

Resources and Governance Scrutiny Committee

Minutes of the meeting held on Tuesday, 10 January 2023

Present:

Councillor Simcock (Chair) – in the Chair
Councillors Andrews, Davies, Good, Kirkpatrick, Lanchbury and Rowles

Also present:

Councillor Craig, Leader of the Council
Councillor Akbar, Executive Member for Finance and Resources
Councillor Rawlins, Executive Member for Environment and Transport
Councillor Stanton, Deputy Executive Member for Finance and Resources

Apologies: Councillor Wheeler

RGSC/23/1 Interests

During the course of discussions, Councillor Rowles declared a personal interest in item 6 – Decarbonisation of the Operational Estate.

RGSC/23/2 Minutes

Decision:

That the minutes of the meeting held on Tuesday, 6 December 2022 be approved as a correct record.

RGSC/23/3 Election Act 2022

The committee considered a report of the Chief Executive, which outlined the planning and governance arrangements for the implementation of the Elections Act in Manchester.

Key points and themes within the report included:

- The Elections Act 2022 was introduced to make new provision for and amendments to existing electoral law and will come into effect over the next two years, impacting delivery of Local Elections in 2023, the Local and Mayoral Elections in 2024, and the next Parliamentary General Election;
- The main legislative changes, including:
 - Requiring voters to show an approved form of photo ID at polling stations before a ballot paper is issued
 - A requirement to provide reasonable equipment to assist voters with disabilities in polling stations

- Allowing all British citizens living overseas to vote in UK Parliamentary elections, regardless of when they left the UK, with applications required every 3 years
- Enabling electors to apply online for an absent vote, with both online and paper applications requiring the applicant's identity to be verified
- Requiring postal voters to reapply every three years
- Further limit to the number of people an elector may act as proxy for
- Political campaigners will no longer be permitted to handle postal votes, and the number of postal votes an individual can hand in at a polling station will be limited.
- A review of the eligibility to vote for some EU citizens
- The scheduled implementation of these changes and suitable ID for voters to show at polling stations;
- Work was underway within the Council to plan the 'front door' access, and what is required for the electors' journey and processing of their enquiry;
- Modelling work had been undertaken with the support of Performance, Research and Intelligence (PRI) to determine what transaction volumes could look like in polling stations, to model resourcing requirements;
- Staff numbers had been increased per station and an additional five stations have been added to polling places where historical information indicated a larger turnout;
- Detail of the 'customer journey' in a station or the processes to check ID had not been finalised and shared by central government;
- The Elections Strategic Lead for Greater Manchester was leading on a project to seek a consistent approach to reasonable equipment and processes at all Polling Stations across the ten Greater Manchester Districts and meetings are taking place with GM Disabled persons groups to take their views on what can be delivered and how to communicate these provisions to disabled voters;
- The Electoral Commission will run a high-profile national campaign to raise awareness of the requirement for Voter ID, targeting those who may not already have the required photographic ID and a GM-wide approach to amplify this was proposed; and
- Members will be briefed on the changes being implemented, with initial focus around changes affecting May 2023 polls. The Member Working Group will also be re-established to provide regular updates as more information becomes available.

Key points and themes which arose from the committee's discussions included:

- The need for any specific electoral communications to be easily distinguished from other Council campaigns;
- Commending the inclusion of videos in British Sign Language to communicate changes around Voter Authority Certificates (VAC);
- Why only four housing associations were listed within the 2023 local elections communications approach;
- Whether members would be briefed on progress with implementing the changes arising from the Elections Act;

- Accessibility within polling stations and what flexibility there was to respond to unforeseen circumstances such as rain;
- When further information on the customer journey in polling stations and written training information was expected from central government;
- Noting that VACs can be applied for up until 6 working days before Election Day, and querying whether the Council had capacity to support this short timescale;
- Whether any Key Performance Indicators (KPIs) had been devised to monitor a return on investment in the joint campaign across Greater Manchester;
- If the joint GM campaign would utilise advertising space on screens across the city;
- Whether any additional funding would be provided from central government to mitigate the costs associated with changes introduced by the Election Act; and
- Communications regarding voting by post, and whether postal voting would be encouraged as an alternative to the new voter ID arrangements.

