

## **Resources and Governance Scrutiny Committee**

### **Minutes of the meeting held on Thursday, 8 February 2024**

**Present:**

Councillor Simcock (Chair) – in the Chair  
Councillors Andrews, Brickell, Connolly, Davies, Evans, Kilpatrick, Kirkpatrick, Lanchbury, Stogia and Wheeler

**Also present:**

Councillor Akbar, Executive Member for Finance and Resources  
Councillor White, Executive Member for Housing and Development  
Councillor Leech

**Apologies:** Councillor Rowles

#### **RGSC/24/13 Urgent Business**

In opening the meeting, the Chair advised that he had agreed to bring forward an item of urgent business relating to a recent Key Decision which Councillor Leech was considering calling in. The Key Decision related to the approval of capital expenditure of £1,302,000 for the acquisition of leasehold investment in Holt Town.

The Chair invited Councillor Leech to explain his concerns regarding this decision. Councillor Leech explained that when the decision was first published, he requested further information on when and how much the Council had previously sold the lease for to ensure that the decision reflected value-for-money. He stated that he received a response 4 working days later to clarify his request and that the information was provided on the morning of the day when the call-in period would end. Councillor Leech stated he felt this length of time was unacceptable and that he had been unable to garner the necessary support for a call-in due to the length of time taken to provide the requested information. He stated that he had been told that a report would not be ready to provide to the committee today had he called the decision in, which he did not agree with, and expressed his opinion that Scrutiny Committees should be chaired by Opposition members. He did, however, state that he had since received the information he requested and that this was satisfactory enough not to warrant calling the decision in.

The Chair acknowledged Councillor Leech's concerns and commented that officers involved in making Key Decisions should be prepared to respond to questions from members in a timely manner.

The Deputy Chief Executive and City Treasurer, who was the decision-maker, apologised to Councillor Leech and recognised that it was unacceptable to receive such a late response to a call-in query. She explained that the contact officer for this decision had been on annual leave when Councillor Leech's enquiry was sent and that she and the City Solicitor would discuss with colleagues in the Senior Management Team to ensure that arrangements were in place going forwards to

provide timely responses to queries. She assured members of the strategic importance of the Holt Town regeneration project and that she believed the acquisition to constitute good value for money and that it was in line with the Council's aspirations. She concluded by reaffirming the value of the scrutiny and democratic process.

### **RGSC/24/14 Interests**

Councillor Connolly declared a personal interest in item 9.

### **RGSC/24/15 Minutes**

#### **Decision:**

That the minutes of the meeting held on 11 January 2024 be approved as a correct record.

### **RGSC/24/16 Elections Act Duties Progress Report**

The committee considered a report of the Chief Executive which outlined the planning and governance arrangements for the implementation of existing and new duties within the Elections Act 2022.

Key points and themes within the report included:

- Providing an introduction and background to the Elections Act 2022;
- Progress with the duties implemented in May 2023, such as voter ID and accessibility;
- Community engagement and communications for elections in 2023 and 2024;
- Governance and capacity, including the GM-wide Strategic Elections function, the Council's Elections Act Steering Group and additional staff resources within the core elections team;
- New duties which have come into force since the May 2023 election, such as online absent voting applications, changes to postal vote handling rules, changes to overseas voting and parliamentary boundary changes;
- Ongoing preparations for a UK Parliamentary election;
- The establishment of an Elections Act Forum and the development of the Elections Outreach Pack; and
- Changes expected to be implemented after May 2024 elections.

