

**Manchester City Council
Report for Information**

Report to: Economy Scrutiny Committee – 16 July 2019

Subject: Delivering the Our Manchester Strategy

Report of: Executive Member for Finance and Human Resources

Summary

This report provides an overview of work undertaken and progress towards the delivery of the Council's priorities as set out in the Our Manchester Strategy for those areas within the portfolio of the Executive Member for Finance and Human Resources

Recommendations

The Committee is asked to note and comment on the report.

Contact:

Name: Councillor Carl Ollerhead
Position: Executive Member for Finance and Human Resources
Telephone: 0161 234 3350
E-mail: cldr.c.ollerhead@manchester.gov.uk

1. Introduction

- 1.1 The Our Manchester Strategy was formally adopted by the Council in January 2016 and sets the ambitions for the city for the next ten years, to 2025, for Manchester to be:
- Thriving – creating great jobs and healthy businesses
 - Filled with talent – both home-grown talent and attracting the best in the world
 - Fair – with equal chances for all to unlock their potential
 - A great place to live – with lots of things to do
 - Buzzing with connections – including world-class transport and broadband
- 1.2 Executive Members are collectively and individually responsible for supporting the delivery of the Our Manchester Strategy and for providing political oversight and direction to officers for the better outcomes for Manchester residents. In May, the Executive published its collective political priorities in the Labour Party's Our Manchester Manifesto. Individual Executive Members, all of which are aligned to the Our Manchester Strategy have aligned their priorities to the manifesto.
- 1.3 This report sets out how I, as the Executive Member for Finance and Human Resources, aim to update Committee on work since my last report and inform the Committee of my priorities over the next 12 months. This is the first of a twice yearly report to this Committee this Municipal Year, with reports being submitted to Scrutiny Committees at their July and January (2020) meeting.

2. Executive Member for Finance and Human Resources

- 2.1 As the Executive Member for Finance and Human Resources, I have responsibility for the Council's Finances, Budget, Council Tax & Benefits, Resource Procurement, Performance, ICT, Capital, Capital Programmes, Social Value and Digital Transformation.
- 2.2 In addition to being the lead portfolio holder in the above areas, I also sit on the board on some of the Council's other major projects. Such as:
- Town Hall Transformation (OTH board)
 - The Factory
 - MCDA (Manchester Creative Digital Assets)
 - MHCC Finance Board
- 2.3 In line with the 2019 Manifesto and the Our Manchester Strategy, I will be responsible for delivering the above with an emphasis on the following priorities:
- Delivering the Final year of the budget settlement focusing on Our Manchester Objectives;

- Social value and best value for money;
- Ensuring we protect Manchester Residents against the cuts; and
- Supporting HR deliver the objectives of Our People Strategy.

3. Objectives over the Next 12 Months

Budget

- 3.1 In March 2017 the Council set its three year budget based around the Central Government allocation which removed a further £35m from Council resources over this period. This is in addition to the previous round of cuts which started in 2010 with the coalition government. In total over the last 8 years the council has lost c£350m in real terms. With a growing population and a national shortfall in local government resource, including Health and Social Care, this has put pressure on the Council's budget.
- 3.2 If we are to deliver the Manifesto it is imperative that we ensure the 3 year budget plan is delivered. The Manifesto is ambitious but more importantly it reflects the priorities Manchester residents have asked of us.
- 3.3 I reported to committee 12 months ago a projected overspend in the budget of £13.7m. However, in June the Audit Committee and Executive received the Revenue Outturn Report that reported an overspend of £293k. Whilst this was a huge improvement, there is still significant budget overspends in Children's Services (£7.022m overspend), Adult Services (£3.225M overspend) and Homelessness/welfare reforms (£1.068m overspend).
- 3.4 Whilst work is underway to ensure this year's budget is balanced, budget pressures on those Directorates mentioned still remain, mainly due to demand for services remaining high and complex. Unfortunately, looking forward to next year's budget also remains complex due to government stagnation over Brexit. It will be later on in the year before we know any information on the Spending Review, Fair Funding Review and the Business Rates Retention review meaning setting the Medium Term Financial Plan (MTFP) and budget for future years is becoming increasingly more difficult.

I will be leading the work with the City Treasurer and other members of the Executive to plan as effectively as possible for a budget for 2020/21 and the following years.

