

Executive

Minutes of the meeting held on Wednesday, 20 January 2021

Present: Councillor Leese (Chair)

Councillors: Akbar, Bridges, Craig, N Murphy, Rahman, Stogia, and Richards

Also present as Members of the Standing Consultative Panel:

Councillors: Karney, Leech, M Sharif Mahamed, Sheikh, Midgley, Ilyas, Taylor and S Judge

Apologies: Councillor Ollerhead

Also present: Councillors: Mary Monaghan, Stanton and Wilson

Exe/21/1 Minutes

Decision

To approve as a correct record the minutes of the meeting on 9 December 2020.

Exe/21/2 Statement on the imminent risk of serious flooding risk to Mersey Valley area, Didsbury and Northenden

Officers provided the Executive with a report on the flood defences being established in the Didsbury and Northenden areas, either side of the River Mersey, after the Environment Agency had issued a Severe Flood Alert as a consequence of the rainfall associated with Storm Christoph.

It was reported that an unprecedented multi-agency response was underway to prepare defences and to give information and advice to residents who might need to be evacuated from the homes most at risk of flooding. Those living in the severe risk areas were also being advised to move their cars to higher ground. The situation on the ground was ever changing, and the highest risk was expected to be in the early hours of the following morning, when the Mersey was predicted to be at peak height.

The Executive passed on its thanks to all of the council's staff, and those from other services and agencies, who were involved in this joint response. At the meeting the Chief Executive confirmed that the Council's decision making delegation arrangement would allow for any urgent decision to be made as necessary, and funds to be spent, to best protect the residents and their property.

Councillors Wilson, Monaghan and Stanton, as councillors for the Didsbury East, Northenden and Didsbury West wards respectively, each addressed the meeting to report on the preparations being made in their neighbourhoods, and the concerns of the residents that would potentially be affected by the flooding.

Exe/21/3 Manchester Aquatic Centre Investment

A report from the Strategic Director of Neighbourhoods explained that the Manchester Aquatic Centre had been experiencing a number of building, mechanical and electrical end-of-life failures over recent years. In 2016 a stock condition survey had reviewed the maintenance liabilities of the centre up to 2036. That survey had identified that some parts of the building's plant, equipment and infrastructure were approaching 'end of life', or were 'life expired', and so would need investment to maintain the asset for the remaining 20 years of the lease. The report now sought authority and funding to proceed with the full refurbishment to make the Centre a compliant venue for all current uses.

Three investment options were presented in the report:

1. a full refurbishment which was estimated at £31.39m to deliver all identified essential works, refurbishment works, and carbon technology upgrades;
2. a delayed refurbishment, with essential works only being undertaken at this time. The cost of this had been estimated at £22.7m and there would then be an ongoing increased maintenance liability each year estimated to be around £1.5m; or
3. do nothing and allow further deterioration in the condition of the centre.

The report also explained that a scheme would ensure that modern disability access standards were being met, water treatment was brought up to modern standards and carbon emissions reduced. This would present an opportunity to replace the end-of-life items with carbon reduction technologies such as ground source and air source heat pumps, LED lights and solar PVs on the roof.

The report examined the advantages and disadvantages of each option, and option 1 was the favoured solution as it would ensure that the Centre was a sustainable community asset for 20 or more years, continuing to contribute to health, economic and social outcomes, as well as reducing the overall carbon footprint. That was supported.

Decisions

1. To note the options presented in the report and to approve proceeding with Option 1, a full refurbishment.
2. To recommend that the Council approve an increase the capital budget by £0.7m in 2020/21, £8.5m in 2021/22 and £21.2m in 2022/23, funded by £29.2m borrowing, and a capital budget virement of £1.3m funded by capital receipts via the Asset Management Programme Budget.

Exe/21/4 COVID 19 Monthly Update Report

The written report from the Chief Executive and the Deputy Chief Executive and City Treasurer took the form of three "situation reports", one each for the work on the city's economic recovery, work with residents and communities, and work on the

future of the Council itself. The report also presented the most up to date version of the “Manchester’s 12 Point COVID-19 Action Plan”, that had been produced on 18 January 2021.

The report also explained that the Council was being allocated additional tranches of business support funding. The funds were for Government schemes to provide additional support to businesses, along with the smaller elements of discretionary business funding. These being the Local Resource Grant funding and Additional Resource Grant funding as described in the situation reports. In order to allocate the funding in timely way it was recommended that the necessary authorities be delegated to the Deputy Chief Executive and City treasurer. The two recommended delegations were supported.

At the meeting the Director of Public Health reported the prevalence in the city as being 445 cases per 100,000 people, with the rate for the over-60s as being 368. There had been a slow and steady decline in the infection rates but the pressures on the local hospitals remained extraordinarily high.

