

Resources and Governance Scrutiny Committee

Minutes of the meeting held on Thursday, 5 September 2024

Present:

Councillor Simcock (Chair) – in the Chair
Councillors Connolly, Davies, Evans, Glover, Kilpatrick, Kirkpatrick, Noor, Stogia and Wheeler

Also present:

Councillor Bridges, Deputy Leader
Councillor Akbar, Executive Member for Finance and Resources
Councillor T Robinson, Executive Member for Healthy Manchester and Adult Social Care
Councillor White, Executive Member for Housing and Development

Apologies: None

RGSC/24/57 Interests

Councillor Wheeler declared a personal interest in item 6 - Manchester City Council Connections with the Greater Manchester Integrated Care System and the Manchester Locality.

Councillor Kilpatrick declared a personal interest in item 7 – Annual Property Report.

RGSC/24/58 Minutes

Decision:

1. That the minutes of the meeting held on 27 June 2024 be approved as a correct record.
2. That the minutes of the meeting held on 18 July 2024 be approved as a correct record.

RGSC/24/59 CrowdStrike Outage

The committee received a verbal report of the Director of ICT following the recent international CrowdStrike outage. He stated this was caused following the distribution of a faulty automatic update for cybersecurity software, led to significant disruption and affected global stock markets, hospitals, airlines and other infrastructure. He confirmed that this outage had not impacted the Council.

Members were informed that the Council used a number of software products which implemented updates automatically and officers had sought assurance from suppliers regarding their quality control processes. The committee was also assured that the Council had back-up processes in place to restore connectivity in the event of an outage.

The update was noted.

RGSC/24/60 Manchester City Council Connections with the Greater Manchester Integrated Care System and the Manchester Locality

The committee considered a report of the Place Based Lead, Manchester Integrated Care Partnership which provided an update on the Council's connections with NHS Greater Manchester (GM) in relation to governance, partnerships, financial arrangements and future plans within the locality.

Key points and themes within the report included:

- The background to Integrated Care Systems, which comprised of Integrated Care Boards (ICB) and Integrated Care Partnerships (ICP);
- Providing an introduction to NHS Greater Manchester;
- The key areas within NHS GM highlighted as requiring improvement in the agreed set of formal enforcement undertakings with NHS England, and the Single Improvement Plan developed in response;
- The role of localities within NHS GM;
- Priorities and governance, including the Manchester Partnership Board; and
- The financial picture for GM and Manchester's ICPs.

Some of the key points and queries that arose from the committee's discussion included:

- The GM-wide deficit timeline suggested that the reduction strategy was off schedule, and querying the implications of this;
- How estate savings could be achieved;
- The relationship between the Council and the ICP following the departure of the Council's Chief Executive;
- Whether assessments were undertaken to ensure mental health spending was adequate to meet local needs;
- How decisions were reviewed to ensure fairness for both the Council and the NHS;
- Whether a year-to-date pressure of £15.4m for NHS providers was due to overspend; and
- Requesting case studies of the achievements of the Manchester Joint Commissioning Board.

The Executive Member for Healthy Manchester and Adult Social Care introduced the report and explained that the Integrated Care System consisted of two bodies – the Integrated Care Partnership, which oversaw strategy, and the Integrated Care Board (ICB), which was responsible for delivery and implementation. He stated that he represented the Council on the Integrated Care Partnership, and the Place Based Lead was the Council's representative on the ICB. He explained that progress was monitored through Locality Boards which scrutinised the system and escalated new methods of working with involvement from Primary Care Networks (PCN) and doctors.

The Place Based Lead stated that the NHS continued to recover from the pandemic which had caused significant financial and operational challenges for the national and regional systems. He highlighted that the National Audit Office estimated a £1.4bn deficit across the NHS in the previous financial year and inflationary pressures were affecting the health and social care sector, exacerbating other challenges and increasing the complexity of need and the deterioration of hospital estates. He stated that there was significant work ongoing to quantify, understand, manage and recover from this position and the ICP was in agreement with NHS England regarding key issues and the necessary steps within the next three years. He also acknowledged pressures within Population Health and the need to manage the immediate financial pressures whilst keeping Manchester residents healthy.

In response to members' queries, the Place Based Lead stated that monthly discussions took place between the Chair of the ICB Board and NHS England on progress with the Single Improvement Plan to ensure that local pressures were understood at national level. He also explained that significant work had been undertaken to identify priority areas of improvement across the capital estate and a senior group made up of hospital trust and Board executives had developed a multi-year capital maintenance pipeline. He acknowledged challenges with this but emphasised that the ICB remained focus on identifying areas of the estate with the greatest risk and deterioration levels.

