



Resources and Governance Scrutiny Committee

Date: Tuesday, 12 January 2021

Time: 10.00 am

Venue: Virtual Meeting - Webcast at - <https://vimeo.com/event/570221>

There will be a private meeting for Members only at 9:00am on Tuesday 12 January 2021 via Zoom. A separate invite will be sent to members with joining details.

Advice to the Public

The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020

Under the provisions of these regulations the location where a meeting is held can include reference to more than one place including electronic, digital or virtual locations such as internet locations, web addresses or conference call telephone numbers.

To attend this meeting it can be watched live as a webcast. The recording of the webcast will also be available for viewing after the meeting has concluded.

Membership of the Resources and Governance Scrutiny Committee

Councillors - Russell (Chair), Ahmed Ali, Andrews, Clay, Davies, Lanchbury, B Priest, Rowles, A Simcock, Stanton, Wheeler and Wright

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

Draft Minutes of the meeting held on 1 December 2020 attached

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5. Corporate Core Budget Proposals 2021/22

Report of the Deputy Chief Executive and City Treasurer and City Solicitor attached

15 - 34

This report provides a further update to the Scrutiny committee on the savings proposals being proposed as part of the 2021/22 budget process and reflects any feedback from the November Scrutiny committees. The savings proposals will be considered by all six Scrutiny Committees for those areas within their remit, prior to going out to public consultation.

6. Capital Investment Priorities and Pipeline

Report of the Deputy Chief Executive and City Treasurer attached

35 - 60

This report provides a summary of the Council's proposed capital investment priorities, which will be included in the Capital Strategy report to Executive in February.

7. The Council's HRA and Housing Investment Reserve and Governance of the potential work to bring Housing ALMO back in house and other Housing PFI schemes

Report of the Director of Housing and Residential Growth attached

61 - 84

This report outlines the financial position of the Council's HRA and Housing Investment Reserve and the proposed governance arrangements that would be put in place should the Council decide to bring the Housing ALMO stock back under the control of the Council including any proposals for future tenant involvement and also governance arrangements of the other housing PFI schemes. The report also describes the framework in which the Council manages its two Tenant Management Organisations.

- 8. Our Manchester Strategy Reset** 85 - 98
Report of the Deputy Chief Executive and City Treasurer attached

This report provides an update on the draft Our Manchester Strategy – Forward to 2025 reset document. A draft of the reset Strategy is appended to this report.

- 9. Overview Report** 99 - 128
Report of the Governance and Scrutiny Support Unit.

This report provides the Committee with details of key decisions that fall within the Committee's remit and an update on actions resulting from the Committee's recommendations. The report also includes the Committee's work programme, which the Committee is asked to amend as appropriate and agree.

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. Speaking at a meeting will require a video link to the virtual meeting.

Members of the public are requested to bear in mind the current guidance regarding Coronavirus (COVID19) and to consider submitting comments via email to the Committee Officer. The contact details of the Committee Officer for this meeting are listed below.

The Council is concerned to ensure that its meetings are as open as possible and confidential business is kept to a strict minimum. When confidential items are involved these are considered at the end of the meeting and the means of external access to the virtual meeting are suspended.

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, 4 January 2021** by the Governance and Scrutiny Support Unit, Manchester City Council, Level 3, Town Hall Extension (Lloyd Street Elevation), Manchester M60 2LA

Resources and Governance Scrutiny Committee

Minutes of the meeting held on Tuesday, 1 December 2020

Present:

Councillor Russell (Chair) – in the Chair
 Councillors Ahmed Ali, Andrews, Clay, Davies, Lanchbury, B Priest, A Simcock, Stanton, Wheeler and Wright

Also present:

Councillor Leese, Leader
 Councillor N Murphy Deputy Leader
 Councillor Rahman, Executive Member for Skills, Culture and Leisure
 Councillor Hitchen, (Minute RGSC/20/xx only)

Apologies: Councillor Rowles

RGSC/20/51 Minutes

Decision

The Committee approves the minutes of the meeting held on 3 November 2020 as a correct record.

RGSC/20/52 Government Spending Review

The committee considered a report of the Deputy Chief Executive and City Treasurer, which detailed the main announcements from the Spending Review with a focus on those impacting the City Council's budget.

Key points and themes within the report included:-

- A 3% increase in Council Tax Adult Social Care precept (the referendum limit for the Council Tax precept remained at 2%);
- An additional £300m social care grant (£150m of this was new funding);
- The New Homes Bonus scheme would continue for 2020/21 for additional homes delivered;
- Additional support for COVID-19 losses;
- Unringfenced £670m in relation to Council tax losses including the impact of the increase in numbers receiving Council Tax Support
- 75% of irrecoverable 2020/21 Collection Fund losses would be reimbursed by the Treasury resulting in a smaller deficit to be smoothed over three years;
- The 100% Business Rate Pilots would continue for another year (including Greater Manchester) and there would be no Business Rates reset in 2021/22;
- Funding for Troubled Families scheme of £165m would continue on a roll over basis;

- Funding of £254m was announced to reduce rough sleeping and Homelessness;
- Pay rises in the public sector would be restrained with only nurses, doctors and others in NHS receiving a pay rise next financial year;
- Due to the fact this was a one-year Settlement and many of the announcements were for one-off funding the position for 2022/23 would still remain extremely challenging with an anticipated gap remaining of c£120m; and
- The Council will also need to deliver around £50m of cuts in for 2021/22 to achieve a sustainable position for the future.

There were no questions in relation to this report.

Decision

The Committee notes the report.

RGSC/20/53 Setting of the Council Tax Base and Business Rates Shares for Budget Setting Purposes 2021/22.

The Committee considered the report of the Deputy Chief Executive and City Treasurer that advised on the methodology of calculating the City Council's Council Tax base for tax setting purposes and Business Rates income for budget setting purposes for the 2021/22 financial year, together with the timing of related payments and the decision on business rates pool membership. The Chair of the Committee would be requested to exempt various key decisions from call in.

Clarification was sought on how many properties were included in the Council Tax base for 2020

The Deputy Chief Executive and City Treasurer advised that the Council tracked the number of council tax properties in each council tax band and the number of properties that were exempted from council tax which meant that the calculation was complex and the figure would only be confirmed in January 2021.

Decisions

The Committee: -

- (1) Note that the Deputy Chief Executive and City Treasurer, in consultation with the Executive Member for Finance and Human Resources, has delegated powers to:
 - Set the Council Tax base for tax setting purposes in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2013;
 - Calculate the Business Rates income for budget setting purposes in accordance with the Non-Domestic Rating (Rates Retention) Regulations;
 - Agree the estimated council tax surplus or deficit for 2020/21;
 - Agree the estimated business rates surplus or deficit for 2020/21;

- Determine whether the Council should be part of a business rate pooling arrangements with other local authorities;
- Set the dates of precept payments to the Greater Manchester Combined Authority.

(2) Note that the Chair of the Scrutiny Committee will be requested to exempt various key decisions from the call in procedures.

RGSC/20/54 Discretionary Housing Payments

The Committee considered a report of the Deputy Chief Executive and City Treasurer, which provided an update on the Council's Discretionary Housing Payment scheme and the potential impact of anticipated budget cuts

Key points and themes in the report included:-

- The officer proposal that were being considered as part of the budget consultation was to remove £1.5m of the £2m additional Council contribution to the Discretionary Housing Payment Scheme Budget;
- The Council's contribution has supported the policy objective to sustain tenancies and avoid further intervention and support costs;
- Taking money out of the system would mean that decisions would have to be carefully managed to ensure that the Council could continue to support its most vulnerable residents;
- The Council could if required, reduce the budget and still provide valuable, additional support to residents in the city that need extra support with rent costs with a reduced contribution of between £500,000 and £1m; and
- The impact of which would depend upon what the government did with the, at present, temporary changes to Universal Credit and Local Housing Allowance.

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

- Why had the percentage of cases relating to Registered providers increased significantly;
- It was suggested that when referring to under occupancy in the report this needed to be clear that this was a bedroom tax introduced by the previous coalition government to target the least well off;
- There was concern that the potential cuts to this budget would impact on potential further homelessness incidents and as such any decision should be put on hold until the next financial year;
- There was a need from Government to commit to the £20 payment in regard to Universal Credit;
- If the DHP budget was reduced, what contingencies would be in place to put more money in to the budget if pressures increased during the course of the next financial year;
- What processes were in place to handle, in a timely manner, housing benefit claims for temporary accommodation;
- Was there enough resources to support the level of homelessness being presented in the city;

- Members did not feel it was appropriate to remove £1.5m of the £2m Council contribution to DHP and the Chair proposed instead that the Council remained its contribution to this budget at £1m in order to maintain the current level of service.

The Head of Corporate Assessments advised that the number of cases per registered providers had increased in large part due to the proportions of the payments being made, as the proportion paid to homelessness cases had reduced by some extent which had in turn increased the proportion being paid in to registered providers.

The Leader, whilst acknowledging the point being made, advised that reference to under occupancy being referred to as a bedroom tax was a political terminology, which was not appropriate for Officers to be using when producing reports. He also advised that he recognised the point being made around the potential impact of cutting this budget would have on the number of homelessness cases , but to maintain the current level of intervention would result in an over budget of between £0.5m and £1m and this was not appropriate to do. He added that whilst the budget could be reduced for 2021/22, in subsequent years there may be the need to increase it again due to the uncertainty of changes to Universal Credit and Local Housing Allowance

The Committee was advised that the Council would always maintain an unallocated contingency budget for instances where pressures for services became higher than anticipated.

The Head of Corporate Assessments advised that there were fortnightly meetings with colleagues in Homelessness to try and address the issues arising with making timely and successful benefit claims for those in temporary accommodation. It was acknowledged that this was a difficult area to overcome the issues that currently existed but was something that Officers were continually working on. The Chair suggested a follow up note to Members on this would be beneficial.

The Leader commented that the Government's Spending Review had identified additional funding to address homelessness, but the precise details and allocation had not been released.

The Leader commented that he would be comfortable supporting the proposal for the Council to provide a £1m contribution to the service, which was in line with the current costs of maintaining the existing level of service and suggested that a deeper analysis of how other local authorities were supporting this service area via other routes.

Decision

The Committee recommends that the Council keeps its contribution to this budget at £1m in order to maintain the current level of service.

RGSC/20/55 New Customer Service Centre Delivery Model

The Committee considered a report of the Deputy Chief Executive and City Treasurer, which outlined the proposed new delivery model for face-to-face services currently delivered by the Customer Service Organisation (CSO).

Key points and themes of the report included:-

- An overview of the pre Covid Customer Service Centre (CSC) offer,
- Current arrangements as a result of the COVID19 pandemic; and
- Further detail on the piece of work to look at what a future operating model could look like and deliver for the Council and its residents.

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

- There was a need to be clearer on what was meant by a signing service, if this was in reference to BSL;
- Would consideration be given to offering the video conferencing service in more libraries than just the three referred to in the report;
- What impact would the proposals have on non-staffing related budgets;
- What level of staffing was being proposed for the delivery of the new model of service;
- It was felt that the service currently provided by the Council was superior to organisations providing a comparable service;
- Further clarity was sought on the co-browsing proposals;
- What model had been used to identify the three pilot areas;
- It was felt that there was still a need to provide a direct face to face homelessness services for those who needed it in the Town Hall;
- Was there enough capacity to deal with any increase in demand on the service, including homelessness triage when the current hold on evictions due to the COVID19 pandemic comes to an end;
- It was requested that information be provided to the Committee on the number of residents requesting face to face appointments and subsequently getting these appointments and what follow up is being done to ensure residents are getting the support they require

The Director of Customer Services and Transactions acknowledged the point made around signing service but advised that there was a range of different signing languages that people used so a collective reference was currently being used but this could be changed to something more appropriate if required.

The Committee was advised that the three e libraries were just being used as a pilot for the video conferencing service. If this was well received, then consideration would be given to implementing this in other libraries across the city as the cost for implementing was not significant.

The Director of Customer Services and Transactions advised that there were currently 18 staff in the CSC. There had been no face to face service offered since March 2020 due to the COVID19 pandemic and this new model only provided a face to face service at the CSC, staffed by six employees, who would undertake a meet and greet function and any appointments that were required to be face to face at an

appropriate location for the customer, which would include home visits if needed. Elsewhere would be via video conferencing.

In terms of the co-browsing proposal, this would allow for Council staff to provide real time digital support and view what the resident was looking at on their screen or having difficulty in completing.

The Deputy Leader advised that the three pilot areas had been identified on geographical grounds, representing the north, central and south of the city where a library had a large enough interview room that could comply with COVID19 spacing requirements.

The Director of Customer Services and Transactions advised she would speak to the Director of Homelessness in regard to the point made around the need to retain a face to face service. In terms of increase demand on the service in relation to benefit claims, it was explained that any new benefit claimants would tend to be made by phone and the co-browsing proposals would support this. In relation to concerns around any possible increases in homelessness triage, this too would need to be passed to the Director of Homelessness for an appropriate response.

Decisions

The Committee:-

- (1) Note the content of this report.
- (2) endorse the proposed approach to developing and implementing a new operating model for face-to-face Council Services.
- (3) Requests the officers take into account the comments made by the Committee when developing and implementing the new operating model.

RGSC/20/56 Withdrawal from school catering provider market

The Committee considered the report of the Strategic Director, Neighbourhoods that informed the Committee of the current financial and operating position of Manchester Fayre, which provided catering services to 80 sites across the City. The report outlined the forecast cost of the service in the current year and the additional budget requirement that will be needed to continue operating the service.

The main points and themes within the report included: -

- Providing an introduction and background to Manchester Fayre;
- Describing the current operating position;
- Detailing the current budget position;
- Staffing implications; and
- Proposed transition arrangements.

It was also reported that the Council was not required to provide a school meals service and the subsidy now required to continue to operate the service to a minority of Manchester schools was significant. This subsidy would have a consequential impact on other service reductions that would be required. It was also commented

that the market for school meal providers in Manchester was competitive and alternative providers could service the demand without the subsidy that would be required for Manchester Fayre.

Some of the key points that arose from the Committees discussion were:

- Rebutting the assumption that the jobs and employment terms and conditions of staff would be protected under TUPE (Transfer of Undertakings (Protection of Employment) Regulations 2006) arrangements if transferred to alternative providers, and noting that the limitations within those legal protections meant that in the current economic climate, TUPE was highly unlikely to be effective and might actually incentivise redundancy;
- Did any other local authorities in Greater Manchester have a service that was not loss-making, and if so, how had that been achieved;
- What consultation had been undertaken with Trade Unions, noting that concerns had been expressed by the Trade Unions regarding the consultation process, and suggesting that industrial relations were not being adequately maintained;
- Expressing the need to explore every option to protect the jobs and wages of the lowest paid workers, with more than one member commenting that it was a service predominantly staffed by relatively low paid, female workers;
- Noting that this proposal had been made repeatedly over a number of years, and questioning whether the communications strategy to sell the service was adequate;
- Noting that Manchester Fayre had been independently identified as a very good service, providing high quality and nutritious food and noting the importance of this for the children of Manchester;
- Commenting that the proposals amounted to an outsourcing of services;
- The Council should give consideration to using capital funding to deliver this service;
- Questioning the argument regarding the inability to deliver the service at economy of scale, noting that other providers had expressed an interest in delivering this service;
- Seeking clarification on the cost charged by Manchester Fayre to provide a school meal, commenting that there were different figures on the Council's website;
- Had consideration been given to delivering a Greater Manchester service to schools; and
- What was the actual budget of the service, commenting that the loss incurred during the pandemic should be disregarded as it has been for other Council services.

The Director of Commercial and Operations responded to the comments and questions from the Committee by stating that consultations had been undertaken with local Trade Unions in accordance with agreed protocols and process. He advised that staff would be transferred to any new provider under TUPE arrangements. He stated that the service could not compete with alternative providers due to the economy of scale, noting that approximately six schools per year were opting out of the service and the financial loss incurred by the service next year was anticipated as a minimum of £600k. He further clarified the cost to a school for a meal provided by

Manchester Fayre, however the cost charged to the pupil was determined by the individual school, commenting that the information on the Council's website would be revised to ensure the information provided was correct.

The Director of Commercial and Operations stated that discussions had been undertaken with other local authorities, and that Salford had a more profitable service, but that school finances were arranged differently in Salford. Due to the different local funding arrangements and each school managing their own budget for this function in Manchester, this presented a significant challenge. He stated that previous attempts to re-recruit schools had stopped as the tactics used were not proving successful. The conversations would continue in addition to the local service manager and nutritionist promoting the Manchester Fayre service to Manchester schools, noting the positive comments on the service identified by the independent report.

The Deputy Chief Executive and City Treasurer confirmed that in some cases capital receipts could be used to fund transformation programmes where there was a financial payback. However caution needed to be taken when using capital funding to finance a transformation project and some local authorities had got into difficulties from it. It was also noted that it was the schools and their governing bodies that had decided to opt for alternative providers to deliver schools meals as they retained and managed this budget.

The Executive Member for Skills, Culture and Leisure addressed the Committee and stated that the report did not propose any job losses and did not impact on the provision of Free School Meals. He stated that the budget to provide school meals had been delegated to individual schools and it was their decision as to how they procured this service, commenting that of the 185 schools in Manchester 110 of these had opted for alternative arrangements. He stated that the financial situation was such that it was unjustifiable to continue to subsidise this service. He stated that the report detailed the alternative options that had been considered and reiterated the point that this report did not propose any job cuts. He concluded that the money saved by not continuing to subsidise this service could be used to protect jobs and services when considering the broader budgetary pressures the Council was experiencing.

The Leader stated that the decision had been taken some time ago by the Council to delegate this budget to individual schools, noting that any surplus achieved was retained by the school. He commented that 63% of schools currently procured school meals from other providers and nutritional standards had not deteriorated, adding that in many cases the menu variety had improved, and produce had been procured from local providers. He stated that there was no evidence to indicate workers' pay and conditions for those who had transferred to other providers had been adversely affected in his ward. He concluded by stating that the Council could not afford to continue to subsidise this service.

Decisions

The Committee: -

- (1) Recommends that the proposals described within the report are not progressed.
- (2) Accepts that Manchester Fayre may not be sustainable in its current form but recommends that alternative options are considered to maintain the offer of Manchester Fayre and protect jobs, including delivering a service with other Greater Manchester local authorities to achieve economies of scale and be a competitive provider of school meals.

RGSC/20/57 Overview Report

The Committee considered a 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.

Decisions

The Committee:-

- (1) Note the report.
- (2) Note that the Chair will finalise the Work Programme for the February and March 2021 meetings in consultation with Officers.

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Manchester City Council Report for Resolution

Report to: Resources and Governance Scrutiny Committee – 12 January 2021
Executive – 20 January 2021

Subject: Corporate Core Budget Proposals 2021/22

Report of: Deputy Chief Executive and City Treasurer, and City Solicitor.

Summary

As a result of additional demand for services and impact on the Council's income (as set out in the November reports to Executive and scrutiny committees) the Council is facing a significant budget gap for 2021/22 onwards. Funding announcements in the government's spending review on 25 November and provisional local government finance settlement on 17th December suggest the Council will not be facing the worst-case scenario for 2021/22, which was a shortfall of around £100m. It is now expected that savings in the region of £50m, as previously identified, will be sufficient. The report of the Deputy Chief Executive and City Treasurer, to Resources and Governance Scrutiny Committee 12 January provides an update on the finance settlement.

This report provides a further update to the Scrutiny committee on the savings proposals being proposed as part of the 2021/22 budget process and reflects any feedback from the November Scrutiny committees. The savings proposals will be considered by all six Scrutiny Committees for those areas within their remit, prior to going out to public consultation.

In order to aid Members any changes since the November scrutiny reports have been highlighted.

Recommendations

The Committee is asked to consider and make comments on the savings proposals identified prior to being considered by Executive on 20 January 2021.

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	Providing the leadership and focus for the sustainable growth and transformation of the City's neighbourhoods and highways

A highly skilled city: world class and home-grown talent sustaining the city's economic success	Ensuring residents are connected to education and employment opportunities across the City.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Creating places where residents actively demonstrate the principles of Our Manchester through participation and take responsibility for themselves and their community whilst encouraging others to do the same, supported by strong and active community groups.
A liveable and low carbon city: a destination of choice to live, visit, work	Creating places where people want to live with good quality housing of different tenures and effective use of the highways network; clean, green, safe, healthy and inclusive neighbourhoods; a good social, economic, cultural offer and environmental infrastructure.
A connected city: world class infrastructure and connectivity to drive growth	Ensuring residents, neighbourhoods, businesses and goods connect to local, national and international markets. Through working with partners both internally and externally maximise the impact of the provision of new and enhanced physical and digital infrastructure.

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

- Equal Opportunities
- Risk Management
- Legal Considerations

Financial Consequences Revenue

The savings proposals included within this report are proposed as part of the 2021/22 budget preparation work and will contribute towards ensuring that the Council can deliver a balanced budget.

Financial Consequences – Capital

There is already an approved capital investment programme for the Directorate, and some capital investment is required to assist in delivering some of the currently identified proposals included within this report.

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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.

Corporate Core Budget 2020/21 - Executive 12 February 2020

Corporate Core 2021/22 Budget Options – Executive 11 November 2020

1 Introduction

- 1.1 This report should be read in conjunction with the City Council budget covering report and sets out the budget reductions proposed to support the work required to deliver a balanced budget in 2021/22. As a result of additional demand for services and impact on the Council's income (as set out in the November reports to Executive and scrutiny committees) the Council is facing a significant budget gap for 2021/22 onwards. Funding announcements in the government's spending review on 25 November and provisional local government finance settlement on 17th December suggest the Council will not be facing the worst-case scenario for 2021/22, which was a shortfall of around £100m. It is now expected that savings in the region of £50m, as previously identified, will be sufficient to bridge next year's gap. The report of the Deputy Chief Executive and City Treasurer, also on today's agenda provides a more detailed update on the finance settlement.
- 1.2 Following on from the November Scrutiny Committees, all Directorates have continued to develop and work through the budget proposals, and this work has taken into consideration the feedback from the November meetings. Overall savings proposals from all Directorates total around c.£50m. Wherever possible consideration has been given to protecting front line services and to protect the capacity to support the recovery planning. Inevitably this means a larger proportion of savings falling on the Corporate Core which will have a significant impact on Core capacity at the time the Council most needs it.
- 1.3 To support the proposed reduction in staffing across the Core, a targeted voluntary efficiency scheme was opened up to staff, and this closed 11 December, there were 196 applications from across the Core, and these are currently being considered as part of each service areas proposed reductions, and decisions are expected mid January.
- 1.4 The report also includes those areas of service which are within the remit of Resources and Governance Scrutiny Committee but not within the Corporate Core, namely operational property, facilities management, the investment estate from Growth and Development, business units and Commercial operations from Neighbourhoods Directorate. Details of the proposals within these areas are set out in section 5 of this report.
- 1.5 Currently the Core has identified proposed budget reductions of £6.281m, and this requires a reduction of c.115.6ftes. As part of advance preparation for the proposed budget reductions and the need to reduce staff numbers, services have not been recruiting unless the post is essential and there are currently c.33 vacancies. Whilst it is forecast that total savings of c£50m will enable a balanced budget in 2021/22, it is anticipated that further cuts will be required in future years which will be subject to member approval as part of future budget process.
- 1.6 As part of identifying the proposed budget reductions consideration has been given to minimising the impact on other Council services and residents, although this is not always possible. The feedback from the earlier Scrutiny

meetings and Executive has also been taken into account. The key changes made to the initial options within the remit of this Committee are as follows:

- The reduction to the City Council contribution towards Discretionary Housing Payments will be £1m rather than the £1.5m initially proposed. A detailed report was provided to the December Scrutiny meeting that set out the levels of demand for this support and suggested a smaller reduction that would minimise the impact on residents. The £1m remaining contribution is in addition to the Government grant support of (£2.53m in 2020/21 and revised each year). Based on future allocations being broadly similar to this year, this will provide total DHP of c£3.5m available to support the most vulnerable residents. This is dependent on the level of Government grant remaining at 2020/21 levels
- Revenues and Benefits – concerns were also expressed about the levels of reduction within Housing Benefit and the Revenues services at a time when the services are under immense pressure from covid-19 related activity as well as seeing increasing demand in the regular activities. The service is currently undertaking the following activities within existing resources, Test and Trace Support Payments, discretionary grants to residents and a number of business rates grants and schemes that are expected to continue into the next financial year. The proposed cut has subsequently been reduced by £340k to protect core capacity in these areas, leaving proposed savings of £160k.
- Car Parking – The initial options included additional income of £4.5m from off street car parking, following the cessation of the joint venture and the bringing back in house of the car parks. Further works have been done to understand the operational costs of the car parks, and the original savings proposal of £4.5m has been revised down to £4.1m due to higher than anticipated costs.

