

Executive

Minutes of the meeting held on Wednesday, 31 May 2023

Present: Councillor Craig (Chair)

Councillors: Akbar, Bridges, Hacking, Igbon, Midgley, Rahman, Rawlins, T Robinson and White

Also present as Members of the Standing Consultative Panel:

Councillors: Ahmed Ali, Butt, Chambers, Foley, Leech, Lynch and Moran

Apologies: Councillors Douglas and Johnson

Also present: Councillor Wright (Hulme Ward Councillor)

Exe/23/47 Minutes

Decision

The Executive approved as a correct record the minutes of the meeting on 22 March 2023.

Exe/23/48 Appointment of Executive Members and their Portfolios

The Executive Leader advised that in accordance with Articles of the Constitution 7.4(c) and 7.5(a), she had given notice to the Monitoring Officer and Members in question of her appointment of Deputy Leader and Executive Members (and associated portfolios).

Decision

The Executive note the appointments of Deputy Leader and Executive Members.

Exe/23/49 Corporate Priorities 2023/24

The Executive considered a report of the Leader of the Council, which set out the Council's Corporate Plan priorities for 2023/24, how these aligned with the Our Manchester Strategy and in particular the commitments made in "A Fairer, Greener Future: People at the heart of everything we do", Manchester Labour's 2023 election manifesto.

The report explained that "A Fairer, Greener Future: People at the heart of everything we do" contained five core pledges, which alongside the Councils Corporate Plan priorities and approved budget for 2023/24, would determine the priorities for the Executive as a whole and for each individual Executive Member.

In relation to Corporate Priority 3 (Young People), Councillor Leech sought clarification as to what proportion of children attended a school which was deemed not be graded "good" or better by Ofsted and noted the challenges schools faced in

maintaining “good” or better ratings from Ofsted. He also enquired what measures would the Council be taking to ensure housing developers undertook appropriate viability assessments for the delivery of affordable housing in new developments, in relation to Corporate Priority 5 (Housing)

Decisions

The Executive:-

- (1) Note the key elements that will inform its priorities for the current municipal year.
- (2) Adopt the commitments made in the Manchester Labour 2023 manifesto as priorities for the Executive.

Exe/23/50 Our Manchester Progress update

The Executive considered a report of the Chief Executive which provided an update on key areas of progress against the Our Manchester Strategy – Forward to 2025 which reset Manchester’s priorities for the next five years to ensure the Council could still achieve the city’s ambition set out in the Our Manchester Strategy 2016 – 2025.

The Executive Member for Growth and Development reported that two planning applications had been submitted for the city’s emerging Red Bank neighbourhood, part of the wider Victoria North scheme. The plans, submitted by developer Far East Consortium as part of the Victoria North joint venture partnership with the Council, represented one of the largest residential schemes to be brought forward in Manchester in recent years and set out the ambition to transform more than 30 acres of largely brownfield land into a vibrant neighbourhood of 4,800 homes alongside commercial and social facilities to support the local community.

As well as this, a planning application had been submitted to create affordable ‘Later Living’ homes on the site of the former Chorlton Leisure Centre. The new development would provide 50 apartments (a mix of one bed and two bed) for the over 55’s. Seven of the apartments would be for sale by shared ownership, three would be neighbourhood apartments providing step up accommodation, with the remaining 40 capped at the Manchester Living Rent. Lettings would be prioritized to over 55’s with a housing priority need, including those wishing to right-size and free up a social rented family home in the local area for families on the housing waiting list.

The Executive Member for Growth and Development also reported that the Council had secured £21m in funding for retrofitting schemes to make existing homes more energy efficient. The Department for Energy Security and Net Zero (DESNZ) had awarded £11m through the Social Housing Decarbonisation Fund (SHDF) to support the retrofitting of the Council’s housing stock, sourced through a combined bid made by Greater Manchester Combined Authority. In addition to this, the Council had successfully bid to DESNZ for another £10m in funding through its Home Upgrade Grant 2 (HUG2). The Council was developing the details and would set out in the coming months the locations and properties which would be targeted and included, in line with eligibility criteria for the funding.

