

## **Resources and Governance Scrutiny Committee**

### **Minutes of the meeting held on Thursday, 12 October 2023**

#### **Present:**

Councillor Simcock (Chair) – in the Chair

Councillors Andrews, Connolly, Davies, Evans, Kilpatrick, Kirkpatrick, Lanchbury and Stogia

#### **Also present:**

Councillor Akbar, Executive Member for Finance and Resources

Councillor White, Executive Member for Housing and Development

**Apologies:** Councillors Brickell and Wheeler

#### **RGSC/23/55 Minutes**

In moving the minutes, the Chair informed the committee that he had recently attended a meeting with officers and ACORN representatives to discuss the wording used in the Council's communications regarding council tax. He explained that these communications would be revised and that, if successful in improving collection rates, every 1% increase in the collection rate could produce an additional £1.5m-£2m in revenue.

The Chair also advised that the committee's recommendation for officers to undertake a feasibility study, in consultation with the Executive Member for Finance and Resources, into ending the use of Enforcement Agents had been accepted and was being undertaken.

#### **Decision:**

That the minutes of the meeting held on 7 September 2023 be approved as a correct record.

#### **RGSC/23/56 Workforce Equalities Update**

The committee considered a report of the Director of Human Resources, Organisation Development and Transformation which provided an update on progress to date to deliver the Workforce Equality Strategy and the Council's journey to becoming a diverse and inclusive employer.

Key points and themes within the report included:

- An introduction to the Workforce Equality Strategy;
- Progress in delivering on the Strategy's 47 actions, with 38 completed; 6 in progress; and 3 outstanding;

- Data around the number of Black, Asian and Minority Ethnic (BAME) employees and those with a disability or long-term health condition;
- How progress has been made with the Council's leadership and management;
- The work of staff network groups;
- Communication and engagement;
- Policies, processes and systems to strengthen diversity and inclusion;
- How the Talent & Diversity team works with local communities to attract local diverse talent;
- The Council workforce's diversity profile;
- Updates from each directorate on how they have supported the Council to build a diverse and inclusive workplace; and
- An upcoming refresh of the Strategy in late 2023.

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

- Welcoming the Workforce Profile, and seeking clarification as to whether the average age included students and children under the age of 16;
- Seeking clarification on the percentage of people in Manchester who identify as transgender;
- Seeking clarification on the percentage of BAME residents in Manchester;
- Noting that BAME employees were more likely to have a complaint made against them but that the outcome of a disciplinary process was typically the same as a White employee;
- What work was being undertaken to increase take-up of the 'Let's Talk About Race' training;
- The age breakdown of staff undergoing 'Let's Talk About Race' training;
- Whether flexible working options would be considered in the Age Friendly Action Plan to support the Council to become an Age Friendly Employer;
- Querying why non-completion rates of SAP Equality Data was highest in Children's Services; and
- Why there was no recognition of deafness or hearing impairment as a disability under the Diversity Data Subcategories in the Workforce Profile.

The Director of Human Resources, Organisation Development and Transformation explained that the report highlighted the significant work undertaken over the previous two years and how the Council had achieved against its ambitions to build a diverse and inclusive workforce and he acknowledged that there was more to be done.

The Head of Workforce Strategy reiterated that great progress had been made in delivering against the Workforce Equality Strategy since its launch in 2021, with most actions delivered. He stated that there continued to be a positive impact and explained that there had been an increase in Black, Asian and Ethnic Minority (BAME) representation at all levels in the Council and particularly at a senior level. There had also been an increase in representation of disabled employees at all levels. He also stated that feedback from the staff survey indicated that the workforce

recognised improvements to equality, diversity and inclusion and that there was a strong sense of belonging.

The Head of Workforce Strategy stated that this work was a long-term priority for the Council and that a refresh of the Strategy would accelerate the journey to become a diverse workforce.

Directorate Equalities Leads were also present at the meeting.

