive in November 2018, the revised requirement is £1.3m. The difference of £0.8m has now been included in the Capital budget profile and Executive are asked to approve a transfer of £0.8m from the non-recurring revenue receipt to Capital.

Variances – In Year

7.7 As the project has now achieved notice to proceed (NTP) and the programme has now been agreed, the forecast reflects the revised programme cash flow from Laing O'Rourke and the revised fee profile for the design team consultants. A payment to Manchester Quays Limited related to electricity supply was expected to be paid in 2019/20, however was triggered early due to activity on site. As a result the total acceleration of budget in to 2018/19 is £0.9m.

7.8 The other in year variance is in relation to the cost variation of £0.8m noted in 7.6.

Corporate Estates Programme

7.9 The Corporate Estates programme has spent £39.7m compared to a budget of £49.2m, a variance of £9.5m. The programme is shown in the table below:

Corporate Estates	18/19 Budget £m	18/19 Outturn £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Asset Management Programme	9.0	7.3	-1.7	37.8	37.8	0.0
Strategic Acquisitions Programme	8.7	10.4	1.7	19.1	19.1	0.0
Hammerstone Road Depot	0.9	0.7	-0.2	15.0	15.0	0.0
Heron House and Registrars	15.8	12.0	-3.8	20.6	20.6	0.0
Carbon Reduction Programme	0.1	0.1	0.0	10.3	10.3	0.0
Civic Quarter Heat Network	6.5	2.9	-3.6	26.0	26.0	0.0
Estates Transformation	5.2	4.4	-0.8	18.0	18.0	0.0
Other Projects	2.9	1.9	-1.0	5.2	5.2	0.0
Total Corporate Estates	49.2	39.7	-9.5	152.0	152.0	0.0
			Reprofiling			-9.5
			Cost Variations			0.0
			Net over (under) spend			0.0

7.10 The programme supports the provision of fit for purpose accommodation for corporate, community and residential use and proactively maintaining and managing the corporate estate which includes reducing carbon emissions.

Activities

7.11 A large number of projects within the 2018/19 Asset Management Programme (AMP) completed on time, including Withington Library roof works and internal remodelling and Heathfield windows and doors replacement. The Arndale

Market safety and ventilation works are also now complete and feedback from the client was positive. A programme of works for 2019/20 has now been agreed.

- 7.12 A construction partner has been appointed for the Hammerstone Road project, and a revised RIBA Stage 3 figure was submitted in March. The final scope, taking into account the potential impact of the HS2 project and costs will be reviewed early in 2019/20. A decision on the direction of the project will be taken once revised costs have been assessed.
- 7.13 Design works are progressing for Alexandra House and the associated car park using the £1.6m approved for site investigations, surveys and design fees. The scheme is scheduled to complete in December 2020. Staff have been relocated to offices on City Road while the refurbishment is underway and a furniture re-use, sale and disposal exercise has been completed. Refurbishment of the Hulme District Offices completed in early 2019/20 with staff now relocated back to the venue.
- 7.14 It was reported to Executive in January that there was a potential issue within the Education and Corporate Estate in cases where aerated concrete had been used during construction. The material was predominantly used between 1950-1980, with a defect recently identified nationally which could lead to the product failing within a 48 year period. A review of MCC buildings constructed within this period was undertaken and all surveys conducted showed no sign of this type of concrete.

Variances – All Years

- 7.15 The Alexandra House car park scheme is being further developed to RIBA Stage 4 and the Design Team and client are looking at options and amendments to the Stage 3 design that will help deliver the project within budget.

Variances – In Year

- 7.16 Various schemes within the Asset Management programme will require re-profiling in to future years. A new contractor has had to be appointed for the Space Roof project and completion will now be in 2019/20. The Central library survey and works will now commence in 2019/20 as further design work is required. While design has been commissioned for the Council's property within the Eastlands estate, the National Football Museum and Bridgewater Hall, some works resulting from this will now be delivered next year. Finally the works at Heaton Park and Hall will now start in 2019/20. As a result, a total reprogramming of £1.7m in to future years is required.
- 7.17 The schedule of works within the Strategic Acquisitions Programme has recently been re-profiled and an acceleration of £1.7m budget in to 2018/19 is required due to negotiations across various projects concluding sooner than expected.

- 7.18 Due to the current position on the Hammerstone Road project as noted in 7.12, the remaining £0.2m budget for 2018/19 will be moved in to 2019/20.
- 7.19 The Heron House and Registrars work has now completed, however the fit out of floors 4 and 5 has been reprofiled into next financial year as a consequence of agreement for lease negotiations with the proposed tenant, procurement routes that had to be taken and various contract negotiations. A further contribution of £0.7m has been received in relation to the fit out of floor 2 and the total programme requires a movement of £3.8m budget in to 2019/20, when the scheme is scheduled to complete.
- 7.20 In line with the latest position reported to Executive, the legal agreements for the Civic Quarter Heat Network have now been signed and the programme of work updated. The budget is now being adjusted accordingly with a need to re-profile £3.6m of the budget into future years.
- 7.21 Elsewhere, the refurbishment of Ross Place Resource Centre has recently completed, however the service are awaiting the final costs and the remaining £1.0m budget will be moved in to 2019/20 until it is determined whether this will be fully utilised.

Development Programme

- 7.22 The Development programme has spent £32.2m compared to a budget of £47.1m, a variance of £14.9m. The programme is shown in the table below:

Development	18/19 Budget £m	18/19 Outturn £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Digital Asset Base – One Central Park	9.4	6.7	-2.7	10.8	10.8	0.0
Eastern Gateway – Central Retail Park	1.3	0.3	-1.0	40.4	40.4	0.0
Eastern Gateway – New Islington Marina	1.8	1.5	-0.3	5.2	5.2	0.0
Northern Gateway	3.9	0.0	-3.9	25.0	25.0	0.0
City Labs 2	3.7	1.7	-2.0	3.7	3.7	0.0
Airport City Power Infrastructure	2.4	2.4	0.0	6.0	6.0	0.0
Digital Business Incubators	3.5	1.5	-2.0	4.0	4.0	0.0
Sustaining Key Initiatives	0.0	0.0	0.0	13.6	13.6	0.0
Manchester College	17.6	17.6	0.0	27.6	27.6	0.0
Other Projects	3.4	0.4	-3.0	89.4	88.0	-1.4
Total Development	47.1	32.2	-14.9	225.7	224.3	-1.4
			Reprofiling			-13.5
			Cost Variations			-0.9

Net over (under) spend	-0.5
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- 7.23 The Development Programme seeks to provide sustainable growth and transformation of the City, not only to support internal growth but also to retain international competitiveness by promoting opportunities to develop the City's fabric, infrastructure, business and skills base and connecting local communities to employment opportunities.

Activities

- 7.24 The remaining £2.0m grant funding in relation to the Tech Hub must be spent prior to Summer 2019 and work is ongoing to finalise the business case.
- 7.25 The statue in Lincoln Square has been removed to enable public realm works to be undertaken. Highways are currently reviewing proposals including the transfer of land and future use of the public realm.
- 7.26 An enhanced proposal for Piccadilly Gardens is being developed by the City Centre Regeneration team with a public consultation due to take place in Summer 2019.

Variances – All Years

- 7.27 The East Manchester retentions carried forward from previous years are no longer required and the £0.5m released is available for use against the Eastern Gateway – New Islington Marina project within the Development programme.
- 7.28 There is a £0.9m underspend against the disposal of the Collyhurst police station as part of the Northern Gateway scheme, as the outstanding amount was deducted from the initial premium paid by our joint venture partner when the legal agreements were put in place. A cost variation is requested for this.
- 7.29 The nature of the Sustaining Key Initiatives project is that it is required as and when projects necessitate support which means forecasting spend is difficult. Budget provision remains which can be accelerated into 2019/20 as and when required.

Variances – In Year

- 7.30 There is a requirement to move £2.7m budget for the Digital Asset Base – One Central Park into the next financial year due to the contractor being slightly behind schedule and additional fire stopping works being undertaken. The outstanding packages of work are expected to be completed in 2019/20.
- 7.31 Demolition works at Central Retail Park have commenced, however there is slippage of £1.3m on the Eastern Gateway schemes whilst appropriate due diligence is being undertaken.

- 7.32 Discussions regarding the Northern Gateway scheme are ongoing. The intention is to support the acquisition of land for the joint venture in a manner which mitigates the risks to the City Council. The £3.9m set aside for acquisition in 2018/19 will be moved to next financial year.
- 7.33 City Labs 2 will require movement of £2.0m budget in to 2019/20 due to a shift in drawdown timings, caused by getting the grant agreement signed, agreeing the Evergreen loan and an equity raise process that was completed to ensure the scheme was fully funded. The scheme is expected to fully complete in 2019/20.
- 7.34 The outstanding grant payment for the Digital Business Incubators project will now be paid in early April 2019 when the contractor will be in a position to commence the refurbishment work. As a result the remaining £2.0m budget will be moved in to 2019/20.
- 7.35 There is slippage of £0.2m on the Medieval Quarter Public Realm as site surveys originally scheduled for December didn't take place until early spring. Construction will begin in April 2019 until the end of November 2019 with a project budget of £1.7m.
- 7.36 The Space Project – Phase 2 has completed the Tenant Fit Out element of Space Studios, against which there are potential savings of £1.0m. Further work is being completed and in the interim the £1.0m budget will be moved in to 2019/20.
- 7.37 Other in year variances relate to the underspends in 7.27-7.28.

8 Our Town Hall Refurbishment

- 8.1 The Our Town Hall Refurbishment programme has spent £8.5m compared to a budget of £11.1m, a variance of £2.6m. The programme is shown in the table below:

Our Town Hall	18/19 Budget £m	18/19 Outturn £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Our Town Hall Refurbishment	11.1	8.5	-2.6	305.2	305.2	0.0
Total Our Town Hall Refurbishment	11.1	8.5	-2.6	305.2	305.2	0.0
	Reprofiling		-2.6			
	Cost Variations		0.0			
	Net over (under) spend		0.0			

Activities

- 8.2 The Our Town Hall Refurbishment programme continues at pace, with the contractors RIBA Stage 3 report approved, and the team reaching agreement

with stakeholders about the scope and extent of many of the work packages. Feedback from public consultation events has been positive and these will continue to take place.

- 8.3 TfGM are undertaking traffic modelling to assess the proposed options for Albert Square for through traffic under 'business as usual' and 'event' conditions.
- 8.4 Workshops are scheduled for 2019 to ensure: design proposals will guarantee the building will be accessible to all, the finalisation of the management contract with Lendlease, scope and cost of early works are finalised and progress is made on the appointment of a suitable mechanical, electrical and plumbing contractor.
- 8.5 The responsibility for the building will transfer to the Management Contractor from May 2019, and they will then be responsible until the building is handed back to the Council in 2024. This will include Planned Preventative Maintenance, security, housekeeping operations along with reactive repairs in the building. Once the asset is transferred to the Management Contractor then the expenditure to run the building will be capitalised. Executive are asked to approve a funding switch of £32k from Capital to Revenue to pay for Planned Preventative Maintenance (PPM) works scheduled for April 2019 before the building formally transfers.

Variances – In Year

- 8.6 The forecast is now based on the actual tendered costs and some early works have now been re-phased in 2019/20. Professional fees for 2018/19 have been drawn down based on the number of days and following the finalisation of the Management Contractor terms, the cost and drawdown profile has been amended to reflect the commercial agreement. There was also a reduction on spend of ICT de-commissioning. As a result a total of £2.6m has been moved into 2019/20.

9 Housing - General Fund

- 9.1 The Private Sector Housing programme has spent £26.8m compared to a budget of £27.8m, variance of £1.0m. The programme is shown in the table below:

Private Sector Housing (General Fund)	18/19 Budget £m	18/19 Outturn £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Brunswick PFI Land Assembly	2.4	2.6	0.2	9.5	9.5	0.0
Disabled Facilities Grant	8.1	8.2	0.1	53.9	53.9	0.0
Extra Care	3.6	3.6	0.0	6.0	6.0	0.0
Ben St Regeneration	5.6	4.9	-0.7	15.6	15.6	0.0

Marginal Viability Fund – New Victoria	0.0	0.0	0.0	10.1	10.1	0.0
Marginal Viability Fund – Bowes Street	0.0	0.0	0.0	3.3	0.0	-3.3
Other Projects	8.1	7.5	-0.6	90.3	90.3	0.0
Total Private Sector Housing (General Fund)	27.8	26.8	-1.0	188.7	185.4	-3.3
		Reprofiling	-1.0			
		Cost Variations	0.0			
		Net over (under) spend	0.0			

- 9.2 The Private Sector Housing programme focuses on providing affordable housing including the facilities, adaptations and community focus required.

Activities

- 9.3 Major progress has been made on the redevelopment of the Turkish Centre within the Brunswick PFI Land Assembly scheme, with a final valuation for the build and fees expected in early 2019/20.
- 9.4 The Disabled Facilities Grant 2018/19 has been spent on mandatory and discretionary adaptations to people's homes. The remaining allocation from prior years will be carried forward in to 2019/20.
- 9.5 Plans are progressing for the development of the former Spire Hospital site in Whalley Range to provide extra care accommodation. It is expected that there will also be residential homes for sale. The financial model is being reviewed to ensure affordability and the project scope and risks are being finalised, with a business case expected in early 2019/20.
- 9.6 The current phase of the Ben Street project has completed on time and to specification.