2 Corporate Core Directorate Background and Context

2.1 The Corporate Core plays a key role in supporting the delivery of the Our Manchester Strategy and the eight Corporate Plan priorities providing specific support to other parts of the Council. This includes supporting relationships with a wider range of key partners across Manchester, Greater Manchester, nationally and internationally to deliver the Corporate Plan priorities and the wider vision for the city. Current areas include:

- Manchester's approach to place-based reform - Bringing Services Together for People in Places
- Integration of Health and Social Care through partnership arrangements with the NHS
- Delivery of the Local Industrial Strategy which will deliver inclusive and green growth for the City
- Delivery of Our Transformation - a new Council-wide portfolio of programmes which has been set up with a view to changing how we work

as an organisation to ensure we can deliver our corporate priorities and specifically ensure that we are a 'well managed council'.

- Continuing to ensure that the 'Our Manchester' approach is the way we do things here, rather than a thing we do
- Leadership for the Council's action plan to being zero carbon by 2038 at the latest, and support arrangements with partners to meet the city's ambition to live within the science-based carbon budget and be zero carbon by 2038 at the latest.

2.2 The Core also has a direct delivery role in delivering our Corporate Plan '**well managed council**' theme through providing effective support services such as Capital Programme Delivery, Communications, Financial Management, HROD, Legal Services, Policy, Performance and Reform and Innovation and Procurement.

2.3 The Core provides a range of important universal services to residents which include:

- Revenue and Benefits
- Customer Contact Centre
- Shared Service Centre
- Coroners
- Registrars

2.4 Finally, the Corporate Core has an important role in ensuring effective governance and assurance as well as supporting the Council's democratic role.

3 Corporate Core 2020/21 Budget Position

3.1 The Corporate Core has a net budget of £71.9m, with 1,823fte's employees. The breakdown by service area is provided in the table below:

Table 1: 2020/21 base budget

Service Area	2020/21 Gross Budget £'000	2020/21 Net Budget £'000	2020/21 Budgeted Posts (FTE)
Legal Services	12,864	7,129	262
Elections	1,177	1,079	12
Coroners & Registrars	3,691	2,348	56
Executive Office	987	987	12
Communications	4,834	3,371	83
CEX Corporate Items	1,561	545	-
Chief Executives Sub Total	25,114	15,459	425
Procurement & Commissioning	1,710	1,414	32
Commercial Governance	332	259	6

Revenue & Benefits	212,465	9,856	345
Financial Management	5,898	5,532	150
ICT	13,796	13,746	161
Human Resources & Organisational Development	4,318	4,091	89
Audit, Risk & Resilience	1,906	1,483	43
Shared Service Centre	1,719	1,132	93
Customer Services	4,288	4,217	175
Policy, Performance & Reform	20,525	15,590	178
Capital Programmes	607	(31)	90
Parking & Bus Lane Enforcement	17,956	(983)	36
Corporate Items	299	226	-
Corporate Services Sub Total	285,819	56,532	1,398
Corporate Core Grand Total	310,933	71,991	1,823

- 3.2 The 2020/21 cash limit budget is £71,991m and this is net of the £3.449m savings that were approved as part of the 2020/21 budget process.

Current In year forecast Position at October 20 (Period 7)

- 3.3 As at October 2020 the Directorate was forecasting a net overspend of £1.824m, this includes COVID-19 related pressures of £5.377m, offset by in year savings and other mitigations of £3.553m. The costs include the increased costs for ICT to support more staff to work flexibly and in the Coroners Service. In addition, there is a reduction in sales, fees and charges income of £2.4m including £1m reduced capital fee income due to the slowing down of capital schemes. The remainder is from reduced registrars' income and reduced fee income in legal services and communications, a reduced take up of the annual leave purchase scheme and lower court fees in revenues and benefits.
- 3.4 The pressures are partly offset by forecast savings of £3.027m from holding additional vacancies in advance of the budget cuts and reduced running costs across all Core services.

4 Savings Proposals

- 4.1 Heads of Service reviewed all the budgets across the Core in order to identify savings and cuts proposals for consideration by members. These were reported to the November Scrutiny Meeting and include the work to review existing working practices in order to streamline and automate or increase the amount of self-service that can be undertaken. This includes looking at how services such as ICT, Finance, HR/OD and the Shared Service Centre can reduce the level of resources through increasing triage support to managers on the back of improved ICT applications such as the new intranet. Good progress has been made with work already undertaken to improve ICT infrastructure resilience and capability, the migration to Microsoft 365 with increased

collaboration functionality and the successful launch of the new intranet in November 2020. However, the real process improvements will not come until the replacement of SAP and the budget cuts will therefore lead to a real reduction in the level of support that can be provided.

- 4.2 Although the proposals set out in this report are around reduced City Council resources the impact on work with health partners will also need to be considered. As will the impact on the other Directorates in the council that will see a reduction of the capacity available to them, as well as the impact their planned changes will have on the Corporate Core.
- 4.3 The proposals identified from the Core as part of the wider £50m savings equate to **c£6.281m** with a **reduction of 115.6fte**. Further details on these proposals is set out in the paragraphs below.

Legal Services - £170k -3fte's

- 4.4 A review of business support has identified an opportunity to reduce administration and business support requirements with **initial savings of c£96k through a reduction of 3fte**.
- 4.5 Efficiency in operations through the increased use of single justice procedure for bulk prosecutions is expected to lead to further increases to external income. This alongside reductions of existing supplies and services budgets will deliver savings of **£49k in 2021/22, increasing by a further £25k 2022/23**.
- 4.6 As part of considering any further reductions to Legal Services the implications of the changes across all Directorates will need to be reviewed. The objective is to continue to restrict the use of external legal services in order to minimise costs to the Council as externalisation of legal work is more expensive than the in-house service. Further efficiencies will be delivered when a case management system is in place in 12 to 18 months' time and this will be factored into savings proposals for 2022/23.

Coroners and Registrars - £198k -7fte's

- 4.7 Following the successful introduction of the new Coroners case management system and resulting efficiencies it is proposed to reduce the current headcount by **7fte which will deliver savings of £198k**.

Executive Office -£15k

- 4.8 Savings of **£15k** have been identified as part of the initial proposals through reductions in supplies and services budgets, including reductions in travel costs due to the changes in working practices.

Communications - £300k – 4fte's

- 4.9 Strategic communications cover the communications and digital teams as well as commercial translations, presentations, design and print services (under the

M-Four brand). To deliver savings in 2021/22, the service will need to stop some traditional activities where there is alternative provision. Service reductions and efficiencies **totalling £163k** are proposed. This includes providing council tax and business rate information booklets online only, as well as reviewing all other commitments including spend on statutory notices. Other measures include a reduction in sponsorship and a move to second class mail only.

- 4.10 These measures will be supplemented by a reduction in **4fte posts (£137k)** from across the team which will reduce capacity within Communications.

Procurement & Commissioning and Commercial Governance - £158k -2fte's

- 4.11 The proposed cut will reduce the senior capacity available to support other Directorates in commissioning services and the delivery of procurement savings. They will be achieved through a reduction of 2fte saving £122k, along with increasing external income £28k from commercial arrangements undertaken by Manchester Professional Services Ltd providing company secretary functions and cutting supplies and services budgets by £8k.

Revenue and Benefits - £1.160m -5.5fte's

- 4.12 As part of reviewing proposals the objective has been to protect the core areas of assessment and revenue collection as far as possible. It should also be noted that the service is under increasing pressure due to the need to implement specific COVID-19 related support schemes across welfare payments and Council tax support schemes, Business Rates grants and payments to people who must self-isolate. In order to protect the capacity to maintain these services, it would be proposed that the implementation of these reductions is phased to avoid an unacceptable drop in service delivery and maintain revenue collection. Following the feedback from the last committee meeting and the continuing increased capacity demands on these services in administering COVID-19 related activity the initial proposed reductions of £0.506m which would have required a reduction of 16.5fte have been reduced by £340k to £160k which will require a reduction of 5.5fte.

- 4.13 Revenue and Benefits staff will continue to work closely with homeless staff in order to support individuals with applications for housing benefit as early as possible in order to ensure they receive maximum support and that financial support and budgets are maximised and managed effectively. This will include support in crisis as well as using discretionary budgets to maintain and sustain tenancies.

- 4.14 There are 2 current vacancies with Revenue and Benefits along with a number of vacancies within other services within the service area (parking and customer services) which the Director will look to fill or delete as appropriate which gives some flexibility for delivering the staffing reductions. The nature of the roles means that there are significant transferable skills within the functional areas.

4.15 In addition it is proposed to **reduce existing discretionary housing payments budget by £1m**. This has reduced from the previous £1.5m proposed and a detailed report was taken to the December scrutiny meeting outlining the demand for this funding. The Government currently provide £2.538m grant support for discretionary housing payments, and it is proposed that City Council mainstream resource of £1m rather than the original £1.5m, that supplements the Government funding is withdrawn from 2021/22. Although there will still be a significant reduction on the available support to residents at a time when the demand for this support will potentially be increasing, it is anticipated that some of the impact will be mitigated because there have been temporary increases to the Local Housing Allowance Rates, that increases the level of benefit entitlement towards tenants rents, and the £20 increase in universal credit has also led to a reduction in the call on the DHP budgets and that the reduced level of the cut should enable demand to be met.

4.16 There have also been amendments in the benefit rules that changes how homeless families in dispersed accommodation are treated and this has also reduced the DHP spend in this area compared with previous years.

Shared Service Centre - £252k - 8.8fte

4.17 There will be a reduction of 8.8fte. and savings of £252k. These posts are already vacant, and this is formalising planned reductions within the service.

Customer Services - £0.614m -19.3fte

4.18 A different offer for how the Council provides help and advice to residents is being developed and there will be a separate consultation and engagement process for this. The offer will take into account Members views of the future service offer, and this will include ensuring that the revised offer must be accessible and meet the needs of all members of our communities including those affected by digital and financial exclusion. This new offer will move away from the current city centre based face to face offer with the capability to provide enhanced telephone services including those for residents with additional support needs, more support online and targeted one to one support in localities, but only where it is really required.

4.19 All staff in the CSC have been undertaking non-face to face roles during the period of the closure of the CSC in the Town Hall that has been closed since Mid-March. During this period new models and access channels have been developed and improved with more work to do in the months ahead including the development of an IT platform that will support the new approach. With the introduction of a new ICT platform and more remote/virtual working this will lead to a reduction **c16fte and save annual costs of c£0.538m**. There are currently 8 vacant posts within the team.

4.20 In addition, there will be a reduction **of 3fte for the Neighbourhood Services Contact Centre to save £76k**. Whilst this will impact on response times these posts are already vacant and this is formalising the current position. In order to avoid a detrimental impact on service delivery this is being aligned to the new

telephony system and other system enhancements, but it could lead to a small increase in customer wait times.

- 4.21 As outlined above, these proposals were reported to the December Scrutiny meeting and an extensive programme of engagement is underway to shape the final offer.

Financial Management - £0.843m – 20fte

- 4.22 The number of posts will be cut by **20fte saving £0.8m**. This includes the disestablishment of 7 vacancies and a reduction in the support provided to services from across Financial Management. Services that provide direct support to residents, including Client Financial Services who safeguard residents' finances through the provision of appointeeship and deputyship services and the statutory welfare funerals service will not be reduced. Whilst the aim is to maintain some of the previous levels of service through introducing more automation, streamlining support provided to partner organisations and introducing more self-service, this does mean that Directorates will receive less support and there will be a reduction in the frequency of some of the monitoring activity. In addition to the staff reductions **£43k is proposed through the reduction of existing supplies and services budgets**, including training and travel along with increased income.

ICT - £1m – 10fte

- 4.23 There is a planned reduction of **10fte that will save c£400k**. The ICT Target Operating Model is being reviewed, and this has identified several areas that will need to change as the ICT Strategy is progressed. This will include a different Service Desk and Know It All offer that is more focussed on “get it right first time” and a different model for Service Delivery and Operations based on the skills that will be required to support the system changes being implemented, for example with the moves to Microsoft and Liquid Logic and the changes to ICT infrastructure and those that are planned such as the replacement of SAP. There are currently 10 vacancies within the service and there is a mismatch of current skills and those that will be required in the future that will need to be addressed once the target operating model is established.
- 4.24 There will be a **£200k reduction in telephony and printing costs** through rationalisation of the estate and changes to working practices with fewer devices across the estate. The telephony budgets will include both mobile devices, and desktop phones. Currently Directorates hold mobile telephony budgets, and this will need to be looked at across all Directorates.
- 4.25 It is also proposed to review all systems and infrastructure costs in order to identify opportunities to reduce and rationalise the numbers of systems in line with the needs of the Council going forward. The savings from licence renewals are phased with **£100k in 2021/22 increasing to £400k in 2022/23**.

Human Resources - £0.543m – 13fte's

- 4.26 The cuts below are predicated on moving to a new operating model and having a more effective 'front door' service. The real efficiencies will only come with the replacement of existing systems, which is still 18-24 months away and there will be a reduction in the service that is offered. The changes involve a reduction **of 13fte**, and this will require a review of the existing service offer and target operating model.
- 4.27 It is recommended that the reductions in the support for service change and some delivery capacity are deferred for nine months to support the service reorganisations across the Council and the potential move to bring the ALMO back in house with five posts retained during that period to ensure that this work can be supported. This would require the £0.543m savings to be phased £306k 2021/22 and £237k in 2022/23.
- 4.28 In response to the pandemic and looking to identify additional opportunities for young people to access employment it is proposed that 28 trainees will be recruited as part of the Kickstart programme. The young people will be deployed across the Council. The funding for the scheme is based on paying the national living wage. It is proposed that they are paid the Manchester Living Wage which will require additional investment of c£50k. This funding is included within the proposed budget for the Corporate Core.

Audit, Risk and Resilience - £118k -3fte

- 4.29 There will be a reduction of 3fte across insurance, health and safety and internal audit. These will be met through a restructure which will include the removal of two existing vacancies.
- 4.30 There will be an impact on the scale of the audit plan and core risk management, resilience and safety work will require additional self-service from managers around claims investigation and safety competence within services.

Capital Programmes

- 4.31 Whilst services in this area are funded from the capital programme, work is being carried out to deliver savings. Due to the current construction market it has been possible to fill a higher number of technical roles which has reduced the reliance on external consultancy. In addition, there remain 17 vacancies within the team which will only be filled if they are required to deliver the future capital programme.

Policy, Performance and Reform - £0.910m – 20fte's

- 4.32 The proposals include a reduction of up to 20 posts across the service in addition to seven-time limited posts where the funding ends in this financial year. The reductions include the following:

- *City Policy* – the Policy and Partnerships and Resourcing and Programmes functions will be brought closer together to focus on thematic areas. The current proposals include the reduction of **4fte** from within the existing structure, in addition to savings from **non-staff budgets for consultancy and subscriptions, these total £270k**. The review will include a reappraisal of priorities to be agreed with Members in line with the Our Manchester Strategy reset and the Corporate Plan. The actual reduction in posts will be less if additional external funding is secured from ERDF.
- *Performance (PRI - Performance, Research and Intelligence)* – The service will be reduced from five teams into three which will focus on People, Core and Place. This will achieve a net reduction of **13fte and save c£0.5m**. As a result, there will be less capacity to carry out work for data governance, performance reporting for Directorates and bespoke research and analysis. The offer for health and social care will need to be reduced and aligned with resources from system partners. Until new system improvements are put in place with the ‘data integration layer’ and enhanced reporting that will come with Liquid Logic, the impact on what can be produced will be significant and will need to be agreed with Strategic Directors.
- *Reform and Innovation (R&I)* – The proposed savings include **3fte which will save £140k**. The impact will be the ending of the R&I support to Our Manchester Engagement work, a significant reduction in the governance and planning capacity and moving back to a core offer for health and social care.

5. Other Proposed savings within the Remit of Resources and Governance Committee

- 5.1 This section includes the proposed budget reductions for other service areas outside of the Corporate Core which form part of the remit for Resources and Governance Scrutiny Committee. The details are set out in the following paragraphs and are shown in a separate table at the end of this report.

Growth and Development

- 5.2 **Operational Property -£0.636m -1.4fte**, since March 2020 the Council have made huge progress with the flexible working agenda, and this has provided an opportunity to replan for a smaller, higher quality, lower cost and lower carbon estate. This will be delivered alongside the Future Council work and link in with the ICT strategy. The work is focussing on the use of office space rather than community-based assets. There will be a need for some limited capital investment on an invest to save basis to ensure space can be used more flexibly. The work will target reductions in leased buildings as well as looking at whether more space can be shared with partners to generate rental income. The £0.6m savings will be delivered over a four-year period.
- 5.3 In addition to the review of the estate it is proposed to reduce the headcount by 1.4fte and save £36k. This will be achieved through the deletion of 1.4 existing vacant posts.

5.4 **Facilities Management - £270k -10ftes** the service includes building cleaning, security and repairs and maintenance, of which cleaning is provided in house, whilst the other two contracts are external contracts. As part of the recent procurement exercise for security it was agreed that the contractor would undertake a review of all existing security arrangements after an initial period of operation. Unfortunately, because of the Covid-19 impact the contractor has not yet worked under usual business conditions. Work is ongoing to identify possible savings proposals although these will need to be balanced against the increased risk, and these will be considered as part of the 2022/23 budget options.

5.6 Currently there are **10 vacant positions** with Facilities Management, and it is proposed to delete these posts to achieve **savings of £270k**.

5.7 **Investment Estate - £0.675m** - this will be achieved through increased income from the following areas: -

- Review existing fees for surveyors and ensure projects are covering the appropriate fee costs - £75k
- New ground rental portfolio to be secured against long leasehold disposal of land as part of Northern Gateway development - £300k (2023/24)
- Maximising income generation or reducing expenditure on assets through increased partnership arrangements - £300k.

5.8 in addition a review of all commercial interests will be undertaken with a view to rationalising the estate through the identification of non-surplus generating assets which could then be sold to generate income and reduce ongoing costs.

Neighbourhoods Directorate

5.9 **Operations and Commissioning - £5.985m**, - In continuing to develop the commercial offer and seeking to maximise external income, proposals have been identified that could provide **income of c£5.985m**, although £225k of this will be only realised in 2022/23, this includes:

5.10 Advertising - The tenders for the small format advertising contract were received in September and the new contract goes live from January 2021. It is proposed that the income target will be increased by £1.3m per annum, following the award of the new contract.

5.11 Generation of a further £0.5m through advertising revenue. This will include A New large format site at Dawson St (£50k), and the introduction of a large new advertising screen in Piccadilly Gardens. The latter screen will be developed as part of the Piccadilly Gardens community scheme and could generate around £450k per annum. This will require planning permission and if planning approval is granted there will be a lead time of around six months following planning approval.

5.12 The existing **off-street parking** joint venture ended 31st December 2020. The new arrangements are that the car parks are to be managed in house from

January 2021 once the City Council takes on responsibility for the ongoing management and maintenance of the City Council car parks, this will be funded through the parking fee income generated through the use of the car parks. It is forecast that the net surplus income retained by the City Council will be £4.1m per annum, this does assume that parking levels return to normal during 2021/22.

5.13 Bereavement Services operate as a business unit with agreed charges linked to the service offer. An increase of 1.9% above inflation is proposed which will bring fees and charges in line with other local authority areas, and result in an additional £85k income per year.

5.14 City Council markets operate on a cost recovery basis, with the exception of Wythenshawe indoor market which continues to require financial subsidy from the Council. It is proposed to close the indoor market in order to remove the need for the annual £110k subsidy requirement. Work will progress to support the traders to access alternative sites, either in the outdoor market or elsewhere within the City. The outdoor market will remain operational

6 Workforce Implications

6.1 The proposals set out in this report will lead to the deletion of c.115.6fte posts in the Corporate Core, of which 33fte are vacant.

6.2 in order to support the workforce reductions a time limited targeted Voluntary efficiency scheme was opened, and this closed on 11 December, the total number of applications received was 196. All applications are currently being considered within each service area against the need for the savings proposed within this report and the final decisions will be made in mid-January 2021.

6.3 Consultations have started with Trades Unions on the MPeople processes to ensure that the Council does not lose the focus on providing support for our workforce to develop and progress and where relevant to reskill into different roles, with a view to focussing on giving excellent support to those at risk of redundancy in finding suitable alternative employment.

7. Equalities

7.1 We will continue to ensure that the Council meets its obligations under the Public Sector Equality Duty, building on our successes at fostering good relations between Manchester's communities of identity and maintaining fair and equal access to Council functions. Through ongoing customer monitoring, satisfaction and engagement approaches, we will strengthen and utilise our growing evidence bases within the Directorate to identify the differential experiences of individual identity groups in Manchester accessing Council services, and proactively respond to make these as fair and equitable as possible.

7.2 Each of the proposals outlined, if taken forward, will need to consider the requirement and completion of an Equality Impact Assessment. The outcome of

which will inform the future planning and delivery to ensure that no residents are disproportionately affected by the changes to services.