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

- Querying whether reference in the report to a 'tactical voting device' was correct;
- If the Electoral Commission's national campaign to publicise the Voter ID scheme had begun;
- Requesting that the Elections Outreach Pack be recirculated to all members;

- Whether a British Sign Language video could be created as part of the communications campaign and shared with the Deaf Centre;
- Issues with Royal Mail postage deliveries and the impact this could have on applications for postal and proxy votes and Voter Authority Certificates (VAC);
- Whether there were any issues with disability access during the May 2023 elections and if there needed to be any changes to polling stations as a result of this;
- How much money could be expected from government grants;
- If any additional groups had been added to the Outreach Pack;
- How public engagement would be impacted by the pre-election period;
- How confident officers were that the government would provide sufficient funding to cover the full costs of the implementation of the Elections Act;
- How social media would be used to engage young people and first-time voters;
- How changes to overseas voting rights would work in practice;
- What the requirements were for photo ID in polling stations and whether a National Insurance number was required;
- Whether any work had been undertaken to understand how many people chose not to vote in the May 2023 elections because of a lack of ID;
- Noting delays to postal vote applications through the government overseas voting portal, and querying how confident officers were that residents would be able to register for and receive a postal vote on time if a snap general election was called;
- The current wait time for deciding on overseas voting applications;
- Whether there had been any changes to the candidate nomination form as a result of the Elections Act 2022 and whether members could have sight of the nomination form; and
- Noting new rules restricting the handling of postal votes and querying how polling station staff would be trained to identify political campaigners.

The City Solicitor introduced the report and stated that there would be local and Greater Manchester mayoral elections in May 2024 and a general election at some point before January 2025, although the date of this had not been announced by the government. She reassured the committee that she and the Elections team were mindful of the need to prepare for these elections and this was underway. She stated that the report highlighted some areas which the Council was concerned about and where it was ensuring that additional resources were in place, given the additional requirements imposed under the Elections Act 2022. She explained that work was ongoing with communities to raise awareness of the new requirements, including those introduced in 2023 such as voter ID, and to ensure that as many residents as possible were enfranchised.

The Elections and Electoral Register Policy Officer stated that the Council had committed to a major engagement campaign to raise awareness of the new requirements under the Elections Act 2022 and that 10 factsheets had been developed. He stated that there had been significant engagement with community groups and this was ongoing. He explained that officers would be going out into the community, and in libraries for example, and that paper copies of the Elections Outreach Pack would be available for those without digital access. He reiterated that

all members had received the Elections Outreach Pack by email and that any comments would be welcomed.

On behalf of the committee, the Chair commented that the introduction of voter ID was an example of the government trying to solve a problem that did not exist at a total cost of £700k. He also highlighted that 589 people in Manchester had been unable to vote in the election in May 2023 because they did not have any or the correct form of ID.

It was confirmed that reference in the report to a 'tactical voting device' was an error and should instead read 'tactile voting device'.

In response to the committee's queries regarding communications, the Head of Strategic Communications stated that the Electoral Commission's national campaign began on 8 January 2024. He explained that the style and format of this was slightly different to the campaign ran in 2023 and it was not known how wide-reaching the campaign would be. He stated that the Council had provided feedback to the government on the need for the campaign to be more targeted but provided assurances that the national campaign would be supported across the Council's channels.

Assurances were provided that the campaign content was being shared with the Deaf Centre through Community Health Equity Manchester (CHEM).

The Head of Strategic Communications explained that social media would be used to engage with young people through targeted geographical adverts and in-app adverts. Social media channels such as Facebook and TikTok would be used. He stated that this communication campaign had started and that messages would change in line with different phases of the elections process.

The Elections Outreach Pack would also be resent to all members.

With regards to how issues with the postal service were being addressed, the Electoral Services Corporate Delivery Manager explained that she was due to meet with Royal Mail following this meeting and that she would seek assurances that election-related mail would be delivered with priority. She stated that postal vote packs were sent first class and that poll cards were mailed as part of a priority scheme. She highlighted that there had not been any negative feedback regarding delivery of polling cards or postal vote packs in 2023 but that the Elections team would monitor the situation as and when things were due to be delivered.

The Elections Corporate Delivery Manager advised that there were some issues with accessibility to polling stations in 2023 but these had been addressed. She explained that polling stations were reviewed every year and assessed on accessibility and that officers undertook inspections prior to the delivery of poll cards.