With regards to the governance structure of the ICB, the Executive Member for Healthy Manchester and Adult Social Care stated that Manchester wanted to take a place-based approach to healthcare. He explained that the Deputy Place Based Lead was responsible for organisational arrangements and the relationship with the ICS and was supported by the Council's Deputy Chief Executive. He also stated that the Council's Interim Chief Executive had sat on the ICP and was familiar with its work. He stated that the only change following the departure of the Council's Chief Executive was that Tom Hinchcliffe would represent the Council on the Manchester Partnership Board in his capacity as Place Based Lead.

In response to a query regarding mental health spending, the Place Based Lead stated that mental health services in Greater Manchester were in a challenging position and the Greater Manchester Mental Health NHS Foundation Trust (GMMH) had been placed under national intervention with recovery actions being implemented and an improvement board between GMMH and NHS England had been established. The Associate Director of Finance, NHS GM explained that the Mental Health Investment Standard guaranteed a minimum level of expenditure for NHS and private sector providers and specific funding was provided for this.

The Executive Member for Healthy Manchester and Adult Social Care concurred with a member's expression of support for healthcare workers exercising their democratic right to strike. The Executive Member for Finance and Resources also highlighted that the new Labour government had negotiated a deal with doctors and healthcare staff.

The Executive Member for Healthy Manchester and Adult Social Care explained that the Manchester Partnership Board, which was chaired by the Leader of the Council, provided the checks and balances for decisions and included representatives of

partners. He stated that this Board discussed difficult decisions and provided transparency in decision making. The Place Based Lead recognised the combined work of the ICP and the Council and reiterated the importance of resolving any potential tensions in a transparent way.

In response to a query regarding whether a year-to-date pressure of £15.4m for NHS providers was due to overspend, the Place Based Lead explained that providers forecasted exceeding their budget by this figure at the end of the year, however he stated that plans were in place to address this.

The Place Based Lead also agreed to provide some case studies of the achievements of the Manchester Joint Commissioning Board and provided an example that the range of branded prescribed drugs had been reviewed to ensure value for money.

Decision:

1. To note the report and
2. To request a further update in 12 months, with more detail on the financial picture for Manchester.

RGSC/24/61 Annual Property Report 2024

The committee considered a report of the Deputy Chief Executive and the Strategic Director (Growth and Development) which provided an update on property activity since the last report to the committee in December 2023.

Key points and themes within the report included:

- Achievements of the Strategic Asset Management Plan (SAMP) programme over the last 12 months;
- Key developments across the city centre, Wythenshawe, Moston Lane, Gorton, Newton Heath, Central Park and Strangeways;
- Major regeneration projects such as Project 500, Grey Mare Lane and Clayton Canalside;
- The property management and professional services contract was now in-sourced following the transfer of 16.5 FTE employees from Jacobs UK to the Council;
- Activity within the Operational Estate and Facilities teams, including the refurbishment of the Council depot at Hammerstone Road and supporting the Gorton Hub;
- The Annual Maintenance Programme; and
- The Council's Property Asset Database (CPAD).

Some of the key points and queries that arose from the committee's discussion included:

- The importance of the Council being a good neighbour on sites it owns;
- Responsibility for fire safety;
- The Moston Lane Neighbourhood Development Framework masterplan; and

- Which wards the Council's 123 surplus assets were located in.

In response to members' queries, the Director of Development explained that a number of sites were earmarked for development and that the condition of some properties needed to be improved. He stated that the Council had insourced a property management function in May and was currently in an onboarding period, with the focus of the service being on compliance and confidence going forward.

Members were also advised that a premises compliance group worked to ensure that robust fire management arrangements were in place in Council-owned assets. Risk assessments had been conducted for properties deemed to be high- and medium-risk and these would be completed for all low-risk properties by the end of the year.

The Director of Development informed the committee that the consultation period for the Moston Lane Neighbourhood Development Framework masterplan had concluded and that this would provide strong plans and investment opportunities to transform the high street and deliver housing. He stated that officers were currently seeking further clarity on the land and ongoing dialogue on acquisitions was taking place and expected to conclude within six months. He explained that the procurement process was likely to progress further in 2025, noting that the overall regeneration process did not happen quickly. The Executive Member for Housing and Development also highlighted that early work had taken place with Shared Prosperity Funding on pocket parks and alleyways to improve the area.