8. Conclusion

8.1 The Council continues to face a period of significant change and there are increased demands for services alongside the need to make budget cuts. Following the recent spending review and the additional one off funding the 2021/22 budget gap is forecast to be around £50m, which has reduced from the initial £105m reported in November. A programme of cuts of c£50m are required at this stage that can be implemented from 1 April to ensure a balanced budget can be achieved. The proposals put forward in this report set out the recommended proposals to achieving the £50m. The future council work is ongoing which will set out what sort of Council we want to be in the longer term, building on the feedback in the Our Manchester Strategy reset, considering the major changes the Council is facing and the fact that there will be less resources available in the future. This will also provide the framework for future budget decisions.

8.2 The Directorate budget proposals in this report have been refined following feedback from the November Scrutiny Committee.

9. Recommendations

9.1 The recommendations appear at the front of this report.

	Description of Saving	Type of Saving	RAG Deliverability	RAG Impact	21/22	22/23	23/24	24/25	Total	FTE's
					£000's	£000's	£000's	£000's	£000's	
Legal Services	Reduce staff resources - 3fte's	Efficiency	Green	Green	96				96	3
	Increased income and reduced supplies and services	Efficiency	Green	Green	49	25			74	
Coroners & Registrars	Reduce staff resources - 7fte's	Reduction	Amber	Green	198				198	7
Executive	Travel/subsistence expenses reductions	Efficiency	Green	Green	15				15	
Communications	Reduce staff resources - 4fte's	Reduction	Amber	Amber	137				137	4
	Reduce printing costs, increase recharges and postage	Efficiency	Green	Green	163				163	
Procurement, Commissioning and Commercial Governance	Reduce staff resources - 2 vacant posts	Reduction	Green	Red	122				122	2
	Increase income and reduce supplies and services	Reduction	Green	Amber	36				36	
Revenues and Benefits	Reduce staff resources - 5.5fte	Reduction	Amber	Red	160				160	5.5
	Reduce Discretionary Housing Payments	Reduction	Green	Red	1000				1000	
Financial Management	Reduce staff resources - 20fte's, (includes 7 vacant posts)	Reduction	Amber	Amber	843				843	

ICT	Reduce staff resources - 10fte's	Reduction	Amber	Amber	400				400	10
	Savings on system running costs and telephony	Efficiency	Amber	Amber	300	300			600	
HR/OD	Reduce staff resources - 13fte's	Reduction	Amber	Amber	306	237			543	13
Audit	Reduce staff resources – 3fte's, and staff travel (£10k)	Reduction	Amber	Amber	118				118	3
Shared Service Centre	Reduce staff resources – 8.8fte's (All vacant posts)	Reduction	Green	Green	252				252	8.8
Customer Services	Reduce staff resources - 19.3fte's	Reduction	Amber	Amber	614				614	19.3
City Policy	Reduce staff resources - 4fte's and special projects budget	Reduction	Amber	Amber	270				270	4
PRI	Reduce staff resources - 13fte's	Reduction	Amber	Red	500				500	13
Reform & Innovation	Reduce Staff resources – 3fte's	Reduction	Amber	Red	140				140	3
Corporate Core Totals					5,719	562			6,281	115.6

Other Service Areas within Resources and Governance Remit

Growth & Development

Operational Property	Reduce office costs through reduced estate	Efficiency	Green	Green	610	591	304	(905)	600	
	Reduce staff resources – 1.4fte’s (Vacant)	Reduction	Green	Green	36				36	1.4
Facilities Management	Reduce staff resources – 10fte’s (Vacant)	Reduction	Green	Green	270				270	10
Investment Estate	Revise Surveyors Fee Scales	Income	Green	Green	75				75	
	Maximise income generation from assets	Income	Green	Green	300				300	
	Increased ground rent -long leasehold	Income	Green	Amber			300		300	

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Neighbourhoods Directorate

Operations & Commissioning	Increased Income from small format contract	Income	Green	Green	1300				1300	
	New Advertising screen – Piccadilly Gardens	Income	Red	Red	225	225			450	
	Large Format Advertising screen – Dawson St	Income	Amber	Amber	50				50	
	In House car park operation – Post JV	Income	Green	Green	4,100				4,100	
Bereavements	Above inflationary price increase	Income	Green	Green	85				85	
Other Directorates Total					7,051	816	604	(905)	7,566	11.4

Appendix 1, Item 5

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**Manchester City Council
Report for Information**

Report To: Resources and Governance Scrutiny Committee – 12 January 2021

Subject: Capital Investment Priorities and Pipeline

Report of: Deputy Chief Executive and City Treasurer

Summary

This paper provides a summary of the Council’s proposed capital investment priorities, which will be included in the Capital Strategy report to Executive in February.

Recommendations

The Committee is asked to note and comment on the report.

Wards Affected: Various

Environmental Impact Assessment - the impact of the decisions proposed in this report on achieving the zero-carbon target for the city
Under the governance process for capital expenditure decision making, zero and low carbon measures are a key component. Each project must set achievable carbon reducing targets before being approved.
For some projects, the aim of the investment will be to reduce the City’s carbon impact, for example the Civic Quarter Heat Network.

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 the strategy, notably 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	Through investment in areas such as ICT and the City's infrastructure of road networks and other travel routes

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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 the Executive 12 February 2020 (Capital Strategy and Budget 2019/20 to 2023/24)
 Report to Council 6 March 2020 (Capital Strategy and Budget 2019/20 to 2023/24)
 Report to the Executive 11 March 2020 (Capital Programme Update)
 Report to the Executive 3 June 2020 (Capital Programme Outturn Position 2019/20)
 Report to the Executive 3 June 2020 (Capital Programme Update)
 Report to the Executive 3 July 2020 (Capital Programme Update)
 Report to the Executive 29 July 2020 (Capital Programme Monitoring 2020/21)
 Report to the Executive 9 September 2020 (Capital Programme Update)
 Report to the Executive 14 October 2020 (Capital Programme Monitoring 2020/21)
 Report to the Executive 14 October 2020 (Capital Programme Update)
 Report to the Executive 11 November 2020 (Capital Programme Update)

1 Introduction

- 1.1 This report seeks to provide the Committee with an update on the potential future projects which will be included within the City Council's Capital Strategy report which forms part of the City Council's suite of budget reports for 2021/22 to be reported to Executive in February, and then Council in March. It also provides an update on the outcomes of the recent consultation on the future of the PWLB.

2 Background

- 2.1 The Council sets a capital budget each financial year. However, unlike revenue expenditure, capital expenditure by its nature is not usually cyclical as it relates to the creation of assets. Therefore the capital programme is managed on a rolling basis, with approved projects added when required. The budget report reflects the programme at a specific point in time but recognises that it is expected to change over time. In recent years the Council has implemented a revised governance process for the approval of capital projects. The capital budget represents all the projects which have received funding approval.
- 2.2 The Capital Strategy will restate the approved programme and consider the potential future investment requirements and this report sets out the main priorities and potential planned investment. Note any future investment will need to be approved through the existing governance process before it forms part of the Council's budget.

3 The Impact of COVID-19

- 3.1 The COVID-19 pandemic has, and will continue to have, a wide-reaching impact on the Council's capital programme. The early impact has been highlighted in reports to Executive, with an initial pause across construction activity with work resuming on major sites relatively quickly.
- 3.2 Ensuring social distancing measures are in place reduces the productivity on site and increases the cost as the work programmes take longer to complete. This has persisted throughout the period and will continue for the foreseeable future. The inflationary impact of COVID-19 will be absorbed, where possible, in existing project budgets through use of contingency budgets. Further approvals will be required if this proves insufficient.
- 3.3 Capital investment has a key role to play in tackling the economic interruption and hardship of the pandemic and will support the Council in meeting its strategic objectives. As detailed in Manchester's Economic Recovery and Investment Plan¹, the Council's aspirations have not changed, and capital investment is important in creating the assets and infrastructure needed to achieve them.

4 Development of the Capital Strategy

- 4.1 The Capital Strategy sets out the longer-term context and is developed to

¹https://secure.manchester.gov.uk/info/500113/city_centre_regeneration/8063/powering_recovery_manchester_s_recovery_and_investment_plan?utm_content=&utm_medium=email&utm_name=&utm_source=govdelivery&utm_term=

ensure that the Council can take capital expenditure and investment decisions in line with Council priorities and properly take account of stewardship, value for money, prudence, risk, sustainability and affordability.

- 4.2 The starting point is the existing capital programme. This is based on the approved budget to the end of November. It is summarised in the table below and set out in full in Appendix A and highlights the scale of investment already planned in the City.

	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget	2024/25 budget	Total	Total 21/22- 24/25
	£m	£m	£m	£m	£m	£m	£m
Manchester City Council Programme							
Highways	58.0	45.3	6.8	6.4	0.0	116.5	58.5
Neighbourhoods	15.6	16.7	17.0	4.7	0.0	54.0	38.4
Growth and Development	93.7	119.4	89.5	28.2	0.0	330.8	237.1
Town Hall Refurbishment	39.1	70.3	86.2	50.4	34.1	280.1	241.0
Housing – General Fund	17.1	17.0	7.8	10.7	0.0	52.6	35.5
Housing – Housing Revenue Account	17.8	45.8	41.0	0.5	0.0	105.1	87.3
Children’s Services (Schools)	44.1	35.5	44.5	0.0	0.0	124.1	80.0
ICT	3.3	10.9	11.2	7.7	0.0	33.1	29.8
Adults, Children’s and Corporate Services	155.7	31.9	9.8	2.5	0.0	199.9	44.2
Total Programme	444.4	392.8	313.8	111.1	34.1	1,296.2	851.8

5 Investment Priorities

- 5.1 The investment priorities identified last year remain and have been updated in the light of the current priorities and the COVID-19 pandemic. The proposed investment priorities are set out below.

- Supporting economic recovery of the city following the COVID-19 pandemic. **Investment that is catalytic** in supporting economic growth, housing growth, job creation, reducing carbon emissions, transforming health, economic and social outcomes, and creating further investment in the city, is a priority and a key theme throughout the Capital Strategy.
- Supporting the declaration of the Climate Emergency. The Council has a clear target to at least **halve its carbon output by 2025**. Investment plans must consider the carbon impact alongside financial impact. The costs of new build programmes to higher environmental standards, following the introduction of the Manchester Low Carbon Build Standard endorsed by the Manchester Climate Change Agency, and meeting the needs of the Local Plan and planning requirements (including investment in green spaces and place such as trees and green walls) need to be considered alongside any revenue implications. Reviewing procurement

practices to ensure carbon is a focal point will also support this aim, given the scale of the capital programme and the associated procurement required. The majority of the Council's carbon emissions are from its existing corporate estate and housing stock and significant investment will be required to bring this up to carbon efficient standards. This represents a major opportunity to both establish Manchester as a centre for green technology and services, and to work with local skills providers.

- ***Deliver new affordable housing*** to meet the increased delivery target from 5,000 Affordable Homes to a minimum of 6,400 Affordable Homes between April 2015 and March 2025.
- Developing a more ***inclusive economy***. Our ambition is set out within the Our Manchester Industrial Strategy and reiterated in the Economic Recovery and Investment Plan. This is likely to require investment on an invest to save basis in existing Council assets and strategic investment to unlock wider commercial and residential developments. There is an opportunity for new developments in the city such as the Northern and Eastern Gateways to become inclusive and zero carbon exemplars, but they need to be adequately resourced to realise the social, economic and environmental benefits desired. The use of progressive procurement policies and social value will ensure the maximum benefit to residents from these new developments.
- Regeneration in ***North Manchester***. This includes the North Manchester General Hospital redevelopment, anchoring a health and wellbeing campus as proposed in the Economic Recovery and Investment Plan. This, alongside the Northern Gateway should create the potential to support a growing city, create new housing and regenerate the area.
- Investment in the ***city centre*** as a key driver of growth and jobs for the city and one of the four strategic areas of interventions within the Economic Recovery Plan. Whilst a significant amount of investment will be from the private sector, public sector investment is needed in core areas such as public realm, in order to stimulate further private investment and growth in those areas.
- Investment in ***cultural and creative industries*** which make a major contribution to Manchester's international reputation and role as a destination for cultural tourism and are a growing element of the city economy. Given the importance of these industries and the particular challenge that people working in them have faced due to the pandemic, both short- and longer-term support is needed.
- ***Market intervention*** where the existing market outputs do not support the Council's wider aims. This is likely to be focussed on areas such as health and social care such as residential and intermediate care and will require significant partnership support. This may be short term in nature, to support the development of sustainable business plans, or of a longer nature to support market change.

- Ensuring the Council's **corporate estate is fit for purpose**. This includes investment to reduce the Council's carbon output and in relation to the current condition of the estate. This is particularly important for the leisure estate where the assets developed for the Commonwealth Games are now nearly 20 years old, and also in the social care estate where the budget challenges faced by providers has led to a lower level of investment on maintenance than expected.
- **Investment in digital infrastructure, data management, and the application of new approaches**. These are now key elements of the Manchester economy and reflected in the new draft Manchester Digital Strategy – “Creating an Inclusive, Sustainable & Resilient Smart City”. The provision of digital infrastructure and the application of digital technology is needed to capitalize on private sector investment and compete economically on the national and international stage. It can also drive greater inclusion for residents and workers and projects have the potential to find technological solutions to health, mobility and environmental challenges by utilising the power of connected devices.
- Continued Investment in ICT infrastructure as part of being a **well-managed Council**. Increased digitisation, and the need to move from legacy ICT platforms will mean investment is required, alongside work on ICT resilience, network capability, and key operating systems.

5.2 All capital investment decisions will be underpinned by a robust business plan that sets out any expected financial return alongside the broader outcomes including economic and social benefits.

6 Potential Investment Proposals

6.1 The potential capital projects which support the Council in achieving its strategic aims are described in more detail below.

Highways

6.2 A significant proportion of the Highways Capital programme is funded from government grant and will be confirmed once the funding has been allocated. Key areas for investment also include:

6.3 Alongside the recent public consultation of the draft City Centre transport plan, investment is proposed on key transport corridors across the City Centre using the existing budget for other highways improvements.

6.4 A review of the current Highways Investment Plan, due to be substantially spent by the end of 2021/22, is underway. The outcomes will be used to support the business case for further investment to continue to improve the highways network and footways which may be required to compliment government grant funding.

6.5 The permanent closure of Deansgate will be progressed, beginning with consultation and the implementation of an experimental traffic order so the proposals can be fine-tuned.

- 6.6 Investment which prioritises improvements to the network to support active travel and reallocate road space to walking and cycling will continue to be pursued, with the development of a number of schemes approved through the GM Mayor's Challenge Fund. These works supplement other proposals which promote sustainable forms of transport across the city.
- 6.7 Investment is planned in road safety and security measures.
- 6.8 Investment is also expected to support the establishment and delivery of several major projects where highways infrastructure will play a key role. Currently proposals including the support of major developments such as consideration of HS2, Etihad Campus, Northern Gateway and the Airport and the Bee Network along with localised pinch points and corridors.

Neighbourhoods

- 6.9 The Economic Recovery and Investment Plan highlights the importance of culture to Manchester. Potential investment to ensure that there is space available for cultural and creative industries, alongside supporting existing cultural infrastructure is being reviewed, with an intention to leverage external funding where available.
- 6.10 The development of New Smithfield Market remains a potential investment opportunity with work continuing to understand the scope of such works and the implications for the Council.
- 6.11 The continued development of the City's leisure estate, with the introduction of new leisure assets as well as large scale improvements to existing facilities. It is expected these proposals will contribute to the low carbon aims of the Council. The funding will be mixed with the joint management of Waterfall funding with Sport England, the ability to access other national funds and some access of City Council resources. This is expected to include the National Cycling Centre refurbishment, Manchester Aquatics Centre refurbishment, and the Hub at Hough End.
- 6.12 Further investment in the library estate is proposed, including the refresh of neighbourhood libraries and the self-service system, to ensure that communities can continue to have wide access to library services.
- 6.13 The focus of Parks investment will be linked to the approval of the Parks Development Plan. Funding is already held against this programme and details of individual schemes will be brought forward.
- 6.14 Redevelopment of the North Manchester General site will form part of the regeneration of North Manchester, linking with the planned Northern Gateway investment as well as the provision of the new hospital and associated health facilities. Initially this may be focussed around Crumpsall Park. Such investment should be a priority for the Council against any source of regeneration finance that the Government may bring forward.

Growth and Development

- 6.15 The programme includes the Asset Management Programme (AMP) which is kept under constant review to ensure it is a comprehensive programme for all Council assets. This may include bringing in assets such as City Council owned schools and the maintenance of previous Sure Start centres and care homes, with the existing leasing arrangements with reviewed to ensure the ongoing operation of the sites.
- 6.16 Investment to reduce the Council's carbon footprint and bring the estate up to a minimum energy performance certificate (EPC) rating of C, based on a strategy of Reduce, Produce and Connect remains. This will reduce demand for energy, through design measures e.g. LED lighting, produce low carbon energy through solar panels and ground source heat pumps, and connect schemes together by gathering and sharing data to examine how energy demand can be further reduced. Works will be aligned to the AMP repairs schedule where possible, alongside existing programmes such as the Carbon Reduction Programme and Civic Quarter Heat Network. Investment opportunities into sustainable energy supplies for the City are being actively explored in line with the Council's Climate Change Action Plan.
- 6.17 The Growth pipeline is wide and varied and consideration of appropriate investment strategies will be key. This may include using Council-owned land to leverage investment from partners, rather than solely seeking a capital receipt. There may also be investments where the capital financing costs are covered by an income stream from a third party. These should not have a negative impact on the Council's capital financing capacity but will increase the Council's level of debt until they are fully repaid.
- 6.18 The Council will continue to explore and lead investment opportunities in key strategic areas including the Etihad Campus, the Northern Gateway, Eastern Gateway, and other areas for development such as Wythenshawe Town Centre and Moston Lane. Investment in public realm, particularly in the city centre, to drive economic growth and attracting new investment, will focus on the pipeline highlighted in the Economic Recovery Plan, including Mayfield, Piccadilly Gardens and active travel hubs.
- 6.19 Following completion of the public consultation on the draft development framework for the former Central Retail Park, proposals for this site are expected to be progressed. Similarly, following the report to Executive in November, proposals to develop a mobility hub in Ancoats are expected to be brought forward, to support promoting modal shift towards cycling, public transport and electric vehicles.
- 6.20 The Economic Recovery Plan sets out projects which create new enterprise, craft and production space which can accommodate small enterprises and safeguard jobs in the cultural and creative industries.
- 6.21 In line with the emerging Manchester Digital Strategy, the Digital Cooperative Project will enhance and future-proof digital networks across the city, and provide support for existing and new businesses, as well as advanced digital skills training for local people. Alongside this, the proposed Civic Innovation Programme will provide a route to identify solutions to key social challenges.

- 6.22 Opportunities to support the development of strategic assets through direct purchases or loans to partner organisations and third parties are also being explored. This will be particularly important for specific sites where the Council's involvement could help progress and accelerate wider investment progress.

Housing – General Fund

- 6.23 The priority is to deliver safe, secure and affordable housing to achieve the minimum of 6,400 Affordable Homes by March 2025. There is limited capacity from within the Council's Housing Revenue Account and Housing Affordability Fund. Therefore, relationships with Registered Housing Providers will be key along with the commitment to leveraging the Council's land and property assets.
- 6.24 The Council will play a key role in bringing forward investment across the City, but particularly in the Eastern and Northern Gateways. The roles of developers and the Council will need to be considered on a case by case basis for each development.
- 6.25 Proposals for the local delivery vehicle (LDV) to build new affordable homes funded in part, through cross subsidisation from associated market housing, will be brought forward, with a view to creating multiple phases of delivery.
- 6.26 The City will also work with colleagues in Greater Manchester to identify and access funding for energy conservation measures in private households.
- 6.27 Work is continuing to develop proposals for the development of supported and semi-supported housing options to address the needs of residents who require independent living, with support, including homeless people and young people at risk of homelessness. The establishment of a Council-owned temporary accommodation unit for homeless families continues to be worked on. This would also reduce revenue spend on bed-and-breakfast and hotel accommodation.

Housing Revenue Account

- 6.28 The Council will consider options for retrofit works to make its existing housing zero-carbon. The potential initial investment sought, noted in the Economic Recovery and Investment Plan, is for the Manchester Housing Provider Partnership to establish a collaborative approach to procurement and delivery, with a view to retrofitting 3,500 properties a year including the Council's housing. This would also contribute to addressing fuel poverty.
- 6.29 There will be a continued focus on increasing the level of affordable housing, either through models of direct delivery or through working with registered providers and other partners. The role of the HRA in providing new affordable housing will continue to be reviewed. This will include the development of housing at Silk Street, Newton Heath.

Children's Services (Schools)

- 6.30 The statutory requirement to provide sufficient school places across primary, secondary and specialist education continues to be monitored along with approvals as part of the Government's Free School programme to ensure there are sufficient places to meet demand. Once the design has been completed, proposals will be brought forward for a new secondary school at Hyde Rd, following the acquisition of the site.
- 6.31 School maintenance projects will continue and be scaled in accordance with the level of government grant received, taking into account the condition of school buildings and prioritising accordingly.

ICT

- 6.32 Future investment will focus on improvements to the Council's core systems and infrastructure, and in supporting services across the Council in developing ICT solutions to their needs. Proposals will be brought forward to continue the network refresh, including the local and wide area networks, to review and improve the way in which residents and businesses can access Council services with the replacement of the CRM system, and to replace the Council's ERP SAP system which includes payroll, HR, the finance ledger and procurement. The replacement of these legacy systems is critical to modernising and automating business processes and maximising the use of data and reporting.

Adults, Children's and Corporate Services

- 6.33 As referenced in the priorities, there is a potential need for Adult Social Care to intervene in the social care market to shape the market to meet health and social care needs including new build facilities, or the acquisition of existing buildings which can be tailored to care models. There are no specific schemes in the pipeline, and these would be developed with health service partners. There may also be a need to address areas of market failure to ensure continuity of service. The intervention may be short-term but could be vital in limiting the impact on residents. By its nature this may need to be actioned quickly and appropriate budgets and approval routes are being considered.
- 6.34 The Corporate Core needs to retain the ability to provide market intervention or provide loans to third parties as part of a wider investment strategy to deliver the strategic aims for the city. These would be brought forward with a clear business case and due diligence process.
- 6.35 Investment options for carbon efficient energy sources are also being actively explored and are likely to be brought forward in the last quarter of 2020/21.

7 Capital Financing: Outcome of the PWLB Consultation

- 7.1 Within the documents published last month as part of the Government's Spending Review was the outcome from the recent consultation on the future of the PWLB.
- 7.2 The headline outcome of the consultation is that the margin above Gilts used to

calculate PWLB rates has been reduced by 100 basis points (1%), reversing the change to the margin introduced last year. This means that interest costs on PWLB debt have become lower.