The Chair began discussions on the item by quoting a British Politics and Policy paper from the London School of Economics (LSE) which stated “*Conservative MPs frame voter ID as necessary to strengthen confidence in the electoral system despite public confidence in the running of elections being at its highest*” and a piece by a Young Voices UK contributor published on the Conservative Home website, which declared “*The government has failed to offer a compelling justification for voter ID requirement beyond fearmongering about non-existent fraud. These new guidelines seem to be little more than a rushed attempt to grant themselves a slightly less embarrassing election result by excluding groups more likely to vote for a non-Tory candidate*”.

In introducing the item, the City Solicitor explained that elections were ran well in Manchester in part due to a strong core Elections Team and the use of the whole organisation during the election periods. She clarified that the Election Act would come into effect over time and that two key changes would be implemented from May 2023 – voter ID and further accessibility requirements. The Electoral Commission’s consultation on voter ID was ongoing and the Council would wait to begin a communications campaign until the VAC application portal was launched.

The Leader of the Council stated that around 2 million people across the UK would be impacted by the changes introduced within the Election Act as a result of not having the appropriate forms of ID required and that this would disproportionately impact those from disadvantaged and deprived communities and those at risk of social exclusion. She highlighted the serious and focused effort of the Council’s Elections team and reiterated that the Council would amplify communications from the Electoral Commission and Greater Manchester Combined Authority (GMCA) in addition to its own targeted campaign.

The Head of Strategic Communications responded to members enquiries and provided assurances that the Council’s communications on VACs would be distinguishable from other campaigns. These would be created in the same style and

using the same graphics as the Electoral Commission's campaign, which featured a range of different colours. The format of communications would also be in line with the GM-wide approach.

A need for the communications to be wide-reaching was acknowledged and it was confirmed that the list of housing associations identified as channels for communication with residents was not exhaustive. Members were asked to contact the Communications team with details of other housing or community organisations who could help to reach residents.

The Electoral Services Corporate Delivery Manager explained that annual reviews were undertaken to ensure the accessibility of polling stations and risk assessments would be carried out with Presiding Officers, given their knowledge and experience of their polling station. Work was also being undertaken with GMCA and disability groups to ensure a consistent approach.

With regards to the flexibility of polling stations in dealing with unforeseen challenges and demand, members were advised that command and control hubs were in operation on Election Day and Polling Station Inspectors (PSIs) attended polling stations throughout the day. It was noted that transaction times in polling stations may be longer as a result of the Election Act's provisions and busier polling stations and staffing levels were being reviewed in response to this to mitigate queues and waiting times.

Members were also advised that other cultural and social requirements could be met, for example all polling stations would have moveable privacy screens for those wearing facial coverings and the number of female polling station staff was currently being finalised. Further information on this would be provided to members once complete.

Assurances were also provided that the changes arising from the Election Act would be covered in the Candidate and Agent Briefing and a Member Briefing was anticipated to be held.

In response to members' questions around capacity to manage the supply of VACs up to 6 days before an election, the City Solicitor advised that processes and resources were being put in place to enable VACs to be issued as soon as the government's online portal was launched. The Customer Services team had also employed additional staff to deal with telephone enquiries and all customer-facing employees within Customer Services had been briefed on the changes and timescales. The Electoral Services Corporate Delivery Manager also assured that her team was familiar with working to deadlines and time constraints given the nature of their roles. It was noted that there may be external challenges or issues around delivery of VACs, given the recent industrial action by Royal Mail, and officers would continue to monitor the situation.

Assurances were provided that additional staffing requirements had been adequately budgeted for and that the Council would apply for all available grants and funding

sources to offset any financial implication on the authority, although it was acknowledged that any grants or funding would typically be received after expenditure.

The Head of Strategic Communications informed the committee that it was difficult to scope KPIs for the communication campaign, but the Council would be able to measure and identify trends in social media engagement and the number of calls to the contact centre around key dates for the campaign.

Members were also advised, in response to a query, that GMCA's campaign approach included advertising on digital screens across the city. The costs involved in the purchase of this advertising space would be part-funded by Manchester City Council and by the Electoral Commission.

In response to a query from the Chair regarding whether postal voting would be encouraged as an alternative to the new voter ID arrangements, it was stated that the Council would not actively promote one method of voting over another and the level of communications encouraging residents to register for a postal vote would remain the same as previous years. Residents would, however, be encouraged to register for a postal vote earlier if they wished to vote via this method.

The Chair wished the Elections team and all staff involved in the running of elections good luck.