The Executive Member for Adult Services told the meeting that current situation was very serious, with hospitals under immense pressure, and asked that everyone continue to follow the rules to help cut down the spread of the disease. There had now been more than 29,000 at-risk people vaccinated in the city, with over 3,500 being treated the previous day. Another mass-vaccination site was to open on the day of the meeting, to help speed-up the overall programme.

The Executive Member for Member for Neighbourhoods reported to the meeting the steps that were being taken to enforce the COVID restrictions for non-complaint business in the city.

Thanks were also given at the meeting for the excellent response there had been from members of the local community who were volunteering to help operate and marshal the vaccination centres in the city.

Decisions

1. To delegate authority for the design and allocation of BEIS Business Support Funding for the remainder of 2020/21 financial year to the Deputy Chief Executive and City Treasurer in consultation with the Leader of the Council
2. To delegate the authority for any decisions to update the Council's Revenue Budget for the discretionary Additional Resource Grant funding, and the associated decisions to spend the funding, to the Deputy Chief Executive and City Treasurer in consultation with the Leader of the Council.

Exe/21/5 Provisional Local Government Finance Settlement 2021/22

A report from the Deputy Chief Executive and City Treasurer explained the main announcements from the provisional local government finance settlement for

2021/22, and their implications for the city and the Council. The settlement announced had been just for one year: 2021/22.

At the national level the settlement had confirmed an increase in Core Spending Power for local authorities of 4.5%, with the increase for Manchester being 5%. The Core Spending Power calculation assumed that all Councils would take up the maximum Band D Council Tax increases. The assumptions for 2021/22 were that Councils would apply a 1.99% Council Tax increase in general, and a further 3% increase to provide extra funding for Adult Social Care, so a 4.99% Council Tax increase overall. Given the impact of the pandemic on the Council's budgets, and the strains on the Council's financial position, it was felt that the Council's budget calculation would have to assume that level of increase was going to have to apply in 2021/22.

The report detailed all the elements of the overall funding settlement announcement and the way that each would affect the Council's finances in 2021/22. The summary of all the changes was

	2021 / 22 £'000
Spending Power Changes:	
Revenue Support Grant inflation	320
Business Rates Adjustments	752
New Homes Bonus Scheme	4,104
Lower Tier Services Grant	1,236
One off COVID-19 support:	
COVID-19 Emergency funding - Tranche 5	22,229
Collection Fund Announcements:	
Local Council Tax Support grant	5,709
Local Tax Income guarantee scheme	8,637
Continuation of the 100% Business Rate Pilot	5,131
Other Announcements:	
Remove pay award assumption in 2021/22	7,500
Reduced contract cost of min wage	2,529
Homelessness Prevention Grant	723
Total Impact on council budget	58,870
Additional contribution to Adults pooled budget:	
Adult Social Care 3% precept	5,077
Social Care Grant (£300m)	6,313
Total impact on Adults pooled budget	11,390

With the overall settlement announcements not as bad as had been feared it was now predicted that savings in the region of £50m, as previously identified and as set out again in the subsequent items of business, should allow the Council to set a balanced budget for 2021/22. The council's financial position beyond then remained very uncertain.

It was noted that the Resources and Governance Scrutiny Committee had also considered the report at a recent meeting, and had noted its content (Minute RGSC/21/02).

Decision

To note the report.

Exe/21/6 Council Tax Consultation Results 2021/22

A joint report from the Deputy Chief Executive and City Treasurer, and the Head of Strategic Communications provided a summary of the results of phase one of the consultation on the potential increases to council tax for financial year 2021/22, as well as a summary of the responses received.

The report explained that due to the timing of the 2021/22 Spending Review and Finance Settlement the budget consultation for 2021/22 had been planned as a two-phase approach:

Phase 1 - Council tax and adult social care increase consultation (8 December 2020 – 24 December 2020), seeking view on the likely 5% overall increase in Council Tax
Phase 2 - Budget consultation (20 January 2021 – 21 February 2021)

The report set out a detailed analysis of the 2,090 responses there had been to the phase 1 questionnaire, as well as a demographic analysis of the respondents who had provided those data. In general, the results showed mixed levels of support for the 1.99% increase in Council Tax, and the 3% extra increase for adult social care.

Decision

To note the report

Exe/21/7 Directorate Budgets - Children and Education Services Budget 2021/22

In November 2020 the Directorate's first suggestions for 2021/22 budget cuts and savings had been considered and noted (Minute Exe/20/118). A report now presented set out the revisions and updates there had been since November, and outlined the further work that would be undertaken before the final budget proposals for the directorate were presented to the Executive meeting on 17 February.

It was noted that the Children and Young People Scrutiny Committee had also considered the report at a recent meeting. The committee had endorsed many of the savings proposals had been unable to support the proposal for the revised parenting commission, nor the proposed cut to funding for interventions to support the improvement of maintained schools (Minute CYP/21/02).