Social Value and Ethical Procurement

- 3.5 Manchester has one of, if not the best Social Value (SV) and Ethical Procurement policy in the country, with a SV procurement weighting of 20% alongside that of cost and quality. This is the highest of all authorities. Over the last 12 months I have driven our SV agenda putting this at the forefront of everything the Council does.

- 3.6 In my last OMS update report to Committee, I said I was aiming to drive forward our ambition to become Living Wage accredited. Since then we have worked with the Living Wage Foundation and last month Executive approved an application for accreditation. In addition to this over the last 12 months we have also worked with Trade Unions and others to strengthen our ethical procurement policy signing up to The Co-Operative Party Charter Against Modern Slavery, Unite Construction Charter and the Unite Charter on Ethical Employment in the Voluntary and Community Sector.
- 3.7 Whilst communication around SV and our achievements is still not as robust as it should be, we have over the last 12 months had some success, mainly from the SV annual conference and the takeover day. Case studies have proven to be the most successful, and moving forward it is how we capture these throughout the management of a contract.
- 3.8 One of the weaker aspects of the Council's procurement is contract monitoring/management. This is typical of almost all of the public sector, however, this is something that is a Council priority and over the next 12 months my focus will be on how we can make improvements to this.

Ensuring we stand up for Manchester Citizens

- 3.8 Since the Lib-Dem Tory Coalition in 2010 central Government have made poor people poorer, and put those most in need of support at risk. The 2017 Budget consultation made it clear that residents of the city wanted the Council to prioritise how we look after certain groups in our city, and in the Our Manchester approach the 2018 Labour Party Manifesto reflected this. We are all responsible for delivering this vision, however, as previously mentioned, certain manifesto priorities fall within the relevant portfolio holders brief.
- 3.9 The main role in the Manifesto for the Executive Member for Finance and HR is supporting other executives to deliver their priorities. However, one of the areas I have responsibility for is Revenue and Benefits. My focus in this area will be looking at how we mitigate against the issues arising from the failed Universal Credit (UC) roll out. Whilst we cannot mitigate against the full impact of the welfare reforms I am looking at how we use our resources to target additional support where it is most needed. Committee will remember that last year as part of the budget we set, I introduced a new Empty Property tax, which will bring properties back into use but the revenue raised will be ring fenced for those who need support under the failed UC system. This is its first year and how successful this pilot is will be known later in the year.

Supporting HR deliver the objectives of Our People Strategy

- 3.10 As Committee is aware last year the Director of HROD moved on to become the Deputy Chief Executive at Bury Council. This post has now been filled by the Interim Director of HROD, Helen Grantham.
- 3.11 Whilst there are a number of priorities for HR, my immediate focus will be recruiting for the vacancy of this post, this we hope should be completed by the end of August.
- 3.12 Since the last report to Committee, the results from the BeHeard Survey have been analysed and whilst overall staff satisfaction is up, there still remains some concerns. As reported at the HR Sub Group these are being addressed through a number of staff engagements and conversations. Over the next 12 months I will be working with the Chief Executive, Deputy Chief Executive and the new Director of HR to address some of these concerns. Alongside this the Council is currently looking at the diversity of the workforce.
- 3.13 Since the start of austerity, Council employees have continued to support the city and residents with a reduced workforce and much less resource, so over the next 12 months I will continue to look at how we can support our staff and improve the offer to work here at the Council.
- 3.14 One of these initiatives will be launched in August, which is a new Credit Union product for Council staff that is an alternative to payday loans. The difference in charges is significant if staff are currently using some of the private payday loan companies. Although this is due to be launched across the rest of the Council later in August, a soft launch with a group of staff in Revenues and Benefits, the Shared Service Centre, the Customer Service organisation and Parking will take place first. The loans will be accessed via the online Portal.
- 3.15 The Council has a great staff wellbeing offer and access to support, and has just extended our contract with Health Assured which staff have found useful. We must continue enhancing our staff wellbeing offer to help improve attendance and drive down absence.
- 3.16 Staff attendance will also remain a focus and along with a completion of return to works.
- 3.17 Last year the Council had a huge success in its apprenticeships, exceeding all of the Councils targets with the exception of our schools. We are hoping to build on this and find how we can ensure schools to do more around this.

4. Conclusion

- 4.1 The report has detailed some of the activities I have undertaken in the last 12 months, but whilst not an exhaustive list it also sets out some of the priorities I will

be undertaking over the coming 12 months. The ultimate priority is unequivocally ensuring that we get the best deal for Manchester residents and allow them to partake in the city's success.