Decision:

That the Committee notes

1. the progress being made by the Elections Team and the Election Steering Group in relation to changes that will be introduced by the Election Act 2022 for the Local Elections on 4 May 2023;
2. the communication plan for local residents with regard to the changes for the May 2023 polls; and
3. the changes that will be introduced for polls after the local elections 2023.

RGSC/23/4 Decarbonisation of the Operational Estate

The committee considered a report of the Head of Estates and Facilities which outlined the activities and progress to date of the Zero Carbon Estate Programme and the decarbonisation of Manchester City Council's operational estate. These included MCC and grant funded retrofit projects delivered under the Public Sector Decarbonisation Scheme and major capital schemes that were delivering energy efficiency and carbon reduction measures.

Key points and themes within the report included:

- The Council declared a Climate Emergency in July 2019 which recognised the need for the Council, and the city as a whole, to do more to reduce CO₂ emissions and mitigate the negative impacts of climate change;
- 316 buildings were reported against in the Buildings & Energy section of the Climate Change Action Plan 2020-25, including offices, depots, leisure centres, libraries, markets, properties that provide social care services to adults and children, buildings in parks and buildings owned by the council but operated by third parties;
- CO₂ emissions from the operational estate had reduced by 7,161 tonnes (29.7%) compared to the baseline set by the Council's Climate Change Action Plan 2020-25;
- The completed phases of the Zero Carbon Estate Programme which upgraded energy conservation measures and invested in heat decarbonisation, energy efficiency and generation projects in 11 leisure centres;
- £18.2m of funding was received from the Public Sector Decarbonisation Scheme (PSDS) for phases 1 and 2 and a further £3.1m had been awarded for phase 3a. A third bid for £1.2m of PSDS funding to support energy efficiency projects at the Town Hall Extension and Woodhouse Park Active Lifestyle Centre is awaiting decision;
- The projects currently being delivered;
- 80 Energy Audits had been commissioned from Equans to inform the long-term strategy for investment, the total scale of opportunity and key challenges;
- Other projects that are being delivered in addition to the Zero Carbon Estate Programme, which support the decarbonisation of the estate, including the refurbishment of the Town Hall; and
- Potential challenges to decarbonisation.

Key points and queries that arose from the committee's discussions included:

- Welcoming progress to date;
- Whether the Council would be able to continue decarbonisation works at the same pace in order to meet ambitions, given the challenges identified in the report;
- How guaranteed future funding was and where this could come from and if it would be sufficient to continue the Council's decarbonisation agenda;
- Whether there was any health and safety impact on Council staff following installation of LED lighting in the Town Hall Extension;
- How decarbonisation was being approached in buildings which the Council owned but did not manage or operate;
- Why the graph of Council buildings emissions within the report did not include future projections;
- Why local authority-maintained schools were not included in decarbonisation plans;
- How much decarbonisation had occurred in Council buildings as a result of programmes to decarbonise the National Grid;
- Welcoming the installation of renewable energy generation capacity, and querying what more could be achieved by installing more solar panels;

- Why the National Football Museum was withdrawn from the scope of the works;
- Why there were no plans to make the Town Hall a zero carbon building;
- How often carbon emissions were measured; and
- If a financial figure of savings as a result of decarbonisation works was available.

The Head of Estates and Facilities introduced the item and explained that the carbon emissions from the Council's operational buildings amounted for around three quarters of the Council's total emissions, which meant it was a focus area for the Climate Change Action Plan.

The Executive Member for Environment and Transport informed the committee of the Zero Carbon Coordination Group, which brought all Council directorates together to ensure a coordinated approach and to share learning and explore challenges. The Council also had a dedicated Zero Carbon section on the website and quarterly Climate Change Action Plan updates were reported to the Environment and Climate Change Scrutiny Committee.

Councillor Mandie Shilton Godwin, Chair of the Environment and Climate Change Scrutiny Committee, submitted representations through the Chair and expressed her disappointment in the withdrawal of the National Football Museum from the scope of the Zero Carbon Estate Programme and stated that this demonstrated the present unsatisfactory national government system of allocating funding for such projects. She stated that this approach was constraining the city's ambition and queried why this had been withdrawn and whether it could be included in a future phase of the programme. In response, the Head of Estates and Facilities advised that the National Football Museum was a complicated building in terms of fabric and construction. There was also a challenge around using PSDS funding for works to this building as it stipulated that heating sources had to be changed from gas to an electric solution, which would require a ground source heat pump, and there was a lack of space around the Museum to enable this. He explained that some works had been undertaken at the Museum such as upgrades to air handling units to improve efficiency and contribute to reducing carbon emissions. The Council would also be able to take forward elements of the programme, such as LED lighting upgrades, for the Museum in the future.