The Executive Member for Growth and Development reported that a further 700 private sector homes now required a landlord licence following the expansion of the city's Selective Licensing regime to five new schemes across four neighbourhoods. All residents in properties that now required a licence would receive a letter explaining that licensing was now in operation and that their landlord would be required to apply. Landlords would be contacted by the Council and were encouraged to apply for a licence at the earliest opportunity with an early bird discount being offered to all applications through until 8 August 2023.

The Executive Member for Environment and Transport reported that as part of the ongoing Manchester to Chorlton Cycleway project, the Council had been working to create a continuous link from the city centre to Chorlton. Over recent months a new CYCLOPS junction had been built, providing a way for cyclists, pedestrians and vehicles to safely travel through the junction whilst remaining segregated from one another. This was intended to both smooth journey times through the junction, but also to improve people's safety during their travels. As part of this project, some changes had been made to the existing road layout, with Shrewsbury Street being closed at Upper Chorlton Street, as well as a ban on motor traffic turning left from Chorlton Road into Moss Lane West.

The Executive Member for Skills, Culture and Leisure reported that Manchester had been put forward as one of eight host cities in a bid to bring the EURO 2028 football tournament to the UK and Ireland. If successful, the bid would see the Etihad Stadium host matches in the competition along with nine other stadiums in London, Cardiff, Liverpool, Newcastle, Birmingham, Glasgow and Belfast. In addition, the city was already confirmed as one of only four cities in the world to host the group stages of The Davis Cup. Hosting the matches in Manchester was part of the Lawn Tennis Association's strategic vision to broaden access to the sport and complements the city's range of high quality tennis facilities.

Councillor Leech sought clarification as to what percentage of the Redbank development within Victoria North scheme would be affordable housing and he also sought clarification as to how the Council assessed the success of CYCLOPS junctions.

The Executive Member for Growth and Development confirmed that at least 20% of the Redbank development would be affordable housing. The Executive Member for Environment and Transport stated that monitoring of the impact of CYCLOPS junction would take place over the next few months which would help determine its success.

Decision

The Executive note the report.

Exe/23/51 Global Revenue Outturn 2022/23

The Executive considered a report of the Deputy Chief Executive and City Treasurer, which set out the final outturn position for the Council's revenue budget in 2022/23. It

also highlighted the movements from the previous forecast for the year, which was reported to the Executive in February 2023, based on the position as at the end of December 2022.

The Executive Member for Finance and Resources reported that the final outturn position was an overspend of £4.5m for the year. The main drivers of the overspend were the higher than budgeted for pay award, pressures on Children's safeguarding services, Home to School Transport demand and price pressures, and lower than budgeted for parking income, driven by changes to commuter behaviour post-pandemic. An overachievement of investment income and underspends across the Corporate Core partly offset these pressures.

Since the last reported position to Executive in February 2023, based on information to the end of December, the overspend had increased by c£1m. This increase was largely made up of emerging pressures in both Adults and Children's services which are set out in this report, offset by improvements in other Directorates.

Whilst it had been possible to set a balance budget for 2023/24, the financial position beyond this would be challenging with significant budget shortfalls after the application of smoothing reserves and alongside uncertainty about the future funding settlement. The scale of the gap was set out in the Medium Term Financial Strategy report to Executive February 2023.

It was proposed that in order to maintain the General Fund reserve at the recommended level of around £25m a transfer of £2.723 from Smoothing reserves was made. This would result in a closing 2022/23 General Fund reserve balance of £25.850m and a balance of £48.731m on the Smoothing reserve.

Councillor Leech sought clarification as to whether the overspend in Adult Services was as a result from providers not expecting to have to pay the fee uplift and real living wage. He also sought clarification as to how the shortfall in parking income would impact on projections for this year.