Variances – All Years

- 9.7 The funding and delivery model associated with the Marginal Viability Fund – Bowes street scheme has been re-evaluated, with alternative options being explored. This will be subject to consultation with the Executive Member for Adult Health and Wellbeing as well as local stakeholders. In the interim, the £3.3m has been removed from the Capital Programme budget.

Variances – In Year

- 9.8 Acceleration of £0.2m budget for the Brunswick PFI Land Assembly scheme is required due to the progress noted in 9.3.

- 9.9 The Disabled Facilities Grant has been accelerated by £0.1m due to exceeding the anticipated number of completed adaptations within the financial year.
- 9.10 Reprofiting of the Ben Street Regeneration project is required, due to the contingency and risk retention budgets not being utilised in 2018/19. Therefore, a total of £0.7m budget will be moved in to 2019/20.
- 9.11 The budget for the West Gorton Community Park scheme is being reviewed, including the link to the European Community Fund – research project, looking at the impact of green space on climate change. Whilst the scheme is under review, the remaining £0.5m budget for 2018/19 will be re-profiled in to 2019/20.
- 9.12 There are various other projects within the Private Sector Housing portfolio that collectively require budget re-profiling in to future years of £0.1m.

10 Housing Revenue Account (HRA)

- 10.1 The Public Sector Housing (HRA) programme has spent £15.2m compared to a budget of £16.7m, a variance of £1.5m. The programme is shown in the table below:

Public Sector Housing (HRA)	18/19 Budget £m	18/19 Outturn £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Northwards	9.5	8.7	-0.8	124.7	124.7	0.0
North Manchester New Builds	7.2	6.2	-1.0	21.4	21.4	0.0
Other Projects	0.0	0.3	0.3	47.8	47.3	-0.5
Total Public Sector Housing (HRA)	16.7	15.2	-1.5	193.9	193.4	-0.5
		Reprofiting	-1.8			
		Cost Variations	0.3			
		Net over (under) spend	0.0			

- 10.2 The Public Sector Housing programme seeks to bring the estate up to and maintain Decent Homes standard including statutory health and safety regulations and the reduction of CO2 emissions.

Activities

- 10.3 The Northwards 2019/20 capital programme is currently being developed, along with business cases for Riverdale Maisonette improvements and demolition works and Low Rise blocks fire safety assessments. External factors, mainly relating to the Grenfell inquiry, have severely delayed the Northwards programme in this financial year.

- 10.4 Northwards have reported that 287 non-decent properties were refurbished to Decent Homes standard in 2018/19, and that energy efficiency targets are being exceeded. Northwards plan to commence further major improvements across their portfolio in early 2019/20 which will contribute further to the Decent Homes standards objectives. This will incorporate fire safety works including sprinkler systems. Work is continuing on sprinkler demonstration flats, with open days ongoing for tenants to view the system and ask any questions.
- 10.5 A scheme to provide communal heating for 270 properties through a ground source heat pump is being progressed, following confirmation of 50% match funding from European Regional Development Fund (ERDF).

Variances – All Years

- 10.6 There is a £0.5m variance to the Parkhill Land Assembly budget across all years. The legal title of the area is now under the Council's ownership and land remediation works have commenced. This underspend in future years is in relation to Homes England grant funding no longer being available.

Variances – In Year

- 10.7 Across the whole of the Northwards programme of works, there is a requirement to move £0.8m budget in to next financial year. This is due to various reasons such as delays in completing final accounts, potential savings that have been identified which won't be confirmed till next year, or other slight changes to schedules of works.
- 10.8 The North Manchester New Builds (NMNB) scheme will require total budget re-profiling of £1.0m in to next financial year across various tranches of the project. NMNB1 for the delivery of 60 new build units will slip £0.4m due to delays caused by the Utilities. A capital budget increase for NMNB3 was requested in March 2019 for additional funding to enable the development process to proceed, which will begin in early 2019/20 meaning that £0.6m budget will be moved to next year.
- 10.9 £0.3m of expenditure from the Asset Management Programme in relation to Woodward Court has been transferred to the HRA due to the asset being under HRA control.

11 Children's Services

- 11.1 The Children's Services programme has spent £29.8m compared to a budget of £31.6m, a variance of £1.8m. The programme is shown in the table below:

Children's Services	18/19 Budget £m	18/19 Outturn £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Basic Need and SEND Programme	28.1	27.3	-0.8	300.7	300.7	0.0
School Maintenance programme	2.3	2.1	-0.2	18.8	18.5	-0.3
Other Projects	1.2	0.4	-0.8	5.6	5.5	-0.1
Total Children's Services	31.6	29.8	-1.8	325.1	324.7	-0.4
		Reprofiling	-1.7			
		Cost Variations	-0.1			
		Net over (under) spend	0.0			

- 11.2 The main focus of the children's services programme is to provide additional school places for children across the City and maintain the school buildings. Ensuring that there is investment in modern, energy efficient and high quality education infrastructure which drives reductions in carbon across the estate of schools, 85% of materials are locally sourced and contractors recycle more than 75% of waste products.

Activities

- 11.3 Progress is being made expanding alternative provision (AP) and Special Educational Needs (SEN) provision at sites across the City including Burgess and Northridge. The tender exercise to appoint a contractor for the Northridge works has completed with the contract report to be drafted. The tender documents for the four other schools within the SEN programme of works are due to go out in mid-April to be returned mid-May, with works scheduled to start in May 2020.
- 11.4 The 2018/19 Schools Maintenance Programme is complete and final accounts are being agreed. Design work to support the 2019/20 Schools Maintenance Programme is nearing completion with several schemes already out for pricing with the contractors. Programming of these works will, where possible, provide for delivery during the summer break or where this cannot be achieved, with minimum disruption to the operation of the school.
- 11.5 Earlier this year, an issue regarding potential defects to buildings constructed using aerated concrete within the Education estate was identified. Schools potentially affected by this issue were all contacted and have now all been surveyed, with no instances of this type of concrete found.

Variances – All Years

- 11.6 The Schools Maintenance allocation for 2019/20 was released in March 2019, with Manchester due to receive £2.7m. Before the allocation was announced,

an estimated £3.0m was put in to the budget, hence this has now been reduced by £0.3m.

- 11.7 There is a £0.1m underspend on the project to install additional toilets at the Greenheys Adult Education Centre on Upper Lloyd Street due to costs being funded from revenue budgets.

Variances – In Year

Basic Need Programme

- 11.8 Within the Basic Need programme, the contingency budgets against various recently completed projects will be moved in to 2019/20 until it is clear how much, if any will need to be utilised:
- The contingency budget of £0.1m against the Crossacres Primary School project to build an eight modular class building and multi-use hall will be moved in to 2019/20. The programme is complete and was handed over with a few minor issues being dealt with during the defects liability period. This period ends in September 2019.
 - Works to expand the Co-op Academy are now complete, with the contingency budget of £0.4m moved in to 2019/20 until it is clear how much of the of this the Trust will claim.
 - £0.1m contingency budget for the Beaver Road project to construct new school accommodation on the site of the former Manchester Metropolitan University Halls of Residence will also be moved in to 2019/20. This was retained for the defects liability period and there will not be any spend against it in 2018/19.
- 11.9 Within the Basic Need Programme, there is potential budget provision for a new high school at Matthews Lane to increase the number of secondary places in the central and eastern area of the City. Initial works at the site have been completed, however the project is currently paused pending a review of the number of school places required in the context of both the Council's Basic Need Programme and the Government's Free School Programme. The remaining £0.2m budget for 2018/19 will be moved in to 2019/20.

Schools Maintenance Programme

- 11.10 Within the Schools Maintenance programme, the schemes to rewire Cheetwood Primary school and Crowcroft Primary school are now complete with an underspend of £0.2m collectively. These funds will be vired back into the unallocated Schools Maintenance budget to be utilised on other projects.

Other Projects

- 11.11 The Universal Infant Free School Meals (UIFSM) Grant allocated to the Council to help schools improve their kitchen and dining facilities has an

unallocated budget of £0.4m for 2018/19. This will be reallocated for use in 2019/20.

11.12 £0.3m budget for the Gorton Youth Zone scheme will be moved into the next financial year as there was a slight delay in getting the Development Agreement and property deal signed off by the Legal team. This has now been completed and an invoice is expected to be submitted soon, upon which the next drawdown will take place.

11.13 The remaining £0.1m is the underspend on Greenheys toilets, referred to in 11.7.

12 ICT Capital Programme

12.1 The ICT programme has spent £3.7m against a budget of £6.3m, a variance of £2.6m. The programme is shown in the table below:

ICT	18/19 Budget £m	18/19 Outturn £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
New Social Care System	2.0	1.3	-0.7	3.2	3.2	0.0
ICT Investment Plan unallocated	0.0	0.0	0.0	28.4	28.4	0.0
Other Projects	4.3	2.4	-1.9	43.3	43.3	0.0
Total ICT	6.3	3.7	-2.6	74.9	74.9	0.0
		Reprofiling	-2.6			
		Cost Variations	0.0			
		Net over (under) spend	0.0			

12.2 The aim of the ICT programme is to reduce key risks, decommission legacy platforms and to create a simpler, more robust, resilient and easier to support environment. The programme will move towards a modern infrastructure whilst adding business value.

Activities

12.3 An Interim ICT Director has now been recruited who started in May 2019.

12.4 The ICT Capital Investment plan is being reviewed in order to ratify the committed spend against the overall budget allocated. A roadmap is also being constructed to inform the order and interdependencies of ICT projects which will also support allocation of the remaining budget across future years. The Digital Experience Programme will form part of this assessment as it identifies upgrades to infrastructure required to support future developments and improve the service the council offers to residents.

- 12.5 Plans to procure and implement a new and updated Wider Area Network (WAN) are underway. This will provide a new fit for purpose network which delivers adequate and appropriate bandwidth for all sites, together with the capacity, resilience and security to transport services such as Telephony and Wi-Fi. ICT have gone out to tender for a new telephony platform with the intention to award the contract at the end of August 2019.
- 12.6 The scheme to implement both a new social care system – Liquid Logic and a new social care payments system – ContrOCC has been reviewed and it is now planned to conclude at the end of July 2019 when both systems will go live. The project intends to automate many of the processes that support social care payments, and improve reporting and performance monitoring to enable tracking of activities and finances. An e-learning training module has been issued to all intended users along with ‘Stop the Clock’ training sessions to support staff in completing this training.

Variances – In Year

- 12.7 For the new social care system Liquid Logic, payment dates have now changed meaning that £0.7m needs to be re-profiled in to future years. The payments were due to be made at the end of cycle 6 of testing, for user acceptance testing (UAT) in its entirety, however it has now been decided that a 7th round of testing is required. This will happen in May/June prior to the go live date in July, and as a result the final payment will need to be made in 2019/20.
- 12.8 Kit for the Data Centre Network Design and Implementation project that was scheduled to arrive at the very end of March has arrived in early 2019/20, and as a result £1.4m will need to be reprofiled in to next financial year.
- 12.9 A business case to support the Council’s adherence to compliance regulation has recently been approved. This will also ensure that core infrastructure is fully supported and secure to enable improved performance and platform stability. Works will begin next year and as such, the £0.3m budget will be moved in to 2019/20 when the project is expected to complete.
- 12.10 The Core Infrastructure Refresh project has not yet completed the migration to new storage hardware and data domains with DellEMC. The project was expected to complete in 2018/19, however due to slight delays will now complete in early 2019/20 meaning that the remaining £0.1m budget will be required next financial year.
- 12.11 Various other projects within the ICT portfolio require movement of £0.1 total budget in to future years.
- 12.12 ICT have requested to combine the budgets for the Communications Room Replacement Phase 2 and the Corporate Wifi schemes as a single supplier will be sought to deliver both projects under one project manager. Procurement is due in July relating to both projects.

13 Corporate Services Programme

13.1 The Corporate Services programme has spent £130.0m compared to a budget of £134.0m, a variance of £4.0m. The programme is shown in the table below:

Corporate Services	18/19 Budget £m	18/19 Outturn £m	18/19 Variance £m	All Years Budget £m	All Years Forecast £m	All Years Variance £m
Integrated Working – Gorton Health Hub	1.4	0.9	-0.5	22.8	22.8	0.0
Airport Strategic Investment	125.0	124.2	-0.8	125.0	124.2	-0.8
Other Projects	7.6	4.9	-2.7	25.1	25.1	0.0
Total Corporate Services	134.0	130.0	-4.0	172.9	172.1	-0.8
		Reprofiling	-3.2			
		Cost Variations	-0.8			
		Net over (under) spend	0.0			

Activities

13.2 Included in the Corporate Services programme is Gorton Health Hub which will bring together key organisations responsible for tackling worklessness and low skills. The business case is due in mid May which will request funding to continue the RIBA process and established partner commitments as part of the overall function of the completed asset.

13.3 As detailed in the reports to Executive on 18th October 2017, in order to drive further growth, substantial capital expenditure is required at both Manchester and Stansted Airports. Both airports have terminal transformation projects. The Council has provided a term loan facility of £124.2m as one of the public sector shareholders along with the other District Councils.

Variances – All Years

13.4 The final instalment of the Airport Strategic Investment was paid in December 2018, and the total investment was £0.8m less than originally budgeted for, hence there is an underspend across all years.