In response to a query regarding funding for implementation of the Elections Act 2022, the committee was informed that the Council had received some grants from government and that it was awaiting the outcome of a Justification Led Bid (JLB). The Deputy Chief Executive and City Treasurer stated that there was a shortfall of

approximately £500k and it was not yet known how much of the remaining costs would be met by the government. She stated that the process for reclaiming elections expenses was onerous but that the Council had tried to ensure that there was a contingency for elections within the budget.

The Elections and Electoral Policy Officer explained that additional community groups were included in the Elections Outreach Pack when the service was made aware, and he invited members to provide information on any groups that might wish to be involved.

The committee was also advised that public engagement would take place until nominations open for candidates in March.

The Electoral Services Manager explained that overseas voters could register at their last registered address or where they were last residing. She stated that the government had provided guidelines for what constituted as a character of good standing and the Electoral Services Unit was currently using this as the basis for approving overseas voting applications. She stated that applications had only been submitted since 16 January 2024, so officers were still learning about the process.

It was stated that the communications campaign focused heavily on acceptable forms of ID for voters, and this was also included on poll cards and inside polling stations.

In response to a member's query regarding how many people chose not to vote in the May 2023 elections because of a lack of ID, the Elections Corporate Delivery Manager stated that this information was not kept by the Elections team and would be resource-intensive to generate. She stated that political parties could look at the marked polling station registers which were released following all elections to gather this information.

Assurances were also provided that the Unit had additional resources to prepare for an influx of queries and applications when a general election was called. The Elections Corporate Delivery Manager stated that there was methodology which could be used to indicate turnout of the local and mayoral elections, and this could be used to understand staffing needs for a general election. The Council also had a bank of additional staff who could be utilised if needed.

The Electoral Services Manager explained that the current turnaround time for applications submitted through the government portal was 14 days to contact and receive a response from the applicant. She stated that all applications had been processed and that 44 applications were currently on hold whilst awaiting further information from the applicant.

Members were informed that there were no significant changes to the electoral nomination pack as a result of the Elections Act 2022. The Elections Corporate Delivery Manager explained that there would be a briefing for candidates and agents in late February which would provide detail on the nominations pack, any changes, and a guide to completing the form. She explained that the nomination form was available to download from the Electoral Commission website and agreed that an

updated version and Manchester's guide as to how to complete could be circulated to all members.

In response to a question from the Chair, the City Solicitor explained that there were a significant number of staff employed in polling stations on Election Day which meant it would be difficult to train specifically to spot political agents. She stated that the emphasis of training would be on voter ID. She commented, however, that rosettes would be an indication of a political agent or candidate.

In concluding the item, the Chair wished officers luck in delivering the elections in May and the general election.

**Decision:**

That

1. the report be noted;
2. the Elections Outreach Pack be recirculated to all members; and
3. a copy of the candidate nomination form be circulated to all members in advance of the Candidates and Agents Briefing.

**RGSC/24/17 A new Our Manchester Strategy 2025-2035**

The committee considered a report of the Assistant Chief Executive which described the background to and process of creating a new Our Manchester Strategy.

Key points and themes within the report included:

- Providing an introduction and background to the Our Manchester Strategy, which identified aims and objectives for the future of the city and how this would be achieved;
- Progress made against the current Strategy;
- Issues and areas for improvement, which would be included in the new Strategy;
- The development process and timeline for the new Strategy;
- How citywide engagement would be undertaken; and
- Next steps, including an update to all Scrutiny Committees in July 2024 on the outcome of the engagement process.

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

- If the list of high-profile achievements in the report was definitive, and suggesting that being named a UNICEF Child-Friendly City be included;
- If the Strategy could be shared with deaf organisations;
- How the refreshed Strategy would address health inequalities;
- What engagement would be undertaken with educational institutions and businesses;
- How the Strategy would stay relevant for the full 10 years;

- The importance of making residents aware of the Strategy;
- If public engagement would be impacted by the pre-election period;
- If any consideration had been given to colours and fonts in line with accessibility requirements;
- Whether trade unions would be consulted on the refreshed Strategy;
- Noting that the report stated there were 72,000 more workers in Manchester, and seeking clarification on the definition of a worker;
- The sources for statistics included in the report, which differed from Census data;
- Whether the achievements listed in the report were as a direct result of the strategies implemented by the Council or the effect of wider demographic change;
- Requesting that members be provided with a list of the residents groups to be consulted, to ensure a comprehensive list;
- The challenges facing the hospitality and nighttime economy sector and the need to involve these in the development of the refreshed Strategy;
- Whether figures on homelessness included people temporarily living with family or friends; and
- How the consultation would understand and address the importance of balancing the different needs of different communities and groups.