- 7.3 However, the consultation response also details how Treasury wants to dissuade local authorities from incurring debt through the acquisition of assets primarily for yield. To have access to the PWLB, local authorities will need to provide a high-level description of their capital spending and financing plans for the next three years, with the spend categorised. The categories cover service spending, housing, regeneration, preventative action and treasury management activity. The final category is investment assets bought primarily for yield.
- 7.4 If a local authority is forecasting spend in that final category, it will not be able to borrow from the PWLB until the relevant projects are removed from the local authority's capital plans. If this does not happen, the authority will not be able to borrow from the PWLB. Further, if the government has concerns over capital plans once a loan has been issued, it can take steps to either increase the disclosure requirements for the specific local authority on its capital plans, request the authority unwind the transaction, or finally (and in extremis) require that the loans be repaid in full.
- 7.5 Work is ongoing to understand the disclosure requirements for the Council, and to ensure that the capital decision making process incorporates an assessment of which spending category a project may fall into. This will allow the Deputy Chief Executive and City Treasurer, as the Section 151 officer, the evidence to support any applications for PWLB funding. Further information will be included within the Capital Strategy.

8 Conclusion

- 8.1 The Capital Strategy will form part of the suite of budget papers to support the Council's budget for 2021/22. The Strategy will detail the existing approvals and governance, alongside the priorities for future investment and the potential projects.
- 8.2 The level of resources that the Council has to invest in capital continue to be constrained and any investment has to be in line with the requirements of the Prudential Code. The outcomes of the recent PWLB consultation include reducing the rate by 100 basis points which will increase the Council's investment capacity but also include more stringent controls that have to be adhered to. The full details will be incorporated into the Capital Strategy.
- 8.3 As schemes are developed initial funding allocations are allocated and finalised and included in the budget once the funding approval is in place. These will continue to be reported via the Capital Update Report. The format of the capital monitoring is also being reviewed for the next financial year.

9 Recommendations

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

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Appendix A – The current Capital Programme Budget

Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
Highway Programme						
Highways Planned Maintenance Programme						
Drainage	2,120	1,871	0	0	0	0
Patching Defect repairs	3,200	2,166	0	0	0	0
Carriageway Resurfacing	8,592	8,499	0	0	0	0
Footway schemes	1,316	2,110	0	0	0	0
Carriageway Preventative	3,500	2,389	0	0	0	0
Bridge Maintenance	500	2,234	2,233	2,233	0	0
Other Improvement works	739	2,875	4,164	4,164	0	0
Highways Maintenance Challenge Fund	5,160	910	0	0	0	0
Highways Major Projects						
Hyde Road (A57) Pinch Point Widening	3,147	0	0	0	0	0
Manchester/Salford Inner Relief Road (MSIRR)	100	0	0	0	0	0
Great Ancoats Improvement Scheme	5,854	514	0	0	0	0
Mancunian Way and Princess Parkway NPIF	4,910	87	0	0	0	0
Christie Extension RPZ	108	201	0	0	0	0
Hathersage RPZ	60	0	0	0	0	0
North Mcr General Hospital RPZ	63	0	0	0	0	0
St George's RPZ	90	71	0	0	0	0
Rusholme RPZ	55	204	0	0	0	0
School Crossings	3,784	0	0	0	0	0
Chorlton Cycling Scheme	4,381	7,645	354	0	0	0
Northern Quarter Cycling Scheme	1,996	8,280	0	0	0	0
Manchester Cycleway	415	178	0	0	0	0
Beswick Filtered Neighbourhood Development Costs	938	494	0	0	0	0
Green Bridge at Airport City	852	71	0	0	0	0

Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
A6 Stockport Road Pinch Point Scheme	438	8	0	0	0	0
Levenshulme Mini Holland Cycling and Walking scheme	638	340	0	0	0	0
Northern/Eastern GW Walking and Cycling scheme-level costs	503	111	0	0	0	0
Rochdale Canal	168	9	0	0	0	0
Highways Stand Alone Projects Programme						
20mph Zones (Phase 3)	124	0	0	0	0	0
Princess Rd Safety Review	60	28	0	0	0	0
Public Realm	1,500	924	0	0	0	0
Street Lighting PFI	1,500	3,039	0	0	0	0
Didsbury West S106	23	0	0	0	0	0
A56 Liverpool Road	62	0	0	0	0	0
A56 Chester Road	40	0	0	0	0	0
Sunbank Lane S278	7	0	0	0	0	0
Sharston Roundabout SCOOT	6	0	0	0	0	0
Derwent Avenue S106	8	0	0	0	0	0
Woodhouse Park	16	0	0	0	0	0
Arena Security Measures	28	0	0	0	0	0
Ladybarn District Centre	26	0	0	0	0	0
CCTV Operating System Upgrade	243	0	0	0	0	0
Manchester Trash Screens	143	0	0	0	0	0
Oldham Rd Feasibility study	255	45	0	0	0	0
Enterprise Car Club Bays	28	0	0	0	0	0
Off Street Car Parks post JV project	247	0	0	0	0	0
Electric Vehicle Charging Points Ph 1	30	0	0	0	0	0
TfGM Bus Enhancements	38	0	0	0	0	0

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Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
Total Highways Programme	58,011	45,303	6,751	6,397	0	0
Environment and Operations Programme						
Waste Reduction Measures	750	330	0	0	0	0
Waste Contract	200	350	350	0	0	0
Purchase of Electric RCVs	9,896	0	0	0	0	0
Cremator & Mercury Abatement Plant Replacement Strategy	310	1,241	0	0	0	0
Leisure Services Programme						
Parks Programme						
PIP - Park Events Infrastructure	12	0	0	0	0	0
Parks Development Programme	362	3,010	3,574	4,685	0	0
Somme 100 Year Memorial	3	0	0	0	0	0
Painswick Park Improvement	2	0	0	0	0	0
Heaton Park Southern Play Area	28	0	0	0	0	0
Wythenshawe Park Sport Facilities S106	5	0	0	0	0	0
King George V Park	15	0	0	0	0	0
Angel Meadow S.106	192	0	0	0	0	0
Gately Brook Pre-Development Fees	116	0	0	0	0	0
Wythenshawe Track Changing Rooms	190	190	0	0	0	0
Leisure & Sports Facilities						
Indoor Leisure - Abraham Moss	212	9,631	13,030	46	0	0
Indoor Leisure - Moss Side	68	0	0	0	0	0
Boggart Hole Clough - Visitors Centre	0	535	0	0	0	0
Mount Road S106	0	32	0	0	0	0
Culture Website	4	0	0	0	0	0
Manchester Regional Arena Track Replacement	404	434	0	0	0	0
Mellands Playing Fields - Levenshulme	164	0	0	0	0	0

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Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
Mellands Project - Longsight Ward	330	0	0	0	0	0
Gorton & Abbey hey Project	292	0	0	0	0	0
Hough End Master Plan - Strat Football Hub Development Costs	508	0	0	0	0	0
Range Stadium Capital Project	168	0	0	0	0	0
MAC - Car Park Improvements	402	0	0	0	0	0
Non-Turf Wickets - Parks & Playing Fields	232	0	0	0	0	0
Libraries and Culture Programme						
Central Library Wolfson Award	2	0	0	0	0	0
Central Library Refresh	194	763	0	0	0	0
Open Libraries	115	190	0	0	0	0
Contact Theatre loan	200	0	0	0	0	0
HOME Arches Phase 1	215	0	0	0	0	0
Total Neighbourhoods Programme	15,591	16,706	16,954	4,731	0	0
Cultural Programme						
First Street Cultural Facility	14	0	0	0	0	0
The Factory (Build)	37,930	36,931	45,374	0	0	0
St Johns (Public Realm)	288	3,819	91	0	0	0
Corporate Estates Programme						
Asset Management Programme	7,536	13,291	0	0	0	0
MAC feasibility works	464	0	0	0	0	0
Town Hall Complex Transformation Programme	54	0	0	0	0	0
Hammerstone Road Depot	2,154	11,303	5,815	0	0	0
Carbon Reduction Programme	3,910	10,200	5,000	5,000	0	0
Greening of the City	500	500	0	0	0	0
Estates Transformation	0	0	800	0	0	0

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Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
Estates Transformation - Hulme District Office	90	0	0	0	0	0
Estates Transformation - Alexandra House	5,426	1,180	0	0	0	0
Proud Trust - Sidney Street	250	0	0	0		0
Development Programme						
Digital Assets Board (MCDA)						
Space - Phase 3	195	455	0	0	0	0
The Sharp Project	0	600	0	0	0	0
Digital Asset Base - One Central Park	230	538	0	0	0	0
Strategic Acquisitions Board						
Strategic Acquisitions Programme	3,038	1,323	0	0	0	0
Sustaining Key Initiatives	0	2,858	8,600	0	0	0
Mayfield Park	296	35	0	0	0	0
Northern Gateway						
Housing Infrastructure Fund	2,230	14,000	16,500	18,270	0	0
Acquisition of land at Red Bank	2,305	0	0	0	0	0
Northern Gateway	6,700	4,445	7,275	4,875	0	0
Eastern Gateway						
Eastern Gateway - Central Retail Park	709	0	0	0	0	0
Eastern Gateway - New Islington Marina	10	55	0	0	0	0
House of Sport	432	7,988	0	0	0	0
Demolition of Grey Mare Police Station	761	0	0	0	0	0
City Centre						
St. Peters Square - Peterloo	106	0	0	0	0	0
Medieval Quarter Public Realm	851	801	0	0	0	0
Manchester College	5,000	0	0	0	0	0
Digital Business Incubators	200	0	0	0	0	0
Lincoln Square	0	1,200	0	0	0	0
Piccadilly Gardens - Phase 1	250	1,561	0	0	0	0

Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
Manchester Digital Security Innovation hub (Cyberhub)	0	2,000	0	0	0	0
Other Strategic Development Initiatives						
New Smithfield Market	100	369	0	0	0	0
Heron House & Registrars	1,966	0	0	0	0	0
Civic Quarter Heat Network	9,679	4,000	0	0	0	0
Total Growth & Development Programme	93,674	119,452	89,455	28,145	0	0
Town Hall Refurbishment Programme						
Our Town Hall refurbishment	39,140	70,327	86,216	50,397	34,094	0
Total Town Hall Refurbishment Programme	39,140	70,327	86,216	50,397	34,094	0
Private Sector Housing Programme						
Brunswick PFI						
Brunswick PFI Land Assembly	100	593	677	0	0	0
Collyhurst						
Collyhurst Regeneration	0	178	1,000	2,700	0	0
Collyhurst Environmentals	0	55	0	0	0	0
Collyhurst Land Assembly Ph1	29	0	0	0	0	0
Collyhurst Land Acquisitions Ph2	0	210	799	0	0	0
Eccleshall Street - 3 Sites	0	0	500	0	0	0
Housing Investment Model						
Site Investigation and Early Works HIF Pilot Sites	0	0	65	0	0	0
Miles Platting PFI (PSH)						
Miles Platting PFI Land Assembly	4	146	266	0	0	0
Private Housing Asist Citywide Programme						

Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
Disabled Facilities Grant	4,004	7,200	1,000	0	0	0
Toxteth St CPO & environmental works	1	29	0	0	0	0
Bell Crescent CPO	0	0	0	482	0	0
Private Sect Housing Standalone Projects						
HCA Empty Homes Cluster Phase 2	107	415	891	0	0	0
Princess Rd	100	0	0	0	0	0
Empty Homes Scheme (s22 properties)	2,000	0	0	0	0	0
Ancoats Dispensary: Survey Work to Confirm Major Project Viability	352	0	0	0	0	0
Redrow Development Programme						
Redrow Development Phase 2 onward	21	0	0	0	0	0
West Gorton						
West Gorton Compensation	4	0	0	0	0	0
West Gorton Ph 2A Demolition & Commercial Acquisitions	51	386	904	0	0	0
Private Sector Housing - Stand Alone Projects						
HMRP	10	30	89	0	0	0
Collyhurst Acquisition & Demolition (Overbrook & Needwood Close)	0	664	0	0	0	0
Extra Care	0	1,245	1,200	0	0	0
Moston Lane Acquisitions	0	0	0	7,500	0	0
Equity Loans	0	0	397	0	0	0
West Gorton Community Park	350	25	25	0	0	0
Ben St. Regeneration	428	623	0	0	0	0
Marginal Viability Fund - New Victoria	6,215	5,185	0	0	0	0
Chimebank S.106	34	0	0	0	0	0
Next Steps Accommodation Programme Property Acquisitions	2,740	0	0	0	0	0

Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
Green Homes Grant Delivery scheme	500	0	0	0	0	0
Total Private Sector Housing Programme	17,050	16,984	7,813	10,682	0	0
Public Sector Housing						
Northwards - External Work						
Charlestown - Victoria Ave multistorey window replacement and ECW - Phase 1	2,382	6,420	3,481	0	0	0
Harpurhey Lathbury & 200 Estates external cyclical works ph 3b	-18	18	0	0	0	0
Environmental works	0	5	0	0	0	0
Moston Miners Low Rise externals	0	18	0	0	0	0
Newton Heath Limestone Drive externals	0	6	0	0	0	0
External cyclical works ph 3b Ancoats Smithfields estate	75	0	0	0	0	0
External cyclical works Ph 5 New Moston (excl corrolites)	0	8	0	0	0	0
Environmental improvements Moston corrolites	81	0	0	0	0	0
ENW distribution network phase 4 (various)	194	0	0	0	0	0
Various Estate based environmental works	100	163	0	0	0	0
Moston Corrolites external work	53	1,050	117	0	0	0
Charlestown Pevensey and Rushcroft Courts door entry systems renewal	49	0	0	0	0	0
Retaining Walls	0	150	150	0	0	0
Delivery Costs	540	1,002	486	0	0	0
Northwards - Internal Work						
Decent Homes mop ups and decent homes work required to voids	0	20	0	0	0	0

Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
One offs such as rewires, boilers, doors, insulation	0	31	0	0	0	0
Ancoats - Victoria Square lift replacement	4	0	0	0	0	0
Boiler replacement programme	-6	0	0	0	0	0
Harpurhey - Monsall Multis Internal Works	583	365	0	0	0	0
Newton Heath - Multi Internal Works	1,452	1,685	0	0	0	0
Higher Blackley - Liverton Court Internal Works	4	62	0	0	0	0
Various - Bradford/Clifford Lamb/Kingsbridge/Sandyhill Court Internal Works	152	0	0	0	0	0
Charlestown - Rushcroft/Pevensey Court Internal Works	678	265	0	0	0	0
Collyhurst - Mossbrook/Roach/Vauxhall/Humphries Court Internal Works	405	127	0	0	0	0
Decent Homes mop ups phase 10 and voids	181	214	22	0	0	0
One off work - rewires, boilers, doors	2	50	0	0	0	0
Fire precautions multi storey blocks	0	150	0	0	0	0
ERDF Heat Pumps	2,488	1,825	101	0	0	0
Charlestown - Rushcroft/Pevensey Courts Lift Refurb	0	300	225	0	0	0
One off type work (rewires/boilers/doors)	211	0	0	0	0	0
Fire Risk Assessments	697	3,473	1,640	0	0	0
Northwards - Harpurhey 200 Estate Internal Works	636	215	0	0	0	0
Rushcroft and Pevensey Courts Ground Source Heat Pumps	1,261	1,162	0	0	0	0
Harpurhey Baths Estate (excl Edward Grant Court) and Cheetham Appleford Estate	318	507	0	0	0	0
Newton Heath Troydale and Croyden Drive Low Rise Estates	463	1,637	0	0	0	0
Responsive Investment Works	0	650	100	0	0	0

Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
Retirement blocks various M&E/H&S works	215	769	250	0	0	0
Retirement blocks lift replacement apprentice and edward grant courts	0	114	0	0	0	0
One off type work such as rewires boilers doors	0	350	0	0	0	0
Delivery Costs	1,804	1,760	301	0	0	0
Northwards - Off Debits/Conversions						
Bringing Studio Apartments back in use	0	12	0	0	0	0
Various Locations - bringing bedsits back into use	0	104	0	0	0	0
Delivery Costs	0	15	0	0	0	0
Homeless Accommodation						
Improvements to Homeless accommodation city wide	0	36	0	0	0	0
Plymouth Grove Women's Direct Access Centre	0	28	0	0	0	0
Improvements to Homeless Accommodation Phase 2	375	355	0	0	0	0
Woodward Court reroofing	102	145	0	0	0	
Woodward Court lift replacement	0	0	434	0	0	
Delivery Costs	88	71	54	0	0	0
Northwards - Acquisitions						
Stock Acquisitions	2	0	0	0	0	0
Northwards - Adaptations						
Adaptations	150	202	0	0	0	0
Various Locations - Adaptations	305	388	0	0	0	0
Delivery Costs	56	50	0	0	0	0
Northwards - Unallocated						
Northwards Housing Programme - Unallocated	0	0	13,366	0	0	0
Retained Housing Programme						
Collyhurst Maisonette Compensation & Demolition	0	89	935	0	0	0

Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
West Gorton Regeneration Programme						
West Gorton PH2A Low & High Rise Demolition	26	0	0	0	0	0
Future Years Housing Programme						
Collyhurst Estate Regeneration	0	0	1,541	0	0	0
Buy Back Properties - Right to Buy	6	0	0	0	0	0
Collyhurst Regen - Highways Phase 1	0	287	1,394	0	0	0
Collyhurst Regen - Churnett Street	0	0	790	0	0	0
Collyhurst Regen - Needwood & Overbrook acquisition / demolition	0	134	0	0	0	0
Willert Street Park Improvements	0	10	0	0	0	0
North Manchester New Builds	38	339	0	0	0	0
North Manchester New Builds 3	1,153	4,535	6,605	0	0	0
Parkhill Land Assembly	0	0	4,270	0	0	0
Collyhurst	500	13,890	4,210	0	0	0
Buying Back Former Council Homes	0	500	500	500	0	0
Total Public Sector Housing (HRA) Programme	17,805	45,761	40,972	500	0	0
Children's Services Programme						
Basic Need Programme						
Lytham Rd	14	0	0	0	0	0
Plymouth Grove Refurbishment	89	0	0	0	0	0
Crossacres Primary School	24	0	0	0	0	0
Dean Trust Expansion	2,859	0	0	0	0	0
Brookside Rd Moston	4,632	2,784	5	0	0	0
North Hulme Adv Playground	2,522	2,127	10	0	0	0
Roundwood Road	5,940	1,905	159	0	0	0
Coop North Expansion	488	0	0	0	0	0

Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
Our Lady's Expansion	160	0	0	0	0	0
Manchester Communications Academy	111	0	0	0	0	0
Co-op Academy Belle Vue - Permanent	1,000	3,146	0	0	0	0
Co-op Academy Belle Vue - Early Opening	2,140	0	0	0	0	0
St Peters RC High school expansion	383	0	0	0	0	0
SEND Rebuild & Expansion - Pre Devel Costs	140	0	0	0	0	0
Basic need - unallocated funds	0	20,304	44,359	0	0	0
Universal Infant Free School Meals (UIFSM) - Allocated	7	0	0	0	0	0
Universal Infant Free School Meals (UIFSM) - Unallocated	75	0	0	0	0	0
Schools Maintenance Programme						
Broad Oak Primary School Kitchen	757	0	0	0	0	0
Lily Lane Prim Windows	0	46	0	0	0	0
Moston Lane Reroof	6	0	0	0	0	0
St. Augustine's	68	0	0	0	0	0
Medlock Primary - Boundary Wall rebuild	80	0	0	0	0	0
Crumpsall Lane - Electrical rewire	899	0	0	0	0	0
Mauldeth Rd Rewire	693	0	0	0	0	0
Button Lane Primary Fire Alarm	161	0	0	0	0	0
Charlestown Comm Fire Alarm/Lighting	202	0	0	0	0	0
Northenden Primary Pipework and Radiators	258	0	0	0	0	0
Crowcroft Park roof repairs	324	0	0	0	0	0
St Wilfred's CE Ph 1 roof repairs	6	444	0	0	0	0
Northenden Comm external works	81	0	0	0	0	0
Abbott Kitchen ventilation	114	0	0	0	0	0
Manley Park Primary Ph1 roof repairs	350	0	0	0	0	0
Broad Oak Reception class and roof repair	346	0	0	0	0	0

Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
Schools Capital Maintenance -unallocated	150	3,361	0	0	0	0
Education Standalone Projects						
Brighter Beginnings Burnage -EY maintenance works	2	0	0	0	0	0
Moss Side CC - EY maintenance works	6	0	0	0	0	0
Early Education for Two Year Olds - Unallocated	44	0	0	0	0	0
Healthy Pupil Capital Funding	0	257	0	0	0	0
North Ridge SEN	3,127	9	0	0	0	0
Special Educational Needs grant	0	683	0	0	0	0
Seymour Road	653	0	0	0	0	0
Commercial Wharf/ISS Refurbishment of YJS Building	97	43	0	0	0	0
Ghyll Head	1,091	0	0	0	0	0
Acquisition of land at Hyde Road	13,157	12	0	0	0	0
Nurseries Capital Fund - Unity Community	230	139	0	0	0	0
Lyndene Children's Home Refurbishment	655	220	0	0	0	0
Total Children's Services Programme	44,141	35,480	44,533	0	0	0
ICT Capital Programme						
ICT Infrastructure & Mobile Working Programme						
Internet Resilience	30	0	0	0	0	0
Network Refresh Programme	96	3,837	2,349	0	0	0
Data Centre Network Design and Implementation	510	0	0	0	0	0
End User Experience	570	1,000	0	0	0	0
Microsoft 365	1,760	0	0	0	0	0
Telephony	200	200	0	0	0	0
TEC Digital Platform	157	0	0	0	0	0

Project Name	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	2025/26 Budget
	£'000					
ICT Investment Plan	0	5,899	8,900	7,690	0	0
Total ICT Programme	3,323	10,936	11,249	7,690	0	0
Corporate Capital Programme						
Pay and Display Machines	220	0	0	0	0	0
Phase 1 Implementation - Locality Plan Programme Office	375	112	0	0	0	0
Integrated Working - Gorton Health Hub	4,429	14,674	1,076	0	0	0
BioMedical Investment	3,792	7,785	2,308	0	0	0
Manchester Jewish Museum Loan	290	0	0	0	0	0
Manchester Airport Car Park Investment	3,730	0	0	0	0	0
FC United	170	0	0	0	0	0
VCSE Small premises works	0	500	500	0	0	0
IWHC Loan	10	0	0	0	0	0
Airport Loan	142,700	0	0	0	0	0
Inflation	0	8,783	5,965	2,527	0	0
Total Corporate Capital Programme	155,716	31,854	9,849	2,527	0	0
Total Capital Programme	444,451	392,803	313,792	111,069	34,094	0

**Manchester City Council
Report for Information**

Report to: Resources and Governance Scrutiny Committee – 12 January 2021

Subject: The Council's HRA and Housing Investment Reserve and Governance of the potential work to bring Housing ALMO back in house and other Housing PFI schemes

Report of: Director of Housing and Residential Growth

Summary

The scrutiny committee has requested a report on the financial position of the Council's HRA and Housing Investment Reserve.

The report also outlines the proposed governance arrangements that would be put in place should the Council decide to bring the Housing ALMO stock back under the control of the Council including any proposals for future tenant involvement and also governance arrangements of the other housing PFI schemes.

The report also describes the framework in which the Council manages its two Tenant Management Organisations.

Recommendations

The Committee is asked to note the contents of this report.