In response to a member's query around funding, the Head of Estates and Facilities explained that there was a mix of different funding streams available, and the Council pursued external grant funding where possible and practical. There had been two successful funding bids for PSDS, and a third bid was hoped to be approved soon. There was also a significant amount of the Council's own resource invested in the programme, including on an invest-to-save basis, and some major capital schemes included firm commitments to reducing carbon emissions through these projects. There were plans to continue the carbon reduction programme, although it was not yet known if the PSDS would continue in the same form as previously, and the Head of Estates and Facilities confirmed that he was confident in the ability to continue the programme.

It was acknowledged that the future of the carbon reduction programme would change given the challenges outlined in the report and that the next phase of the programme would focus on larger Council-operated buildings which emit less carbon than those worked on in previous phases. There had been significant learning from previous phases for the Capital Programme, Energy Management and Finance teams and there had been investment in capacity to enable delivery of decarbonisation projects.

The Head of Estates and Facilities acknowledged the importance of sufficient lighting with the Town Hall Extension and explained that lighting had been upgraded throughout office spaces within the building. An advantage of this was that LED lighting levels were more adjustable compared to traditional lighting and the Health and Safety team were involved in the installation of this to ensure that lighting levels were adequate.

A query was raised regarding works to buildings which the Council owned but did not manage or operate and the committee was informed that some buildings had proposals for decarbonisation works in development and some works had been undertaken at Bridgewater Hall, such as connection to the cyclical heat network and LED lighting upgrades, and the Art Gallery.

In response to a question regarding a lack of future projections within the council building emissions graph, it was stated that this was due to accessibility of data as the Council's energy usage was based on meter readings in buildings and future usage and carbon emissions could not be predicted. Members were advised that there are targets set for future emissions and that the Council was currently meeting these.

It was clarified that decarbonisation of local authority-maintained schools was under consideration by the Council, but this fell within the remit of a different service. The Director of Education had recently met with schools to devise a plan for decarbonisation and officers from the Energy Management and Capital Programmes teams were assisting in this by sharing their learning and experiences.

The Head of Estates and Facilities expressed his hope that Energy Audits, which were underway and due for completion in May 2023, would identify where additional capacity was available to install more solar panels.

It was also clarified that the Town Hall was not included in the project's scope to become a zero-carbon building because of its status as a Grade I Listed Building, which restricted the ability to add significant retrofit elements.

Information on the amount of emissions reduced as a result of decarbonisation works to the National Grid and financial savings would be provided following the meeting.

Decision:

That the Committee notes

1. the activities and progress to date on the decarbonisation of Manchester City Council's operational estate, and
2. the pipeline of future projects that are in development.

RGSC/23/5 Provisional Local Government Finance Settlement 2023/24 and Budget Assumptions

The committee considered a report of the Deputy Chief Executive and City Treasurer which provided an update on the main announcements from the provisional local government finance settlement 2023/24, which was announced on 19 December 2022. The report also focused on the impact on the Council's budget for 2023/24 to 2025/26 and the next steps in the 2023/24 budget setting process.

Key points and themes within the report included:

- The Council faced significant inflationary and demand pressures in both the current financial year and next, which the settlement addressed in part;
- The Council's proposed strategy was to use any additional funding, after covering new priority investment requirements and demand pressures, to help close the budget gap in future years and reduce the need for significant cuts in 2025/26 and beyond;
- Confirmation that the savings reported to the committee in November 2022 were sufficient to deliver a balanced budget next year without any additional savings requirement;
- The referendum principles for 2023/24, including a limit of 4.99% for upper tier authorities;
- Changes to business rates retention and the introduction of additional grant funding for social care;
- The scale of these policy changes could not have been predicted in advance of the Provisional Finance Settlement and are a significant change from the messages coming from government prior to the autumn statement; and
- Implications for the Council, including the medium- and longer-term risks.

Key points and queries that arose from the committee's discussions included:

- What was meant by additional targeted support for most vulnerable residents, if the Council Tax precept was raised;
- Whether additional funds for adult social care and children's services potentially raised from a 1% adult social care precept and the Social Care grant could be directed into specific areas of need;
- Staff pay awards;
- Noting that central government assumed that the Council would increase council tax;
- What the proposed council tax increase of 4.99% would equate to for the top and bottom band; and
- How questions were phrased on the council tax consultation.