In considering the advice of the Committee it was proposed and agreed that the £300,000 savings proposed from cuts in the budget of the Parenting Commission

should not now be made, with commensurate savings being made from elsewhere in the Council.

Decision

To note the report and endorse the savings proposals within it, with the exception of the proposed £300,000 saving from budget of the Parent Commission, which would not now be taken forward in February.

Exe/21/8 Directorate Budgets - Health Budget Options for 2021/22

In November 2020 the Directorate's first suggestions for 2021/22 budget cuts and savings had been considered and noted (Minute Exe/20/119). A report now presented set out the revisions and updates there had been since November, and outlined the further work that would be undertaken before the final budget proposals for the directorate were presented to the Executive meeting on 17 February.

It was noted that the Health Scrutiny Committee had also considered the report at a recent meeting, and had endorsed the savings proposals (Minute HSC/21/04).

Decision

To note the report and endorse the savings proposals within it.

Exe/21/9 Directorate Budgets - Homelessness Directorate Budget and Savings Options 2021/22

In November 2020 the Directorate's first suggestions for 2021/22 budget cuts and savings had been considered and noted (Minute Exe/20/121). A report now presented set out the revisions and updates there had been since November, and outlined the further work that would be undertaken before the final budget proposals for the directorate were presented to the Executive meeting on 17 February.

It was noted that the Neighbourhoods and Environment Scrutiny Committee had also considered the report at a recent meeting, and had endorsed the savings proposals (Minute NESC/21/03).

Decision

To note the report and endorse the savings proposals within it.

Exe/21/10 Directorate Budgets - Corporate Core Budget Proposals 2021/22

In November 2020 the Directorate's first suggestions for 2021/22 budget cuts and savings had been considered and noted (Minute Exe/20/123). A report now presented set out the revisions and updates there had been since November, and

outlined the further work that would be undertaken before the final budget proposals for the directorate were presented to the Executive meeting on 17 February.

It was noted that the Resources and Governance Scrutiny Committee had also considered the report at a recent meeting, and had endorsed the savings proposals (Minute RGSC/21/03).

Decision

To note the report and endorse the savings proposals within it.

Exe/21/11 Directorate Budgets - Neighbourhoods Directorate Budget Proposals 2021/22

In November 2020 the Directorate's first suggestions for 2021/22 budget cuts and savings had been considered and noted (Minute Exe/20/120). A report now presented set out the revisions and updates there had been since November, and outlined the further work that would be undertaken before the final budget proposals for the directorate were presented to the Executive meeting on 17 February.

It was noted that the Neighbourhoods and Environment Scrutiny Committee had also considered the report at a recent meeting, and had endorsed the savings proposals (Minute NESC/21/02). Similarly, the Communities and Equalities Scrutiny Committee had considered the report at a recent meeting, and had likewise endorsed the savings proposals (Minute CESC/21/02).

Decision

To note the report and endorse the savings proposals within it.

Exe/21/12 Directorate Budgets - Growth and Development Directorate Budget Proposals 2021/22

In November 2020 the Directorate's first suggestions for 2021/22 budget cuts and savings had been considered and noted (Minute Exe/20/122). A report now presented set out the revisions and updates there had been since November, and outlined the further work that would be undertaken before the final budget proposals for the directorate were presented to the Executive meeting on 17 February.

It was noted that the Economy Scrutiny Committee had also considered the report at a recent meeting, and had endorsed the savings proposals (Minute ESC/21/02).

Decision

To note the report and endorse the savings proposals within it.

Exe/21/13 Capital Programme Update

A report concerning requests to increase the capital programme was submitted. We agreed to recommend three changes to the Council and to make a further four changes under delegated powers. These changes would increase Manchester City Council's capital budget by £ by £2.142m over this year and the next two, funded by borrowing, external contributions and government grants.

The report also explained that acting under delegated powers the Deputy Chief Executive and City Treasurer had approved a further £2.06m of Capital expenditure approval for eight different schemes and proposals. Those were:

Scheme	Funding Released
Green Homes Grant	£500,000
Emergency Active Travel Fund T2 Development Costs	£200,000
Auto Bollards Additional Funding	£132,000
Bee Network Junctions & Crossings Development Costs	£53,000
TFGM Bus Stop Enhancements - Development	£38,000
Three separate releases for the Medieval Quarter and Glade of Light Memorial – total	£1,137,000

The report also sought approval for a change in the funding approval processes for highways works, in order to enhance the decision-making processes without creating any additional risks. This would see early works for schemes in 2020/21 funded through use of borrowing via the Highways Development Fund. The Development Fund would then be reimbursed from the Capital Fund as funding was claimed. That approach was supported.