Wards Affected: Ancoats and Beswick, Ardwick, Charlestown, Cheetham, Crumpsall, Harpurhey, Higher Blackley, Miles Platting & Newton Heath, Moston, Piccadilly.

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

The Council is working with each of its housing management contractors to identify what work is required to ensure that the homes meets the city's zero-carbon target by 2038. Initial estimates are that works will cost around £400m to fulfil this ambition.

Our 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	Decent quality housing across all tenures is essential.

A highly skilled city: world class and homegrown talent sustaining the city's economic success	Providing well-managed, energy efficient homes for families renting from the Council enables homegrown talent to thrive.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Nobody should be held back in their ambition, simply because of their housing tenure. Social housing is the housing of choice for many and we will ensure it is well maintained and well managed.
A liveable and low carbon city: a destination of choice to live, visit, work	Low carbon AND energy efficient housing is essential to attract and retain talent in Manchester.
A connected city: world class infrastructure and connectivity to drive growth	Regeneration programmes have demonstrated our ability to improve neighbourhoods, not just build new housing.

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1.0 Introduction

- 1.1 This report describes the current status of the Housing Revenue Account and describes some of the key factors which impact on the account. It also provides a commentary on the Housing Investment Reserve.
- 1.2 The report also describes the proposed governance structure for the properties currently managed by Northwards Housing if the decision is taken to bring the service in house.
- 1.3 The report also provides a description of the contractual arrangements for managing and monitoring the three projects funded by the Private Finance Initiative and the two Tenant Management Organisations.

2.0 Background

- 2.1 The Council owns nearly 15,500 council homes. The homes are managed on behalf of the Council by a mix of delivery methods:
- 2.2 The majority of the homes (12,500) are currently managed by Northwards Housing Limited.
- 2.3 Within the 12,500 properties that Northwards currently manage there are two Tenant Management Organisations (TMO). Avro Hollows TMO manages 312 properties in Newton Heath and Shout TMO manages 94 properties in Harpurhey
- 2.4 In order to deliver wider regeneration activities, the Council successfully obtained government grant and private finance in 3 locations under the Private Finance Initiative (PFI):
 - **Plymouth Grove** - 527 homes in Ardwick are managed by Grove Village Limited; this project runs for 30 years from March 2003.
 - **Miles Platting** - 1,469 homes in Miles Platting are managed by Renaissance Miles Platting Ltd; this project runs for 30 years from March 2007
 - **Brunswick** - 741 homes in Brunswick are managed by Solutions for Brunswick (S4B); this project runs for 25 years from January 2013
- 2.5 A further 182 properties are managed by housing associations for the Council in West Gorton (171) and Alderley Edge (11).

3.0 Financial position of the Housing Revenue Account

- 3.1 The rules governing the maintenance of the Housing Revenue Account (HRA) were established pursuant to the Local Government and Housing Act 1989 and provide that:
 - The Council must formulate proposals in respect of HRA income and expenditure for the financial year which, on the best assumptions and

estimates that the Council is able to make at the time, ensure that the HRA does not show a debit balance;

- The Council is required to keep a HRA in accordance with proper practice. The Council has the responsibility to determine a strategy that is designed to ensure that the HRA is in balance taking one year with another.
- The HRA continues to be a ring-fenced account, this means that it must, in general, balance on a year-to-year basis, so that the costs of running the Housing Service, which include debt charges, administration costs and maintenance expenditure must be met from HRA income.

3.2 In April 2012 the previous HRA subsidy system was abolished and replaced with a system of self financing, under this system authorities now retain all of the rental income, and must use this to finance the management, maintenance and capital investment needs of the stock. This now operates on a similar basis to how Registered Providers operate. As part of the changes, Authorities are required to take a longer term view and this has entailed developing a rolling 30 year business plan for the Housing Revenue Account.

3.3 In developing the 30 year business plan it is essential that the Council considers all risks, and ensures that any investment decisions are affordable both in the short and longer term and reviewing the use of existing assets to ensure that benefits are maximised.

3.3 The annual HRA budget report is also on the agenda for this Scrutiny Committee, prior to going to Executive and this sets out in detail the proposed budget for 2021/22 which will require Council approval. Therefore this report only sets out the high level detail of the HRA budget.

Current Year Forecast Position

3.4 The November forecast position for the HRA is summarised in the table below.

Expenditure Description	Annual Budget £000's	Projected Outturn £000's	Variance to Budget £000's
Housing Rents	(60,881)	(61,027)	(146)
Heating Income	(600)	(623)	(23)
PFI Credits	(23,374)	(23,374)	-
Other Income	(1,281)	(919)	362
Contribution from reserve	(18,632)	(18,632)	-
Total HRA Income	(104,768)	(104,575)	193
ALMO Management & Maintenance Fee	20,694	21,097	403
PFI Contractor Payments	36,296	35,646	(650)
Communal Heating	584	607	23
Supervision & Management	5,213	5,433	220
Bad Debts Provision	613	547	(66)
Depreciation	17,378	17,378	-

Other Expenditure	1,370	1,393	23
Revenue Contribution to Capital	19,841	(2,461)	(22,302)
Interest Payable	2,779	2,779	-
Total HRA Expenditure	104,768	82,419	(22,349)
Net HRA Budget 2020/21	-	22,156	22,156

- 3.5 As can be seen planned expenditure is £22.156m lower than budgeted, and this will result in an in year surplus of £3.524m, (Planned use of reserve £18,632m-£22,156m underspend= £3,5240m). Any in year surplus has to be credited to the HRA Reserve as this is a ring fenced account. The forecast surplus will increase the total HRA reserves to £116.8, of which c.£36m are ringfenced reserves and c£80.8m are general reserves. The key variances are:-

HRA Income Key variances

- 3.6 Housing Rents are forecast to be £146k higher than budget, this is due to the lower than forecast numbers of right to buys due to Covid. The current year forecast is that there will be c80 sales in year, which is around half of the original forecast.
- 3.7 Other Income is forecast to be £362k lower than budget this is due to in reduced service charge income, and reduced monies from RSL's in respect of VAT savings on capital works undertaken

HRA Expenditure Key Variances

- 3.8 The other significant in year change has been an increase of £403k to the ALMO Management Fee. This has been to cover the higher than forecast pay award, funding to recognise the financial impact of Covid support to suppliers (there has been no additional funding for ALMOs)_ and the additional costs associated with the demolition of the Riverdale Block.
- 3.9 There is a separate budget to support Private Finance Initiatives (PFIs) expenditure. The extra care scheme in Brunswick has been delayed until January 2021, leading to reduced in year expenditure of c£0.587m. There has also been a small saving of £63k on inflation costs leading to a combined underspend of £0.65m.
- 3.10 Supervision and Management is £220k higher than budget this is mainly due to the £200k budget agreed in year to fund the work required to undertake the review of the ALMO.
- 3.11 There have been some concerns about the delivery of the Northwards Capital Programme and the need to ensure there is a clear forward plan for capital investment. These concerns coupled with the impact of covid-19 has led to significant delays on the delivery of the 2020/21 programme. There has been an increased number of tenants not wishing to allow access to properties and works have been taking longer because of the pandemic. It should be noted that when the programme was put together the impact of covid-19 could not

have been reasonably foreseen. As a result the 2020/21 capital expenditure is £22.3m lower than what was approved as part of the annual budget. As part of the ongoing review of the ALMO arrangements work is ongoing to develop a plan to ensure better, and more timely utilisation of capital resources.

Future Years Budgets

- 3.12 As part of preparing the 2021/22 budget the longer-term 30 rolling year business plan also has to be prepared. This takes into account all known changes to housing stock numbers, proposed investment needs and inflationary assumptions in line with the City Council medium term financial plan. The HRA Business Plan Report is shown separately on the agenda.
- 3.13 Part of the rationale for reviewing the arrangements with Northwards Housing was to deliver efficiencies which provides more scope for investment and a more sustainable 30 Year Plan. A report was taken to Executive November 2020, this was following the due diligence that had been undertaken by consultants, and this outlined the following:

'staying as we are currently operating is not an option and that the ALMO has too many weaknesses in terms of Governance, performance, structure and delivery that need to be addressed. Whatever option is chosen will have to be in the context of a significant service delivery improvement programme.'

- 3.14 In response to the above it was recommended, and agreed by Executive that we undertake a test of opinion with tenants with a view to bringing the functions of the ALMO back in house. A final report will be presented to Members in January 2021 with the outcome of the test of opinion, and to confirm the final decision.

The current draft plan is statutorily compliant in that a surplus is forecast at the end of each year within the three year budget strategy period.

- 3.15 Given the level of reserves held there is also some planned investment from the HRA, in excess of £87m for 2021/22 – 2023/24, and this includes schemes that will help contribute to reducing carbon. The net position after that investment still shows a surplus position.
- 3.16 The 30 year position is very volatile with small changes in the assumptions having a significant impact on the position. The attached report sets out these assumptions in more detail. However, due to a number of factors including the Government 1% rent reduction over the four years from 2016/17, the impact of the Grenfell Tower fire disaster, and the investment required to support the Council's ambition to become a zero Carbon City, the HRA could be facing a significant deficit.
- 3.17 One of the first tasks following the Test of Opinion result will be to review the business planning assumptions. Whilst for budget setting purposes the budget will be set on an as is basis the HRA this will be reviewed and updated later in

the Financial Year. Costs will continue to be regularly reviewed in order that efficiencies can be identified and reserves maintained at a sufficient level to manage risk and to fund the investment priorities.

4.0 Financial position of the Housing Investment Reserve

4.1 As part of the change to self financing (See para 3.2) and the cessation of the subsidy system, the Authority utilised the Schedule 4 Part III paragraph 2 (1) of the Local Government and Housing Act 1989 which provides that:

“ A local housing authority to whom no HRA subsidy is payable for any year may carry the whole/part of any credit balance shown in the HRA for that year to the credit of some other revenue account of theirs.”

4.2 As a result, it was agreed in 2012/13 that £15m would be transferred from the HRA reserve to an earmarked General Fund reserve, the Housing Investment Reserve. The 2012/13 accounts were amended to effect the transfer and this was presented to Audit Committee for consideration and approval on 26 September.

4.3 The reserve was created to provide investment capacity to support the delivery of the Council’s Housing and Regeneration priorities. As this is a reserve, the planned use has to be approved as part of the Council budget setting processes and any changes reported to Executive (or full Council if the council’s overall additional use of reserves is above a certain threshold).

The table below sets out how the reserve has been used and the planned use until 2024/25 that will be recommended as part of the budget process

	2016-20	2020-21	2021-22	2022-23	2023-24	2024-25
		£000	£000	£000	£000	£000
Opening Balance	15,000	12,927	10,442	8,639	6,807	4,948
Residential Growth	-1790	-389	-400	-400	-400	
Staffing	-283					
Housing & Residential Growth		-174	-704	-718	-732	-747
Investment Estate		-84	-279	-285	-291	-297
City Centre Regen		-259	-312	-318	-324	-331
Neighbourhoods		-79	-108	-110	-112	-114
Housing Delivery Model		-1,500				
Closing Balance	12,927	10,442	8,639	6,807	4,948	3,460

4.4 Expenditure to date has mainly been in support of the following Residential Growth schemes; Northern Gateway, Eastern Gateway, New Islington and Angel Meadow.

- 4.5 For 2020-21 and future years, it is planned that in Residential Growth, support will be focused on Northern Gateway, whilst £1.5m is earmarked for the Local Delivery Vehicle (to fund feasibility and design work, and professional services to support the development of the structure, governance and financial model). The remainder of the amounts set aside are for additional staffing costs in City Centre Regeneration, The Investment Estate, Neighbourhoods and for the Housing Growth proposal to support the Council's housing ambitions.

5.0 Proposed Governance arrangement for Northwards Housing

- 5.1 Governance options are being considered. These options include establishing a committee under s.102(4) of the LGA 1972 to advise the Executive on relevant matters relating to the former ALMO if it is brought back in house. The members appointed to the committee could all be selected from the relevant geographical area and it could also include the Executive Member with the relevant portfolio (Housing and Regeneration). Tenants could also be appointed as (voting) members.
- 5.2 A further factor in governance will be ensuring that tenants have a meaningful role and influence. There is an existing structure of resident engagement within Northwards including for leaseholders. However, the number of engaged tenants is low, and minority groups are not widely represented. We are working with Shelter, who will engage with the existing "Tenants View" group in order to achieve a wider and more representative level of engagement. This is particularly important in the light of the Government White Paper, "The Charter for Social Housing residents" which places much greater emphasis on genuine resident engagement following the disaster at Grenfell Tower.
- 5.3 North Manchester members have been engaged in discussions about the governance structure and there is a commitment that the final framework will be developed with North Manchester members and residents and reported to a future meeting of this scrutiny committee.

6.0 Governance of the Housing Private Finance Initiative schemes

- 6.1 All three of the projects funded through the Private Finance Initiative (PFI contract) have defined project monitoring and governance requirements which are broadly the same. Standard legal drafting (Standardisation of PFI Contracts published by HM Treasury) is used across all PFI sectors, not just housing, and, by definition is very generic, leaving each procuring authority to define its own governance and monitoring regime.
- 6.1.1 Each project has a regular **liaison meeting** where officers from Strategic Housing meet the contractor to discuss performance matters, any project changes and consider whether any issues need to be referred up to the project Board.

- 6.1.2 Each project also has a resident and councillor **monitoring committee** to review contractor performance and provide a genuine “sense check” on the performance data
- 6.1.3 Each project has a **board** of senior representatives from the Council and the contractor, which meets at least twice a year, to deal with strategic issues and any matters referred to it from the liaison meetings.
- 6.1.4 Extracts from each of the Project Agreements defining the roles of the various groups are included below:
- 6.2 Plymouth Grove
- 6.2.1 Project Liaison Committee
- (a) The Project Liaison Committee shall consist of those persons referred to in Clauses 1.1(b) and 1.1(c), together with such other persons as the Council and the Contractor deem necessary to attend the Project Liaison Committee Meeting in question.
 - (b) The Council's representatives shall be the Council's Works Manager and the Council's Operations Manager.
 - (c) The Contractor's representatives shall be the Service Works Manager and the Development Works Manager.
 - (d) The Project Liaison Committee shall meet once a month throughout the Contract Period (or at such other intervals as the Council's Representative and the Contractor's Representative shall agree) (as the case may be) and each Party shall ensure that their representatives and other persons deemed necessary to attend (as referred to in Clauses 1.1(a), 1.1(b) and 1.1(c)) attend each such meeting. The Council and the Contractor agree that all direct costs of their respective representatives attending the Project Liaison Committee shall be borne by them severally. The proceedings, powers and functions of the Project Liaison Committee are set out in **Error! Reference source not found.** (Project Liaison Committee).
- 6.2.2 The project has been operational for approaching 18 years.
- 6.2.3 Project Liaison Committees are now held whenever either the Council or the contractor requires them. They have been held at least quarterly throughout the project and monthly for the first 10 years
- 6.2.4 Currently the committee meetings are held every two weeks as the contractor is undertaking planned preventative maintenance work across the estate. Meetings are attended by the Council's Operations Manager and Works Manager and the contractor's Repairs Contractor and Housing Manager

6.2.5 Project Supervisory Meetings (known as the Project Board)

The Parties shall procure, unless the Council's Representative and the Contractor's Representative otherwise agree, that there shall take place at least every six (6) Months during the Contract Period meetings to discuss the overall performance of the Service Works and the Services and any matters which cannot be resolved by the Project Liaison Committee. Such meetings shall be attended by:

- (e) the Council's Representative;
- (f) the Contractor's Representative,

and such other persons as either of them shall deem necessary to attend.

Project Board meetings have been held consistently throughout the project and are currently held twice a year. The Council is represented by the Head of Housing Services and the Housing Investment Manager. The contractor is represented by Board members of Grove Village Limited.

6.2.6 Monitoring Committee

The Contractor shall when requested by the Council, ensure that appropriate representatives of the Contractor attend meetings of the Monitoring Committee (comprising Tenants and Council representatives) and that such persons are fully able, competent and knowledgeable to discuss and report on the issues to be discussed at such meetings.

The Monitoring Committee met monthly from the start of the project until around 3 years ago when it was agreed to meet every two months. The Committee is chaired by a resident (Chair of the local tenants' and residents' association).

6.2.7 Covid response

During the first few months of the pandemic meetings were held on a weekly basis to provide information to the contractor on the Council's response and to monitor the delivery of key services during this period. These meetings have now moved to fortnightly and are attended by the Council's Operations Manager.

6.3 **Miles Platting**

6.3.1 Project Liaison Committee

- (a) The Project Liaison Committee shall consist of those persons referred to in clauses 1.1(b) and 1.1(c), together with such other persons as the Council and the Contractor deem necessary to attend the Project Liaison Committee Meeting in question and shall be chaired by the Council's Project Manager.

- (b) The Council's representatives shall be the Council's Works Manager and the Council's Operations Manager.
- (c) The Contractor's representatives shall be the Service Works Manager, the Development Works Manager and the Operations Manager provided that following the Service Works Completion Date and the completion of the Development Works respectively the Service Works Manager and the Development Works Manager (as appropriate) shall no longer be required as a representative of the Contractor.
- (d) The Project Liaison Committee shall meet once a month throughout the Contract Period (or at such other intervals as the Council's Representative and the Contractor's Representative shall agree) and each Party shall ensure that their representatives and other persons deemed necessary to attend (as referred to in clauses 1.1(a), 1.1(b) and 1.1(c)) attend each such meeting. The Council and the Contractor agree that all direct costs of their respective representatives attending the Project Liaison Committee shall be borne by them severally. The proceedings, powers and functions of the Project Liaison Committee are set out in **Error! Reference source not found.** (Project Liaison Committee).

6.3.2 The project liaison meetings take place every month and are attended by the Council's Programme Manager and Operations Manager along with representatives from the contractor who deal with repairs, housing Management and housing development

6.3.3 Monitoring Committee

The Contractor shall, when requested by the Council, ensure that appropriate representatives of the Contractor attend meetings of the Monitoring Committee (comprising Tenants and Council representatives) and that such persons are fully able, competent and knowledgeable to discuss and report on the issues to be discussed at such meetings.

6.3.4 The Monitoring Committee has not met regularly during this contract. Officers meet tenants and residents on an ad hoc basis usually on regular site visits and respond to councillor and resident enquiries and complaints. On the whole, the contractor undertakes the majority of liaison with existing tenants and residents groups about issues. To date those residents who are active in the area have not felt ready to take on a more formal monitoring role.

The contractor also provides regular, monthly, project updates to the local councillors.

6.3.5 Joint Board Meetings

The Parties shall procure, unless the Council's Representative and the Contractor's Representative otherwise agree, that there shall take place at least every three (3) months during the Contract Period meetings to discuss the overall performance of the Service Works and/or the Development Works

and the Services and any matters which cannot be resolved by the Project Liaison Committee. Such meetings shall be attended by:

- (e) the Council's Representative;
- (f) the Contractor's Representative,
- (g) a representative at director level of each of the Contractor, the Operating Subcontractor, the Construction Subcontractor (until the Service Works Completion Date) and the Development Subcontractor (until completion of the Development Works); and
- (h) such other persons as the Parties shall deem necessary.

6.3.6 The joint Board meets every 6 months and the Council's representatives are the Head of Housing Services and the Programme Manager. The contractor is represented by members of the Renaissance Miles Platting Ltd board.

6.3.7 Covid response

During the first few months of the pandemic meetings were held on a weekly basis to provide information to the contractor on the Council's response and to monitor the delivery of key services during this period. These meetings have now moved to fortnightly and are attended by the Council's Operations Manager.

6.3.8 Other

Regular site visits are undertaken with the contractor and these now include contract meetings covering lifecycle replacement works, amongst other things.

6.4 **Brunswick**

6.4.1 Tenant and Resident Consultation

The Contractor is required to consult with all Tenants, Leaseholders and Owner Occupiers in relation to any matter concerning the Tenancies and/or the Project Area and to provide opportunities to participate in decision-making and performance monitoring. Such consultation shall be carried out in accordance with a procedure devised by the Contractor after seeking and taking into account the views of the Tenants, Leaseholders and Owner-Occupiers as to how they wish to be consulted and involved in the decision making with particular emphasis being given to consultation with individuals and groups not usually represented by the Tenants and residents' associations. As a minimum the Contractor will follow the Authority's consultation procedures and policies as specified in the Manchester's Tenant Participation Compact as detailed in schedule 12 of the Project Agreement. The Contractor must ensure that a representative is present at all Tenants and Residents Meetings to which they are invited. The only exception being during local election period (March to May each year), if a City Councillor is going to be in attendance.

The Contractor is required to undertake a Tenant Satisfaction Survey on an annual basis. A key feature of the Tenant Satisfaction Survey is to test satisfaction with those requirements placed on the Contractor which are not easily measurable but which can be subjectively tested to ascertain quality of service delivery.

The Contractor shall seek to ensure that Tenants, Leaseholders and Owner Occupiers within the Project Area are adequately represented on any management board or other similar body, which have been created for the purposes of consultation.

The Contractor shall, when requested by the Council, ensure that appropriate representatives of the Contractor attend meetings of the Monitoring Committee (comprising Tenants and Council representatives) and that such persons are fully able, competent and knowledgeable to discuss and report on the issues to be discussed at such meetings.

6.4.2 The Monitoring Committee meets every 2 months and is attended by the Housing Investment Manager, the Programme Manager, representatives from the contractor (S4B), Local Members and the local tenants' and residents' association.

6.4.3 Project Liaison Group

The Authority and the Contractor shall establish and maintain throughout the Contract Period a project liaison group (the Project Liaison Group) consisting of three members from the Authority and three members from the Contractor. The Parties may by agreement invite such other persons as they deem necessary to attend the Project Liaison Group on an ex officio basis.

The functions of the Project Liaison Group shall be:

- to provide a means for the joint review of all aspects of the performance of this Agreement;
- to provide a forum for joint strategic discussion and consideration of all aspects with regard to this Agreement including ensuring dissemination of information and consideration of the views of all stakeholders connected with the Project; and consideration of issues relating to:
 - Consents;provision of the Works and Services, including transition between Phases;and Authority Changes.

The role of the Project Liaison Group is to make recommendations to the Authority and to the Contractor, which the Authority and the Contractor may accept or reject at their complete discretion. Neither the Project Liaison Group itself, nor its members acting in that capacity, shall have any authority to vary any of the provisions of this Agreement or to make any decision binding on the Parties. The Authority and the Contractor shall not rely on any act or omission of the Project Liaison Group, or any members of the Project Liaison Group acting in that capacity, so as to give rise to any waiver or

personal bar in respect of any right, benefit or obligation of the Authority or the Contractor under this Agreement. No discussion, review or recommendation by the Project Liaison Group shall relieve the Authority or the Contractor of any liability or vary any such liability or any right or benefit.

Practices and procedures

Any member of the Project Liaison Group may convene a meeting of the Project Liaison Group provided that the first meeting of the Project Liaison Group shall be convened by the Authority's Representative within 30 days of the date of this Agreement.

Not less than seven days notice (identifying the agenda items to be discussed at the meeting) shall be given to convene a meeting of the Project Liaison Group, except that in emergencies, a meeting may be called at any time on such notice as may be reasonable in the circumstances.