In response to a query from the Chair regarding where surplus assets were located, the Head of Investment Estate explained that the list of surplus assets was generated from property records, which could be shared with members to make them aware of what assets were in their ward. He stated that member engagement had been brought forward to earlier in the SAMP review process and recognised the importance of the views of ward members, which the Deputy Leader and Executive Member for Housing and Development both reiterated.

The Deputy Leader agreed to liaise with a member outside of the meeting regarding consultation over the redevelopment at Church Street. The Chair suggested that members may benefit from individual meetings with the Head of Investment Estate to discuss assets within their respective wards.

Decision:

To note the report.

RGSC/24/62 Update from the Revenues and Benefits Unit

The committee considered a report of the Deputy Chief Executive which provided an update on the activity of the Revenues and Benefits Unit since the last report to the committee in September 2023.

Key points and themes within the reports included:

- Benefits administration, including Council Tax Support and the management of the Welfare Provision Scheme and other discretionary schemes;
- The financial support provided by the Household Support Fund scheme;
- Performance in the collection of Council Tax and how the Council balances collection whilst working in an ethical way and supporting those residents on a low income;
- Performance in the collection of Business Rates;
- The ongoing financial support provided to businesses through various Business Rates Reliefs and grants; and
- Data for the 2023/24 financial year and available data to show activity between 1 April and 31 July of the 2024/25 financial year.

Some of the key points and queries that arose from the committee's discussion included:

- Could the Council identify people entitled to pension credits that do not make a claim to encourage an uptake;
- Noting the lengthy claim form for pension credits, and querying whether the Council can administer this without a resident needing to apply; and
- How the extended Household Support Scheme would work and for how long.

The Deputy Chief Executive introduced the report and explained that the Revenues and Benefits Unit played an important role in both supporting residents and businesses and the Council's revenue, which helped to deliver on priorities, responsibilities and duties.

The Head of Corporate Assessments stated that the Department for Work and Pensions (DWP) was responsible for administering pension credits and were best placed to identify and engage with those eligible to receive these. He stated that the Council was supporting a national DWP campaign to encourage an uptake in pension credit claimants and to raise awareness of eligibility and had recently reviewed locally held data and was exploring the possibility of working with external organisations who could offer a means to identify residents. A meeting with one external organisation was scheduled for the next week.

The Head of Corporate Assessments stated that the Council could not provide direct support to residents when applying for pension credits but explained that there would be external support agencies and mechanisms available for this.

The committee was advised that further funding had been allocated through the Household Support Fund (HSF) between October 2024 and March 2025. This was anticipated to operate in the same way as previous tranches, but no formal guidance had been received. The Head of Corporate Assessments commented that this funding might be earmarked to meeting cost-of-living pressures or to specifically target elderly residents impacted by the winter fuel payment reduction. The Deputy Chief Executive highlighted that a Key Decision relating to HSF may need to be taken under urgency procedures and exempt from call-in due to time constraints which was in line with previous decisions over this funding.

In concluding the item, the Executive Member for Finance and Resources highlighted the enormous amount of work undertaken by the Revenues and Benefits Unit for residents most in need of support and he welcomed the extension of the Household Support Fund.

Decision:

1. To note the report.
2. To recommend that personas be developed similar to those developed as part of the RBDxP programme, to raise awareness of eligibility for support and to encourage uptake.

RGSC/24/63 Update on Future Shape Transformation

The committee considered a report of the Deputy Chief Executive and the Director of HROD and Transformation which highlighted the progress and achievements of the Future Shape Transformation programme to date and the proposed transition to ensure the Council continues to build on the success to meet current and future challenges.

Key points and themes within the report included:

- Providing an introduction and background to the Future Shape programme;
- Recommendations made in relation to Future Shape following a peer review in 2021 and the changes made in response;
- The evolution of Future Shape of the Council to 'Our Transformation – Enabling Success for the Council' following a review;
- The principles informing and guiding the programme's work packages; and
- Communications and engagement.

Some of the key points and queries that arose from the committee's discussion included:

- Consultation with trade unions;
- What was meant by "*the programme...needed to move into a different direction*";
- Digital as the preferred way to access services; and
- How the benefits and savings as a result of the programme were communicated to residents.

In response to members' queries, it was confirmed that trade unions had been consulted on this work through existing governance structures and they had been involved in shaping the programme and its impact. The Director of HROD and Transformation explained that changes to the programme and its approach had been made based on feedback, which the Deputy Chief Executive reiterated and explained that these changes were in response to different circumstances and challenges. The Executive Member for Finance and Resources stated that many programmes of work had moved to a 'Business as Usual' approach, which provided an appropriate time to review the whole Future Shape Transformation programme.