The Deputy Chief Executive and City Treasurer commented that it was anticipated all providers would sign up to providing the real living wage and would check on the number that had not yet signed up to it. In relation to parking income, this would be monitored carefully to see if there would be any impact in this financial year.

Decisions

The Executive:-

- (1) Note the outturn position of £4.5m overspend.
- (2) Approve the proposed budget increases following grant notifications as set out in the report
- (3) Approve the carry forward request totalling £674k
- (4) Approve the use of reserve funding as set out in the report.

Exe/23/52 Capital Programme Update

The Executive considered a report of the Deputy Chief Executive and City Treasurer, which informed Members of requests to increase the capital programme, sought approval for those schemes that could be approved under authority delegated to the Executive.

The proposals which required Council approval were those which were funded by the use of reserves above a cumulative total of £10 million, where the use of borrowing was required or a virement exceeded £1m. These included the following proposed changes:-

- Public Sector Housing – Social Housing Decarbonisation Boiler Replacement. A capital budget increase of £2.550m in 2023/24 and £11.545m in 2024/25 was requested, funded by HRA Reserve, to enable the Council to move from gas to renewable forms of heating for properties which would come up for replacement within the next two years as well as bring forward other properties.
- Public Sector Housing – Operational Housing Programme 2023-24. A capital budget increase of £8.646m in 2023/24, £7.155m in 2024/25 and £0.968m in 2025/26 was requested, funded by HRA Reserve, for the continuation of essential health and safety work, security improvements and environmental improvements across the Council's Housing estate.

The proposals which only required Executive approval were those which were funded by the use of external resources, use of capital receipts, use of reserves below £10.0m, where the proposal could be funded from existing revenue budgets or where the use of borrowing on a spend to save basis is required. The following proposals required Executive approval for changes to the City Council's capital programme:-

- Private Sector housing – Home Upgrade Grant (HUG) 2. A capital budget increase of £4m in 2023/24 and £6m in 2024/25 was requested, funded by Government Grant, to provide energy efficiency and clean heating upgrades to improve energy performance for owner occupied and private rented sector off gas grid (no have mains gas for heating) and low energy performance (EPC D-G) properties occupied by fuel poor households.
- Growth and Development - Back of Ancoats Mobility Hub (AMH) & Public Realm. A capital budget increase of up to £2.3m in 2023/24 was requested, funded by Capital Receipts, to provide the essential changes required to the Ancoats Mobility Hub to ensure the full scheme could be delivered, without impacting on the delivery of the wider public realm project.

The report highlighted that there had been increases to the programme totalling £2.325m as a result of delegated approvals since the previous report to the Executive on 22 March 2023.

Approval had also been given for the following capital budget virements:-

- £0.057m to be allocated from Highways Patching budgets for additional repaving works outside Sinclair's Oyster Bar, adjacent to Exchange Square, following the re-paving of the main square of Exchange Square in 2022.
- £0.121m allocation from the Parks Development Programme for city wide tennis improvements
- £0.108m allocation from the Parks Development Programme for the Wythenshawe Cycling Hub to improve the visitor experience, visitor safety, encourage a longer dwell time, and improve access to park facilities

If the recommendations in the report were approved the General Fund capital budget would increase by £43.164 m across financial years which would also result in an increase in the prudential indicator for Capital Expenditure in corresponding years.