The Chair relayed a written representation from Councillor Zahid Hussain, Lead Member for Race, who was unable to attend the meeting. He welcomed the HRODT department's works and highlighted areas for increased focus. The Director of Human Resources, Organisation Development and Transformation welcomed the Lead Member for Race's comments.

In response to the Chair's queries regarding the Manchester population average data referenced in the Workforce Profile, the Head of Workforce Strategy confirmed that this included the whole population within Manchester as it was based on data from the 2021 Census. He endeavoured to clarify statistics around the transgender population and would provide clarification on this outside of the meeting.

The Director of Human Resources, Organisation Development and Transformation stated that an increase in Employee Dispute Resolution cases could be interpreted positively as it suggested that the workforce felt confident to raise issues with HR and that these issues would be responded to. The Head of Workforce Strategy informed the committee that the number of BAME employees who experienced disciplinary proceedings had decreased.

The Head of Workforce Strategy recognised the low take-up rate of 'Let's Talk About Race' training and explained that each directorate had an action plan to deliver this over the next 6-12 months and confirmed that the age breakdown of employees accessing this training could be shared. The Strategic Head of Organisation Development stated that there was a breakdown of age and race for training such as 'Let's Talk About Race', Inclusive Leadership and other key corporate training such as zero carbon and this data is helpful to identify areas to focus on. She recognised that training was easier to access for certain services and employees in the Council.

In response to a query regarding whether flexible working options would be considered in the Age Friendly Manchester action plan, the Director of Human Resources, Organisation Development and Transformation stated that the Council already had a number of flexible working options available, but that staff may not be fully aware of these. He noted that there would not be a one-size-fits-all approach and that this subject had been discussed by the Strategic Equalities Group. The Director of Human Resources, Organisation Development and Transformation was also due to meet with the Chair of the Older Peoples Staff Network to explore this area further and how flexible working options could be promoted.

With regards to training non-completion rates, particularly in Children's Services, the Head of Workforce Strategy explained that this was a frontline service which engaged less with corporate communications and systems. The Directorate Equalities Lead for Children and Education Services explained that they had been advised to only ask employees for their equalities data once per year so as not to discourage them, noting that it was a personal choice to disclose such information. She explained that there was an increased confidence in and number of conversations to discuss race and trans inclusion and it was hoped that the equalities plan and communications resulted in an increased response. The Directorate Equalities Lead for Neighbourhoods echoed these comments and emphasised the importance of increasing confidence to share equalities data.

The committee was also advised that the equality data categories were being reviewed to ensure that staff can identify any disability or impairment they may have, and that staff networks were engaged with this work.

The Executive Member for Finance and Resources stated that wanting to build a diverse and talented workforce was important for all public and private sector organisations but that there was not a template for success and every organisation was unique. He emphasised the need to build sound foundations and thanked the HRODT team for their work. He also stated that a diverse, inclusive and talented workforce would be good for the city.

### **Decision:**

That the committee

1. notes the progress made by the Council to deliver the Workforce Equality Strategy;
2. notes the progress made by each directorate to deliver workforce equality, diversity, and inclusion;
3. notes the plan to refresh the Workforce Equality Strategy;
4. requests further clarification on the percentage of people in Manchester who identify as transgender;
5. requests that the age breakdown of staff undergoing 'Let's Talk About Race' training be shared with members; and
6. requests that the Workforce Profile be updated in line with members' comments regarding deafness and hearing impairment.

### **RGSC/23/57 Workforce Strategy**

The committee considered a report of the Director of Human Resources, Organisation Development and Transformation which provided an overview of the Council's Workforce Strategy and the priorities being delivered against to ensure that the Council is in the best position to deliver the Corporate Plan, Our Manchester Strategy and to continue to deliver excellent services to residents.

Key points and themes within the report included:

- The priorities and strategies of the Workforce Strategy;
- How these priorities were delivered; and
- How success was measured;

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

- Noting the emphasis on mental health in the priorities of the Strategy, and querying the challenges relating to this;
- If apprenticeships were linked to career pathways;
- How talent pools would be developed and how these would work; and
- Whether there were any peer networking groups for apprentices with other local authorities.