The Director of HROD and Transformation recognised that digital streams were not the preferred method of communication for all service users but stated that work would be undertaken to remove barriers to accessing digital services and to help people become more digitally able. He explained that this focus was a key part of the initial Future Shape work and would continue to be a priority for the revised programme. He also highlighted the work of RBDxP as an example of improvements made so far. The Deputy Chief Executive recognised the continued need for personal engagement to help users navigate the system.

The Director of HROD and Transformation stated that the Council would communicate the positive impacts of the programme in enabling the authority to deliver different and better services to residents.

Decision:

To note the report.

**RGSC/24/64 Resident and Business Digital Experience Programme (RBDxP)
Update**

The committee considered a report of the Deputy Chief Executive which provided an update on the Resident and Business Digital Experience Programme (RBDxP).

Key points and themes within the report included:

- Providing an introduction and background to RBDxP;
- The Council's new CRM system had gone live in April 2024 and had recently been found to be fully compliant with Web Content Accessibility Guidelines (WCAG), with some minor aspects raised with Verint for development and reflected in the Accessibility Statement;
- The programme's approach to user engagement;
- Future developments for the CRM system;
- The procurement approach for the Council's new website, which was anticipated to go live in summer 2025; and
- Priorities and next steps for the programme.

Some of the key points and queries that arose from the committee's discussion included:

- Continued issues with cases being logged as completed without being fully finished;
- Whether accessibility tests were undertaken ahead of going live;
- Learning to be taken from this project and applied to the procurement of a new website; and
- How members could receive a demonstration of the system.

The Director of ICT explained that RBDxP replaced an old system which he said did not meet the needs of the Council, residents or businesses. He commended the work of the project team, which the Chair echoed, and he highlighted that there was minimal disruption to residents and businesses as a result.

In response to queries, the RBDxP Programme Manager explained that the new system continued to increase the number of email notifications produced by the system in response to a case. He stated that public notes would be introduced to case files which would allow officers to provide updates to residents. This would also trigger an email to residents that an update had been made. Work was also underway in collaboration with the line of business systems, such as waste systems, to enhance the information they pass back to the system and to improve mapping so that residents could subscribe to individual incidents to be kept updated.

With regard to accessibility, it was confirmed that accessibility testing had been undertaken prior to going live and usability testing was also being undertaken with a range of users, including from the neurodiverse community and ESOL users. The RBDxP Programme Manager stated that any issues arising from these tests would be raised with the software company to address in future releases.

The RBDxP Programme Manager stated that work was ongoing with the Communications team to procure a new website and they would continue to be responsible for the governance of the content. He explained that the personas developed as part of RBDxP would be applied to this project and these would be enhanced where needed.

Members were also advised that member engagement sessions were being planned for autumn which would provide a demonstration of the system.

Decision:

To note the report.

RGSC/24/65 Review of Capital Investment Programme

The committee considered a report of the City Treasurer which provided an update on the Council's capital investment programme in the context of current forecast spend and market conditions.

Key points and themes within the report included:

- The Council's current approved capital programme contains over 400 distinct projects or work programmes;
- How the capital programme was funded;
- The current approved capital programme, which was forecasted to spend £780.6m over the programme period;
- Risks to the current programme, such as increased construction costs; and
- The budget strategy for the programme.

Some of the key points and queries that arose from the committee's discussion included:

- Seeking context to the risks to the current programme, particularly the projected overspends for the Factory International and Our Town Hall projects;

- Reasons behind increases in construction costs; and
- Suggesting that Aviva Studios be used as a case study of a long-term capital project.

In response to members' queries, the Deputy Leader highlighted that the Council had an ambitious Capital Programme and that there was always an element of risk with this. The Commercial Finance Lead stated that he could not speculate on the context regarding overspend on the Factory International and Our Town Hall projects but explained that all capital projects assessed delivery forecasts and managed risks. He stated that a specific report on Our Town Hall was scheduled to come to the committee in October and that risks were outlined in the standard Capital Programme Update considered by the Executive.

The Executive Member for Finance and Resources attributed increased costs within the construction sector to the cumulative impact of Brexit, the pandemic and the conflict between Russia and Ukraine. He stated that costs remained 21% higher in this sector. The Commercial Finance Lead also highlighted the impact of Brexit on the economy and explained that the increased prices affected material costs and the supply chain.

The Executive Member for Finance and Resources emphasised the ambition of the Council's Capital Programme and stated that this was important to ensure that Manchester continued to thrive.

Decision:

To note the report.

RGSC/24/66 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 any items for information previously requested by the Committee.

Decision:

To note the report.