Variances – In Year

13.5 There has been slippage of £0.5m on the Integrated Working – Gorton Health Hub scheme, due to the discovery of an unknown 900mm sewer on site which led to stoppage time while a project review took place to determine how it would be dealt with in the design.

13.6 Due to slight delays with property agreements and building fit outs for the Phase 1 Implementation – Locality Plan Programme Office works, the project

is now expected to finish in 2019/20 and as a result £0.3m has been moved into 2019/20.

- 13.7 For the BioMedical Investment programme, the company is ahead of progress as set out in the business plan. A variation in the work programme has led to a re-phasing to the timing of the loan drawdown. The remaining £2.4m budget from 2018/19 will be moved in to 2019/20.

14 Capital Financing 2018/19

- 14.1 The funding of the 2018/19 Capital Programme is summarised below:

	£m	%
Capital Expenditure	452.8	
Financed by:		
Government Grants	76.5	16.9%
Other External Contributions	12.1	2.7%
Capital Receipts	41.1	9.1%
Revenue Funding	9.0	2.0%
Major Repairs Reserve	14.1	3.1%
Borrowing	300.0	66.2%

- 14.2 The Executive is asked to note the following decisions made by the Deputy Chief Executive and City Treasurer regarding the funding of the capital expenditure incurred in 2018/19.

- Any unused grant, subject to conditions, has been carried forward in to 2019/20 and will be matched against future spend. The programme was managed to ensure that any grant with a risk of claw back due to time constraints or other factors was fully utilised in 2018/19. Similarly, any external contributions that have not been used will be carried forward in to 2019/20.
- The balance of available capital receipts carried forward from 2017/18 was £72.0m. A further £51.0m receipts were received in 2018/19. Drawdown of capital receipts was £41.1m leaving a balance for use in future years of £81.9m, of which £54.9m relate to Housing, plus any new receipts generated in 2019/20.
- Revenue contributions were used to finance expenditure of £9.0m, including works on Strategic Acquisitions, the HRA, and to fund ICT expenditure.
- The Major Repairs Reserve funds expenditure on the HRA capital programme. The use of this reserve includes self-financing revenue from the HRA revenue budget.
- Borrowing of £300.0m has been used to fund the programme. This figure is higher than in previous years, in the main due to the £124.2m term loan facility paid to Manchester Airport to support their transformation project, and a further £74.6m borrowing used to support the Housing Investment Fund.

- The minimum revenue provision for 2018/19 was £20.9m. This is the funding set aside to repay the debt incurred through funding previous capital expenditure through borrowing. This has been funded from the Council's capital financing budget.

15 Capital Programme Re-phasing and Variations 2019/20 to 2023/24

15.1 Based on the monitoring information above, it is proposed that the capital programme budget is re-phased to reflect the planned delivery of projects in 2019/20 to 2023/24. The cumulative impact of these adjustments are shown in the table below. The future programme will be reviewed throughout 2019/20 to reflect changes to the proposed profile of spend.

Proposed Capital Programme variations 2018/19 to 2023/24

	2018/19 £m	2019/20 £m	2020/21 £m	2021/22 £m	2022/23 £m	2023/24 £m	Total Programme £m
Revised Capital Budget (March 2019)	495.8	509.0	420.3	244.3	87.0	39.0	1,795.2
Forecast Re-profile	-41.4	2.6	17.6	0.5	11.3	9.2	0.0
Cost Variations	-1.0	-1.9	-1.0	-2.7	-2.2	0.0	-9.0
Proposed Capital Budget	453.3	509.7	436.9	242.0	96.1	48.2	1,786.2
<i>Of which:</i>							
Manchester City Council Programme	362.1	358.5	398.9	242.0	96.1	48.2	1,505.8
Programme on behalf of Greater Manchester	91.2	151.2	38.0	0.0	0.0	0.0	280.4

15.2 Further details regarding the proposed adjustments to the programme are given below.

Budget re-profiling:

15.3 As highlighted in the narrative of this report, various schemes throughout the capital programme are now forecast to be accelerated into 2018/19, or have been moved to 2019/20 or future years. The budgets for these projects will be re-profiled to reflect the changes, and the revised budget profiles are shown at Appendix C.

Virements

15.4 Various schemes across the programme require virements in 2018/19 and 2019/20, as shown in Appendix A.

15.5 The Council is recommended to approve virements over £0.5m within the capital programme as outlined in Appendix A.

- 15.6 The Executive is recommended to approve virements under £0.5m within the capital programme as outlined in Appendix A.

Cost Variations

- 15.7 Various schemes across the programme require cost variations to reflect their updated forecast. Details of these can be found in Appendix B. For major cost variations, the reasons are detailed in the project narrative in the earlier sections of this report.

16 Risks to the Future Forecasts

- 16.1 The Capital Budget is prepared on the best estimate of the spend profile for each scheme across its life. The format of the monitoring report has been updated to monitor the total cost of the scheme across the total life of the scheme and the budget and spend profile are updated as the scheme develops. As such the budget profile will always be subject to change and some of the main factors which may lead to changes being required are outlined below.
- 16.2 All projects carry risk such as delivery risk, third party risk and market risk. Whilst the updated forecasts reflect officers expectations based on existing and planned works, these may change as projects develop and in response to wider market changes.
- 16.3 The programme also contains some budgets which are yet to be allocated to specific projects but are reserved for a specific purpose, such as Basic Need funding for additional school places, the Highways Investment Fund and the ICT Fund. This is predominantly because the future projects are not yet at the stage where procurement can take place, or are dependent on other projects completing. The current forecast profile of spend is based upon service's view as to the expected timescales for project initiation, completion and cost, and once projects are approved through the Council's capital approval process the budgets will be allocated and the Capital Budget updated accordingly.
- 16.4 This creates some uncertainty in the programme, but ensures that the programme reflects the likely use of resources and enables agile approval processes for relevant projects as they are developed. These budgets are carefully monitored throughout the financial year and, if the expected programme of works changes, the impact on the forecast will be reported at the earliest opportunity.
- 16.5 Specific risks have been identified across the capital programme and are detailed below. Whilst efforts have and will be made to mitigate these risks, they cannot be removed and therefore the future forecast may change. Directorate teams are required to monitor and report risk as part of their regular capital monitoring processes. This will form part of the monitoring reports to members throughout the financial year.

Highways

- 16.6 The Highways programme for 2019/20 contains a high number of large and strategically important projects for the highway network. Whilst the service is working to ensure that the works can be delivered to the timescales indicated, this will require the successful mitigation of a number of key and significant risks.
- 16.7 With the nature of the projects in Highways, there are inherent risks around external factors, such as weather conditions, which can hinder the schedule of works. The availability of appropriately skilled resources has also been identified as a significant risk to the timely delivery of projects, with efforts being made to recruit to vacant posts and secure the skills required.
- 16.8 Extensive consultation and engagement with stakeholders to manage expectations within available budgets and realistic timescales is undertaken to minimise the risk of scope creep. Additional funding opportunities through partners are also routinely explored in order to increase project scope.
- 16.9 Failure to complete the land acquisition necessary to support proposals for the Department for Transport (DfT) Pinch Point Widening scheme on Hyde Road may impact deliverability. The construction programme may need to be phased to allow work to progress where ownership is not an issue.

Neighbourhoods

- 16.10 External funding can form a significant part of available budgets to support parks improvements but is subject to lengthy negotiation and is not always successful. The risk profile has been updated to include the ability to secure match funding from external partners including Historic England and the Heritage Lottery Fund. This will be monitored by the programme board.
- 16.11 Recruitment to the Parks Development Programme team needs to be successfully completed to enable the feasibility studies and options appraisals required to support future delivery to be completed.

Strategic Development

- 16.12 The risk profile for the Factory focuses on ensuring the project is delivered within the agreed budget and timescales and the delivery and installation of the steel required for the building construction.
- 16.13 It should be noted that there are a number of significant elements of the Corporate Estates programme, such as the 2019/20 Strategic Acquisitions programme, which are dependent on negotiations with third parties in order to achieve a successful outcome e.g. for land acquisitions. As a result the budget profile is a best estimate and is likely to change. There may also be pressure on the Strategic Acquisitions budget as city wide strategies evolve. The programme is currently subject to a detailed review and prioritisation exercise.

- 16.14 Delivery of the Carbon Reduction Programme is dependent on the availability of suitable resources which are unavailable in-house. Officers are exploring best practice and lessons learnt from other Local Authorities, as well as seeking an appropriate route through the various available frameworks. Each project within the programme will be tightly monitored and reported to ensure that early action can be taken to address any issues as they arise.
- 16.15 Ability to secure resources and suppliers in a buoyant market is a risk to the Estates Transformation Programme. It is being mitigated through early and ongoing planning to inform pipeline decision making about resource availability and allocation.
- 16.16 There is a carefully planned rolling programme of activity to assess and address end of life replacements and close collaboration with Capital Programmes colleagues to ensure momentum is maintained. This may lead to a change in priorities during the year.
- 16.17 The Eastern Gateway - Central Retail Park project may require re-profiling dependant on the scheme of works for the remediation of the site, which is still to be determined.

Our Town Hall

- 16.18 Due to the size, duration and nature of the programme, risk will be carefully managed through and across the various work packages. Site investigations and early works are vital to inform the design and cost aspects.
- 16.19 At this early stage of the project the spend profile remains uncertain. Once the project receives Notice to Proceed (NTP) a more detailed timeline of work will be agreed. Again it is likely that the budget profile will change.
- 16.20 In addition, external factors such as supply chain uncertainty and the availability or otherwise of sufficient and appropriate specialists to ensure the quality of the finished work, will require careful monitoring to ensure early action can be taken to reduce any negative impact on cost and programme.

Housing General Fund

- 16.21 Delays with acquisitions, refurbishment works or sales could potentially result in the Empty Homes Programme being delayed with action needed to minimise the amount of time the Council is responsible for the properties. Similarly, delays to Extra Care schemes could impact on savings projected by Adult Services and the availability of funding from third parties. Given the early stage of this project this risk is not quantifiable but will be closely monitored.

Housing Revenue Account

- 16.22 The Northwards programme relies on the performance of a number of contractors to deliver projects which creates a risk of delays. Ongoing

monitoring of performance and regular communication with partners are used to manage risks in these areas.

- 16.23 There are risks around obtaining listed building consent and planning approvals required for some of the projects, to be managed through timely collaboration with colleagues in Planning and design teams.

Children's Services

- 16.24 As the DfE have confirmed that Manchester will receive no Education Basic Need funding in 2020/21 due to significant investment planned in free schools, the forward plan for the Education Programme will be dependent on the decision on the next wave of free schools. The statutory duty to provide places belongs to the City Council and the relationship with the DfE is key in ensuring that the free school places are delivered on time in order that the duty can be met.
- 16.25 There is a further risk around the Council's ability to meet the continued growth of pupil numbers – particularly in-year school admissions which is more difficult to accurately project and manage. There is also a risk around the pace of residential development and the demand for school places outweighing the available supply in particular areas of the City. To offset these risks, the Director of Education is currently developing a School Places plan for 2020 to 2025 using forecasted demand to ensure that there is sufficient high quality school places available in the right areas across the City although this is dependent on identifying appropriate sites in the right areas.

ICT

- 16.26 ICT projects are often interdependent which can lead to adjustments to the schedule of activity should changes occur in a particular project. Some projects may need external support and advice to be delivered and this may create delays as such work is completed.
- 16.27 ICT projects are subject to external factors such as cyber security risks as an incident could result in data unavailability or loss, impacting the Council's critical applications and services. The Council has PSN compliant infrastructure and up to date anti-virus software to mitigate this. The use of end of life software and hardware form part of the ICT risk profile to ensure ongoing operation of systems and hardware.
- 16.28 Ongoing risks around expiration of licenses and support contracts are managed through monitoring and review at operational and strategic level, taking into account costs associated with maintaining or changing existing arrangements into future years.

Corporate Programme

16.29 The nature and scope of the schemes within the Corporate Programme mean that the Council is highly reliant on third parties in determining the likely profile of spend and there is therefore a risk of external factors causing delays.

17 Social Value

17.1 All capital business cases are required to provide information on social value impact likely to be generated as part of the scheme. These include details of employment of local residents, training of local residents, improvements in key health outcomes, support of community cohesion, improvement in key education outcomes, help to other excluded groups and promoting environmental sustainability. These are considered as part of the scheme approval process via the Checkpoint system. Work is on-going as part of improving overall contract monitoring to review the monitoring of these activities.

18 Capital Resources

18.1 The capital programme is reviewed on an ongoing basis to confirm the capital resources required to finance capital spend are in place and the future years programme is fully funded. Work will continue to ensure that the resources required to finance the capital programme are secured and the level of prudential borrowing remains affordable.

18.2 The Deputy Chief Executive and City Treasurer will continue to manage the financing of the programme to ensure the final capital funding arrangements secure the maximum financial benefit to the City Council.

18.3 The requirements of the capital programme over the next five years are significant and both spend and funding streams will require close monitoring, particularly with the level of uncertainty for future funding allocations.

19 Key Polices and Considerations

(a) Equal Opportunities

19.1 By investing in building adaptations, access for people with mobility difficulties is made easier.

(b) Risk Management

19.2 The capital programme is based on forecast costs and funding, and as such there are risks to achieving the programme from external factors such as shortage of labour or materials, alongside market risks such as price fluctuations and interest rate charges. The Strategic Capital Board, and associated Portfolio Boards for each part of the programme, are tasked with regular monitoring of costs, delivery, quality and affordability, to help manage and mitigate these risks.

