

Minutes of: **OVERVIEW AND SCRUTINY COMMITTEE**

Date of Meeting: 9 December 2025

Present: Councillor (in the Chair)
 Councillors D Vernon, M Rahimov, A Arif, T Rafiq, E Moss,
 C Birchmore, G Marsden, J Harris and G Staples-Jones

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

Apologies for Absence: Councillor J Southworth and Councillor D Green

OSC.78 APOLOGIES

Apologies are noted above

OSC.79 DECLARATIONS OF INTEREST

There were no declarations of interest.

OSC.80 PUBLIC QUESTION TIME

There were no public questions.

OSC.81 MEMBER QUESTION TIME

There were no Member questions.

OSC.82 MINUTES

That the minutes of the meeting held on 25th November 2025 be approved as a correct record and signed by the Chair.

OSC.83 DRAFT 2026/27 REVENUE BUDGET

A written report from Councillor Thorpe, Deputy Leader and Cabinet Member for Finance and Transformation, was circulated ahead of the meeting. The Chair invited Cllr Thorpe to present a brief overview of the report.

Cllr Thorpe outlined the latest budget position. He reported that the forecast funding gap at the time of reporting was £9.6m. Since quarter one, additional spending pressures of approximately £4m had emerged, notably from inflation and the National Living Wage, which were impacting staffing costs and adult social care. Coupled with rising demand pressures in both children's and adults' services, the overall gap at points in the year had risen towards c.£16m before mitigation. A zero-based budgeting exercise had been undertaken in a more forensic manner than previously, identifying both pressures and opportunities. To date, the Council had identified around £8.5m of savings, particularly around commissioning and within the Place Directorate, with further work under way to establish delivery detail. Members were advised that the local government finance settlement was expected on 17–18 December, and until the final figures were known the Council was prudently presenting a one-year MTFS.

Cllr Birchmore asked about the funding review referenced on page 16 and how confident officers were that the assumptions would be met. In response, Cllr Thorpe reiterated that the settlement was expected around 17–18 December and that, based on professional judgement and triangulation across several sources, current assumptions remained appropriate pending confirmation. Cllr Birchmore queried whether the National Insurance contributions funding from government was a one-off and not to be repeated in the current year. Cllr Thorpe advised that the working assumption was that fair funding and related elements would be amalgamated within the wider settlement. When asked whether the Council would be “better off” after the settlement given the new pressures, Cllr Thorpe stressed the scale of the pressures across the budget.

Cllr Moss referred to recommendation 8 and sought clarity on the consultation process: who was being consulted (public or staff) and what would happen after the consultation, noting paragraph 10 regarding the remaining budget gap and potential further budget reductions. Cllr Thorpe urged all members to participate, explaining that the consultation was open to anyone living in Bury as well as to staff. He distinguished between operational management decisions and policy choices with wider community impact, noting that the consultation aimed to encapsulate potential proposals from across the three directorates in accessible terms. Cllr Moss recorded that the consultation was running until 19 January. Cllr Vernon asked whether suggestions made during consultation that proposed alternatives to budget measures would be actively considered. Cllr Thorpe confirmed that the Council could not set the full budget until the settlement was received but was keen to hear residents’ and staff views and would listen to further proposals.

The Executive Director of Finance, Neil Kissock, added that consultation feedback would be collated in the new year and considered alongside any further proposals when setting the budget. Where consultation necessitated specific changes or additional proposals, these would be brought forward accordingly.

Cllr Moss sought clarification on the financial table at page 11 (paragraph 21), stating they did not understand the outturn and the figure on the bottom line in relation to the funding position. Cllr Thorpe explained that the table presented projections to year-end and noted that there appeared to be an error in the report table which would be corrected.

Cllr Harris asked about the potential impact of a new funding formula, expressing concern at the draw on reserves and the realism of closing the gap without structural change, while hoping the funding formula might assist. Cllr Thorpe advised that, following the next year’s Budget Council, the Council would need to sustain a strategic focus on the most impacted areas—children’s services, adult social care, and temporary accommodation. He referenced work already under way, including exploration of building Council-run children’s homes due to insufficient foster carer capacity, and efforts to “step down” children where appropriate. He cautioned that, while work continued, the demand trajectory had not yet turned. In adult social care, savings were being pursued through outcomes-focused practice and the zero-based budgeting exercise, recognising the high stakes involved given vulnerable service users.

On workforce costs, Cllr Harris highlighted agency staffing as a significant pressure and asked how reliance could be reduced. Cllr Thorpe said higher-than-average costs would need clear justification and that, in children’s social care in particular, excessive agency use could drive poorer outcomes as well as higher costs. He reported that well over 80% of the children’s workforce was now permanent, which was positive, but accepted there remained areas where agency use was still necessary and required a robust approach.

Cllr Staples-Jones commented on the cultural challenges and asked whether officers felt confident about achieving the required savings. Kate Waterhouse executive director strategy

and Transformation responded that she was well aware of the Council's needs and emphasised the importance of closing the gap while exploring invest-to-save opportunities. Cllr Thorpe supported this view, noting that the sector faced significant challenges and that cultural change was difficult to achieve quickly. Cllr Staples-Jones raised concerns about responsiveness to complaints; Cllr Thorpe confirmed that the Member Assurance Group had been established to underpin improvements.