Decisions

The Executive:-

- (1) Recommend that the Council approve the following changes to Manchester City Council's capital programme:
 - Public Sector Housing – Social Housing Decarbonisation Boiler Replacement. A capital budget increase of £14.095m, funded by HRA Reserve.
 - Public Sector Housing – Operational Housing Programme 2023-24. A capital budget increase of £16.769m, funded by HRA Reserve.
- (2) Under powers delegated to the Executive, approve the following changes to the Council's capital programme:
 - Private Sector Housing – Home Upgrade Grant (HUG) 2. A capital budget increase of £10.0m, funded by Government Grant.
 - Growth and Development - Back of Ancoats Mobility Hub & Public Realm. A capital budget increase of up to £2.3m, funded by Capital Receipts.
- (3) Note the increases to the programme of £2.325m as a result of delegated approvals.
- (4) Note the virements in the programme of £0.286m as a result of virements from approved budgets

Exe/23/53 Purpose Built Student Accommodation

The Executive considered a report of the Strategic Director (Growth and Development), which provided an update on the provision of Purpose-Built Student Accommodation (PBSA) in Manchester and issues that had arisen since the last

report in December 2020. It also recommended that the Executive agreed to the establishment of a pipeline of schemes as set out in the report in order to address a projected shortfall of accommodation up to 2030.

The Executive Member for Growth and Development advised that providing a residential offer for students to address needs had been a long-held Council objective as part of its Housing Strategy and planning policy framework. It had been broadly recognized and accepted that there was a shortage of PBSA in Manchester. This was brought clearly into focus at the beginning of this academic year when some Manchester students could not be housed in PBSA in the City. This was in part a result of the Universities closing some sub-standard accommodation but also because sufficient new accommodation had not been delivered in appropriate locations.

Projections estimated that demand for new PBSA could be between 5440 bedspaces (representing a 1% growth per annum) and 11320 (representing 2% growth per annum) up to 2030. Whilst actual demand would depend on a number of factors, it was considered that around 750 new bed spaces were required per annum up to 2030.

20 sites had been identified which could potentially support around 12,500 PBSA bedspaces. Their suitability, availability and deliverability had been assessed to establish whether they were capable of meeting bedspace requirements, in line with identified and projected need. In order to establish a pipeline, each site had been categorised via a traffic light system. Sites that had planning permission were categorised as green. Sites that were amber required further action before they could be established as a fully defensible part of the pipeline, but there was a realistic prospect of delivery.. All sites identified as amber or green were considered to form part of the City Council's pipeline of potential PBSA sites.

Councillor Wright (Hulme Ward Councillor) addressed the meeting, raising concerns around the inclusion of particular sites within the report which could then be used to justify planning applications opposed by the local community and ward councillors. In addition she commented that there should be no reference to any site that would have a detrimental impact on the repeated request to have the Aquarius area being designated as a residential part of Hulme in the new Local Plan. Her largest concern was the proposed inclusion of the Gamecock Pub as a potential site, given this was a live planning application to which there had been repeated opposition by the local community. As such she requested the Executive removed the Gamecock Pub as a potential site for PBSA from the list.

The Executive Member for Growth and Development and the Strategic Director (Growth and Development) both reiterated that the list of schemes within the report were not an exhaustive list, and some may not be brought forward. The purpose of the report was to demonstrate that there was sufficient opportunity, and there was no obvious need to significantly depart from Policy H12 which had largely been effective in managing the supply of PBSA. It was noted that other schemes may also be progressed that were not on the list but nevertheless complied with policy H12.

The report had also been considered by the Economy and Regeneration Scrutiny Committee at its meeting on 23 May 2023, with the Committee endorsing the recommendations asked of the Executive subject to the amendment of recommendation (2) to read *“Consider the list of schemes set out in the report as the pipeline that will deliver the required amount of PBSA up to 2030, pending consultation with ward members”*.

Decisions

The Executive

- (1) Note the changes that have taken place regarding the provision of Purpose-Built Student Accommodation since December 2022.
- (2) Endorse the list of schemes set out in the report as the pipeline that will deliver the required amount of PBSA up to 2030 pending consultation with ward members.
- (3) Endorse the approach set out in the report to help guide the decision-making process in advance of the review of the Local Plan and request the Planning and Highways Committee take this approach into account as a material consideration until the Local Plan has been reviewed.