In July 2020 the Chancellor had announced £1bn of grant funding would be made available as part of a range of measures to support economic recovery in response to COVID-19 for investment in decarbonisation of public estates. The report explained that an overall Greater Manchester bid had been collated by GMCA for a total value £80.7m. The City Council's bid as part of that had been for £22.9m.

The Glade of Light memorial was to become the city's permanent memorial to those killed in the Manchester Arena bombing of May 2017. It was to be part of the public realm of the Northern Quarter in the city centre. The report explained that external funding has been secured for the scheme and £1.137m had been approved for work to be completed by November 2021.

It was also reported that Council had been successful in its application to the Cultural Capital Kickstart Fund for the Factory Project, the application had been for £21m.

Decisions

1. To recommend that the Council approve the following changes to Manchester City Council's capital programme:

- (a) ICT – End User Devices. A capital budget virement of £3.615m is requested, funded by Unallocated ICT Investment Budget.
 - (b) Children’s Services – Our Lady’s RC High School – Permanent. A capital budget virement of £2.4m is requested, funded by Unallocated Education Basic Needs Grant Budget.
 - (c) ICT – Network Refresh Programme. A capital budget virement of £3m is requested, funded by Unallocated ICT Investment Budget.
2. Under powers delegated to the Executive, to approve the following changes to the City Council’s capital programme:
- (d) Children’s Services - Special Capital Fund – Grange School Expansion. A capital budget virement of £0.195m is requested, funded by Unallocated Special Education Needs Grant.
 - (e) Highways Services – Northern Eastern Gateway Walking and Cycling Scheme Accelerated Works. A capital budget increase of £1.746m is requested, funded by External Contribution.
 - (f) Highways Services – Manchester Cycleway Early Works. A capital budget increase of £0.450m is requested, funded by External Contribution.
 - (g) ICT - Resident and Business Digital Experience Platform Additional Funding. A capital budget decrease of £0.054m is requested and approval of a corresponding transfer of £0.054m to the revenue budget, funded by capital fund.
3. To approve Highways funding strategy to progress accelerated works
4. To note increases to the programme of £2.060m as a result of delegated approvals.
5. To note update on Public Sector Decarbonisation Scheme Bid
6. To note update on Medieval Quarter and Glade of Light Memorial project
7. To note update on The Factory Cultural Recovery Fund Grant

Exe/21/14 Affordable Housing Delivery Update

A report from the Strategic Director (Growth and Development) provided a progress report on the achievement of the target to secure a minimum of 6,400 new affordable homes from April 2015 to March 2025. The report provided a detailed assessment of each of the current house building schemes that were making a contribution towards that overall target, or were expected to be able to make a contribution in the near future.

It was noted that the Economy Scrutiny Committee had also considered the report at a recent meeting, and had noted its content (Minute ESC/21/04).

Decision

To note the report.

Exe/21/15 Housing Revenue Account Delivery model- Northwards ALMO Review

Councillor Midgely declared a prejudicial interest in this item of business and left the meeting prior to its consideration.

In June 2020 the Executive had approved consultation on a preferred in-house option for the future management of the Council's Arm's Length Management Organisation (ALMO) that had been identified as part of the Housing Revenue Account review. The same meeting had also approved a due-diligence exercise of the Northwards ALMO, including consultation with staff, unions, tenants and local stakeholders, to review the costs of options (Minute Exe/20/66). In September 2020 the Executive had examined the outcome of the due-diligence exercise and had concluded that insourcing the service remained the preferred option with the intention to take over direct management of the Housing Service into the Council from 5 July 2021 subject to a "test of opinion" involving all tenants and leaseholders (Minute Exe/20/97). A report now submitted by the Chief Executive set out the results of that "test of opinion".

The test of opinion had run from 3 December 2020 to 4 January 2021. In that time 1633 people had voted: 1572 tenants and 54 leaseholders. That represented 12.52% of those able to participate. In response to the question "Do you support the proposal to bring the management of your council home into direct management by the council?" - 93% of the respondents has supported the proposal. With that clear expression of opinion amongst the tenants and leaseholders, the report described the next steps and decisions that would be needed to progress this idea, as well as setting out the potential contractual implications for the present employees of Northwards.

It was noted that the Economy Scrutiny Committee had also considered the report at a recent meeting, and had endorsed its recommendations (Minute ESC/21/03).

The Executive put on record its thanks to Robin Lawler, who had recently retired as the Chief Executive of Northwards, for all his service to the residents and to the city as a whole. He was wished well in his retirement.

Decisions

1. To note the outcome of the "test of opinion" consultation and the support for the council's proposals.

2. To note the proposals contained within the report about how the new council-controlled service governance is being developed and how tenants will be involved and empowered in the decision making about services to homes and communities.
3. To note the appointment of a project lead, and the indicative project stages and timetable for the delivery of the insourcing project.
4. To confirm support for the retention of “Northwards” as a brand identity for the council housing service.