The Director of Human Resources, Organisation Development and Transformation explained that the Workforce Strategy enabled the Council to define its ambition and how this would be achieved.

In response to the Chair's query regarding challenges around mental health, the Director of Human Resources, Organisation Development and Transformation acknowledged that this was becoming one of the biggest challenges for organisations across the country. He noted that the ways to respond to this were complicated and there would not be a one-size-fits-all solution to this. He stated that there was a specific focus on health and wellbeing within the Strategy with a range of interventions to help address some issues. It was also stated that statistics showed keeping those facing mental health issues in work led to the best outcomes, although this was acknowledged as not always being possible.

The Head of Workforce Strategy recognised that mental health was the biggest cause of staff absence. He stated that engagement had been undertaken with staff as part of the Workforce Strategy refresh to understand experiences and more work was needed on this. He explained that the Strategy focused on prevention and early intervention and targeted support would be provided to areas with higher levels of absence, such as frontline services. Managers would also be trained with knowledge and skills needed to provide effective support to those experiencing mental health challenges. The Employee Assistance Programme and occupational health service would also be publicised more widely. The committee was advised that these challenges were not unique to the Council and were indicative of challenges across local government.

In response to comments around apprenticeships, the Head of Workforce Strategy stated that apprenticeships were an important part of internal development and would be aligned to career pathways. Apprenticeships were also key in attracting young people and people from across Manchester to work for the Council. The Head of Workforce Strategy stated that each directorate would have a set target for the number of apprentices recruited each year.

The committee was informed that talent pools were in the process of being developed and would provide access to coaching, mentoring and leadership development programmes to enable progression. Further detail on this could be shared once available.

The Director of Human Resources, Organisation Development and Transformation stated that young people were more likely to want to move across a Council and into different services, as opposed to staying in one role, and talent pools could help with this.

The Deputy Chief Executive and City Treasurer advised that the workforce budget had been assessed to enable greater flexibility around apprenticeships and vacant posts. She also highlighted that the priorities in the Strategy were interlinked.

In response to a query regarding peer networking groups with other local authorities, the Head of Workforce Strategy explained that this had not been considered but he welcomed the idea. He stated that the Council had a strong offer of apprenticeships, professional programmes through universities and externally commissioned training. The Directorate Equalities Lead for Children and Education Services advised that there were several groups and networks for Education Services staff across Greater Manchester and the wider North West.

**Decision:**

That the committee notes the report.

**RGSC/23/58 Future Shape – Our Internal Digital Transformation Programme**

The committee considered a report of the Director of Human Resources, Organisation Development and Transformation which provided an update on progress to date with the Future Shape of the Council programme to evolve the Council's ways of working in order to meet current challenges.

Key points and themes within the report included:

- Providing an introduction and background to the Future Shape programme;
- The achievements and progress made since 2020;
- The current programme;
- The different workstreams of the programme;
- The impact of artificial intelligence (AI) on Future Shape;
- Communication and engagement; and
- Future Shape is internally focused, but improved council services will lead to better outcomes for the residents and businesses of Manchester.

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

- Noting the varying degrees of digital exclusion;
- How difficult it was to detect use of Artificial Intelligence (AI) in job applications, and whether the Council would need technology to identify this;
- How products created as part of digital transformation could be cross-sold to other local authorities;
- How it would be ensured that those with visual or hearing impairments were not excluded by the work of Future Shape; and
- The need for an Ethical Framework for the use of AI.

The Director of Human Resources, Organisation Development and Transformation stated that there had been a shift towards Future Shape being the vehicle to implement digital transformation within the Council. He stated that it was important to ensure that suitable conditions were created for systems to be used effectively and that the workforce was equipped with the skills required.

The Director of Human Resources, Organisation Development and Transformation explained that the Council undertook significant engagement with staff and residents when implementing any changes to systems. The Strategic Head of Organisation Development recognised the needs for systems and processes to be insight-driven and based on the experiences of users.

