

Minutes of: **OVERVIEW AND SCRUTINY COMMITTEE**

Date of Meeting: 3 July 2025

Present: Councillor D Vernon (in the Chair)
 Councillors M Rahimov, A Arif, T Pilkington, D Green, T Rafiq,
 E Moss, C Birchmore and G Marsden, J Rydeheard

Also in attendance: Councillor S Thorpe, Cabinet member for Finance and
 Transformation
 Neil Kissock Director of Finance
 Jacqui Dennis Monitoring Officer, director
 Councillor R Bernstein, Councillor M Smith

Public Attendance: No members of the public were present at the meeting.

Apologies for Absence: Councillor J Southworth

OSC.55 APOLOGIES

Apologies noted above

OSC.56 DECLARATIONS OF INTEREST

There were no declarations of interest.

OSC.57 PUBLIC QUESTION TIME

There were no public questions.

OSC.58 MEMBER QUESTION TIME

Councillor Bernstein submitted a question in advance of the meeting, along with Councillor M Smith attended and asked a question

Councillor Bernstein raised concerns about the deteriorating financial position, particularly the variance between Quarter 3 and Quarter 4. In response, it was acknowledged that there is indeed concern regarding the outturn position.

However, members were assured that work is actively underway to address the issues. Actions are being implemented through the Finance Board and the Member Assurance Group, with support from external partners. Cabinet will also be receiving regular updates. While the concern is valid, measures are in place to mitigate the risks and improve the financial outlook.

Councillor Smith asked about the accuracy of quarterly forecasting and what steps are being taken to improve it.

It was acknowledged that there have been issues with financial reporting in previous quarters. Members were reassured that improvements are being made to enhance both the confidence in and accuracy of forecasting, and further detail on these improvements will be provided. Neil

added that the introduction of a zero-based budget revision is placing the council in a stronger position to balance both in-year and future budgets more effectively.

A follow-up question was raised regarding which services are currently at risk and how confident members can be in the accuracy of savings projections.

In response, it was noted that while some services are under pressure, the revised budgeting approach and enhanced forecasting processes are expected to provide greater accuracy and confidence in identifying and securing savings. The council is now in a better position to manage risks and protect key services.

OSC.59 MINUTES

That the minutes of the meeting held on 4th June 2025 be approved as a correct record and signed by the Chair. The minutes were approved, however an action taken from the previous meeting a response is below.

This related to a question asked by Councillor Birchmore around the sale of Humphrey House. It appears that there no social rent apartments delivered on the site. It is proposed that Humphrey House will be sold at market value to a developer for the delivery of a Build to Rent (BtR) scheme comprising 74 residential apartments, including 15 affordable private rent apartments (20%), which will be allocated to applications registered on the Council's Affordable Housing Scheme.

OSC.60 FINANCE OUTTURN POSITION 24/25 UPDATE

The meeting began with Councillor Thorpe, Cabinet Member for Finance and Transformation, presenting an overview of the Outturn Report. He highlighted a 2% overspend on the revenue budget, with a significant £3.6 million overspend in Adult Social Care (ASC). He acknowledged that while some of this was mitigated by savings in other departments (£6.3 million), concerns remained about the sustainability of the budget, especially with reserves running low and a forecast funding gap for 2025/26.

Councillor Moss raised concerns about the recurring nature of the Adult Social Care (ASC) overspend, questioning whether the issue was likely to continue. Councillor Thorpe responded that the recurrent element had already been reduced and that savings models were being developed. He attributed part of the problem to implementation challenges with the Controc system, a lack of best practice, human error, and the impact of local-level budget reductions.

Will Blandamer added that although ASC had broadly balanced its budget over recent years, the size and complexity of the overall budget made it difficult to track changes accurately. He explained that the issue stemmed from how joint care packages were recorded and reconciled between systems, and noted that training had been delivered to address this.

Adrian Crook highlighted that new data control checks had been introduced and that significant efficiencies had been identified over the past few years. He assured the committee that a robust savings programme was in place, supported by external consultants.

Councillor Marsden asked whether the issue was recurrent. Neil Kisson confirmed that the £4 million gap was current and recurrent, but the specific error was not expected to recur due to system improvements. Councillor Thorpe emphasized that the reporting had been inaccurate, but a thorough diagnostic had been conducted, and new oversight mechanisms were now in place.

Councillor Rydeheard asked how confident the team was in delivering the required savings. Neil Kissock responded that savings delivery was now a standing agenda item and that significant savings were expected from SEND transport reforms. Councillor Birchmore questioned whether the ASC overspend would affect other council services. Councillor Thorpe reassured members that the overspend had already decreased and that regular reviews were in place to maintain oversight.

Councillor Pilkington inquired about school transport innovation. Councillor Thorpe acknowledged the pressure but noted that the council was exploring more efficient delivery models. Neil Kissock added that route optimization was being reviewed in collaboration with Transport for Greater Manchester (TfGM).

Councillor Moss asked about the insurance fund reserve. A written response clarified that the reserve is used for self-insurance and managing liabilities, with actuarial advice from Gallagher's and oversight from external auditors. Further questions from Councillor Moss and others explored whether all directorates were under pressure to deliver savings. Councillor Thorpe confirmed that savings were being sought across the council, with a focus on consistency and best practice.

Councillor Rydeheard raised concerns about planning fee increases and their impact on residents and businesses. Neil Kissock explained that the increase was intended to boost capacity and was in line with government policy. On capital spending, Councillor Moss asked about the shortfall in predicted spend. The response clarified that the capital programme is multi-year and subject to delays. Major slippages were noted in the Radcliffe Hub, Bury Flexi Hall, Prestwich Travel Hub, and school infrastructure projects. These delays were attributed to legal, planning, and procurement issues. A re-profiling of the capital programme is planned, with a more realistic annual spend target of £60 million.

Councillor Birchmore asked whether any major projects would be dropped. Officers confirmed that while delays were expected, the projects were still progressing. Councillor Green questioned the high agency costs and recruitment challenges. Councillor Thorpe acknowledged the issue, citing national workforce shortages and the appeal of agency work. He emphasized the council's efforts to grow its own workforce and improve stability, particularly in children's services.

Councillor Rydeheard asked about the decline in reserves and whether there was a long-term strategy to reduce reliance on them. Councillor Thorpe stated that a three-year settlement was expected, and that the council was already 93% of the way through its savings programme. Neil Kissock added that the budget stabilisation reserve was being used strategically, and that further savings were being pursued through ZBB and fairer funding consultations. Councillor Pilkington asked whether reserves could be creatively invested in assets like art. Neil Kissock responded that while such investments could appreciate over time, they were not a reliable or timely solution for financial stability.

Finally, Councillors Marsden and Rydeheard raised questions about the financial implications of project slippage in Radcliffe, particularly the Cyclops junction. Officers committed to providing a detailed breakdown of costs and funding sources. Concerns were also raised about PSV funding and the risk of not meeting Department for Education targets. Neil Kissock acknowledged the risk but noted that the council was not currently at risk of losing this funding.

Councillor Thorpe concluded by emphasizing that the council's focus must remain on outcomes for children and maintaining service quality, despite financial pressures.

It Was agreed:

- The report and update be noted

OSC.61 URGENT BUSINESS

There was no urgent business.

COUNCILLOR D VERNON

Chair

(Note: The meeting started at 7.00 pm and ended at 9.15 pm)