(c) Legal Considerations

19.3 None.

Capital Programme Outturn 2018/19 – **Appendix A** – Virements Requested

Project Name	2019/20 Virement	2020/21 Virement	2021/22 Virement	2022/23 Virement
Safe Routes to Loreto High School	58			
Safe Routes to Schools	-58			
Total Highways Programme	0	0	0	0
External cyclical works ph 3a		-1		
2/4 Blocks Heating replacement with Individual Boilers		-5		
Decent Homes mop ups ph 9 and decent homes work required to voids		20		
Decent Homes mop ups ph 10 and voids		-20		
Electricity North West distribution network ph 4 (various)	83			
Collyhurst - Mossbrook/Roach/Vauxhall/Humpries Court Internal Works	-100			
Northwards Housing Programme	17	6		
Total Public Sector Housing (HRA) Programme	0	0	0	0
Brookside Rd Moston		11		
North Hulme Adv Playground		6		
Monsall Road (Burgess)		7		
Roundwood Road		9		
Education Basic Needs Unallocated		-33		
Moston Lane Re-roof	19			
Abbott Primary School Fencing	10			
Broad Oak Primary School works	116			
School Capital Maintenance Unallocated	-145			
Paintpots Nursery	5			
Early Education for two year olds Unallocated	-5			
Total Children's Services Programme	0	0	0	0

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Capital Programme Outturn 2018/19 – **Appendix B** – Cost Variations

Project Name	2019/20 Cost Variation	2019/20 Cost Variation	2020/21 Cost Variation	2021/22 Cost Variation	2022/23 Cost Variation
Project Delivery Procurement	- 265				
Total Highways Programme	- 265				
Parks Development Programme	- 97	- 1,926	- 1,080	- 2,734	- 2,231
Total Parks Programme	- 97	- 1,926	- 1,080	- 2,734	- 2,237
The Factory (Build)	811				
Collyhurst Police Station Liabilities	- 844				
Airport City Power Infrastructure	- 25				
Total Strategic Development Programme	- 58				
Woodward Court Asset Management Programme Costs	283				
Total Public Sector Housing (HRA) Programme	283				
Greenheys Toilets	- 67				
Total Education Programme	- 67				
Airport Strategic Investment	- 750				
Total Corporate Capital Programme	- 750				
Total Cost Variations	- 954	- 1,926	- 1,080	- 2,734	- 2,237

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Capital Programme Outturn 2018/19 – **Appendix C** – Revised Capital Budget 2019/20 – 2023/24

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	Total Budget
Planned Highways Maintenance Programme	435	75	0	0	0	510
Drainage	970	570	0	0	0	1,540
Large Patching repairs	1,088	1,281	780	0	0	3,149
Carriageway Resurfacing	5,287	7,190	6,284	0	0	18,761
Footway schemes	1,200	3,768	3,831	0	0	8,799
Carriageway Preventative	4,139	8,282	7,395	0	0	19,816
Bridge Maintenance	400	3,782	3,018	0	0	7,200
Other Improvement works	1,069	5,769	4,833	0	0	11,671
Project Delivery Procurement	757	1,681	1,438	0	0	3,876
Ardwick Grove Village Parking	0	20	0	0	0	20
Didsbury Village Tram Stop Traffic Mitigation	0	18	0	0	0	18
Section 106 Highways work around Metrolink	0	47	0	0	0	47
Barlow Moor Road	27	0	0	0	0	27
Etihad Expansion - Public Realm	59	0	0	0	0	59
Velocity	572	0	0	0	0	572
Cycle City Phase 2	2,318	2,000	0	0	0	4,318
Safe Routes to Loreto High School	107	0	0	0	0	107
Congestion Target Performance	235	0	0	0	0	235
Piccadilly Undercroft Gating	7	0	0	0	0	7
20mph Zones (Phase 3)	96	370	0	0	0	466
ITB Minor Works	91	0	0	0	0	91
Flood Risk Management - Hidden Watercourses	49	0	0	0	0	49
Flood Risk Management - Higher Blackley Flood Risk	41	0	0	0	0	41
Hyde Road (A57) Pinch Point Widening	1,737	2,123	0	0	0	3,860
Manchester/Salford Inner Relief Road (MSIRR)	7,857	100	0	0	0	7,957
Great Ancoats Improvement Scheme	3,615	4,454	0	0	0	8,069

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	Total Budget
Mancunian Way and Princess Parkway NPIF	5,658	2,139	11	0	0	7,808
Cycle Parking	15	0	0	0	0	15
Shadowmoss Rd / Mossnook Rd	12	0	0	0	0	12
Birley Fields Campus improvements	0	34	0	0	0	34
Princess Rd Safety Review	486	0	0	0	0	486
School Crossings	1,421	924	0	0	0	2,345
Kingsway Speed Cameras	11	0	0	0	0	11
Green Bridge at Airport City	449	1,216	1,300	0	0	2,965
Public Realm	1,962	400	400	0	0	2,762
Street Lighting PFI	10,626	2,031	0	0	0	12,657
Didsbury West S106	24	0	0	0	0	24
S106 Whalley Grove	29	0	0	0	0	29
A56 Liverpool Road	80	0	0	0	0	80
A56 Chester Road	51	0	0	0	0	51
M56	148	0	0	0	0	148
Pay and Display Machines	924	0	0	0	0	924
North Manchester Hospital Residents Parking	9	0	0	0	0	9
Parking Schemes	558	120	0	0	0	678
Sunbank Lane S278	40	0	0	0	0	40
Sharston Roundabout SCOOT	40	0	0	0	0	40
Derwent Avenue S106	14	0	0	0	0	14
Local Roads (temp SEMMMS A6 Stockport)	255	0	0	0	0	255
SEMMMs A6 to Manchester Airport	50	0	0	0	0	50
Bus Priority Package - Oxford Road	312	0	0	0	0	312
Bus Priority Package - Princess Street/Brook Street	153	0	0	0	0	153
Total Highways Programme	55,483	48,394	29,290	0	0	133,167

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	Total Budget
Waste Reduction Measures	1,459	0	0	0	0	1,459
Waste Contract	5,929	0	0	0	0	5,929
Smart Litter Bins	258	0	0	0	0	258
Hollyhedge Park Drainage IMPS	2	0	0	0	0	2
Heaton Park Pay & Display	8	0	0	0	0	8
PIP - Park Events Infrastructure	289	0	0	0	0	289
Parks Development Programme	640	2,965	2,965	2,965	2,965	12,500
Somme 100 Year Memorial	33	0	0	0	0	33
Painswick Park Improvement	30	0	0	0	0	30
Heaton Park Southern Play Area	370	0	0	0	0	370
Wythenshawe Park Sport Facilities	139	0	0	0	0	139
Northenden Riverside Park	75	0	0	0	0	75
King George V Park	81	0	0	0	0	81
Indoor Leisure - Abraham Moss	2,008	9,076	3,107	0	0	14,191
Indoor Leisure - Moss Side	93	0	0	0	0	93
FA Hubs	0	13,000	0	0	0	13,000
Boggart Hole Clough - Visitors Centre	535	0	0	0	0	535
Velodrome Track	71	0	0	0	0	71
Contact Theatre loan	200	0	0	0	0	200
MAC - Booth St Car Park	148	0	0	0	0	148
Relocation of Manchester Visitor Info Centre (MVIC)	59	0	0	0	0	59
GM Archives Web Portal	128	0	0	0	0	128
Central Library Wolfson Award	32	0	0	0	0	32
Roll Out of Central Library ICT	7	0	0	0	0	7
Newton Heath Library	17	0	0	0	0	17
Open Libraries	458	0	0	0	0	458
Total Neighbourhoods Programme	13,069	25,041	6,072	2,965	2,965	50,112

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	Total Budget
First Street Cultural Facility	14	0	0	0	0	14
The Factory (Build)	44,244	42,173	10,679	0	0	97,047
The Factory (Public Realm)	0	2,182	0	0	0	2,182
Asset Management Programme	10,945	11,650	7,915	0	0	30,510
Strategic Acquisitions Programme	4,331	3,000	1,323	0	0	8,654
Town Hall Complex Transformation Programme	67	0	0	0	0	67
Hammerstone Road Depot	2,940	10,037	1,280	0	0	14,257
Heron House	3,073	0	0	0	0	3,073
Registrars	1,400	0	0	0	0	1,400
Carbon Reduction Programme	6,095	3,791	191	0	0	10,077
Civic Quarter Heat Network	15,064	4,000	4,000	0	0	23,064
Lincoln Square	0	1,200	0	0	0	1,200
Estates Transformation	0	215	585	0	0	800
Estates Transformation - Hulme District Office	702	0	0	0	0	702
Estates Transformation - Alexandra House	6,069	5,038	659	0	0	11,766
Ross Place Refurbishment	854	0	0	0	0	854
The Space Project - Phase 2	987	0	0	0	0	987
The Sharp Project	600	0	0	0	0	600
Digital Asset Base - One Central Park	3,330	0	0	0	0	3,330
Sustaining Key Initiatives	0	0	5,000	8,600	0	13,600
New Smithfield Market	469	0	0	0	0	469
Eastern Gateway - Central Retail Park	150	2,829	0	0	0	2,979
Eastern Gateway - New Islington Marina	3,583	0	0	0	0	3,583
Proud Trust - Sidney Street	250	0	0	0	0	250
Hall and Rogers	57	0	0	0	0	57
Northern Gateway	6,175	6,675	7,275	4,875	0	25,000
Hulme Hall Rd Lighting	36	0	0	0	0	36

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	Total Budget
ST Peters Square	799	0	0	0	0	799
Medieval Quarter Public Realm	1,663	0	0	0	0	1,663
City Labs 2	2,023	0	0	0	0	2,023
Manchester College	10,000	0	0	0	0	10,000
Digital Business Incubators	2,000	0	0	0	0	2,000
Total Strategic Development Programme	127,920	92,790	38,907	13,475	-	293,092
Our Town Hall refurbishment	26,875	67,457	103,153	65,836	29,554	292,875
Total Town Hall Refurbishment Programme	26,875	67,457	103,153	65,836	29,554	292,875
Brunswick PFI Land Assembly	1,547	737	0	0	0	2,284
Collyhurst Regeneration	178	3,700	0	0	0	3,878
Collyhurst Environmentals	55	0	0	0	0	55
Collyhurst Acquisition & Demolition (Overbrook & Needwood Close)	0	505	565	0	0	1,070
Collyhurst Land Assembly Ph1	33	0	0	0	0	33
Collyhurst Land Acquisitions Ph2	210	799	0	0	0	1,009
Eccleshall Street - 3 Sites	500		0	0	0	500
Site Investigation and Early Works HIF Pilot Sites	95	155	0	0	0	250
Miles Platting PFI Land Assembly	632	0	0	0	0	632
Disabled Facilities Grant	7,801	6,200	6,200	0	0	20,201
Toxteth St CPO & environmental works	156	0	0	0	0	156
Bell Crescent CPO	0	0	0	0	482	482
HCA Empty Homes Cluster Phase 2	801	891	0	0	0	1,692
Empty Homes Scheme	2,000	0	0	0	0	2,000

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	Total Budget
Redrow Development Phase 2 onward	23	0	0	0	0	23
West Gorton Compensation	4	0	0	0	0	4
West Gorton Ph 2A Demolition & Commercial Acquisitions	448	904	0	0	0	1,352
Armitage Nursery & Community Facility	2,190	0	0	0	0	2,190
HMRF	50	40	104	0	0	194
Collyhurst Acquisition & Demolition (Overbrook & Needwood Close)	0	661	0	0	0	661
Extra Care	2,445	0	0	0	0	2,445
Moston Lane Acquisitions	0	0	0	0	7,500	7,500
Equity Loans	0	397	0	0	0	397
West Gorton Community Park	1,831	0	0	0	0	1,831
Ben St. Regeneration	1,256	6,877	0	0	0	8,133
Marginal Viability Fund - New Victoria	6,457	3,617	0	0	0	10,074
Marginal Viability Fund - Bowes Street	929	2,385	0	0	0	3,314
Total Private Sector Housing Programme	29,641	27,868	6,869	0	7,982	72,360
Charlestown - Victoria Ave multistorey window replacement and ECW - Phase 1	8,000	7,190	0	0	0	15,190
External cyclical works phase 3a	9	23	0	0	0	32
Harpurhey Lathbury & 200 Estates external cyclical works ph 3b	-18	31	0	0	0	13
Environmental works	19	0	0	0	0	19
Harpurhey Shiredale Estate externals	0	15	0	0	0	15
Moston Miners Low Rise externals	14	4	0	0	0	18
Newton Heath Limestone Drive externals	0	6	0	0	0	6
Renewal of 4 automatic pedestrian gates at Victoria Square	45	0	0	0	0	45