The Authority and the Contractor shall ensure that their respective representatives forming the Project Liaison Group shall attend each meeting of the Project Liaison Group as appropriate (or a suitable replacement) convened in accordance with paragraph 4.2 above. No other person shall attend without the prior consent of the Authority and the Contractor (such consent not to be unreasonably withheld or delayed).

The quorum for a meeting of the Project Liaison Group shall be two (with at least one Authority representative and one Contractor representative present)

Minutes of each Project Liaison Group meeting shall be taken by the Contractor and copies circulated to all members of the Project Liaison Group within seven days of the holding of the relevant meeting.

Recommendations and other decisions of the Project Liaison Group must have the affirmative vote of all those voting on the matters, which must include not less than one representative of the Authority and one representative of the Contractor.

Each member of the Project Liaison Group shall have one vote. Meetings of the Project Liaison Group shall be chaired by the Authority with the first meeting being chaired by the Authority's Representative.

Subject to paragraph 4.1, the Project Liaison Group shall meet at least one every month prior to the Initial Refurbishment Works Completion Date and thereafter at least once every quarter.

- 6.4.4 These meetings are commonly known as Neighbourhood Management Meetings and are held monthly. The Council is represented by the Programme Manager and the Operations Manager. The contractor is represented by the Project Manager, the housing management Contractor and the Repairs Contractor. Because the Brunswick project is still in the "construction" phase there are significant more meetings held with the contractor to monitor

progress and deal with any issues. Alongside the Neighbourhood Management meetings there are regular meetings with the contractor on the new homes that are being built and the infrastructure across the estate. There are specific meetings to deal with Leaseholder issues and there are regular site visits to monitor progress.

6.4.5 Project Board

There is a joint project board which meets quarterly. The Council is represented by the Head of Housing Services, the Housing Investment Manager and the Programme Manager. The contractor is represented by members of the S4B Board.

6.4.6 Extra Care scheme (Brunswick Village)

A key feature of the regeneration project is the delivery of a 60-bed extra care facility on Brunswick Street. Brunswick Village will be home to over 60 residents along with 24 hour care and support. A day centre and bistro will be provided along with a community space.

Due to the complexity of the design, the mix of building users and the potential vulnerability of some of the future tenants, a series of special meetings have been held between the Council, the contractor and other stakeholders during the past two years.

These will continue during the first 6 months after the Village is opened and the frequency will be kept under review. Formal governance arrangements for the various spaces within Brunswick Village are also being agreed so that there is clarity for all of its users.

6.4.7 Covid response

During the first few months of the pandemic meetings were held on a weekly basis to provide information to the contractor on the Council's response and to monitor the delivery of key services during this period. These meetings have now moved to fortnightly and are attended by the Council's Operations Manager.

7.0 Performance management and monitoring of the Council's Tenant Management Organisations

- 7.1 Tenants are able to take over the management of their Council by exercising the "Right to Manage".
- 7.2 A Tenant Management Organisation (TMO) can be formed by a group of council tenants who want to take on responsibility for managing the homes they live in; from organising repairs and allocations to ensuring grounds maintenance is undertaken.

- 7.3 The individuals that form the TMO come together to create an independent legal body, which is run by a tenant-led board. The aim of the TMO is to manage their housing more effectively than their landlord and help to improve community spirit, quality of life, tenant satisfaction and neighbourhood regeneration.
- 7.4 TMOs enter into a legal management agreement with their landlord and are paid an annual management and maintenance allowance by the landlord in order to carry out the management duties allocated to them in relation to their housing.
- 7.5 There is a Modular Management Agreement which sets out the standard terms and conditions and defines the relationship between the Council and the TMO.
- 7.6 Both TMOs in Manchester are within the geographical area of homes managed by Northwards Housing and the ALMO provides some services to the TMO. In order to capture the various roles and responsibilities we have had to develop a tripartite agreement between The Council, the TMO and Northwards Housing.
- 7.7 TMOs can choose which functions they want to undertake and which ones they would prefer the Council to retain.
- 7.8 Shout TMO manage 92 low-rise homes in Harpurhey and employ a part-time officer. Shout manage allocations and lettings along with lower level antisocial behaviour. Northwards Housing manage the repairs and maintenance service, relief works, rent collection and arrears recovery, all “major” works including servicing. Northwards Housing also review all serious antisocial behaviour cases referred to them and consider whether any further action, including legal action, is required and procure this on behalf of the TMO.
- 7.9 Avro Hollows TMO manage 312 properties in Newton Heath. This includes 4 tower blocks and 28 low-rise flats. Avro Hollows manage allocations and lettings along with lower level antisocial behaviour. They also procure their own repairs and maintenance contractor to manage repairs and relet works. The TMO employs a full time manager and administrative support along with 3 caretakers and a handyman.
- 7.10 Northwards Housing manage rent collection and arrears recovery along with all major works including servicing. Northwards Housing also review all serious antisocial behaviour cases referred to them and consider whether any further action, including legal action, is required and procure this on behalf of the TMO.
- 7.11 The following is an extract from the Modular Management Agreement describing the performance standards for both the TMO and the Council and the review mechanisms available.
- 7.11.1 The Tenant Management Organisation’s performance standards:-

- *In carrying out its management functions under this Agreement the Tenant Management Organisation agrees to comply with the policies, procedures and performance standards set out in the Schedules to this Agreement.*
- *To ensure that the Tenant Management Organisation complies with the provisions of clause 1.1 the Tenant Management Organisation agrees to set the Tenant Management Organisation's Key Performance Indicators ("KPIs"), which enable the Tenant Management Organisation to measure its performance against the standards it is required to achieve. The Key Performance Indicators will be set in accordance with the provisions of the Schedule.*
- *The Tenant Management Organisation agrees to provide information to enable the Council to monitor the effective performance of the Tenant Management Organisation.*
- *The Tenant Management Organisation's Key Performance Indicators will:*
 - a) *be set in consultation with the Council;*
 - b) *take into account the length of time the Tenant Management Organisation has managed the Property dwellings under this Agreement, the size of the Tenant Management Organisation and any local circumstances, which may affect performance;*
 - c) *broadly reflect the targets set by the Council for the management and maintenance of the comparator area specified in the Annex which is under the Council's direct management or managed by another organisation;*
 - d) *include targets set by the Tenant Management Organisation to reflect local circumstances; and*
 - e) *include, at the Starting Date, the performance indicators listed in the Schedule, which can be varied as provided for in the Schedule.*

7.11.2 The Council's performance standards

- *In carrying out its management functions under this Agreement the Council agrees to comply with the performance standards set out in the Schedules to this Agreement when carrying out, in relation to the Property, those of its management functions that are not, under this Agreement, being exercised by the Tenant Management Organisation.*
- *To demonstrate that the Council is complying with its obligations under clause 2.1 the Council will set out the Council's Key Performance Indicators, which enable it to measure its performance.*

- *The Council's Key Performance Indicators will be set in accordance with the provisions of the Schedule, and can be varied as provided for in the Schedule.*

7.11.3 Regular monitoring and development meetings

- *The Tenant Management Organisation will provide such information and access to records as the Council may reasonably need to monitor the Tenant Management Organisation's performance.*
- *The Council and Tenant Management Organisation should agree on the frequency of any periodic monitoring meetings for the purposes of:*
 - a) monitoring the performance of the Tenant Management Organisation in carrying out its management functions under this Agreement; and*
 - b) monitoring the performance of the Council in carrying out its management functions under this Agreement.*

Each party will provide the other party with sufficient information, including finance information and information on Key Performance Indicators, no less than 14 days before the date of the meeting to enable monitoring to be properly carried out.

In light of the periodic monitoring meetings, the Tenant Management Organisation and council should agree on any follow up action. Where it is agreed that the council will prepare a report which evaluates the Tenant Management Organisation and its own performance, this should be sent to the Tenant Management Organisation committee, and its contents fed into the council's internal monitoring arrangements.

The Council will ensure that the obligations imposed on the Tenant Management Organisation under this Chapter are not so onerous as to prevent the Tenant Management Organisation from fulfilling its obligations under this Agreement or to impair its ability to fulfil those obligations.

7.11.4 Annual review

The Council and Tenant Management Organisation should agree on the frequency with which the Tenant Management Organisation reviews its performance, and the arrangements for such a review. This should not be more frequently than once per year, and should involve the Tenant Management Organisation comparing its performance against the agreed key performance indicators. Where the Tenant Management Organisation requests the Council not to publish any indicator on the grounds that it may reveal confidential information about a tenant or employee, the Council will comply with the request if it is reasonable to do so in the particular circumstances of the case. The Council will provide the necessary information for the Tenant Management Organisation to publish the Tenant Management Organisation's Performance Report.

The Tenant Management Organisation will send a copy of its performance review report to the Council. It is good practice for the Tenant Management Organisation to also make available information regarding its performance to every tenant, leaseholder and freeholder. The Tenant Management Organisation may also make the information available to others, on request.

The Council and Tenant Management Organisation should decide on the next steps following the performance review report, ideally within 3 months of its completion. This could include a meeting to consider their respective performance and to decide on the action needed to rectify any deficiencies in the Tenant Management Organisation's or the Council's performance. Nothing in this clause prevents the Council or the Tenant Management Organisation taking action for breach of this Agreement in respect of deficiencies in performance under clause 19 of Chapter 1.

Within three months of a Review meeting, the Tenant Management Organisation should produce a report of the meeting. This report should be made available to the Tenant Management Organisation's Management Board.

7.11.5 Equalities and diversity

The Council and Tenant Management Organisation should decide how frequently the Council measures the effectiveness of the Tenant Management Organisation's Equalities and Diversity Policy and Procedures and reports to the Tenant Management Organisation's committee on its findings. The Tenant Management Organisation will consider the report and make such changes as the Council may reasonably require ensuring that the Tenant Management Organisation complies with implementing its Equalities and Diversity Policy and Procedures (see Chapter 1, clause 10).

7.11.6 Periodic and special reviews

The council and Tenant Management Organisation will decide the arrangements for measuring the total performance of the Tenant Management Organisation in carrying out its management functions under this agreement. Subject to clause 6.7 this review should not be held more frequently than once every three years. In monitoring the Tenant Management Organisation's performance, the council and the Tenant Management Organisation should agree the matters to be included.

As soon as may be practicable after completing the review the Council will produce a Review Report which will:

- a) identify the deficiencies (if any) in the functioning or performance of the Tenant Management Organisation;*
- b) make positive recommendations as to the action and practical steps which the Tenant Management Organisation needs to take; and*

- c) *set out the periods within which the Council considers that remedial action should be taken.*

The Council will provide the Tenant Management Organisation with a copy of the Review Report as soon as it is available.

Within two months of receipt of the Review Report the Tenant Management Organisation will respond in writing to the Review Report setting out:

- a) *the recommendations for action which the Tenant Management Organisation accepts, setting out the Tenant Management Organisation's plan and periods within which those recommendations will be implemented; and*
- b) *the findings and recommendations (if any) with which the Tenant Management Organisation disagrees, stating the reasons for the disagreement and the evidence relied upon as showing that the Council has reached incorrect conclusions.*

If the Tenant Management Organisation disagrees with the Review Report and responds to it under clause 6.3 b) , the Council will, within one month of receiving the Tenant Management Organisation's response, give reasoned consideration to the Tenant Management Organisation's response and, in writing, either:

- a) *accept the Tenant Management Organisation's response and amend the findings and recommendations for action in the Review Report; or*
- b) *give reasons why the Tenant Management Organisation's response is not accepted by the Council and require the Tenant Management Organisation, within one month, to submit its written plan for implementing the recommendations.*

If a disagreement remains between the Council and the Tenant Management Organisation after the Council has given reasons in accordance with clause 6.4 b) why it requires the recommendations in the Review Report to be implemented, the disagreement will be settled by using the procedure for settling disputes specified in clause 18 of Chapter 7.

The Review Report will form the basis of the information presented to the tenants and leaseholders by the Tenant Management Organisation before a decision under clause 17 of Chapter 1 as to whether the Tenant Management Organisation is to continue as manager of the Property dwellings.

Where the Council has reason to believe that there are serious failings in the financial performance, management or governance of the Tenant Management Organisation, and that there is no realistic prospect of remedying the situation by taking action under any other provision of this Agreement, it may carry out a Special Review under the provisions of this clause . The consent of the Tenant Management Organisation is required that the persons

proposed by the Council to carry out the Special Review may so act, but such consent is not to be unreasonably withheld.

The carrying out of a Special Review does not prevent the Council from taking action against the Tenant Management Organisation for breach of this Agreement in respect of deficiencies in performance under clause 19 of Chapter 1.

- 7.12 Until around 5 years ago the management of the TMOs was left entirely to Northwards Housing. Following a review of the Avro Hollows TMO it became clear that the Council needed to undertake a more direct involvement in the management of the TMO's. A Tripartite agreement was developed which describes the various roles of the Council, Northwards Housing and the TMO and a number of joint meetings were held with all 3 parties represented.
- 7.13 An officer from the Council has regularly attended the Avro Hollows board as an observer but he has recently been seconded to another department and to date his successor has not been able to attend any meetings.
- 7.14 It is acknowledged that the Council does not, currently, spend sufficient time monitoring the practices, procedures and performance of its TMOs, primarily due to staff resources and prioritisation. However, a number of extra posts have been agreed, in acknowledgment of the resourcing issue, and there will be a much greater emphasis on managing the TMOs in the new year.
- 7.15 A new post is being created specifically to deal with the new regulatory regime which is being introduced in the government's White Paper (see section 8.0) and this will work alongside another postholder with responsibility for Fire Safety issues. We will identify specific resources to ensure that regular monitoring meetings are held with both the TMO and the housing management staff delivering services to tenants in the TMO area. We will also schedule a series of audits throughout the year to satisfy the Council that quality services are delivered to TMO tenants. Performance reports will be produced for local members and will also be presented to the Housing Board.

8.0 A new Charter for social housing residents

- 8.1 Members of the committee will be aware that the government has now issued its Housing White paper. The white paper is heavily influenced by the disaster at Grenfell Tower in June 2017 and places significant emphasis on social landlords treating their tenants with respect.
- 8.2 The Charter sets out what every social housing resident should be able to expect under 7 themes:
1. To be safe in your home. We will work with industry and landlords to ensure every home is safe and secure.

2. To know how your landlord is performing, including on repairs, complaints and safety, and how it spends its money, so you can hold it to account.
 3. To have your complaints dealt with promptly and fairly, with access to a strong ombudsman who will give you swift and fair redress when needed.
 4. To be treated with respect, backed by a strong consumer regulator and improved consumer standards for tenants.
 5. To have your voice heard by your landlord, for example through regular meetings, scrutiny panels or being on its Board. The government will provide help, if you want it, to give you the tools to ensure your landlord listens.
 6. To have a good quality home and neighbourhood to live in, with your landlord keeping your home in good repair.
 7. To be supported to take your first step to ownership, so it is a ladder to other opportunities, should your circumstances allow.
- 8.3 Under the 4th commitment in the Charter “To be treated with respect, backed by a strong consumer regulator and improved consumer standards for tenants” the government has made a specific commitment, amongst other things, to make it explicit that provisions in contracts between local authorities and Arms Length Management Organisations or Tenant Management Organisations would be deemed void if they hindered the Regulator of Social Housing in its exercise of its powers.
- 8.4 The government has also agreed to review the statutory Right to Manage guidance.
- 8.5 In order to strengthen the Council’s scrutiny of its housing management contractors, (including Northwards Housing, the two TMOs and the three PFI-funded contractors) a new post has been created to respond to this increasing area of work.

9.0 Key Polices and Considerations

(a) Equal Opportunities

- 9.1 Management and governance of the Council’s homes is designed to ensure that all tenants receive high quality services and decent homes in which to live irrespective of any protected characteristic.

(b) Risk Management

- 9.2 Regular contract management and monitoring is designed to identify and deal with any risks which might affect council tenants and leaseholders.

(c) Legal Considerations

- 9.3 The City Solicitor has reviewed this report and is satisfied that any legal considerations have been incorporated within the body of the report.

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**Manchester City Council
Report for Resolution**

Report to: Resources and Governance Scrutiny Committee – 12 January 2021

Subject: Our Manchester Strategy – Forward to 2025

Report of: Deputy Chief Executive and City Treasurer

Summary

This report provides an update on the draft *Our Manchester Strategy – Forward to 2025* reset document. A draft of the reset Strategy is appended to this report.

Our Manchester Strategy – Forward to 2025 will reset Manchester’s priorities for the next five years to ensure we can still achieve the city’s ambition set out in the *Our Manchester Strategy 2015 – 2025*.

Recommendations

The Committee are asked to:

- 1) Consider the draft *Our Manchester Strategy – Forward to 2025* and provide comments to inform the final version; and
 - 2) Subject to the Committee’s comments, agree that the final version of *Our Manchester Strategy – Forward to 2025* be taken for consideration by the Executive in February 2021.
-

Wards Affected: All

Environmental Impact Assessment - the impact of the issues addressed in this report on achieving the zero-carbon target for the city

Achieving Manchester’s zero carbon target is reflected throughout the work on the <i>Our Manchester Strategy</i> reset and will be clearly captured in the final reset document.
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Our 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	The reset of the <i>Our Manchester Strategy</i> considers all five of the Strategy’s existing priorities to ensure the city achieves its outcomes.

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	
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.

Our Manchester Strategy Reset - Engagement Activity and Findings, Resources and Governance Scrutiny Committee (November 2020)

Our Manchester Strategy Reset - Timescales, Resources and Governance Scrutiny Committee (October 2020)

COVID-19 Forward Recovery Planning, Executive (May 2020)

Our Manchester Strategy 2016 – 2025

1.0 Introduction

- 1.1 This report provides an update on the Our Manchester Strategy reset. A draft of the reset Strategy - *Our Manchester Strategy – Forward to 2025* – is appended. The Committee are asked to comment on the draft reset Strategy and, subject to their comments, agree that the final version of *Our Manchester Strategy – Forward to 2025* be taken for consideration by the Executive in February 2021.
- 1.2 The Committee previously received a report for information on the background to the Our Manchester Strategy reset and its timescales on 6 October 2020. The Committee received a further report for information on the Our Manchester Strategy reset's engagement activity and findings on 3 November 2020. The draft reset Strategy has been created from analysis of this activity.
- 1.3 During January 2021, the draft reset Strategy is also being consider by Children and Young People Scrutiny Committee; Communities and Equalities Scrutiny Committee; Economy Scrutiny Committee; Health Scrutiny Committee; and Neighbourhoods and Environment Scrutiny Committee.

2.0 Our Manchester Strategy – Forward to 2025

- 2.1 The reset Strategy has been drafted based on the findings of the extensive engagement activity undertaken throughout the summer of 2020. As was reported to the Committee in November 2020, this activity captured the opinions of approximately 3,800 people on the city's progress to date, and the remaining challenges and opportunities facing Manchester.
- 2.2 Despite COVID-19 restrictions, the activity captured a range of voices across all of Manchester's communities and neighbourhoods by using different methods which were adapted to suit the engagement opportunity. As well as a universal offer, this included targeted engagement with our residents who haven't traditionally engaged with the Council online, as well as those who are likely to be particularly hit by COVID-19. Targeted engagement was designed with Voluntary and Community Sector organisations and community groups to ensure it would reach these communities via a method that best works for them and to help build a longer-term relationship. Further detail on the methods undertaken with each cohort and the findings can be found in the November 2020 report to the Committee.
- 2.3 Following the engagement activity, the priorities our residents, businesses, organisation and partners said they would like to see a renewed focus on for the next five years form the basis of Sections 3 and 4 of the draft reset Strategy. These priorities include: young people; economy; health; housing; environment; and infrastructure; with equality and inclusion as a cross-cutting theme. As such, the draft Strategy fully reflects the priorities of our communities.
- 2.4 The reset of the Strategy has been overseen by the Our Manchester Forum, a partnership board of stakeholders from across the city who oversaw the

creation of the original Strategy in 2015 and its subsequent implementation. The draft reset Strategy incorporates their feedback on the engagement analysis, emerging priorities and the document's structure. This includes retaining the original Strategy's five themes (Thriving and Sustainable; Highly Skilled; Progressive and Equitable; Liveable and Low Carbon; and Connected) and streamlining the new priorities under these themes. The Our Manchester Forum asked for the reset to be linked back to the original Strategy with the use of 'We Wills' to frame the priorities. The Forum also requested that, whilst the reset Strategy should continue to set the city's vision and priorities to 2025, the document reflects the need for an immediate response to COVID-19 as priorities arise; this can be seen in section 2 of the draft reset Strategy.

- 2.5 The reset Strategy has been drafted to be a concise document; this in response to feedback from partners that the original Strategy was too long and that too many priorities (64 We Wills) dilutes the overall vision. Although it is concise and does not reference specific cohorts or sectors, the reset Strategy's priorities are holistic and matter to everyone in the city. The reset Strategy can now be used as an accessible framework to apply to all areas of work; all work going forwards should address these priorities.
- 2.6 The title *Our Manchester Strategy - Forward to 2025* has been chosen to show the direct link to the original Strategy whilst reflecting the collective action needed to achieve its ambitions by 2025.
- 2.7 Considering the above, the Committee are asked to comment on the attached draft reset Strategy.

3.0 Final Design and Communications

- 3.1 Once the draft reset Strategy text is finalised, it will be designed into a visual and accessible digital document. This will use the Our Manchester branding, which was refreshed in 2020.
- 3.2 Alongside the final reset Strategy document, a complementary one page 'Executive Summary' will be developed. This will be a plain English 'plan on a page'-type document to be used to communicate the Strategy's key priorities to a range of audiences, including residents and Council staff.
- 3.3 To ensure that all those who participated in the engagement are informed of how it shaped the new priorities and refreshed document, a social media messaging and a campaign plan will be developed. A partners' communications toolkit will also be developed as part of this to support clear and consistent messaging across the city and to aid partnership working on the priorities.
- 3.4 A partnership launch event with the Our Manchester Forum is being planned for March 2021; the format of this will consider any ongoing public health and social distancing restrictions.

4.0 Next Steps

- 4.1 Following the consideration of the draft reset Strategy at this Committee and the five other Scrutiny Committees, it will be revised to take into account the Committees' comments.
- 4.2 It is recommended that the Committee agree that the final version of the reset Strategy is taken for consideration by the Executive in February 2021.
- 4.3 Subject to the Executive, the final reset Strategy will be presented to Full Council on 31 March 2021 for adoption of the Strategy.
- 4.4 A number of other strategies and plans are currently in development or due for refresh in the next 18 - 24 months. Officers will ensure alignment so the other strategies' aims flow from the Our Manchester Strategy reset's priorities, as the overarching vision for the city. This will include the forthcoming reset of the Council's Corporate Plan. The reset Strategy's priorities will also be fed into the corporate budget planning process for 2021/22 and the medium term financial plan.