In response to queries regarding the use of AI in job applications, the Director of Human Resources, Organisation Development and Transformation acknowledged that this did occur, but the Council did not have any tools currently in place to identify this. He noted, however, that applying for a role was the first stage of the recruitment process and that AI could not be utilised in all stages. The Strategic Head of Organisation Development stated that there had been improvements in the development offer for recruiting managers and panel members and this would include how to identify AI within applications.

The Director of Human Resources, Organisation Development and Transformation recognised the opportunities afforded by AI but stated that there was a need to identify how it could be used and where there were opportunities to do things differently.

The Deputy Chief Executive and City Treasurer provided assurances that new major ICT systems would not be bespoke, given the risk involved in this. She stated, however, that front-facing forms and layout of systems could be edited to improve user experience.

With regards to digital accessibility, the Strategic Head of Organisation Development explained that there was a workstream, which focused on 5 key areas for digital skills. This sought to ensure that all users could access systems and had a positive experience. She noted that there was lots of different aspects to consider in order to inform how systems and processes work. The Head of Workforce Strategy also advised that a Disability Action Plan had been co-produced with the Disabled Staff

Network and employees across the organisation. This sought to ensure that all communication and engagement methods and workspaces were accessible.

The Executive Member for Finance and Resources stated that Future Shape was an enormous piece of work which would provide better ways of working to deliver better outcomes for residents and businesses.

**Decision:**

That the report be noted.

**RGSC/23/59 Annual S106 Monitoring Report**

The committee considered a report of the Strategic Director (Growth and Development) which provided an update on the Council's Section 106 (s106) activity for 2022/23 and to date.

Key points and themes within the report included:

- Providing an introduction and background to s106 and s278 agreements,
- Activity in 2022/23 and 2023/24 to date, noting that there had been an increase in planning applications so far in 2023;
- A comprehensive list of agreements completed during 2022/23 and 2023/24 to date;
- Contributions received and spend;
- Affordable housing and projects through the Council's Housing Affordability Fund (HAF);
- Benchmarking information received from Sheffield City Council and Liverpool City Council;
- The work of the officer working group;
- Tree planting and landscaping;
- Proposed planning reforms; and
- An update on the Local Plan.

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

- The definition of 'trigger not met' and 'viability appraisal' on the Obligations Schedule, with particular reference to Miles Platting and Newton Heath;
- How the clawback process worked in reality, how many times this had been used and the outcome of this;
- Transparency around viability assessments;
- If the proposed Community Infrastructure Levy would replace Section 106 agreements in relation to affordable housing, and whether this would increase the number of affordable homes;
- How members could be involved in deciding where s106 monies were allocated and spent;



- Suggesting that the Weekly List email be amended to highlight the wards which have received applications so that members do not have to open the document to see what wards are included;
- Whether the Obligations Schedule was an evolving list of agreements;
- The usefulness of benchmarking Section 106 policies with other cities;
- Whether the current financial climate and inflation rate had impacted on the amount of s106 contributions;
- How members could be advised of applications in their ward in advance; and
- Recommending that delegated authority be given to the Chair, in consultation with the Executive Member for Housing and Development and the Strategic Director (Growth and Development), to request a report should progress be made on the proposed planning reforms.

The Executive Member for Housing and Development stated that Section 106 agreements were a vital part of the planning process to ensure that any harm or loss of amenity can be mitigated in communities where developments happen, for example through the provision of affordable housing, highways infrastructure, investment in green spaces, new schools and surgeries.

In response to the Chair's query regarding what was meant by 'trigger not met' and 'viability appraisal', the Section Planning Manager explained that 'trigger not met' referred to when the payment was due to the Council as a result of development reaching a certain point i.e., a certain number of houses being built or commencement of development. He clarified that a viability appraisal was provided to demonstrate whether a housing developer could afford to either include affordable housing in the scheme or to make an off-site contribution. Where this was financially viable, a legal agreement would be drafted to ensure either receipt of a specific sum of money or the delivery of a number of affordable homes on site.