The Assistant Chief Executive stated that the Our Manchester Strategy was an overarching strategy for the city and was being refreshed for 2025-2035. He explained that the Strategy provided a framework for other strategies and policies and included 5 broad themes, which would be redeveloped for the new Strategy. The report highlighted how the city had changed since the implementation of the current Strategy, including successes and challenges which would be included in the refreshed version. He explained that there would be a significant focus on engagement by conversing directly with residents and making use of public activities already planned. A digital survey was ongoing, and engagement would be targeted and inclusive with a strong focus on cultural competency. There would be face-to-face engagement and paper copies of the survey for those without digital access and officers would work closely with Neighbourhoods colleagues and ward members to identify local opportunities and issues. A further report would be brought to the committee in July 2024 with the outcomes of the engagement sessions and the emerging themes for the Strategy, with the draft Strategy scheduled to be considered by the committee in November.

The Chair commented that he had shared the consultation with residents in his ward and had received feedback that this was easy to use.

In response to a question regarding the list of high-profile achievements in the report, the Assistant Chief Executive stated that these were examples rather than an exhaustive list. He also explained that UNICEF and the Child-Friendly City work would be aligned with the new Strategy and meetings had already taken place with officers involved in this work. Activities with Manchester Youth Council, young carers and schools across the city were already planned as part of the public engagement exercise to ensure that young voices were heard.

Officers also agreed to look into creating British Sign Language resources at the request of a member.

The Assistant Chief Executive acknowledged the different health inequalities faced by residents in different areas and of different demographics in Manchester. He explained that addressing these inequalities was the objective of the Making Manchester Fairer action plan and he expected this to be a common theme within consultation responses. He stated that the Strategy would try to summarise the important areas and issues across the city and would help to inform other strategies and action plans, such as Making Manchester Fairer.

The committee was advised that the Council had effective business networks in place already and the Council would work with these to reach and engage with different sectors.

The Strategy and Economic Policy Manager stated that the Strategy would remain relevant because it would be pitched in a meaningful way and would have tangible objectives. He noted that the Strategy needed to have a broad focus with detail on specific areas of work.

Officers acknowledged the need for residents to be aware of the Strategy and its objectives and explained that engagement would be targeted in communities and that consultation events would be held in areas of high footfall, such as shopping centres and libraries in local communities. Work would also be undertaken with partners and the voluntary sector to ensure a wide range of input.

It was confirmed that public engagement on the Strategy could continue during the pre-election period.

The Assistant Chief Executive also advised that there had been some initial thought given to the colours and fonts to be used in the new Strategy. He noted that this would be a slight change from the current Strategy but stated that it was important to maintain the branding of the overall Strategy.

Assurances were also provided that trade unions would be consulted with.

In response to a query regarding the increased number of workers in the city, it was clarified that this referred to the number of jobs created in Manchester since the implementation of the current Strategy, but that this include people who worked in Manchester but were not residents. The Assistant Chief Executive advised that the Census data was viewed as unreliable for the purposes of the Strategy as some citizens were unaccounted for. He advised that figures around employment had been taken from labour market statistics. He explained that in the development of the new Strategy, deep dives would be taken into some areas and an analysis would be undertaken on the impact of the current Strategy.

In response to a request from a member, it was agreed to share a list of residents' groups which would be consulted with. The Assistant Chief Executive also invited members to provide information of any other groups in their areas who might wish to be involved.