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	Total Budget
External cyclical works ph 3b Harpurhey - Jolly Miller Estate ph 3b	0	82	0	0	0	82
External cyclical works ph 3b Moston Estates (Chauncy/Edith Cliff/Kenyon/Thorveton Sq)	0	2	0	0	0	2
External cyclical works ph 3b Ancoats Smithfields estate	102	0	0	0	0	102
External cyclical works ph 4b Charlestown Chain Bar low rise	0	45	0	0	0	45
External cyclical works ph 4b Charlestown Chain Bar Hillingdon Drive maisonettes	0	15	0	0	0	15
External cyclical works ph 4b Crumpsall Blackley Village	34	0	0	0	0	34
External cyclical works ph 4b Higher Blackley South	32	26	0	0	0	58
External cyclical works ph 4b Newton Heath Assheton estate	0	27	0	0	0	27
External cyclical works Ph 4b Newton Heath Troydale Estate	0	89	0	0	0	89
External cyclical works Ph 5 New Moston (excl corrolites)	0	38	0	0	0	38
Environmental improvements Moston corrolites	67	0	0	0	0	67
Charlestown - Victoria Ave multistorey replacement door entry systems	0	18	0	0	0	18
ENW distribution network phase 4 (various)	302	0	0	0	0	302
Dam Head - Walk up flats communal door renewal	127	0	0	0	0	127
Delivery Costs	909	827	0	0	0	1,736
2/4 Blocks Heating replacement with Individual Boilers	0	115	0	0	0	115
Lift replacement / refurbishment programme	2	0	0	0	0	2
Decent Homes mop ups ph 9 and decent homes work required to voids	60	0	0	0	0	60
One offs such as rewires, boilers, doors, insulation	0	33	0	0	0	33
Whitemoss Road and Cheetham Hill Road Local Offices - Improvements	0	3	0	0	0	3

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	Total Budget
Ancoats - Victoria Square lift replacement	265	0	0	0	0	265
Job 40502 Aldbourne Court/George Halstead Court/Duncan Edwards Court works	15	0	0	0	0	15
Boiler replacement programme - Job 40491	25	341	0	0	0	366
Kitchen and Bathrooms programme	1,788	94	0	0	0	1,882
Harpurhey - Monsall Multis Internal Works	2,385	85	0	0	0	2,470
Various - Bradford/Clifford Lamb/Kingsbridge/Sandyhill Court Internal Works	2,471	108	0	0	0	2,579
Collyhurst - Mossbrook/Roach/Vauxhall/Humphries Court Internal Works	2,691	106	0	0	0	2,797
Decent Homes mop ups phase 10 and voids	633	129	0	0	0	762
One off work - rewires, boilers, doors	158	0	0	0	0	158
Fire precautions multi storey blocks	1,078	1,000	0	0	0	2,078
Installations of sprinkler systems - multi storey blocks	2,380	221	0	0	0	2,601
Replacement of Prepayment Meters in High Rise Blocks	0	20	0	0	0	20
ERDF Heat Pumps	555	2,982	167	0	0	3,704
Delivery Costs	1,502	246	0	0	0	1,748
Bringing Studio Apartments back in use	25	0	0	0	0	25
Improvements to Homeless accommodation city wide	0	201	0	0	0	201
Plymouth Grove Women's Direct Access Centre	0	28	0	0	0	28
Improvements to Homeless Accommodation Phase 2	723	267	0	0	0	990
Delivery Costs	78	45	0	0	0	123
Northwards Acquisitions	3	0	0	0	0	3
Stock Acquisitions	0	28	0	0	0	28
Adaptations	720	0	0	0	0	720
Northwards Housing Programme	696	15,889	22,176	0	0	38,761
Collyhurst Maisonette Compensation & Dem	89	0	0	935	0	1,024
West Gorton PH2A Low & High Rise Demolition	26	0	0	0	0	26

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	Total Budget
Collyhurst Estate Regeneration	700	8,695	10,235	1,841	0	21,471
Buy Back Properties - Right to Buy	155	0	0	0	0	155
Collyhurst Regen - Highways Phase 1	0	190	97	1,394	0	1,681
Collyhurst Regen - Churnett Street	0	0	0	790	0	790
Collyhurst Regen - Needwood & Overbrook acquisition / demolition	0	125	0	0	0	125
Willert Street Park Improvements	10	0	0	0	0	10
North Manchester New Builds	546	0	0	0	0	546
North Manchester New Builds 2	442	10,700	0	0	0	11,142
North Manchester New Builds 3	645	0	0	0	0	645
Parkhill Land Assembly	0	0	4,270	0	0	4,270
Fire precautions multi storey blocks	1,200	0	0	0	0	1,200
Total Public Sector Housing (HRA) Programme	31,708	50,089	36,945	4,960	0	123,702
Lytham Rd	200	0	0	0	0	200
Co-op Academy expansion	443	0	0	0	0	443
Plymouth Grove Refurbishment	397	0	0	0	0	397
Beaver Rd Primary Expansion	197	0	0	0	0	197
Lily Lane Primary	164	0	0	0	0	164
St. James Primary Academy	99	0	0	0	0	99
Crossacres Primary School	210	0	0	0	0	210
Ringway Primary School	82	0	0	0	0	82
Webster Primary Schools	117	0	0	0	0	117
Brookside Rd Moston	2,159	3,675	1,221	0	0	7,055
North Hulme Adv Playground	1,934	2,438	0	0	0	4,372
Monsall Road (Burgess)	2,029	2,977	0	0	0	5,006
Roundwood Road	2,144	3,656	1,216	0	0	7,016

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	Total Budget
Basic need - unallocated funds	20,173	44,015	1,138	0	0	65,326
Universal Infant Free School Meals (UIFSM) - Unallocated	335	0	0	0	0	335
Moston Lane - re-roof	19	0	0	0	0	19
Abbott Primary School Fencing	11	0	0	0	0	11
Broad Oak	116	0	0	0	0	116
Schools Capital Maintenance -unallocated	5,354	3,000	3,000	0	0	11,354
Paintpots	9	0	0	0	0	9
Early Education for Two Year Olds - Unallocated	52	0	0	0	0	52
Gorton Youth Zone	1,275	0	0	0	0	1,275
Healthy Pupil Capital Funding	263	0	0	0	0	263
North Ridge SEN	2,875	164	0	0	0	3,039
Special Educational Needs grant	1,160	0	0	0	0	1,160
Seymour Road	1,200	0	0	0	0	1,200
Total Children's Services Programme	43,017	59,925	6,575	0	0	109,517
PSN Windows 2003	42	0	0	0	0	42
Data Centre UPS Installation	10	0	0	0	0	10
New Social Care System	1,207	0	0	0	0	1,207
End User Computing	2,364	1,877	0	0	0	4,241
Core Infrastructure Refresh	109	0	0	0	0	109
Internet Resilience	50	0	0	0	0	50
New Rent Collection System	33	0	0	0	0	33
Communications Room Replacement Phase 2	557	3,929	500	0	0	4,986
Care Leavers Service	14	0	0	0	0	14
Data Centre Network Design and Implementation	2,667	0	0	0	0	2,667
Corporate Wifi	50	750	668	0	0	1,468
ICT Investment Plan	0	4,235	7,715	8,900	7,690	28,540

Project Name	2019/20 Proposed Budget	2020/21 Proposed Budget	2021/22 Proposed Budget	2022/23 Proposed Budget	2023/24 Proposed Budget	Total Budget
Compliance Bus case	278	0	0	0	0	278
Wider Area Network Redesign	22	0	0	0	0	22
Total ICT Programme	7,403	10,791	8,883	8,900	7,690	43,667
ONE System Developments	11	0	0	0	0	11
Phase 1 Implementation - Locality Plan Programme Office	585	0	0	0	0	585
Integrated Working - Gorton Health Hub	10,648	8,627	2,619	0	0	21,894
BioMedical Investment	7,958	6,100	2,700	0	0	16,758
Band on the Wall	200	0	0	0	0	200
Manchester Jewish Museum Loan	290	0	0	0	0	290
Manchester Airport Car Park Investment	3,700	1,900	0	0	0	5,600
Total Corporate Capital Programme	23,392	16,627	5,319	0	0	45,338
Total Manchester City Council Capital Programme	358,508	398,982	242,013	96,136	48,191	1,143,830
Housing Investment Fund	151,166	37,951	0	0	0	189,117
Total GM projects	151,166	37,951	0	0	0	189,117
Total CAPITAL PROGRAMME	509,674	436,933	242,013	96,136	48,191	1,332,947

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**Manchester City Council
Report for Information**

Report to: Resources and Governance Scrutiny Committee – 18 June 2019

Subject: Update on Highways Maintenance Capital Projects

Report of: Director of Operations (Highways)

Summary

The Committee asked for a report on the progress of Capital projects within Highways Maintenance, against the agreed costs. The highways capital maintenance investment work is in year 3 of a 5 year programme with significant progress having been made so far. The year 3 programme is agreed and years 4 and 5 programmes are in draft ready for consultation with ward members.

Recommendations

The Resources Scrutiny Committee is asked to note:

1. The progress made with the capital investment programme to date
 2. The expenditure reported against budgets that show the 5 year programme is being delivered as expected
-

Wards Affected: All

Alignment to the Our Manchester Strategy Outcomes (if applicable):

Manchester Strategy outcomes	Summary of how this report aligns to the OMS
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	A well maintained highway infrastructure will encourage business growth, creating jobs and opportunities
A highly skilled city: world class and home grown talent sustaining the city's economic success	The Highways Investment Strategy will provide opportunities for the development of skills.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	The improvements to the roads in the Community Network will contribute towards this strategy.
A liveable and low carbon city: a destination of choice to live, visit, work	Safe and improved highways will encourage people to visit, live and work within the City.
A connected city: world class infrastructure and connectivity to drive	The maintenance of highways is a major contribution to this strategy.

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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 Introduction

- 1.1 Manchester's highway network includes over 1,350 km of road length, 2,600 km of footway length and over 350 bridges and structures. Based on the latest valuations, the total highway asset has an indicative gross replacement value of over £2.7billion, making it the Council's most valuable asset.
- 1.2 The network is used daily by the majority of people who live and work in the city and is fundamental to the economic, social and environmental wellbeing of the community. Our ability to offer a reliable and resilient highways system is not only important for existing businesses; it is also a determining factor in attracting new businesses, particularly those with a time-critical need for logistics and commercial transport links.
- 1.3 Our £100m, 5 year highways capital investment programme is currently underway, which will primarily be spent on improving the condition of Manchester's roads, footways and drainage, as well as supporting the maintenance of the bridge network.
- 1.4 The purpose of this report is to update members on the expenditure in years 1 and 2 (2017/18 & 2018/19) of the 5 year programme against agreed budgets and provide an update on the year 3 (2019/20) expenditure.
- 1.5 Note that the capital maintenance budgets are being invested not only in treating footways and carriageways but also for drainage repairs, patching and bridge improvements

2.0 Background

- 2.1 The budget for the highway maintenance element of the investment is £80m although there have been some additional grants that have increased the available spend to £80,5m. Works began in November 2017 and will continue until March 2022 (53 months only). This expenditure represented a step change in the level of investment by the Council to improve the condition of its highway network.
- 2.2 The spend to the end of March 2019 was £28.229m leaving approximately £52.3m available to spend. The budget and spend per year is:-

Financial Year	Programme year	Budget	Spend	Cumulative Budget	Cumulative Spend
2017/18	1	£14.699m	£11.061m	£14.699m	£11.061m
2018/19	2	£13,742m	£17,168m	£28.441m *	£28.229m
2019/20	3	£12.684m	N/A	£41.125m	N/A
2020/21	4	£21.091m	N/A	£62.216m	N/A
2021/22	5	£18.290m	N/A	£80.506m	N/A

* The budget was increased upon receipt of additional government grant

- 2.3 The difference between budget and spend in year for years 1 and 2 are given below:-
- Year 1 - the ambitious budget was set assuming an earlier works start than actually happened. The reason for the later start was the time needed to consult and agree on the substantial quantity of works to be delivered from a standing start. Then the winter weather was considerably worse than for a normal winter and as some works are particularly weather susceptible a proportion of the programme was lost in year and reprogrammed to year 2
 - Year 2 - The reprogrammed work from year 1 was completed and along with bringing in additional resources the budget was exceeded. That is despite starting the Year 2 work later than hoped while social value issues were resolved with the supply chain. An additional government grant was received in year 2 and the budget was increased to reflect that.
 - Overall - Years 1 & 2 - the underspend of £212k at the end of year 2 represents 0.8% of the budget but that budget includes the increase of £506k. There was therefore an overspend in the original budget of £294k.
- 2.4 Spreading the £80m over the 5 year programme expected spend per month is £1.51m and so on a simple pro rata basis by the end of year 2 (17 months) the expected spend would be £25.67m against the actual spend of £28.229m meaning that spend is going well.
- 2.5 Included in the 2019/20 budget are allowances for the payment of contractor retention amounts from the 2016/17 programme (£77k) and 2017/18 programme (£388k) which are not underspends from those years but rather allowances from those budgets in year for payments made later subject to the completion of a 2 year maintenance period.
- 2.6 A new highways team has been established to plan and manage the works led by a Project Manager. The team in place now consists of:-
- 3 Engineers
 - 2 Technicians
 - 1 CAD Technician
 - 2 Clerk of Works
- 2.7 Considerable progress has been made to date, with a range of maintenance schemes across various programme areas delivered:
- a) In year 1 (2017/18):
- Road resurfacing – 103 roads completed (around 300,000 m², 26 linear miles), value £6.3m;
 - Preventative maintenance schemes – 588 roads treated (approximately 886,000 m², 76 linear miles), value £6.3m.
 - Footway maintenance schemes - 18 roads treated (approximately 42,000 m², 2.5 linear miles), value £1.1m;

- Drainage - Around 11,300 gullies on roads that have been resurfaced or had preventative treatments have been cleaned and tested, with around 2% requiring repairs.

b) In year 2 (2018/19):

- Road resurfacing – 110 Roads (Approx 169,000 m², 15.5 miles), Value £3.85m;
- Preventative maintenance schemes – 211 roads treated (approximately 368,000 m², 41 miles), value £4.3m;
- Footway maintenance schemes - 25 roads treated (approximately 42,000 m², 10.5 miles), value £0.473m;
- Large patching works - About 18,000 m² treated, Value about £380k;
- Small patching works - 29,257 m² treated, Value £2.1m;
- Drainage repairs - following drain cleansing (funded from Revenue) defects are passed into an improvement programme - to date just over £2m has been spent on this work

2.8 The year 3 (2019/20) programmes have all been agreed and work has commenced. The proposed year 4 & 5 resurfacing programmes have been drafted and will be shared with members shortly.