The Executive Member for Finance and Resources introduced the item and explained that there had been a recent marked shift in the Autumn Statement, the Policy Statement and the Provisional Local Government Finance Settlement which acknowledged a gap in public sector finances that would take four years to remedy, with public sector cuts deferred until after 2025.

He explained that central government anticipated the Council increasing council tax to 4.99% to enhance income. He stated that the Provisional Local Government Finance Settlement provided breathing space for the authority but the additional funding outlined within the report would not mitigate the inflationary pressures faced by the Council.

The Deputy Chief Executive and City Treasurer explained that there had been three significant policy changes arising from the Autumn Statement and the Provisional Local Government Finance Settlement. Business rates would be frozen and local authorities would be compensated by central government for the difference. 3 additional grants for social care would also be awarded to the Council and would be ringfenced for supporting hospital discharges, social care improvement and a broader grant for children's and adult's social care. The final policy shift was around the reliance on the council tax precept to provide additional funding and an increase in the referendum limit from 2.99% with a further 1% for the adult social care precept and a further 1% for the general fund precept. She reiterated that none of this funding was guaranteed after the Spending Review period and that significant unknowns and budget gaps were anticipated following the public sector cuts planned for after 2025.

Members were also advised that additional funding would also result in additional costs. Inflation was predicted to be 7% in the next financial year, which was higher than originally anticipated and officers were working to link funding and costs. In response to a member enquiry about potential additional support for vulnerable residents, the Deputy Chief Executive and City Treasurer advised that officers were working through options for this and explained that £3.55m had been added to the Council's budget to address immediate pressures including support for food banks, VCSE organisations and expanding the Council's welfare provisions. Members were also informed of a government scheme in 2024 which would provide a rebate of up to £25 to those on the Council Tax Support Scheme to mitigate the impact of increased council tax and the Council would look to provide similar support, particularly for residents at risk of first-time debt and those who have previously had a repayment plan with the Council.

The Executive Member for Finance and Resources reiterated that social care funding grants were ringfenced and would be used to reduce pressures and demand. Options for how grant funding would be spent were still being assessed and work was ongoing with the Director of Adult Social Care to identify investment proposals and priorities and assurances were provided that members would have the opportunity to discuss proposals before a decision is taken.

The Deputy Chief Executive and City Treasurer responded to a member's query about staff pay awards and explained that the pay award for 2022/23 had only been confirmed in December and pay negotiations for 2023/24 had begun. She advised

that an uplift of 4% was originally budgeted for the pay award and this would be assessed during the budget process to ensure it is sufficient.

In response to a question around the proposed council tax increase and what this would equate to for the top and bottom band, the Deputy Chief Executive and City Treasurer confirmed that an increase of 2.99% was proposed. The impact of this increase had been modelled for those properties in Band A, Band D and on the Council Tax Support Scheme which had informed initial ideas around support for residents. The increase would result in an additional c.£2m income for the Council.

It was also highlighted that Manchester had the smallest council tax base of all metropolitan authorities and although some grant funding compensated for this, it did not counteract the issue and raising council tax would provide some financial benefits.

The Executive Member for Finance and Resources stated that raising council tax was not done lightly, especially in the current financial climate, and clarified that the public consultation on council tax increases provided indications of where residents wanted their council tax money to be spent. The consultation explained that an increase of 2.99% of the general precept and 2% on the adult social care precept was proposed and that this additional revenue would be directed to those issues identified as priorities for residents and to improve adult social care.

The Deputy Chief Executive and City Treasurer wished to put her thanks on record to the Council's Finance team for their work on the Provisional Local Government Finance Settlement, particularly as it was received close to Christmas. The Chair concurred with this sentiment.

Decision:

That the report be noted.

RGSC/23/6 Overview Report

The committee considered a report of the Governance and Scrutiny Support Unit which provided responses to recommendations, details of key decisions within the committee's remit and its work programme.

In response to a member's request, the Chair agreed to receive a report on the progress of the Major Contracts Oversight Board at the Committee's meeting in March 2023.

An amendment was also required to the work programme to reflect that the Committee would meet on Thursday, 25 May 2023.

Decision:

That

1. the report be noted and

2. the Committee's work programme be agreed, subject to the amendments outlined above.