A member suggested that officers worked with colleagues in Business Rates to engage with hospitality and nighttime economy businesses during the collection period and the Assistant Chief Executive agreed to consider this with the Business Rates and Work and Skills teams. The Deputy Chief Executive and City Treasurer stated that a link to the consultation could be included in the annual billing communications to businesses.

The Strategy and Economic Policy Manager explained that consultation responses could be broken down by sector to provide greater insight into areas and industries that could be struggling most with the cost-of-living and inflation pressures.

The Assistant Chief Executive advised that the number of households in temporary accommodation mentioned in the report referred to those in Council-administered accommodation but endeavoured to confirm this after the meeting.

Officers acknowledged the possibility of tensions between different themes, but the purpose of the Strategy was to provide a blend of ambitions for the city which would inform different strategies and action plans to address specific issues.

#### **Decision:**

That the Committee

1. notes the report;
2. requests that members be provided with a list of all residents' groups to be consulted with; and
3. requests further information on the source(s) of statistics included in the report.

#### **RGSC/24/18 Revenue Budget Update and Corporate Core Budget 2024/25**

The committee considered a report of the Deputy Chief Executive and City Treasurer which set out the latest forecast revenue budget position and the next steps and provided a high-level overview of the updated budget position.

Key points and themes within the report included:

- After the application of approved and planned savings and the use of c.£17m smoothing reserves in each of the three years, the budget is balanced for 2024/25 and the remaining gap reduced to £29m in 2025/26 and £41m by 2026/27, assuming that savings of £21.4m are delivered next year;
- An overview of financial challenges facing the Council;
- Changes to the budget position following the Autumn Statement and Provisional Local Government Finance Settlement;
- The updated Medium-Term Financial Plan;
- An overview of the service area and priorities of the Corporate Core directorate, including the base budgets for each service area for 2023/24;
- The savings plan for 2024-27 and further options for saving;

- Support for residents;
- ICT investment;
- Workforce implications, including a review of vacant posts, particularly those vacant for longer than 12 months, to determine which should be deleted with the least impact on service delivery;
- Government grants and the income they provide;
- Future opportunities and risks;
- The indicative medium-term budgets by service area; and
- The indicative medium-term budgets by type of spend/income

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

- Commending staff for their work in developing a balanced budget for 2024/25;
- Emphasising the importance of the Household Support Fund (HSF) being continued, despite a lack of confirmation from government;
- Noting that the Council cannot add to its reserves;
- Noting the cumulative loss of budget cuts since 2010;
- How many children on free school meals would be impacted by the end of HSF;
- Recognising the lateness of government finance settlements and the uncertainty that this affords the Council;
- The importance of income generation;
- Requesting further information on the financial position of the airport; and
- How confident the Director of ICT was in being able to recruit to the service.

The Executive Member for Finance and Resources introduced the item and stated that the Government's approach to the Local Government Finance Settlement had been chaotic and only announced just before Christmas. He said the final announcement when announced had resulted in a cut of 84% in the Services Grant and this equated to a £6.1m loss for Manchester. He stated that this had resulted in an outcry from local authorities and MPs from all political parties. He stated that this situation needed to be understood in the context of fourteen years of austerity and Government funding cuts and unfunded pressures such as inflation and population growth.

The Executive Member for Finance and Resources added that the Government then swiftly announced an additional £500m for Social Care, however Local Authorities were still facing a £4bn budget gap nationally, resulting in a number of Local Authorities serving a Section 114 notice and it was anticipated that more would follow. He commented that despite this, Manchester had set a balanced budget and this had been achieved through diligent planning and management that had witnessed the strategic investment in preventative initiatives; using financial reserves prudently and investment in activities that were important for Manchester residents.

The Executive Member for Finance and Resources stated that although Manchester had been able to deliver a balanced budget this year, the Council's financial position is expected to become even more challenging. The projected budget gap, even after using reserves for 25/26 was £29m in 2025/26 and rising to £41m by 2026/27.

The Executive Member for Finance and Resources concluded by stating that the Government had continually failed to listen to Local Authorities.