2.9 The approved year 3 schemes include:

- 92 road resurfacing schemes;
- 27 footway schemes;
- 281 preventative treatment schemes.

2.10 Roads and footways listed in these programmes have been assessed for cost based on treatment type and m² area. For example, a typical cost of removing the worn out road surface to a depth of 50mm and relaying new material will typically be about £25/m² to £35/m². All sites have been Inspected by our maintenance engineers and appropriate site plans drafted.

Cost estimates for year 3 schemes :

2019/20:

Carriageway resurfacing	£4.793m
Footway schemes	£2.174m
Preventative schemes	£3.709m
Small Patching	£3.000m
Fees	£ 1.150m
Total	£11.826m

2020/21:

Carriageway resurfacing	£0.982m
Footway schemes	£0.080m
Preventative schemes	£1.691m
Fees	£ 0.296m
Total	£ 3.049m

- 2.11 The year 4 & 5 proposals will be subject to re-assessment at the end of the year, looking at new condition data, available budgets, liaison with other work programmes etc. and some schemes may be added / removed dependent on assessed priorities.
- 2.12 Members will be kept informed of any proposed changes to the approved programmes.
- 2.13 The works have been delivered by a supply chain of 7 contractors The majority of treatments have been carried out through 2 frameworks TC40 - Framework for the Surfacing of Carriageways and TC41 - Surface Treatment to Carriageways/Footways that expires in February 2020 and a re-procurement plan is in place to ensure a seamless transition to new arrangements.
- 2.14 The quality of the work has been good with a failure rate for microasphalt as low as 0.17% which is better than the industry standards. There has of course been some failed areas but contractors have made good any defects at no additional cost to the Council.
- 2.15 The delivery of the programme is governed by the monthly Highway Maintenance board chaired by Kevin Gilham. Progress of the works is shared via the quarterly members dashboards that have been improved recently. Ongoing progress information on programmes can also be obtained by members via the neighbourhood teams.
- 2.16 The overall footway condition rating also improved, from 16.3% rated as condition Grade 4 or 5 (poor) in 2017/18 to 13.8% from the survey in 2018/19.
- 2.17 Considerable social value benefits have come from the programme a sample of which is shown below:-

TC040

Through social value, Dowhigh have delivered the following commitments:

- Signed up as an organisation to be registered for Building Mental Health Charter with 24/7 helpline accessible for all employees
- Donation of mobile phones to the Booth Centre

Through social value, Hopkins have delivered the following commitments:

- Developed a relationship with Cornerstone Charity, repairing the leaking roofs of the safehaven night shelter pods so the homeless have somewhere dry and warm to sleep over night.
- Supported a community project as part of the Fallowfield Loop. Removed boulders and re-tarmaced the area to ensure cyclists were safe whilst cycling through the tunnels at night.

TC041

Through social value, Kiely Bros have delivered the following commitments:

- Recruited a Manchester resident with a disability to lead in an administrative role. Flexible working hours provided to support condition and the individual is paid above the Manchester Living Wage.
- After the success of the admin role, recruited another Manchester resident with a disability to lead in a comms role for the contract. They too are paid above the Manchester Living Wage.
- Donation of 750 £5 book tokens as part of Manchester's World Book Day Event
- Held a training course in which four of Manchester City Council Highways employees from Hooper Street attended free of charge
- Being a Birmingham based company, they have bought land from Manchester City Council for their site compound so they can be local, using local supply chain and reduce carbon emissions with travel of materials.

2.18 Over the 5 year programme it is estimated that over 2,000 roads will have been improved representing about 3.9million m² in area (equivalent area of 600 Football pitches)

2.19 The high level risk assessment for the programme is shown below:-

Risk	Mitigation
Extreme winter or summer weather	Normal winter weather assumed - extreme weather can potentially remove January and February from the programme which is 16.7% reduction - reduce forecast by 15% as contractors close down over the beginning of January
Contractor supply chain	Contractors are in place through the 2 frameworks which also have a programme for replacement when they expire in February 2020
Timely Programme approval	Year 3 programme approved and underway. Years 4 and 5 draft programmes have been submitted to ward members for comment
Delivery as planned and shared with members and the public	Programmes can be affected by a number of issues eg plant breakdowns, parked cars and weather) meaning expected dates cannot be met. It is expected that such issues will arise frequently and are to a great extent unavoidable. Mitigation is via continuous monitoring, communication and programme adjustments.

Treatment selection	Site surveys are carried out the year before the treatment works are done and in between the roads and pavements can deteriorate meaning a different treatment could be required. Some treatments are weather dependent and that may mean re-programming the works at an appropriate time.
Quality of work	Contractors work is being monitored by site based staff. Any defects found will be repaired by the contractor at no additional cost to the Council. Low % failures to date. Contractor selection will be important for future delivery frameworks.
Forecast expenditure is different from the budget	Expenditure is monitored monthly to allow for early interventions if needed. The budget in year 3 has assumed an allowance for under delivery against the programme. If the programme is delivered the expenditure will exceed the in year budget.

2.20 Note that the highways capital maintenance programme works sit within a greatly expanded highways capital programme overall. The scale of the programme is for recent times unprecedented and has required a step change in the resources needed to deliver. In terms of major schemes in 2018/19 one scheme was on site (Regent Road) and in 2019/20 a further 4 will start (including Mancunian Way/Princess Road, Hyde Road widening, Chorlton Cycleway and Great Ancoats improvement all at the same time as a programme of safety improvements at 81 schools, 6 residents parking schemes and the A6 Stockport Road pinch point scheme. The street lighting PFI LED lantern replacement programme is continuing and delivering on its programme and reducing energy and carbon. The Exchange Square improvements work has also recently started and the team are working on a number of cycling projects that have been successful bids to the Mayor's Challenge Fund.

**Manchester City Council
Report for Information**

Report to: Resources and Governance Scrutiny Committee - 18 June 2019
Executive - 26 June 2019
Personnel Committee - 26 June 2019

Subject: Living Wage Accreditation

Report of: City Treasurer (Deputy Chief Executive)

Summary

This report provides an update on the report to Resources and Governance Committee in January 2019 regarding the Living Wage and the work that has been undertaken to assess the implications for the Council in considering potential accreditation as a Living Wage Employer. A detailed analysis of the Council's procurement and commissioning arrangements has been undertaken to support a successful application to the Living Wage Foundation to become accredited. Work has also been undertaken to understand the potential implications, financial and otherwise, of accreditation. The views of the Committee are being sought in advance of a formal decision to progress with accreditation via the Council's Executive and Council.

Recommendations

Resources and Governance Scrutiny Committee are asked to note and comment on this report which seeks approval for the Council to apply for accreditation as a living wage employer with the Living Wage Foundation.

The Personnel Committee and the Executive each recommend to the Council that Manchester City Council applies for accreditation with the Living Wage Foundation.

Wards Affected: all

Alignment to the Our Manchester Strategy Outcomes (if applicable)

Manchester Strategy outcomes	Summary of how this report aligns to the Our Manchester Strategy
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Accreditation as a Living Wage Employer and promotion of the real Living Wage to partners and suppliers across the city will support various strands of the Our Manchester strategy. In particular, this will support the development of a truly progressive and equitable city where lower paid
A highly skilled city: world class and home grown talent sustaining the city's economic success	
A progressive and equitable city: making a positive contribution by unlocking the potential	

of our communities	residents and workers receive improved pay to ensure they are able to benefit from the city's economic success.
A liveable and low carbon city: a destination of choice to live, visit, work	
A connected city: world class infrastructure and connectivity to drive growth	

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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.

Report to Resources and Governance Scrutiny Committee, 10 January 2019: *Living Wage Accreditation Update*

Report to Economy Scrutiny Committee, 11 March 2015: *Final Report and Recommendations of the Living Wage Task and Finish Group*

Report to Economy Scrutiny Committee, 30 September 2015: *Draft Living Wage Policy*

Manchester City Council Ethical Procurement Policy

1. Background and Context

- 1.1. Resources and Governance Committee received a report in January 2019 setting out the progress that has been made since the development of the Council's Living Wage Policy in 2015 and the potential implications of becoming an accredited Living Wage employer. Since that report, a Living Wage Accreditation Working Group has been established comprising officers from Finance, Human Resources and Organisational Development, Procurement and Commissioning, Communications, Legal Services and Policy. The group have liaised with the Living Wage Foundation to gain a fuller understanding of the process and have produced a Living Wage Implementation Plan to guide the preparation work.
- 1.2. The calculation of the UK ('real') Living Wage is undertaken by the Resolution Foundation (within the auspices of the Living wage Foundation) who have developed a methodology which includes: the costs of a core basket of goods and services; housing costs; Council Tax; travel costs; and childcare costs. The rate is reviewed annually each November, with a current rate of £9 an hour outside of London.
- 1.3. A range of local authorities have now achieved formal accreditation as 'living wage employers'. In order to achieve this accreditation employers must:
- Pay all directly employed staff the 'real' Living Wage
 - Pay regular third party contracted staff - such as cleaners and catering staff - the 'real' Living Wage. However, if it is not possible to move to the 'real' Living Wage straight away, this can be implemented in a phased approach by moving the contracts to Living Wage when possible. Each contract is included as a milestone in the Licence Agreement with the City Council.
- 1.4. This report summarises the recent work that has been completed to prepare the organisation for potential Living Wage accreditation and sets out the implications of accreditation in relation to workforce and budgets, procurement and commissioning and communications. Discussions are also taking place with Manchester Health and Care Commissioning (MHCC).

2. Manchester City Council as an employer

- 2.1. The nationally agreed 2019/20 pay award, implementation of which was endorsed by the Personnel Committee on 12th December 2018, has taken the minimum rate of pay for directly employed staff to £9.51 per hour¹ from 1st April 2019. This falls significantly above the current *real* Living Wage rate (£9 per hour, as announced in November 2018) and the statutory National Living Wage of £8.21 per hour from April 2019 which was announced by the Chancellor as part of the Autumn Budget 2018. The City Council's hourly minimum has been applied to agency staff and the agreed pay scale commended to schools across the city. The costs of implementing the pay award were factored into the Council's 2019/20 budget.

¹ Based on a 35 hour week.

- 2.2. Becoming Living Wage accredited requires the Council to ensure that its minimum rate of pay is at least equivalent to real Living Wage rate. The new rate is announced every November and accredited organisations have until 1st April the following year to implement the increases. This timescale is in line with existing processes and the Personnel Committee and Council would need to approve this as part of the annual Pay Award and associated Pay Policy Statement. Financial modelling of future rates of the real Living Wage have been undertaken, but it is impossible to predict the exact rate until it is revealed in November. For this reason, becoming accredited would create a degree of uncertainty about the overall increases in staff budgets beyond 2019/20 and whether this would remain in line with existing predictions. As noted above, the current minimum rate of pay is 51p above the Living Wage rate.
- 2.3. The Council is currently able to demonstrate that it is paying the real Living Wage to all directly employed staff and has a robust approval process in place to apply the increase on an annual basis ahead of the 1st April deadline.

3. Manchester City Council as a procurer and commissioner

- 3.1. Through its procurement policies and procedures the Council has been commending payment of the Manchester Living Wage (currently £9.00 per hour - the same rate as the real Living Wage) to its contractors and suppliers since 2016 and this is referenced in the Council's Ethical Procurement Policy. This means that the Council already has data to support the accreditation process. In addition, the Council has worked with the Centre for Local Economic Strategies (CLES) for over a decade on their 'Power of Procurement: towards Progressive Procurement' reports and an annual survey of the top 300 suppliers which now includes questions about the payment of the real Living Wage.
- 3.2. As referred to in the January report to Resources and Governance Committee, whilst the approach is intended to support a decent standard of living for individuals and their families, it recognises that paying the *real* Living Wage can be good for businesses as well and contribute towards a thriving community. There is a growing body of evidence demonstrating the business benefits of becoming a Living Wage employer. These are reported by the Living Wage Foundation and include increased retention and motivation of staff; improvements in recruitment and employee relations, and improvement in the wellbeing of individuals, as well as having a positive impact on an organisation's reputation.
- 3.3. A full review of contracts has been undertaken by the Living Wage Working Group to ascertain how many of the Council's contractors have committed to paying the real Living Wage.
- 3.4. The analysis of the City Council's contracts has been broken down into:
- i. Contracts that are already paying the Manchester Living Wage;
 - ii. Future commitment to the Manchester Living Wage.