The Executive Member for Housing and Development stated that s106 agreements were just one mechanism to achieve affordable housing and that Homes England grant funding could not be used as s106 money but could still be used to develop affordable homes. He further stated that viability assessments were public and accessible through the Planning Portal and there was a lot of independent scrutiny of these. He explained that the Council was bound by the National Planning Policy Framework (NPPF) which viability assessments had to comply with. He stated that he would like the NPPF to be changed to award the Council more levers to deliver affordable housing through the viability process.

The Director of Planning, Licensing and Building Control emphasised that all viability assessments were publicly accessible and that all assessments were reviewed robustly and independently. In-house advisors would then verify the findings of the independent assessors.

The Director of Planning, Licensing and Building Control advised that triggers would be met at varying points in the development process and that the Council had its first two applications which met the trigger, one of which had been assessed further and no additional contribution could be provided.

In response to a query regarding the proposed Community Infrastructure Levy, the Director of Planning, Licensing and Building Control explained that further guidance was still awaited from central government. She stated that the Council had been waiting further information on planning reforms for 18 months and it was understood that the levy was likely to replace s106, although it was suggested that there could be exceptional circumstances where an s106 agreement could still be used to deliver affordable homes.

The committee was advised that the officer working group met once a decision on a planning application had been made. It was stated that a chart was available which demonstrated where members could be involved in the decision-making process for s106 monies. The Director of Planning, Licensing and Building Control advised that the department encouraged developers to engage with members at pre-application stage and explained that the Weekly List informed members of applications received for each ward. She also encouraged members to contact Planning Officers if they had any queries on an application or development.

It was noted, however, that the Council could not mandate developers to undertake pre-application engagement or how long for.

In response to the suggestion that the Weekly List email be amended to highlight the wards which have received applications so that members did not have to open the document to see what wards are included, the committee was advised that members and residents could sign up to email alerts for individual wards of interest to them.

The Section Planning Manager clarified that agreements signed within the last 12 months were included in the main body of the report, but these would be included in the Obligations Schedule for future reports.

With regards to benchmarking exercises, the Director of Planning, Licensing and Building Control explained that this had been challenging as authorities had different policies which made it difficult to compare. The Assistant Director of Planning and Building Control concurred with this and suggested that asking what s106 monies were collected for could be a more suitable measure to benchmark against.

The Director of Planning, Licensing and Building Control stated that the state of the market had an impact on financial viability with supply chain and material costs being incorporated into the process. She advised, however, that the Council had been able to withstand these pressures but there had been some delays in development. She confirmed that the development industry remained engaged with the Council and aware of its priorities regarding affordable housing and zero carbon.

In response to the Chair's query as to how members could be advised of applications in their ward in advance, the Director of Planning, Licensing and Building Control endeavoured to consider this further but noted that there were issues around when this engagement would take place and what information could be shared given the confidential nature of some applications.

The Executive Member for Housing and Development stated that the Council used the planning process to deliver its ambitious targets as set out in the Housing

Strategy. He explained that developers were increasingly working with Registered Providers to create mixed-use developments across the city. He noted challenges with inflation but explained that there continued to be high demand for housing and employment space in Manchester.

**Decision:**

That

1. the report be noted;
2. the Committee asks officers to undertake a benchmarking exercise with other core cities to understand what they collect Section 106 monies for; and
3. delegated authority be given to the Chair, in consultation with the Executive Member for Housing and Development and the Strategic Director (Growth and Development), to request a report should progress be made on the proposed planning reforms.

**RGSC/23/60 Overview Report**

The committee received a report of the Governance and Scrutiny Support Unit which provided details of key decisions that fell within the Committee's remit and items for information previously requested by the Committee. The report also included the Committee's work programme, which the Committee was asked to amend as appropriate and agree.

The Deputy Chief Executive and City Treasurer advised that the Autumn Statement would be announced on 23 November 2023 and that this item would need to be deferred to December's meeting as a result.

**Decision:**

That the report be noted and the work programme agreed, with the amendment to the Autumn Statement report as noted above.