5.0 Recommendations

- 5.1 The Committee are asked to consider the draft *Our Manchester Strategy – Forward to 2025* and provide comments to inform the final version.
- 5.2 Subject to the Committee's comments, the Committee are asked to agree that the final version of *Our Manchester Strategy – Forward to 2025* be taken for consideration by the Executive in February 2021.

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OUR MANCHESTER STRATEGY – FORWARD TO 2025

Foreword

[By Sir Richard Leese, Chair of the Our Manchester Forum; to be written]

1. Introduction

[Insert quote from engagement in final design]

The Our Manchester Strategy 2016 – 2025 sets the long-term vision for Manchester’s future. It details the priorities that everyone in the city – our public, private, voluntary and community sectors alongside our residents – will work on together to make Manchester a world class city by 2025.

Over the first five years of the Strategy’s implementation, Manchester has made significant progress towards its vision, going from strength to strength. However, some challenges remain, and the city now finds itself in a very different place due to the impact of the coronavirus health pandemic.

As such, halfway through the implementation of the Our Manchester Strategy, we are resetting our priorities for the next five years to 2025, acknowledging but looking beyond the current challenges, to ensure we can still achieve our ambition for the city.

Throughout summer 2020, we asked people what Manchester’s priorities should be; over 3,800 people responded with their view. These priorities are captured here in *Forward to 2025*.

This reset has been overseen by the Our Manchester Forum, a partnership board of stakeholders from across the city who oversaw the creation of the original Strategy in 2015 and have been monitoring its implementation ever since. Our progress is reported annually in the State of the City report.

2. Our Manchester Today

Manchester remains a place defined by its diversity, vibrancy and creativity. As we strive for a more equal and sustainable future, Manchester will continue to build upon its progressive and enterprising history.

Manchester has come a long way since the Our Manchester Strategy was written in 2015. Over the past five years, we have seen a physical transformation in many areas of the city, with new residential developments being constructed to meet the needs of the increasing numbers of people choosing to make their home here. As more businesses have invested in the city, further employment opportunities have been created for residents across all our neighbourhoods. Our residents are better connected with improved transport and can access a diverse cultural and leisure offer. As we move towards a zero carbon future, great strides have been made in increasing recycling rates across the city and our parks have been protected and developed for all.

The annual State of the City report provides detailed analysis of the collective progress against the Our Manchester Strategy. Between 2015 and 2020, Manchester has seen:

- Population increases - Manchester is a growing and young city, with increasingly more people in the 25–39 age bracket now living in the city centre attracted by housing options and career prospects, culture and leisure amenities. The estimated population of Manchester is now 576,500 people, and the city has a 1% annual growth rate, which is twice the national rate.
- Improved education outcomes - as the population has grown, so too has the numbers of young people being educated in the city. Raising standards and attainment from primary education to further education has been a key success and driver of a more inclusive workforce. The percentage of Manchester schools judged to be good or outstanding by Ofsted is now higher than the national average, and number of residents holding a level 4 qualification has increased to 43.7% in 2019 from 39.5% in 2015.
- Increased employment opportunities - Manchester's economy has strengthened and diversified, with the fastest growing sectors of science, research and development; business and financial and professional services; and cultural, creative and digital providing new investment and opportunity. Graduates entering employment in the city provide a competitive talent base for these sectors and an incentive for new businesses to relocate to the city. The number of jobs in Manchester increased from 357,000 in 2015 to 410,000 in 2019.
- Public service reform - since the first Locality Plan was developed in 2016, Manchester has made significant progress integrating health and social care in order to improve outcomes for residents, with the development of the Manchester Local Care Organisation, Manchester Health and Care Commissioning and the Single Hospital Service. The next phase will accelerate these changes.
- Diverse cultural offer - Manchester has an increasingly broad and inclusive range of cultural activities. In 2018/19, 185,943 people and 83% of our schools took part in cultural and creative activities, with events taking place across all of the city's wards. Central Library is the most visited UK library, with over 2 million visits in 2019/20.
- International outlook - Manchester is an internationally renowned place to study and a popular destination for domestic and international visitors, being the 3rd most visited city in the UK after London and Edinburgh. The visitor economy has been a key driver in the city's economic success and has been supported by Manchester Airport, an international gateway. Passenger numbers at Manchester Airport rose by 6.3 million from 2015 to peak at 29.4 million in 2019, before the significant reductions due to COVID-19 restrictions in 2020.

Whilst Manchester has made great progress in many areas, some of the key challenges set out in the original Strategy remain; these will require continued focus in the coming five years:

- Health – despite some recent improvements, Manchester still has amongst the poorest health outcomes in the country, such as healthy life expectancy of below 58 years and high rates of deaths from cancer, heart and respiratory illnesses. Significant health inequalities remain within the city, which have been exacerbated by COVID-19: life expectancy at birth is 7.3 years lower for men

and 7.8 years lower for women for those who live in the most deprived areas of the city compared to the least deprived areas.

- Poverty - in March 2019, 45,150 children under 16 (41%) were estimated to be living in low income households; this compares with the national average of 30%. These high levels of deprivation impact upon physical and mental wellbeing and life outcomes.
- A fair economy - a gap between employee and resident wages remains, and too many residents are in insecure employment. Fewer Manchester residents (78%) earn at least the Real Living Wage than those who work in the city (87%), and half of residents with no or low qualifications are unemployed. The claimant count for residents doubled between March and August 2020. Ensuring that residents can access good employment opportunities in the city is critical to developing a more inclusive economy.
- Affordable housing - Manchester has committed to delivering 32,000 new homes by 2025; it is essential that this includes a range of affordable homes across the city to support diverse and inclusive neighbourhoods.
- Climate change - the city has committed to becoming zero carbon by 2038 at the latest and Manchester City Council declared a Climate Emergency in July 2019. The pace of change now needs to accelerate for the city to play its role in addressing this global challenge and deliver a green recovery from COVID-19.
- European Union Exit - the uncertainty of the UK's departure from the European Union presents a challenge for many of our businesses and our communities.

Along with the rest of the world, in 2020 Manchester has faced the unprecedented challenge of COVID-19, the single biggest public health crisis for a century. Along with the significant health challenges this has brought, we have seen an increase in unemployment, greater usage of food banks, a rise in loneliness and mental health concerns, and a huge impact on our children and young people whose education, training and employment opportunities have been disrupted.

Whilst this Strategy sets out the five year vision and priorities for Manchester, we must work swiftly to address the most pressing issues arising from the pandemic as we continue to live with and recover from COVID-19. For some of Manchester's communities, these are not new challenges, but they have been magnified. COVID-19 has disproportionately affected our Black, Asian and Minority Ethnic communities, those on low incomes, and our residents with disabilities due to higher incidences of underlying health conditions and occupational risks. As uncertainty and unemployment have increased, the importance of tackling the underlying causes of poor health, deprivation and poverty and ensuring equal access to the best education have been brought to the fore.

However, COVID-19 has also highlighted some of Manchester's strengths and provides opportunities to drive further progress. Communities have come together to support each other. The national recognition for the 'key workers' that kept the city moving as the world stood still is a platform to push for improved pay, working conditions and progression opportunities. The reduction in commuting has led to cleaner air. More residents have been utilising the green space on their doorstep and supporting local businesses.

Manchester is optimistic that we can overcome these challenges and build on our opportunities. In the coming five years, as we work to support the city to recover from

COVID-19 and achieve our long term aspiration by 2025, we must ensure that investment, growth and new opportunities reach all our neighbourhoods and communities, particularly those most in need. Success in Manchester is intrinsically linked to Greater Manchester, the North West and Northern Powerhouse; the Government's plans to level up the country will present opportunities for investment and development to benefit the city and the wider North as a whole.

3. Our Future Manchester

[Insert quote from engagement in final design]

As in the Our Manchester Strategy, our vision remains for Manchester to be in the top flight of world class cities by 2025, when the city will:

- Have a competitive, dynamic, sustainable and fair economy that draws on our distinctive strengths in science, advance manufacturing, and culture, creative and digital businesses – cultivating and encouraging new ideas
- Possess highly skilled, enterprising and industrious people
- Be connected, internationally and within the UK
- Play its full part in limiting the impacts of climate change
- Be a place where residents from all backgrounds feel safe, can aspire, succeed and live well
- Be clean, attractive, culturally rich, outward-looking and welcoming

This is an ambitious vision for Manchester. In order to successfully achieve it, we need to refocus our priorities on key areas that address the challenges and build on the opportunities the city now faces whilst ensuring equality, inclusion and sustainability are at the heart of everything the city does. This ambition will only be achieved if everyone works together, building on Manchester's strong history of partnership working. As such, we asked the people of Manchester what the city's priorities should be.

During summer 2020, we listened to over 3,800 people tell us what Manchester means to them, what improvements they have seen, what existing challenges they face, and what they want to see in the future. This built upon the conversations started across the city in 2015 and our continued commitment to maintain ongoing relationships with our communities. We heard from a diverse range residents and communities from all areas of the city: people who work, volunteer and study here; people who were born and raised here; and people who have chosen to make a life for themselves and their family in the city. We supported people to communicate in a way that worked for them.

We listened and overwhelmingly heard that people care about equality and making sure that everybody has the same opportunities to progress, recognising that some people need more support along the way to reach their full potential. We heard that being a fair and open city that respects and celebrates our differences matters in Manchester. We heard that we must not shy away from difficulties and must find new ways of working to address the challenges facing our communities. From climate change to tackling inequality, there are some key priorities that matter to everyone in Manchester.

We heard that whether you live, work, study, volunteer or play in Manchester, we all have similar hopes and aspirations for Manchester's bright, buzzing, strong and welcoming future.

To achieve our vision, our communities want to see a renewed focus on:

- Our young people - providing investment, support, opportunity and hope for the future of the city
- Our economy - fulfilling opportunities for our residents to create and attract a talented, globally competitive and diverse workforce
- Our health - tackling physical and mental inequalities and ensuring fair access to integrated services
- Our housing - creating a choice of housing in liveable neighbourhoods across all of the city
- Our environment - pioneering zero carbon solutions and improving green space
- Our infrastructure – active, integrated, affordable and green transport system and improved digital connections

We heard that we can only achieve these things if we take pride in our people and place, and support everybody to live fulfilling, happy and healthy lives. This will mean bold action to understand and address inequalities to provide support where it is most needed. Working together and finding new and innovative solutions will be more important than ever as we strive to improve the city for our communities. Our future Manchester will be shaped by the past to deliver a better future for all.

4. Forward to 2025 - Manchester's Priorities

[Insert quote from engagement in final design]

For Manchester to achieve its vision, we will refocus our efforts on the following priorities to 2025. Throughout each priority runs Manchester's commitment to build a more equal, inclusive and sustainable city for everyone who lives, works, volunteers, studies and plays in the city. Only by working together can we achieve our priorities and vision.

A Thriving and Sustainable City

- We will maintain Manchester's vibrancy and ensure that all our communities are included in the life of the city, no matter their age, ethnicity, gender, disability, sexuality, faith or socio-economic background.
- We will work to ensure Manchester has a strong, inclusive and innovative economy with diverse growth sectors, where our residents are recognised for their contribution via fair contracts and are paid at least the Real Living Wage.

A Highly Skilled City

- We will ensure that all of Manchester's young people have access to good quality education and will support them to be work-ready.

- We will continue to support all our residents to learn, progress, upskill and retrain so they can access the city's current and future employment opportunities.

A Progressive and Equitable City

- We will strive to create a truly equal and inclusive city, where everyone can thrive at all stages of their life and can quickly and easily reach support to get back on track when needed.
- We will improve physical and mental health outcomes and ensure good access to integrated health and care services across the city.

A Liveable and Low Carbon City

- We will create sustainable, safe, resilient and cohesive neighbourhoods, with more affordable housing, good quality green spaces, and accessible cultural and sporting facilities.
- We will achieve our zero carbon ambition by 2038 at the latest via green growth, sustainable design, low carbon energy, retrofitting buildings, green infrastructure and increasing climate resilience.

A Connected City

- We will enable increased walking and cycling, as well as continuing to develop an integrated, accessible, safe and green public transport system across the city and beyond.
- We will become a digitally inclusive city, with better digital infrastructure, access to digital technology and strong digital skills.

5. Delivering and Monitoring Our Progress

[Insert quote from engagement in final design]

As a strategy for the city of Manchester, successfully reaching our ambition will require strong partnership working and collaboration. To achieve the priorities set out in *Forward to 2025*, Manchester needs to continue to work in an Our Manchester way. Success is dependent on people and organisations in the city coming together so that their collective knowledge, skills, effort and passion can be harnessed. We must continue to put people first; listen, learn and respond; recognise the strengths of individuals and our communities; and work together to build relationships and create conversations.

Forward to 2025 is a high-level framework for action. There are a number of detailed key plans that sit underneath this Strategy which will support its delivery:

- *Developing a More Inclusive Economy – Our Manchester Industrial Strategy* – establishes priorities for the city to create a more inclusive economy that all residents can participate in and benefit from. Intrinsic to delivering this is the *Manchester Economic Recovery and Investment Plan*, and the *Greater Manchester Good Employment Charter*.

- *Work and Skills Strategy* – aims to develop a work and skills system that meets the needs of all businesses, and enables residents from all backgrounds to obtain the skills and attributes employers require.
- *Children and Young People’s Plan - Our Manchester, Our Children 2020 - 2024* - sets out how the city will build a safe, happy, healthy and successful future for children and young people.
- *Manchester: A Great Place to Grow Older* – Manchester's vision to continue to be an Age Friendly city.
- *Family Poverty Strategy 2017 – 2022* - aims for everyone in the city to have the same opportunities and life chances, no matter where they are born or live.
- *Our Healthier Manchester Locality Plan* – details the strategic approach to improving health outcomes for residents whilst creating sustainable health and care services.
- *Manchester Population Health Plan 2018 – 2027* - long term plan to tackle Manchester’s entrenched health inequalities.
- *Local Plan* – the spatial framework for the city setting out development guidance; due to be published in 2023.
- *Residential Growth Strategy 2015 – 2025* – guides Manchester’s approach to housing development and supply.
- *Manchester Climate Change Framework 2020- 2025* - framework for tackling climate change and reducing the city’s carbon footprint
- *Green and Blue Infrastructure Strategy* - the city’s headline actions for improving green and blue infrastructure.
- *Digital Strategy* – a new plan setting out how Manchester will achieve its digital ambitions.
- *City Centre Transport Strategy* - identifies key transport policies and opportunities for future delivery.
- *Clean Air Plan* - sets out proposals to decrease air pollution in Greater Manchester.
- *Greater Manchester Strategy* - the city region’s ambition for making Greater Manchester the best place to grow up, get on and grow old.

The Our Manchester Forum will continue to be responsible for overseeing the implementation of the Strategy and monitoring its progress, which will be reported annually via the State of the City report.

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**Manchester City Council
Report for Information**

Report to: Resources and Governance Scrutiny Committee – 12 January 2021

Subject: Overview Report

Report of: Governance and Scrutiny Support Unit

Summary

This report provides the following information:

- Recommendations Monitor
- Key Decisions
- Work Programme
- Items for information

Recommendation

The Committee is invited to discuss and note the information provided and agree the work programme.

Wards Affected: All

Contact Officer:

Name: Mike Williamson
Position: Team Leader- Scrutiny Support
Telephone: 0161 234 3071
E-mail: m.williamson@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.

None

1. Monitoring Previous Recommendations

This section of the report contains recommendations made by the Committee and responses to them indicating whether the recommendation will be implemented, and if it will be, how this will be done.

Items highlighted in grey have been actioned and will be removed from future reports.

Date	Item	Recommendation	Action	Contact Officer
7 Jan 2020	RGSC/20/2 The Council's Updated Financial Strategy and Budget reports 2020/21	To request that Officers and the Executive Member for Finance and Human Resources investigate the feasibility of further investment in additional public conveniences within and across the city and provide a response back to the Committee or the Neighbourhoods Scrutiny Committee, in due course	Due to the impact of COVID19, the Council will be required to revisit its Financial Strategy and Budget. Consequently it will only be appropriate to provide a response to this recommendation, once a revised budget has been agreed.	Carol Culley Cllr Ollerhead
7 Jan 2020	RGSC/20/4 Draft 'Our People Plan 2020/23	To recommend that HROD ask the performance team to do statistical analysis of the relationship between vacancy levels and sickness absence levels within individual teams to explore whether there is a relationship between the two	Whilst a response to this recommendation has been requested, due to the impact of COVID19, there may be a delay in receiving this.	Deb Clarke Shawna Gleeson

3 Nov 2020	RGSC/20/46 Council's Medium Term Financial Plan and Strategy for 2021/22	To request for further information on the sale and leaseback proposals contained within the report be provided to Committee Members.	As part of the work to identify budget savings the Strategic Director for Growth and Development is conducting a review of the Council's land and property assets. An internal working group is in place with some external commercial advice being provided. This work has just started so there are no specific proposals to update on. A prudent approach will continue to be taken with the Council's asset base whilst seeking opportunities to obtain more value. A further update will be provided in the January Budget report to this Committee.	Louise Wyman
3 Nov 2020	RGSC/20/48 Workforce Equality Strategy	To recommend that training on race awareness is provided to all staff and Elected Members	A response to this recommendation will be provided in due course	Deb Clarke

2. Key Decisions

The Council is required to publish details of key decisions that will be taken at least 28 days before the decision is due to be taken. Details of key decisions that are due to be taken are published on a monthly basis in the Register of Key Decisions.

A key decision, as defined in the Council's Constitution is an executive decision, which is likely:

- To result in the Council incurring expenditure which is, or the making of savings which are, significant having regard to the Council's budget for the service or function to which the decision relates, or
- To be significant in terms of its effects on communities living or working in an area comprising two or more wards in the area of the city.

The Council Constitution defines 'significant' as being expenditure or savings (including the loss of income or capital receipts) in excess of £500k, providing that is not more than 10% of the gross operating expenditure for any budget heading in the in the Council's Revenue Budget Book, and subject to other defined exceptions.

An extract of the most recent Register of Key Decisions, published on **4 January 2021**, containing details of the decisions under the Committee's remit is included below. This is to keep members informed of what decisions are being taken and, where appropriate, include in the work programme of the Committee.

Corporate Core					
<p>National Taekwondo Centre 2018/10/19A</p> <p>Enter into a 39 year lease with Sport Taekwondo UK Ltd for areas within the building.</p>	Chief Executive	Not before 1st Nov 2018		Briefing Note and Heads of Terms	Richard Cohen r.cohen@manchester.gov.uk

<p>TC821 - Framework for the supply of Desktop Hardware 2019/03/01A</p> <p>To seek a supplier, in order to award a contract for the supply of desktop hardware technology to support the development and deployment of the ongoing end user device strategy.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 1st Apr 2019</p>		<p>Report and Recommendation</p>	<p>Mike Worsley mike.worsley@manchester.gov.uk</p>
<p>Leisure Services - External Ref: 2016/02/01C</p> <p>The approval of capital expenditure on external Leisure Services land and buildings.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 1st Mar 2019</p>		<p>Business Case</p>	<p>Lee Preston l.preston2@manchester.gov.uk</p>
<p>TC969 - Provision of LAN AND WLAN 2019/03/01E</p> <p>MCC requires a delivery partner to refresh the hardware in the Comms Rooms and to design, test and implement a fit for purpose Software Defined LAN and Wifi.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 1st May 2019</p>		<p>Report and Recommendation</p>	<p>Andrew Blore a.blore@manchester.gov.uk</p>

<p>TC986 - SAP support and maintenance (2019/03/01F)</p> <p>To provide support to the SAP team in order to resolve incidents.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 1st May 2019</p>		<p>Report and Recommendation</p>	<p>Mike Worsley mike.worsley@manchester.gov.uk</p>
<p>Strategic land and buildings acquisition 2019/06/03C</p> <p>The approval of capital expenditure for the purpose of the strategic acquisition of land and buildings to support the Eastlands Regeneration Framework</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 1st Mar 2020</p>		<p>Checkpoint 4 Business Case & Briefing Note</p>	<p>Richard Cohen r.cohen@manchester.gov.uk</p>
<p>Section 22 Empty Homes Pilot Agreement with Mosscares St Vincent's Housing Group (2019/09/23A)</p> <p>The approval of £2m capital expenditure from the Housing Affordability Fund for Section 22 Empty Homes Pilot Agreement with Mosscares St Vincent's, to acquire, refurbish and sell empty homes/stock</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 22nd Oct 2019</p>		<p>Checkpoint 4</p>	<p>Martin Oldfield m.oldfield@manchester.gov.uk</p>

surplus to requirement to first time buyers/owner occupiers.					
<p>Microsoft Consultancy engagement piece Q20377 (2019/11/05A)</p> <p>To award a contract to allow for the Microsoft engagement and consultancy piece as part of the transition to Microsoft Office 365</p>	City Treasurer (Deputy Chief Executive)	Not before 4th Dec 2019		Report and Recommendation	Chris Wanley, Director of ICT chris.wanley@manchester.gov.uk
<p>Microsoft Licenses TC718 (2019/11/05B)</p> <p>To appoint a Microsoft Licensing Partner to work with the Council and revise its licensing estate.</p>	City Treasurer (Deputy Chief Executive)	Not before 4th Dec 2019		Report and Recommendation	Chris Wanley, Director of ICT chris.wanley@manchester.gov.uk
<p>Appointment of a supplier for Measured and Unmeasured Water Charges - TC1030 (2020/01/27A)</p> <p>The purpose of this tender is to appoint one supplier to form a framework water services agreement. The framework agreement will</p>	City Treasurer (Deputy Chief Executive)	Not before 1st May 2020		Report and Recommendation	Robert Kelk, Procurement Manager r.kelk@manchester.gov.uk

also be made available on the same basis to other AGMA local authorities and any North West based public sector funded organisation.					
<p>Establishment of a multi-supplier framework for the supply of gas TC473 (2020/01/28A)</p> <p>To approve a tender to establish a Multi-supplier framework for the supply of Gas. The framework agreement will also be made available on the same basis to other AGMA local authorities and any North West based public sector funded organisation.</p>	City Treasurer (Deputy Chief Executive)	Not before 1st May 2020		Report and Recommendation	Walter Dooley w.dooley@manchester.gov.uk
<p>The acquisition of a Care Facility (2020/02/28A)</p> <p>The approval of capital expenditure from Sustaining Key Initiatives budget to acquire a property to respond to market pressures to retain sufficient services for Manchester</p>	City Treasurer (Deputy Chief Executive)	Not before 30th Mar 2020		Checkpoint 4 Business Case	Sarah Broad Interim Deputy Director of Adult Social Services sarah.broad@manchester.gov.uk

people, through market intervention					
<p>Long Leasehold disposal of 30-32 Shudehill & 1-3 Nicholas Croft, M4 1FR (2020/05/22A)</p> <p>To approve the acquisition of Freehold of 1-3 Back Turner Street and subsequent disposal of Long Leasehold of the same plus 30-32 Shudehill & 1-3 Nicholas Croft</p>	Chief Executive	Not before 22nd Jun 2020		Briefing Note July 2019 and August 2019 and Delegated Authority approval	Pippa Grice pippa.grice@manchester.gov.uk
<p>Oldham Road cycling route (2020/05/28B)</p> <p>The approval of capital expenditure to enable a feasibility study for development of a segregated cycling route along Oldham Road A62 from Thompson Street to Queens Road (intermediate Ring Road).</p>	City Treasurer (Deputy Chief Executive)	Not before 26th Jun 2020		Checkpoint 4 Business Case	Steve Robinson, Director of Highways steve.robinson@manchester.gov.uk
<p>Acquisition of Land at Red Bank (2020/06/25A)</p> <p>The approval of capital expenditure for the</p>	City Treasurer (Deputy Chief Executive)	Not before 24th Jul 2020		Checkpoint 4 Business Case and briefing note	Nick Mason n.mason@manchester.gov.uk