The Deputy Chief Executive and City Treasurer confirmed that Key Decisions relating to the collection fund had been made and that the final Finance Settlement has been received from government, meaning that the overall budget position was confirmed.

She explained that the Finance Settlement contained a £1.5m return of the Council's share of the business rates levy relating to 2023/24 and would be reported in the Global Monitoring report. There was also a slightly higher than expected increase in public health grant of £1.265m which would be passported to Public Health and £5.5m from the Social Care Grant, which would be used to fund growing pressures across social care and to ensure the right preventative measures were in place.

She stated that, since November, in the absence of any additional Government funding being available, the Council had to identify an additional £10m from reserves and one-off funding since to meet the rising costs of social care. She stated that whilst the extra £5.5m grant was helpful, it was not sufficient to meet those additional costs but would reduce the overall drawdown on reserves which would be required to support the gap in 2025/26 and beyond. It was stated that there was no guarantee that this additional grant would continue beyond 2024/25 and the Council needed to plan beyond then and would continue to press for a more sustainable funding solution for children's and adult's social care.

It was also confirmed that the £110k increase in the services grant would be used to support the inflation provision.

The Deputy Chief Executive and City Treasurer confirmed that the Council would set a balanced budget for 2024/25 but stated that she, like many in local government, remained very concerned about the position for 2025/26 and beyond.

In response to queries regarding the Household Support Fund (HSF), the Executive Member for Finance and Resources echoed comments and stated that the government failed to recognise that the cost-of-living crisis was ongoing for many residents. He stated that the Council would use some of its own funds to mitigate the loss of HSF but it would be unable to continue providing free school meals for children. The Directorate Head of Finance confirmed that this would affect around 40,000 children.

The Executive Member for Finance and Resources confirmed that the Council's general reserve fund could not decrease lower than £25m and reiterated the need to be financially prudent. He echoed comments regarding the cumulative impact of budget cuts since 2010 and commented on the impact of this on residents, citing pressures on home-to-school transport as an example of this.

In response to a member's point regarding the need to begin work on the budget process sooner as a result of government's failure to provide settlements in a timely manner, the Deputy Chief Executive and City Treasurer explained that officers took a long-term approach to devising the budget and that work for next year's budget would

begin in April 2024. The Executive Member for Finance and Resources also called for multi-year finance settlements from central government.

The Deputy City Treasurer explained that the Council received £120m from sales, fees and charges and stated that the Council tried to keep fees incurred directly by residents' low. He highlighted that these fees and charges were used to support frontline services.

In response to a question regarding the return on investment in Manchester Airport, the Deputy Chief Executive and City Treasurer stated that she could not comment on this given the sensitive nature of regulated business. She explained that the Medium-Term Financial Plan did not account for this return.

The Director of ICT recognised challenges in recruiting to the service and explained that significant work had been undertaken to recruit and retain staff, including amending job descriptions; advertising more widely; and ensuring opportunities for progression.

**Decision:**

That the report be noted.

**RGSC/24/19 Housing Revenue Account 2024/25 to 2026/27**

The committee considered a report of the Strategic Director (Growth & Development), Strategic Director (Neighbourhoods) and Deputy Chief Executive and City Treasurer which presented details on the proposed Housing Revenue Account (HRA) budget for 2024/25, and an indication of the 2025/26 and 2026/27 budgets.

Key points and themes within the report included:

- Providing an introduction and background to the HRA and the Council's statutory duty;
- The current year's budget position at period 9;
- The Budget Strategy for 2024/25-2026/27;
- Current budget assumptions;
- A proposed rent increase of 7.7% for 2024/25;
- Management of the housing stock and property numbers;
- Repairs and maintenance;
- The forecast overall reserves position at the start of 2024/25;
- The key assumptions used to develop next year's budget; and
- The outlook for the 30-year HRA business plan in light of the budget proposals.