- 3.5. Overall the value of the City Council's contracts, including framework arrangements, total around £0.5bn, the majority (c£0.3bn) are contracts where the suppliers committed to paying the Manchester Living Wage as part of their tender and fall into category (i) above.
- 3.6. Contracts included within the category of "future commitments to the Manchester Living Wage" include new requirements that have not been put to the market before and contracts that were let before Manchester Living Wage response was part of the tender process. The details of these contracts are currently being finalised and there may be some that will be compliant on further investigation.
- 3.7. For completeness, the City Council has also provided a list of payments which are considered out of scope and includes allowances for foster care and adoption, services provided under grant (which are not part of procurement processes) and allowances to individuals for personal budgets.
- 3.8. In line with the requirements of accreditation, a clear plan will be put into place to review the contracts which are categorised as a future commitment to the Living Wage and these will be addressed on an ongoing basis as they become due for renewal.
- 3.9. The Living Wage Foundation are fully aware of some of the challenges that certain sectors, particularly Social Care related services, are facing and the funding pressures on local authorities. They are committed to working with local authorities in a pragmatic way for these arrangements as they come up for renewal or review. The Council already sets aside funding to meet requirements of increases in the National Living Wage. However, it is estimated that for Manchester's residential and nursing care contracts there may be a requirement for further employer spending of around £3m to take all staff to the level of the *real* Living Wage.
- 3.10. The feedback to date from the Living Wage Foundation has been positive and there is a good working relationship with the Foundation who will support the City Council through the process.

4. Manchester City Council as an influencer

- 4.1. Accreditation as a Living Wage employer and promotion of the real Living Wage to partners and suppliers across the city will support various strands of the Our Manchester Strategy. In particular it will support the development of a '*Progressive and Equitable*' city where residents benefit from our economic success. The Our Manchester Strategy contains a specific high level ambition to "Ensure everybody is paid at least a real living wage".
- 4.2. The Council would be joining a number of other high profile employers in the city and city region, including the University of Manchester who recently became the 500th Living Wage accredited organisation.
- 4.3. The Greater Manchester Living Wage Campaign is a local campaigning organisation which aims to create a 'Living Wage Zone' in Greater Manchester. The Campaign is part of Greater Manchester Poverty Action (GMPA) which is a

not-for-profit organisation that works to address poverty across the city region. The Council works closely with GMPA on the implementation of the Manchester Family Poverty Strategy and is one of their 'Principal Partners'.

- 4.4. There will be an opportunity for the Council to promote the standard during Living Wage week in November 2019 during which the new rate will be announced. The Living Wage Foundation logo and branding can also be used on digital and hard copy communication materials.
- 4.5. A plan will be developed to raise awareness of, and celebrate, the accreditation amongst a wide range of audiences including: staff; residents; suppliers and employers.
- 4.6. Consideration of a supplier's payment of the living wage is embedded within the Council's procurement processes and a proactive approach will continue to be taken to commend suppliers and contractors to pay the Living Wage. This will be taken into account as part of the assessment of Social Value within the tendering process. The City Council will use its influence, where possible, to recommend that other Manchester organisations, partners and organisations implement Living Wage policies and commit to becoming Living Wage employers.

5. Conclusion

- 5.1. Accreditation as a Living Wage Employer would be a positive next step flowing from the development of the Council's Living Wage Policy in 2015. As an accredited employer, the Council would have increased credibility in commending this rate of pay to its partners across the city which would support the aims of the Living Wage Foundation and the Our Manchester Strategy.
- 5.2. Work over recent years and the evidence gathered during the past few months has shown that the Council is in a strong position to successfully meet the initial accreditation threshold. Although there is no immediate cost to accreditation, there are some potential medium and long term financial considerations, both in terms of continuing to assure this rate of pay to directly employed staff and, in some cases, reflecting the impact on commissioning budgets to enable the real Living Wage rate to be paid.
- 5.3. The Council will need to be prepared to mitigate the risks associated with these challenges and will need to work with contractors to identify how they can be compliant but without passing additional costs onto the Council. Where cost does pose a significant barrier to compliance, the Living Wage Foundation will work with us to develop a pragmatic way forward.

6. Recommendations

- 6.1. The recommendations appear at the front of this report.

Appendix A - Minimum Wage Rates

Pay Rate	Definition of Cohort	Hourly Pay (2019/20)	Review Approach	Apprentice Rate (20-19/20)
National Minimum Wage (Statutory)	Workers aged 21 and over	£7.70	Recommended by the Low Pay Commission within a remit to raise pay as high as possible without damaging employment prospects.	£3.90 ²
	Workers aged 18 to 20	£6.15		
	Workers under the age of 18	£4.35		
National Living Wage (Statutory)	Workers over 25	£8.21	Recommended by the Low Pay Commission. The Government has set a target for it to reach 60 per cent of median earnings by 2020. The Commission's remit is to make recommendations that reach the target, subject to 'sustained economic growth'.	N/A
'Real' Living Wage (Living Wage Foundation)³	All workers (a higher rate is applicable for London)	£9.00 (announced November 2018)	This is an aspirational wage which is announced every November by the Living Wage Foundation. The 'real' Living Wage is a voluntary rate of pay set by the resolution foundation based on the real cost of living; what people need to meet their basic everyday needs.	N/A
Manchester Living Wage⁴ (Local)	Commended via contracts and to partners	£9.00 (as of April 2019)	Reviewed annually, taking account of various factors such as staff turnover, any NJC pay award, the ratio of low to high earners, the rates for the National Minimum Wage and the 'real' Living Wage at the time.	£9.00
Lowest pay for directly employed staff	All directly employed staff, agency staff and commended to schools	£9.51 ⁵		£9.51

² Applicable to apprentices aged 16 to 18 and those aged 19 and over who are in their first year. All other apprentices are entitled to the National Minimum Wage for their age.

³ The rate is set each November with organisations allowed 6 months to comply. The current 'real' Living Wage rate of £9.00 was announced in November 2018.

⁴ Previously known as the Manchester Minimum Wage - this will be at least equivalent to the real Living Wage of £9.

⁵ 51p greater than the Manchester Living Wage / Foundation Living Wage reflective of nationally agreed NJC pay award.

**Manchester City Council
Report for Resolution**

Report to: Resources and Governance Scrutiny Committee – 18 June 2019
Subject: Human Resources (HR) Sub Group Terms of Reference
Report of: Governance and Scrutiny Support Unit

Summary:

This report provides the Committee with the current terms of reference for the HR Sub Group which the Committee is asked to agree.

Recommendations:

The Committee is asked to re-establish the HR Sub Group for the Municipal Year 2019/20 and in doing so is invited to:-

1. Agree that the Chair of Resources and Governance Scrutiny Committee chairs the HR Sub Group.
 2. Determine and agree the membership of the Sub Group and proposed dates of meetings.
 3. Agree (or amend) the terms of reference as set out in the report.
 4. Agree (or amend) the work programme as set out in the report.
-

Contact Officers:

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Background documents (available for public inspection):

None

1.0 Introduction

- 1.1 At the meeting of the 22 June 2017 the Resources and Governance Scrutiny Committee agreed to re-establish the HR Sub Group to examine how the Council's Human Resources are supporting the Council to achieve its aims and objectives.

The Committee also agreed the Terms of Reference at the same meeting.

- 1.2 As agreed when established in June 2017, the Sub Group will be ongoing until a time it is felt that it is no longer required. At its meeting in February 2019, the Sub Group felt that there was still merit in continuing to meet in the next Municipal Year (2019/20), but felt that the Sub Group should increase its number of meetings from three to four.

- 1.3 The membership of the Sub Group for the 2018/19 Municipal Year was:-

Councillor Andrews
Councillor Clay
Councillor Rowles
Councillor Russell (Chair)
Councillor Wheeler

2.0 Recommendations

- 2.1 The recommendations are set out on the front of this report.

Human Resources Subgroup – Terms of Reference

Title	Human Resources Subgroup
Membership 2018/19	Councillor Russell (Chair), Andrews, Clay, Rowles and Wheeler.
Membership 2019/2020	Councillor Russell (Chair) To be agreed
Lead Executive Members	Executive Member for Finance and Human Resources
Strategic Directors	City Treasurer (Deputy Chief Executive)
Lead Officers	Director of HROD Samuel McVaigh - Head of Workforce Strategy Shawna Gleeson - Head of HR Operations
Contact officer	Mike Williamson – Scrutiny Team Leader
Objectives	The purpose of this subgroup is to look at how the Council’s human resources are supporting it to achieve its aims and objectives.
Operation	This subgroup will meet periodically and report its findings to the Resources and Governance Scrutiny Committee by submitting minutes to the Committee. The Committee will be asked to endorse any recommendations from the subgroup.
Access to Information	Meetings of the Subgroup will be open to members of the media and public except where information which is confidential or exempt from publication is being considered. Papers for the Subgroup will be made available to members of the media and public on the Council’s website and the main entrance to the Town Hall except where information which is confidential or exempt from publication is being considered.
Schedule of Meetings	To hold 4 meetings in the 2019/20 Municipal Year. Indicative dates are as follows:- 1st meeting – Wednesday 31 July 2019 at 10:00am 2nd meeting – Tuesday 24 September 2019 at 10:00am 3rd meeting – Tuesday 26 November 2019 at 10:00am 4th meeting – Tuesday 25 February 2020 at 10:00am
Commissioned	June 2017

**Resources and Governance Scrutiny Committee – Human Resources (HR) Subgroup
Work Programme –June 2019**

Meeting 1 – 10:00am Wednesday 31 July 2019, Council Antechamber, Level 2, Town Hall Extension Deadline for reports: Monday 22 July 2019				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Disciplinary action against BAME staff	To receive an update report on the apparent disproportionate rates of disciplinary action against BAME staff	Cllr Ollerhead (Executive Member for Finance and Human Resources)	Sam McVaigh (Head of Workforce Strategy) Shawna Gleeson (Head of HR Operations)	To be a part B report Invite to Cllrs Hacking and Ahmed Ali
Verbal Update on the recruitment to vacant senior officer posts	To receive an verbal update report on the progress that has been made with the recruitment to vacant senior officer posts, including the Director of HROD, the Director of ICT, the Director of Adult Social Services and the Director of Homelessness	Cllr Ollerhead (Executive Member for Finance and Human Resources) Cllr Craig (Exec Member)	Joanne Roney (Chief Executive) Shawna Gleeson (Head of HR Operations)	To be taken in part B if necessary

		for Adults Health and Wellbeing)		
Apprenticeships	<p>To receive and update on the Council's apprenticeship strategy and activity since the introduction of the apprenticeship levy.</p> <p>To include information on the number of Our Children employed as apprentices</p>	Cllr Ollerhead (Executive Member for Finance and Human Resources	Vacant (Director of HROD) Sam McVaigh (Head of Workforce Strategy)	See 22 Nov 2018 minutes
Adult Services HR Plan	To receive a report on the Adult Services Department HR plan	Cllr Craig (Exec Member for Adults Health and Wellbeing)	Bernadette Enright (Director Adult Social Services)	
Work Programme	To review and approve the current work programme.	-	Mike Williamson	

Meeting 2 – 24 September 2019, Council Antechamber, Level 2, Town Hall Extension Deadline for reports: Friday 13 September 2019				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
BHeard 2018 Survey outcomes - update	To receive a further update on the BHeard 2018 survey outcomes	Executive Member for Finance and Human Resources	Vacant (Director of HROD)	See 21 Feb 2109 minutes
Work Programme	To review and approve the current work programme.	-	Mike Williamson	

Meeting 3 – 10 December 2019, Council Antechamber, Level 2, Town Hall Extension Deadline for reports: Friday 29 November 2019				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Highways Work Force	To receive a further presentation (or report) on the Highways Departments work force, to include:- <ul style="list-style-type: none"> What percentage of staff in the service had had About You sessions with their manager and the reasons for any which had not taken place, whether this was resulting in improvements in performance and any capability procedures which 	Cllr Stogia (Executive Members for Highways, Planning and Transport)	Steve Robinson (Director of Operations)	See 21 Feb 2019 minutes

	<p>had been started;</p> <ul style="list-style-type: none"> • Information demonstrating that reasonable adjustments were being made for disabled staff; • What the impact on staff absences was of testing for health issues such as HAVS and making reasonable adjustments; • Information on any remaining vacancies in the service, including why they had not been filled, what the plan was to fill them and, if applicable, an analysis of the reasons that a particular post could not be filled. To also include consideration of apprenticeships and recruitment opportunities for groups such as ex-offenders and young people leaving care. 			
Work Programme	To review and approve the current work programme.	-	Mike Williamson	

Meeting 4 – 25 February 2020, Council Antechamber, Level 2, Town Hall Extension
Deadline for reports: Friday 14 February 2020

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Work Programme	To review and approve the current work programme.	-	Mike Williamson	

Items to be scheduled

Items highlighted in grey have been added to above meeting dates and will be removed from future work programmes

Item	Purpose	Lead Executive Member	Lead Officer	Comments
ICT Out of Hours Provision	To receive a report for information on the financial implications of the proposal to formalise out of hours provision within ICT for all fixed term ICT staff, and the standardisation of remuneration for out of hours provision	Cllr Ollerhead (Executive Member for Finance and Human Resources)	Vacant (Director of ICT)	Recommendation from Audit Committee on 5 October 2017 for RGSC to consider
Adult Social Care staff training budget	To receive a report on the Adult Social Care staff training budget and explore the options available to provide assistive technology to front line staff.	Cllr Ollerhead (Executive Member for Finance and Human Resources) Councillor Craig (Executive Member for Adults Health and Wellbeing)	Bernadette Enright (Director of Adult Social Services) Vacant (Director of HROD)	Recommendation from Health Scrutiny on 6 February 2018