<p>Acquisition of land on Red Bank, Cheetham to support delivery of the Housing Infrastructure Fund Programme (HIF) in the Northern Gateway. The Land is required to provide access and new road construction to unlock key sites as part of the initial phases of development.</p>					
<p>Completion of the construction of the Chorlton Cycling & Walking scheme (2020/07/24A)</p> <p>The approval of capital expenditure to complete the construction of the Manchester-Chorlton Cycle Scheme.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 22nd Aug 2020</p>		<p>Checkpoint 4 Business Case</p>	<p>Steve Robinson, Director of Highways steve.robinson@manchester.gov.uk</p>
<p>Construction of Northern Quarter Walking and Cycling scheme (2020/07/24B)</p> <p>The approval of capital expenditure to construct the Northern Quarter Walking & Cycling Scheme.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 22nd Aug 2020</p>		<p>Checkpoint 4 Business Case</p>	<p>Steve Robinson, Director of Highways steve.robinson@manchester.gov.uk</p>

<p>Manchester Central Convention Centre Limited - Loan Repayment Deferral (2020/08/06A)</p> <p>Approval to defer loan repayments, principal and interest, due to Manchester City Council from Manchester Central Convention Centre Limited until 31st March 2021.</p>	Chief Executive	Not before 4th Sep 2020		Confidential report	Sarah Narici sarah.narici@manchester.gov.uk
<p>TC1005 - Security Services- vary of contract with existing provider (2020/08/14C)</p> <p>Approval to vary the contract with the existing provider.</p>	City Treasurer (Deputy Chief Executive)	Not before 12th Sep 2020			Steve Southern s.southern@manchester.gov.uk
<p>TC701 - PPM and Reactive repairs of public buildings (2020/08/14D)</p> <p>To vary the contract with the existing provider.</p>	City Treasurer (Deputy Chief Executive)	Not before 12th Sep 2020			Steve Southern s.southern@manchester.gov.uk
<p>Early Years & Education System (EYES) - Additional Funding (2020/09/01A)</p>	City Treasurer (Deputy Chief Executive)	Not before 30th Sep 2020		Checkpoint 4 Business Case	Amanda Corcoran, Director of Education a.corcoran@manchester.gov.uk

<p>The approval of revenue expenditure for additional costs attributed to the implementation of the Liquidlogic EYES module, funded by a transfer to the revenue budget from the Capital Fund.</p>					
<p>TC778 - Cashless Parking (2020/09/08B)</p> <p>To vary the contract with the existing provider.</p>	<p>City Treasurer (Deputy Chief Executive), Chief Executive</p>	<p>Not before 7th Oct 2020</p>		<p>Report and Recommendation</p>	<p>Patricia Wilkinson, Group Manager - Parking & Bus Lane Enforcement p.wilkinson1@manchester.gov.uk</p>
<p>TC043 - Hire of commercial vehicles (2020/09/16A)</p> <p>To seek approval to appoint a number of companies under a framework agreement for the provision of a short to medium term hire of self-drive commercial vehicles to be used by the Fleet Management Services Department.</p> <p>The agreement will be for a three year period with an</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 15th Oct 2020</p>		<p>Confidential contract report with recommendation</p>	<p>Gary Campin g.campin@manchester.gov.uk</p>

option to extend for a further two years commencing November 2020					
<p>Framework agreement for the Residential Furniture and Associated Products for Housing Services (2020/10/16A)</p> <p>The appointment of a single provider to provide Residential Furniture and Associated Products for Housing Services.</p>	City Treasurer (Deputy Chief Executive)	Not before 1st Jan 2021		Report and Recommendation	Mike Worsley mike.worsley@manchester.gov.uk
<p>Council Tax Base 2021/22 (2020/11/09A)</p> <p>To set the 2021/22 Council Tax Base</p>	City Treasurer (Deputy Chief Executive)	Not before 31st Jan 2021	In consultation with the Executive Member for Finance and Human Resources	Council Tax Base report	Julie Hardman julie.hardman@manchester.gov.uk
<p>Business Rates Base 2021/22 (2020/11/09B)</p> <p>To set the 2021/22 Business Rates Base</p>	City Treasurer (Deputy Chief Executive)	Not before 31st Jan 2021	In consultation with the Executive Member for Finance and Human Resources	Business Rates base report	Julie Hardman julie.hardman@manchester.gov.uk

<p>Council Tax 2020/21 Balance (2020/11/09C)</p> <p>To agree the estimated council tax surplus or deficit</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 15th Dec 2020</p>	<p>In consultation with the Executive Member for Finance and Human Resources</p>	<p>Council Tax Balance report</p>	<p>Julie Hardman julie.hardman@manchester.gov.uk</p>
<p>Business Rates 2020/21 Balance (2020/11/09D)</p> <p>To agree the estimated business rates surplus or deficit</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 31st Jan 2021</p>	<p>In consultation with the Executive Member for Finance and Human Resources</p>	<p>Business Rates balance report</p>	<p>Julie Hardman julie.hardman@manchester.gov.uk</p>
<p>Contract for the Provision of insurance coverage for Combined Liability, Motor - Fleet and Non Fleet, Medical Malpractice, Uninsured Loss Recovery, Personal Accident & Travel, School Journeys, Crime, Computer (2020/11/15A)</p> <p>The appointment of Provider to deliver the service.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 1st Feb 2021</p>		<p>Report and Recommendation</p>	<p>Lisa Richards, Insurance and Risk Manager lisa.richards@manchester.gov.uk</p>

<p>Wind Tunnel Project at the Manchester Institute of Health and Performance (2020/11/15B)</p> <p>The approval of capital expenditure to reconfigure the existing performance hall to become the world's leading cycling wind tunnel for elite performance development.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 14th Dec 2020</p>		<p>Checkpoint 4 Business Case</p>	<p>Neil Fairlamb N.Fairlamb@manchester.gov.uk</p>
<p>End User Devices (2020/12/14A)</p> <p>The approval of capital expenditure for the replacement of end user devices.</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 12th Jan 2021</p>		<p>Checkpoint 4</p>	<p>Chris Wanley, Director of ICT chris.wanley@manchester.gov.uk</p>
<p>Public Sector Decarbonisation Scheme (2020/12/14B)</p> <p>The approval of capital expenditure on energy efficiency measures in public buildings</p>	<p>City Treasurer (Deputy Chief Executive)</p>	<p>Not before 12th Jan 2021</p>		<p>Checkpoint 4 Business Case</p>	<p>Richard Munns r.munns@manchester.gov.uk</p>

<p>Redevelopment of Campfield Market Halls (including acquisition of Castlefield House) (2020/12/23B)</p> <p>Acquisition of Castlefield House, Liverpool Road, Surrender of Lease of Lower Campfield Market and subsequent disposal of long leases of Castlefield House, Upper and Lower Campfield Markets</p>	City Treasurer (Deputy Chief Executive)	Not before 21st Jan 2021		Briefing Note to be submitted at time of decision	Pippa Grice pippa.grice@manchester.gov.uk
Highways					
<p>Hire of Highways Maintenance Plant Vehicles and Equipment TC1010 (2019/09/03B)</p> <p>To seek approval to award a Framework to multiple suppliers who can deliver Highways Maintenance Plant Vehicles and equipment.</p>	City Treasurer (Deputy Chief Executive)	Not before 1st Nov 2019		Confidential contract report with recommendation	Brendan Taylor b.taylor1@manchester.gov.uk
<p>Highways Investment Programme - Large Patching Programme (2019/10/02A)</p>	City Treasurer (Deputy Chief Executive)	Not before 30th Oct 2019		Checkpoint 4 Business Case	Kevin Gillham k.gillham@manchester.gov.uk

The approval of capital expenditure for the purpose of Highways Investment Programme Patching Programme 2019/20 & 2020/21					
<p>Car Park Management Services TC1054 (2019/11/04E)</p> <p>To appoint a supplier to provide Car Park Management Services</p>	City Treasurer (Deputy Chief Executive)	Not before 1st Sep 2020		Report and Recommendation	Danny Holden d.holden1@manchester.gov.uk
<p>Provision of Rock Salt (2020/08/14G)</p> <p>To seek approval to award a contract to a supplier for the provision of De-Icing Salt (Rock Salt).</p>	City Treasurer (Deputy Chief Executive)	Not before 12th Sep 2020			Steve Robinson, Director of Highways steve.robinson@manchester.gov.uk
<p>Northern Quarter cycling and walking scheme (Areas 1 and 3) (2020/12/14G)</p> <p>The approval of capital expenditure to commence the Northern Quarter cycling and walking improvements at Ducie</p>	City Treasurer (Deputy Chief Executive)	Not before 12th Jan 2021		Checkpoint 4 Business Case	Steve Robinson, Director of Highways steve.robinson@manchester.gov.uk

Street, Dale Street and Thomas Street					
<p>Road Safety and Traffic Management Measures programme in 2021/22 (2020/12/14F)</p> <p>The approval of capital expenditure to deliver a programme of city wide Road Safety & Traffic Management Schemes during 2021/22</p>	City Treasurer (Deputy Chief Executive)	Not before 12th Jan 2021		Checkpoint 4 Business Case	Ian Halton, Head of Design, Commissioning & PMO ian.halton@manchester.gov.uk
<p>Carriageway and Footway surfacing Programme 2021-22 (2020/12/14C)</p> <p>The approval of capital expenditure for the Delivery of 2021-22 Carriageway & Footway Surfacing Programmes that is year 5 of the 5 year programme</p>	City Treasurer (Deputy Chief Executive)	Not before 12th Jan 2021		Checkpoint 4 Business Case	Paul Swann p.swann@manchester.gov.uk
<p>Northern / Eastern Gateway Walking and Cycling Scheme Accelerated Works (2020/12/14E)</p> <p>The approval of capital expenditure for the</p>	City Treasurer (Deputy Chief Executive)	Not before 12th Jan 2021		Checkpoint 4 Business Case	Steve Robinson, Director of Highways steve.robinson@manchester.gov.uk

commencement of construction for the Walking & Cycling scheme					
Manchester to Chorlton Cycleway Area 3 Early Works (Brooks Bar) (2020/12/14D) The approval of capital expenditure for junction improvements	City Treasurer (Deputy Chief Executive)	Not before 12th Jan 2021		Checkpoint 4 Business Case	Steve Robinson, Director of Highways steve.robinson@manchester.gov.uk
Children and Families					
Extra Care - Russell Road LGBT Project 2019/03/01H The approval of capital expenditure on the City's Extra Care Programme to develop new build extra care units which will be in the ownership of MCC.	City Treasurer (Deputy Chief Executive)	Not before 1st Mar 2019		Checkpoint 4 Business Case	Steve Sheen s.sheen@manchester.gov.uk
Extra Care - Millwright Street Project 2018/03/01I The approval of capital expenditure on the City's Extra Care Programme to develop new build extra care units which will be in	City Treasurer (Deputy Chief Executive)	Not before 1st Mar 2019		Checkpoint 4 Business Case	Steve Sheen s.sheen@manchester.gov.uk

the ownership of MCC.					
Adults Social Care and Health					
TC1041 - TEC Phase 1 - Falls protection / Panic Alarm and GPS Tracking (2019/08/23A) To appoint a supplier to provide falls protection / panic alarms with GPS Tracking.	City Treasurer (Deputy Chief Executive)	Not before 1st Oct 2019		Report and Recommendation	Nicky Parker n.parker@manchester.gov.uk
TC1042 - TEC Phase 1 - Movement and Environmental Sensors that analyse and sense those at risk of falling (2019/08/23B) To appoint a supplier to provide movement and environmental sensors that analyse and sense those at risk of falling	City Treasurer (Deputy Chief Executive)	Not before 1st Oct 2019		Report and Recommendation	Nicky Parker n.parker@manchester.gov.uk
TC1043 - TEC Phase 1 -	City Treasurer	Not before		Report and	Nicky Parker

<p>Movement and Environmental Sensors that analyse movement patterns (2019/08/23C)</p> <p>To appoint a supplier to provide movement and environmental sensors that analyse movement patterns.</p>	(Deputy Chief Executive)	1st Oct 2019		Recommendation	n.parker@manchester.gov.uk
<p>TC1044 - TEC Phase 1 - Movement and sensors that allows remote physio (2019/08/23D)</p> <p>To appoint a supplier to provide movement sensors to allow remote physio</p>	City Treasurer (Deputy Chief Executive)	Not before 1st Oct 2019		Report and Recommendation	Nicky Parker n.parker@manchester.gov.uk
<p>TC1045 - TEC Phase 1 - Falls Prevention (2019/08/23E)</p> <p>To appoint a supplier to provide specialist ICT equipment that prevents falls in the home</p>	City Treasurer (Deputy Chief Executive)	Not before 1st Oct 2019		Report and Recommendation	Nicky Parker n.parker@manchester.gov.uk
<p>TC1046 - TEC Phase 1 - TEC Digital Platform (2019/08/23F)</p> <p>To appoint a supplier to</p>	City Treasurer (Deputy Chief Executive)	Not before 1st Oct 2019		Report and Recommendation	Nicky Parker n.parker@manchester.gov.uk

create a central database to collate and analyse the data received from the TEC devices.					
Education and Skills					
<p>Q20347 Consultant for EYES data Migration. 2019/04/25A</p> <p>Contract is to support Manchester City Council with the migration of their Education Management System away from Capita One towards the Liquidlogic EYES solution.</p>	City Treasurer (Deputy Chief Executive)	Not before 1st Jun 2019		Report and Recommendation	John Nickson j.nickson@manchester.gov.uk

3. Resources and Governance Scrutiny Committee - Work Programme – January 2021

Tuesday 12 January 2021, 10.00am

**** DUE TO CHRISTMAS BREAK PLEASE CAN AS MANY REPORTS AS POSSIBLE BE SUBMITTED BY TUESDAY 22**

DECEMBER 2020**

(Actual deadline Wednesday 30 December 2020)

Theme – Budget and Governance

Item	Purpose	Executive Member	Strategic Director / Lead Officer	Comments
Revenue & Capital Budget proposals 2021/22 – update	<p>The Committee will receive a further report outlining any changes to the Officer budget proposals reported at the November 2020 meeting in light of the provisional local government finance settlement.</p> <p>This will include:-</p> <ul style="list-style-type: none"> • A covering report, providing detail around the local government financial settlement • The November report with highlighted changes • Draft capital budget proposals 	Cllr Leese (Leader)	Carol Culley Paul Hindle Fiona Ledden	
The Council's HRA and Housing Investment Reserve and Governance of the potential work to bring Housing ALMO back in house and other Housing PFI schemes	<p>To receive a report on the financial position of the Council's HRA and Housing Investment Reserve.</p> <p>The report will also outline the proposed governance arrangements that would be put in place should the Council decide to bring the Housing ALMO stock back under the control of the Council including any proposals for future tenant involvement and other</p>	<p>Cllr Richards (Exec Member Housing and Regeneration)</p> <p>Cllr Leese (Leader)</p>	Carol Culley Kevin Lowry Martin Oldfield Louise Wyman Fiona Ledden	

	housing PFI schemes and include details on the governance or contractual arrangements of the Tenant Management Organisations			
Our Manchester Strategy Reset	To receive the draft reset of the Our Manchester Strategy to allow the Committee to make its comments before Executive is requested to approve.	Cllr Leese (Leader)	Carol Culley James Binks Elizabeth Mitchell	
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.	N/A	Mike Williamson	

**Tuesday 9 February 2021, 10.00am
(Report deadline Friday 29 January 2021)**

				Comments
Climate Emergency petition	To consider a petition which asks the Council to undertake the following:- "We the undersigned petition the Council to establish a permanent "Climate and Environment Scrutiny Committee", of equal standing to the existing 6 scrutiny committees and make strenuous efforts to secure additional funding for climate action, including the use of its strategic reserves"	Cllr Stogia (Exec Member for Environment, Planning and Transport) Cllr Leese (Leader)	Fiona Ledden Carol Culley Fina Ledden	
Budget 2021/22 – final proposals	The Committee will consider refreshed budget proposals following consideration of the original officer proposals at its November 2020 meeting and (any) revised budget proposals at its January 2021 meeting.	Cllr Leese (Leader)	Carol Culley Paul Hindle Fiona Ledden	

Capital monitoring and assurance update	To receive an update report on the financial position of the Council's major Capital Pipeline projects.	Cllr Leese (Leader)	Carol Culley Jared Allen	
External Review of Capital Programmes and Projects	To receive a report that provides information on:- <ul style="list-style-type: none"> • Work undertaken previously in reviewing the Council's Capital Programme and Projects • What the plan is for further external review • Proposed engagement activity • ToR's of the review; and • Anticipated timescale 	Cllr Leese (Leader)	Carol Culley Jared Allen	
ICT update	To receive a report that provides information on:- The progress in developing the Council's IT Strategy An update on Microsoft 365, to include:- <ul style="list-style-type: none"> • Transition costs and savings (including staffing costs where calculable) • Social value • Interaction with devices and Council device upgrades. An update on Liquid Logic, to include <ul style="list-style-type: none"> • The expected savings and whether these have been realised. An update on Sharp/Daisy Mill/Fast projects	Cllr Leese (Leader)	Chris Wanley	
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.	N/A	Mike Williamson	

**Monday 1 March 2021, 10.00am
(Report deadline Thursday 18 February 2021)**

**Theme – Budget Meeting
(This meeting is to consider the Budget Proposals only in advance of submission to the Council Budget Setting meeting on 5 March 2021)**

				Comments
Budget Reports	To receive an update on the Councils Budget options prior to submission to the Executive and Full Council. To include an update on the Global Revenue and Monitoring position To include saving proposals for all other Directorates as an appendix	Cllr Leese (Leader)	Carol Culley Paul Hindle	

**Tuesday 9 March 2021, 10.00am
(Report deadline Friday 26 February 2021)**

				Comments
Refresh of SV Policy	To consider the proposed refresh of the Council's Social Value Policy and what Social Value has been derived during COVID19 lockdown	Cllr Leese (Leader)	Carol Culley Peter Schofield	
Estates Strategy	To include the Annual Corporate Property report and future plans/performance of the investment estate (in relation to potential income generation)	Cllr Leese (Leader)	Richard Munns	
Overview Report	The monthly report includes the recommendations monitor, relevant key decisions, the Committee's work programme and any items for information.	N/A	Mike Williamson	

Items to be Scheduled (Items highlighted in grey indicate that these have been included in the work plan of one of the above meetings). (New items added are highlighted in blue)				
Item	Purpose	Executive Member	Strategic Director / Lead Officer	Comments
Commercial activity	Precise Details to be confirmed	TBC	Carol Culley	
Contract Monitoring	Precise Details to be confirmed	TBC	Carol Culley	
Future Council - update	To receive a report that provides an update on the work being undertaken as part of the Future Council programme. To include:- <ul style="list-style-type: none"> • Progress with the roll out of new ICT infrastructure and technology; • Strengthening accountability for Managers • Next phase of ICT strategy 	Cllr Leese (Leader)	Carol Culley	Potentially Feb 2021
External Review of Capital Programmes and Projects	To receive a report that covers provides information on:- <ul style="list-style-type: none"> • Work undertaken previously in reviewing the Council's Capital Programme and Projects • What the plan is for further external review • Proposed engagement activity • ToR's of the review; and • Anticipated timescale 	Cllr Leese (Leader)	Carol Culley Jared Allen	Potentially Feb 2021
Equalities Strategy Implementation update	To consider a progress report following 6 months of the Equalities Strategy being implemented	Cllr Bridges (Exec Member for Children)	Deb Clarke Lorna Williams	

		and Families)		
Domestic Violence and Abuse – spend on service	To receive an update that provides financial information on the Domestic Violence and Abuse (DV&A) services procured by the Council	Cllr N Murphy (Deputy Leader)	Carol Culley Mike Wright Nicola Rea	Date to be agreed See Minute RGSC/19/50
Highways Safety Capital spend	To receive a report that provides information on proposed investment in Highways Safety. To include planned funding for safety improvements around schools for 2021/22 onwards	Cllr Stogia (Exec Member for Environment, Planning and Transport)	Carol Culley Steve Robinson	
Future Strategy for City Centre Car Parks	To receive a report on the strategy for the return of NCP city centre car parks to the Council's control	Cllr Stogia (Exec Member for Environment, Planning and Transport)	Carol Culley Steve Robinson	
Revenue and Benefits	Themed meeting to include activity around position of Business Rates and Council Tax and impact on residents and how to target support most effectively	Cllr Leese (Leader) in the absence of the Executive Member for Finance and Human Resources	Julie Price	
Review of investments being made by the Council into its Capital Strategy in terms of	Precise scope to be determined	Cllr Leese (Leader)	TBC	

delivering future VFM post COVID19				
S106 governance arrangements	<p>To receive and update report following Internal Audit's review of the new S106 governance arrangements and that this report includes the following information:-</p> <ul style="list-style-type: none"> • An indication of affordable housing being provided from S106 contributions • How Developers are encouraged to mitigate any harm from their developments • Best practice and comparison of S106 arrangements with other GM local authorities; and • The S106 triggers for planning applications within the Deansgate Ward (Land Bounded By Chester Road, Mancunian Way And Former Bridgewater Canal Offices and Land Bounbd by Jackson Row, Bootle Street, Southmill Street and 201 Deansgate. 	Cllr Stogia (Exec Member for Environment, Planning and Transport)	Julie Roscoe Louise Wyman	Representatives from Neighbourhoods and Capital Programmes attend to help address the Committees concerns around the rate of spend of S106 agreements
Income Generation	<p>To receive a more detailed report on income generation across key areas of the Council and include:-</p> <ul style="list-style-type: none"> • responses to queries around the shortfall in actual income for 2018/19 and the projected level of income to be generated in 2019/20 for Legal and Democratic Services; • future opportunities connected to innovative income opportunities; • distinctions between the amount of income generated from cores services the Council provides for social reasons and those it provides solely to make profit; and 	Exec Member for Finance and Human Resources	Carol Culley Fiona Ledden	<p>Date to be confirmed</p> <p>Requested at RGSC meeting on 16 July 2019</p> <p>(see minute RGSC/19/40)</p>

	<ul style="list-style-type: none"> what other local authorities are doing around income generation which the Council could possibly look to emulate 			
GMCA Governance and Public Sector Reform	To receive an update on what is being delivered for the City through these arrangements	Cllr Leese (Leader)	TBC	Date to be confirmed