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

- Changes to legislation regarding fire assessments in buildings over 11 metres in height;

- The cap on the number of existing properties that the Council can purchase directly;
- Whether any consideration had been given to moving from communal to individual heating sources;
- If maintenance works were included as part of garage leases;
- Recognising that some money would have been wasted as a result of miscommunication between different trades providing repairs;
- Increases in the number of disrepair claims;
- Recognising how the HRA was constantly put under strain by central government introducing new regulations without providing additional funding; and
- Welcoming increased engagement with residents and suggesting that these groups be engaged with as part of the refreshed Our Manchester Strategy.

The Executive Member for Housing and Development explained that the HRA was used to fund works such as retrofitting; developing new homes; implementing fire and building safety regulations; and estate management. He informed the committee that rents would increase from April 2024 in line with the government policy of Consumer Price Index (CPI) plus 1%, which was 7.7%. He stated that the Council set aside £1m in 2023/24 to support residents with rent increase and the cost-of-living crisis and that £300k would be set aside for 2024/25 to continue helping ease financial pressures for residents.

In response to a question regarding recent changes to fire safety legislation, the Executive Member for Housing and Development acknowledged that the changes were required following the Grenfell tragedy. He stated that the Council managed a number of high-rise properties over 11 metres and that cladding and sprinklers had been assessed. He stated that further certainty and clarity was required and the Council would continue to monitor the regulations closely.

The Executive Member for Housing and Development recognised the need to build the Council's housing stock, which had reduced due to Right-to-Buy schemes and cited recent new-build developments in Collyhurst and Newton Heath. He explained that the HRA was used to purchase existing properties and buy-backs from Right-to-Buy properties where applicable.

The Directorate Head of Finance explained that a cap on the number of existing properties that the Council could buy came into effect in 2022/23 and intended to encourage a new supply of housing. He stated that this was a phased reduction of 50% of stock in 2022/23-2024/25 and would reduce to 40% and 30% in subsequent years. He explained that the cap did not have an immediate impact on the Council's housing stock given recent and planned developments, but it would be reviewed as the phased reduction continued.

The Director of Housing Operations informed members of a government inquiry into the financial sustainability of delivering social housing and he looked forward to the recommendations arising from this.

It was also stated that the Council had embarked on a comprehensive stock condition survey of every social housing property.

The Director of Housing Operations also confirmed that responsibility for the maintenance of garages leased by the Council would be stipulated within individual contracts but funding for repairs was taken from the HRA.

Members were also advised that a new engagement strategy had been devised to improve communication with residents, which included a focus on resident experience and repairs. The Director of Housing Operations stated that recent feedback had commended improvements in communication, which the committee welcomed. He also stated that there was a 13% year-on-year increase in satisfaction with repairs.

In response to a query regarding increases in the number of disrepair claims, the Director of Housing Operations stated that the Council was not an outlier in this area. He stated that there was a significant investment programme for home improvements and that it was prudent to have provisions for disrepair claims. He commented that the Council worked with residents and awarded compensation where appropriate.

The Executive Member for Finance and Resources echoed a member's comment about the strain placed on the Council and the HRA by the policies and regulations imposed by central government without any additional funding to implement these changes. He stated that it was the right thing to maintain the HRA when many local authorities did not, but that this led to challenges. He also stated that he would lobby a future government to commit to providing additional funding for social housing.

The Deputy Chief Executive and City Treasurer stated that the HRA was intended to be self-financing, but this concept had been undermined by the depletion of housing stock and the inability to replace; requirements around regulation changes and the associated costs of this; and the impact of inflation and the rent cap. She stated that these challenges meant there would need to be difficult trade-offs in what could and could not be afforded in future years. She reiterated, however, that statutory requirements would be prioritised.

**Decision:**

That the report be noted.

**RGSC/24/20 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.

In response to a member's query regarding an update on the Our Town Hall project, the Deputy Chief Executive and City Treasurer reaffirmed a commitment to providing an update to the committee in the new municipal year. The Chair also requested an update on Factory International in the new municipal year.

**Decision:**

That

1. the report be noted, and
2. update reports on Our Town Hall and Factory International be added to the committee's 2024/25 work programme.