Cllr Rahimov referred to page 10 and queried the overspend on children's home-to-school transport, asking what actions were planned to address demand without compromising safeguarding. Cllr Thorpe said work was ongoing at GM level to improve commissioning and management. Cllr Rahimov requested further information when this work was underway (Action). He also expressed frustration about difficulties automating payments for this service; Cllr Thorpe noted that TfGM was being lobbied by all GM councils and this work needed to continue. Cllr Vernon asked whether economies of scale through TfGM were being considered.

Cllr Arif asked about treasury management assumptions and the impact of interest rate fluctuations. Neil Kissock explained that impacts could be positive or negative depending on business rates and short- and long-term interest rates, and highlighted opportunities arising from debt management. Cllr Moss queried paragraph 38 and the figures at 9.612, noting that paragraph 21 had originally forecast a £5.8m shortfall and £4.1m overspend, and asked what had changed. Cllr Thorpe explained that the structural gap for the three-year MTFS remained, but assumptions and demand pressures had shifted. Neil Kissock confirmed that the £9.6m position reflected updated demand pressures and additional growth assumptions, with trend analysis factored in for 2026–27.

Further discussion covered the fair funding formula, business rates reset, and council tax assumptions. Cllr Arif asked about the proposed 4.99% council tax increase and its justification. Cllr Thorpe confirmed this was the maximum permissible without a referendum. Neil Kissock added that all treasurers recommended this increase to maintain core spending power, noting improved collection rates and that Bury had the largest increase across GM.

Cllr Arif asked whether payments would be recovered through benefits and DWP; Neil Kissock confirmed that council tax discount and support schemes were in place. Cllr Birchmore queried the pay award assumptions (page 16), noting a 3% figure; Cllr Thorpe said negotiations with unions were ongoing and that a higher award would not be viable. Neil Kissock confirmed that the national pay agreement would determine the final position. Cllr Marsden asked about recommended business rate increases; Neil Kissock referred to the business rate reset and future allocation changes.

Cllr Vernon asked for a recap on reserves and the implications if they fell below target. Neil Kissock advised that uncommitted reserves stood at just under £20m, but once reserves were exhausted there would be no fallback. He stressed that while Bury was not in the same position as some councils, the budget gap and future years' pressures required careful management.

It Was Agreed/ Actions

- The Committee noted the update and the discussion
- Further information on GM-level work on home-to-school transport commissioning to be provided at a later date

A report from Councillor Thorpe, Deputy Leader and Cabinet Member for Finance and Transformation, was circulated ahead of the meeting. He provided a brief overview, explaining that the Council had received an unfavourable audit report and had developed an improvement plan in response. He noted that the work undertaken so far had already strengthened governance arrangements and created more robust decision-making structures.

Councillor Moss referred to page 31 of the report and asked about the workshop held in August. He queried the extent to which the outputs from that workshop were influencing the work of the Governance Boards, and whether the existence of multiple boards was genuinely improving the efficiency of decision-making or instead creating additional delays. In response, Councillor Thorpe reported that six-monthly reviews had been completed and that information from the Health and Safety Sub-Board showed that the new arrangements were not adding delays. Instead, they were elevating the quality of decision-making and providing stronger assurance. He emphasised that improvement is not a one-off exercise and that there remain areas of process that must continue to develop to improve outcomes for residents. He added that the time invested in the boards is an investment in better governance, and that the boards have already addressed key gaps and will continue to adapt as needed.

Councillor Moss then referred to Appendix 1, noting that many items on the tracker appeared to be marked as complete. He questioned whether this implied that the improvement plan was effectively finished, and how useful the tracker remained if the majority of its actions had already been delivered. Councillor Thorpe responded that although much progress had been made, the plan itself should not be seen as the final stage of improvement and further development work is expected.

Jacqui Dennis monitoring officer added that the boards are integral to ensuring good and efficient decision-making. She explained that the improvement plan had been put in place to address specific weaknesses identified during the audit, and that the boards now provide strong oversight, inputting at the right stages of the decision-making process. She confirmed that further work is expected to feed into the boards and that this will continue to align closely with Cabinet activity.

Councillor Moss asked whether there would be a further improvement plan in the future, noting that much depends on the findings of the external auditors when they return. Councillor Thorpe stated that the broader aim is to deliver better services for residents and that this work continues regardless of audit cycles.

Councillor Vernon asked whether the improvement plan would end once the auditors return or if the work would continue. Councillor Thorpe noted that some of the auditor's conclusions may be subjective and that further action might still be required depending on their assessment.

The committee acknowledged the progress made so far and the continuing work to strengthen governance and decision-making across the organisation.

It Was agreed:

- Update be noted

OSC.85 URGENT BUSINESS

There was no urgent business.

COUNCILLOR
Chair

(Note: The meeting started at 7.00 pm and ended at 10.00 pm)