Apprenticeships	<p>To receive and update on the Council's apprenticeship strategy and activity since the introduction of the apprenticeship levy.</p> <p>To include information on the number of Our Children employed as apprentices</p>	Cllr Ollerhead (Executive Member for Finance and Human Resources)	Vacant (Director of HROD)	To be schedule in 6 months' time from Nov 2018 (see 22 Nov 2019 mins)
Our Ways of Working – update	To receive an update report at an appropriate time that includes information by directorate on the number of staff working part time, how many are formally working flexibly and how the OWOW was being promoted and taken up by staff.	Cllr Ollerhead (Executive Member for Finance and Human Resources)	Vacant (Director of HROD)	
Highways Work Force	<p>To receive a further presentation (or report) on the Highways Departments work force, to include:-</p> <ul style="list-style-type: none"> • What percentage of staff in the service had had About You sessions with their manager and the reasons for any which had not taken place, whether this was resulting in improvements in performance and any capability procedures which had been started; • Information demonstrating that reasonable adjustments were being made for disabled staff; • What the impact on staff absences was of testing 	Cllr Stogia (Executive Members for Highways, Planning and Transport)	Steve Robinson (Director of Operations)	To be scheduled in 6 – 9 months' time from Feb 2019 (see 21 Feb 2109 minutes)

	<p>for health issues such as HAVS and making reasonable adjustments;</p> <ul style="list-style-type: none"> Information on any remaining vacancies in the service, including why they had not been filled, what the plan was to fill them and, if applicable, an analysis of the reasons that a particular post could not be filled. To also include consideration of apprenticeships and recruitment opportunities for groups such as ex-offenders and young people leaving care. 			
BHeard 2018 Survey outcomes - update	To receive a further update on the BHeard 2018 survey outcomes	Executive Member for Finance and Human Resources	Vacant (Director of HROD)	To be scheduled in 6 months' time from Feb 2019 (see 21 Feb 2109 minutes)

**Manchester City Council
Report for Resolution**

Report to: Resources and Governance Scrutiny Committee – 18 June 2019

Subject: Ethical Procurement and Contract Management Sub Group
Terms of Reference

Report of: Governance and Scrutiny Support Unit

Summary:

This report provides the Committee with the current terms of reference for the Ethical Procurement and Contract Management Sub Group which the Committee is asked to agree.

Recommendations:

The Committee is asked to re-establish the Ethical Procurement and Contract Management Sub Group for the Municipal Year 2019/20 and in doing so is invited to:-

1. Agree that the Chair of Resources and Governance Scrutiny Committee chairs the Ethical Procurement and Contract Management Sub Group.
 2. Determine and agree the membership of the Sub Group and proposed dates of meetings.
 3. Agree (or amend) the terms of reference as set out in the report.
 4. Agree (or amend) the work programme as set out in the report.
-

Contact Officers:

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Position: Scrutiny Team Leader
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Background documents (available for public inspection):

None

1.0 Introduction

- 1.1 At its meeting on 20 July 2017 the Resources and Governance Scrutiny Committee agreed to establish an Ethical Procurement Sub Group. Membership of the Sub Group was to be formed from Members of the Resources and Governance Scrutiny Committee, Members of the Council's Audit Committee and the Chairs of the other five Scrutiny Committees.
- 1.2 The Committee also agreed the Terms of Reference at the same meeting. The key activities agreed by the Sub Group were:
- To monitor the Governance of the Social Value Fund;
 - To monitor large contracts that the Council has entered or is about to enter into to ensure Social Value is contained within these;
 - To review how the Council's Health Partners incorporate Social Value within their contracts; and
 - To review communication and promotion of the Policy.
- 1.3 As agreed when established in July 2017, the Sub Group will be ongoing until a time it is felt that it is no longer required. At its meeting in February 2019, the Sub Group felt that there was still merit in continuing to meet in the next Municipal Year (2019/20), but felt that the Sub Group should increase its number of meetings from three to four and also include within its terms of reference the objective of monitoring the management of contracts that the Council has entered, or is about to enter into.
- 1.4 The membership of the Sub Group for the 2018/19 Municipal Year was:-
- Councillor Russell (Chair)
 Councillor Ahmed Ali
 Councillor Clay
 Councillor Farrell (Chair of Health Scrutiny)
 Councillor Hacking (Chair of Communities and Equalities Scrutiny)
 Councillor Igbon (Chair of Neighbourhood and Environment Scrutiny)
 Councillor Lanchbury
 Councillor H Priest (Chair of Economy Scrutiny)
 Councillor Reid
 Councillor Shilton-Godwin
 Councillor Stone (Chair of Children and Young People Scrutiny)
 Councillor Watson
 Councillor Wheeler

2.0 Recommendations

- 2.1 The recommendations are set out on the front of this report.

Title	Ethical Procurement and Contract Management Subgroup
Membership 2018/19	Councillor Russell (Chair), Ahmed Ali, Clay, Farrell, Hacking, Igbon, Lanchbury, H Priest, Reid, Shilton-Godwin, Stone, Watson and Wheeler
Membership 2019/2020	Councillor Russell (Chair)
Lead Executive Members	Executive Member for Finance and Human Resources
Strategic Directors	City Treasurer (Deputy Chief Executive)
Lead Officers	Head of Corporate Procurement Procurement Manager (Level 2) Group Manager - Procurement Work and Skills Project Manager
Contact officer	Mike Williamson – Scrutiny Team Leader
Objectives	<ol style="list-style-type: none"> 1. To monitor contracts that the Council has entered, or is about to enter into, to ensure Social Value is contained within these and any other contracts the Group deem appropriate; 2. To monitor KPI's, outcomes and deliverability of projects; 3. To monitor the governance of the Social Value Fund; 4. To review how the Council's Health Partners incorporate Social Value within their contracts; 5. To monitor the management of contracts that the Council has entered, or is about to enter into; and 6. To review the communication and promotion of the Ethical Procurement Policy amongst Council partners.
Key Lines of Enquiry	<ol style="list-style-type: none"> 1. To consider the proportion of procurement contracts possibly awarded to businesses that were not based in Manchester or Greater Manchester; 2. To consider the evaluation of the Ethical Procurement Policy's use in the tender processes and the extent to which its principles were being considered and whether the principles and objectives of the Policy are being rolled out across the authorities of the Greater Manchester Combined Authority; 3. To consider what promotion of the Social Value Toolkit is taking place and the wider understanding of the opportunities

	<p>presented by ethical procurement across all directorates and services in the City Council;</p> <p>4. To consider whether a consistent approach to Social Value evaluation across Greater Manchester is being achieved; and</p> <p>5. To consider an evaluation of prompt payments by main contractors to enable contract monitoring through key performance indicators during the contract period.</p> <p>6. To consider how the Council applies and monitor Social Value through the NWCH and Capital Contracts</p>
Operation	This Sub Group will report its findings to the Resources and Governance Scrutiny Committee by submitting minutes to the Committee. The Committee will be asked to endorse any recommendations from the Sub Group.
Access to Information	<p>Meetings of the Sub Group will be open to members of the media and public except where information that is confidential or exempt from publication is being considered.</p> <p>Papers for the Sub Group will be made available to members of the media and public on the Council's website and Library Walk within the Town Hall Extension except where information which is confidential or exempt from publication is being considered.</p>
Schedule of Meetings	<p>To hold 4 meetings in the 2019/20 Municipal Year.</p> <p>Indicative dates are as follows:-</p> <p>1st meeting – Wednesday 31 July 2019 at 2:00pm 2nd meeting – Tuesday 24 September 2019 at 2:00pm 3rd meeting – Tuesday 26 November 2019 at 2:00pm 4th meeting – Tuesday 25 February 2020 at 2:00pm</p>
Commissioned	July 2017

**Resources and Governance Scrutiny Committee – Ethical Procurement and Contract Management Subgroup
Work Programme –June 2019**

Meeting 1 – 2:00pm Wednesday 31 July 2019 Council Antechamber, Level 2, Town Hall Extension Deadline for reports: Monday 22 July 2019				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Our Town Hall Project – delivery of Social Value update	To receive a report meeting that provides an update on how Social Value is being delivered through the Our Town Hall Project.	Cllr Ollerhead (Exec Member for Finance and Human Resources)	Paul Candelent Peter Norris Ian Brown/Peter Schofield	See 21 Feb 2019 minutes
Modern Slavery update	This report will also provide an update on the activities to address Modern Day Slavery.	Cllr Ollerhead (Exec Member for Finance and Human Resources)	Peter Schofield/ Karen Lock	
Social Value Policy audit	To receive a report that provides information on the Social Value Policy and how equality outcomes are measured and recorded	Cllr Ollerhead (Exec Member for Finance)	Peter Schofield/ Fiona Ledden	See 21 Feb 2019 minutes Invite Tom Powell – Head of Internal

		and Human Resources)		Audit
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Meeting 2 – 2:00pm 24 September 2019, Council Antechamber, Level 2, Town Hall Extension
Deadline for reports: Friday 13 September 2019

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Work Programme	To review and approve the current work programme.	-	Mike Williamson	

Meeting 3 – 2:00pm 26 November 2019, Council Antechamber, Level 2, Town Hall Extension
Deadline for reports: Friday 29 November 2019

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Work Programme	To review and approve the current work programme.	-	Mike Williamson	

Meeting 4 – 2:00pm 25 February 2020, Council Antechamber, Level 2, Town Hall Extension
Deadline for reports: Friday 14 February 2020

Item	Purpose	Lead Executive Member	Lead Officer	Comments
Work Programme	To review and approve the current work programme.	-	Mike Williamson	

Items to be scheduled				
(Items highlighted in grey have been added to one of the above meetings)				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Appointment of local people/companies to MCC contracts – the Council’s legal position	To consider a report on what the Council’s legal position is in relation to trying to ensure local people and companies gain employment on local contracts.	Cllr Ollerhead (Executive Member for Finance and Human Resources)	Rebecca Maddison	
Our Town Hall Project – delivery of Social Value update	To receive a report meeting that provides an update on how Social Value is being delivered through the Our Town Hall Project.	Cllr Ollerhead (Executive Member for Finance and Human Resources)	Paul Candelent Peter Norris Ian Brown	See 21 Feb 2019 minutes
Modern Slavery update	This report will also provide an update on the activities to address Modern Day Slavery.	Cllr Ollerhead (Exec Member for Finance and Human Resources)	Peter Schofield/ Karen Lock	See 21 Feb 2019 minutes

Social Value Policy audit	To receive a report that provides information on the Social Value Policy and how equality outcomes are measured and recorded	Cllr Ollerhead (Executive Member for Finance and Human Resources)	Ian Brown	See 21 Feb 2019 minutes
Review of the Ethical Procurement Policy with regard to Trade Union recognition and Whistleblowing	To consider the Council's Ethical Procurement Policy and whether the policy has appropriate Trade Union/whistleblowing recognition within in it or whether this is an area that requires strengthening	Cllr Ollerhead (Executive Member for Finance and Human Resources)	Ian Brown	
Social Value outcomes - measurement and tracking	To consider a report on how the Council tracks the outcomes of social value derived from its contracts, including:- <ul style="list-style-type: none"> • who is responsible for doing this; • what information is being collated; and • what methodology is being used 	Cllr Ollerhead (Executive Member for Finance and Human Resources)	TBC	
The Council's Social Value Fund	To consider a report on the Council's Social Value Fund. This report will include:- <ul style="list-style-type: none"> • what is in the fund to date; • what is being done with the money within the fund; • how is the Council ensuring that it isn't just a way in which contractors add 10% to the project price, 	Cllr Ollerhead (Executive Member for Finance and Human Resources)	TBC	

	and then hand back 5% as a social value contribution			
Delivery of Social Value and Ethical Procurement from the Council's Security Contract(s)	To receive a report on what steps the Council has taken / is taking to ensure that its security contract(s) are being ethically procured and how Social Value is being delivered from these contracts.	Cllr Ollerhead (Executive Member for Finance and Human Resources)	Ian Brown/ Steve Southern/ Julie McMurray	
Promotion of Social Value from Executive Members	To review what emphasis Executive Members have been placing on Social Value when approving contracts	All Exec Members		Invite Executive Members to the meeting
The benefit of Social Value	To invite local companies to come and discuss how they have implemented social value within their organisations and what it has meant to them in terms of how they operate.			
Delivery of Social Value in the new Health and Social Care arrangements – update	To receive an update on delivery of social value in the new health and social care arrangements. The report will provide data and analysis of measure on how social value is being delivered under these arrangements.	Cllr Craig (Executive Member for Adults Health and Wellbeing)	Bernadette Enright Ed Dyson	See September 2018 minutes

Proposal from Neighbourhoods and Environment Scrutiny Committee				
Item	Purpose	Lead Executive Member	Lead Officer	Comments
Review of the Council's contract with Biffa Waste Services for the collection of waste and recycling	<p>To review the Council's contract with Biffa Waste Services and in particular look at:</p> <ul style="list-style-type: none"> • Whether they are fulfilling their contractual obligations; • The use of agency workers to undertake permanent roles on lower wages; • The use of zero hour contracts; • Appropriate training for staff to complete their duties; and • Whether new vehicles in use are fit for purpose. 	Cllr Akbar (Executive Member for Neighbourhoods)	Fiona Worrall/ Heather Coates	See NESC mins 10 October 2018

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