AGENDA FOR

OVERVIEW AND SCRUTINY COMMITTEE

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To: All Members of Overview and Scrutiny Committee

Councillors : J Rydeheard (Chair), J Southworth, M Rahimov, T Pilkington, L Ryder, A Chaudhry, N Bayley, S Haroon, C Birchmore, J Sheppard and J Roith

Dear Member/Colleague

Overview and Scrutiny Committee

You are invited to attend a meeting of the Overview and Scrutiny Committee which will be held as follows:-

Date:	Tuesday, 8 September 2026
Place:	Council Chamber, Bury Town Hall
Time:	7.00 pm
Briefing Facilities:	If Opposition Members and Co-opted Members require briefing on any particular item on the Agenda, the appropriate Director/Senior Officer originating the related report should be contacted.
Notes:	

AGENDA

1 APOLOGIES

Members of Cabinet are asked to consider whether they have an interest in any of the matters of the Agenda and, if so, to formally declare that interest.

2 DECLARATIONS OF INTEREST

Members of the Overview and Scrutiny Committee are asked to consider whether they have an interest in any matters on the agenda and, if so, to formally declare that interest.

3 PUBLIC QUESTION TIME

A period of 30 minutes has been set aside for members of the public to ask questions on matters considered at the last meeting and set out in the minutes or on the agenda for tonight's meeting.

4 MEMBER QUESTION TIME

Questions are invited from Elected Members about items on the agenda. 15 minutes will be set aside for Member Question Time, if required.

5 MINUTES *(Pages 5 - 14)*

Minutes from the meeting held on 16th July 2026 are attached.

6 FINANCE Q1 *(Pages 15 - 54)*

Report of the Deputy Leader and Cabinet Member for Finance and Corporate Services is to follow.

7 2025/26 TREASURY OUTTURN REPORT *(Pages 55 - 80)*

Report of the Deputy Leader and Cabinet Member for Finance and Corporate Services is to follow.

8 AWARD OF EVCI GM CONTRACT TO INSTALL EV CHARGEPOINTS THROUGHOUT BURY PART A *(Pages 81 - 88)*

Report of the Deputy Leader and Cabinet Member for Environment, Climate Change and Operations is attached.

9 EXCLUSIONS FROM PRESS AND PUBLIC

10 AWARD OF EVCI GM CONTRACT TO INSTALL EV CHARGEPOINTS THROUGHOUT BURY PART B *(Pages 89 - 92)*

11 URGENT BUSINESS

Any other business which by reason of special circumstances the Chair agrees may be considered as a matter of urgency.

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Agenda Item 5

Minutes of: **OVERVIEW AND SCRUTINY COMMITTEE**

Date of Meeting: 16 July 2026

Present: Councillor J Rydeheard (in the Chair)
Councillors J Southworth, M Rahimov, T Pilkington, A Chaudhry, N Bayley, S Haroon, C Birchmore, J Sheppard and G Martin

Also in attendance: Kate Waterhouse Executive Director Strategy and Transformation
Neil Kissock Director of Finance
Sian Grant Director of Housing
Councillor S Thorpe Cabinet Member for Finance and Corporate Services
Councillor A Arif Cabinet Member for Housing
Jacqui Dennis Director of Legal and Democratic Services
Josh Ashworth Democratic Services

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

Apologies for Absence: Councillor L Ryder and Councillor J Roith

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OSC.110 APOLOGIES

Apologies stated above

OSC.111 DECLARATIONS OF INTEREST

The following declaration of interest were made…

Councillor Sheppard declared an interest in relation to the Housing Services Update

OSC.112 PUBLIC QUESTION TIME

There were no public questions.

OSC.113 MEMBER QUESTION TIME

There were no Member questions.

OSC.114 MINUTES

That the minutes of the meeting held on 29th June 2026 be approved as a correct record and signed by the Chair.

OSC.115 HOUSING SERVICES UPDATE

The Cabinet Member for Housing Services, Councillor Arif, presented the report and accompanying appendix and provided a brief overview of performance during 2025/26. The report was taken as read.

Councillor Birchmore questioned the decision to commission Housemark to undertake reviews of the Anti-Social Behaviour (ASB) and Complaints Services rather than relying on internal review processes and sought clarification regarding the cost of the exercise.
In response, the Cabinet Member and officers advised that Housemark had been commissioned to provide an independent and objective assessment against nationally recognised housing sector standards and accreditation frameworks. Whilst internal audits and service reviews remained an important component of performance management, the external review provided additional challenge, benchmarking opportunities and independent assurance. Members were informed that a recent internal audit of the complaints service had provided a high level of assurance. The cost of the Housemark reviews was confirmed as £39,995 and the findings would support service improvements and progression towards recognised accreditation standards.

Councillor Birchmore referred to the report's reference to low-level nuisance issues being recorded as tenancy support rather than formal ASB cases and sought clarification regarding the classification process. He further asked whether reported reductions reflected genuine improvements or the reclassification of incidents.
Officers explained that a distinction was made based on whether the behaviour met the threshold for anti-social behaviour. Issues such as noise transference resulting from normal household activity would generally be addressed through tenancy support rather than enforcement action. The Committee was advised that ASB case numbers had not reduced as a consequence of reclassification and had in fact increased due to earlier case logging and improved reporting arrangements. Members were informed that the approach ensured tenants received the most appropriate response whilst allowing enforcement resources to remain focused on genuine ASB.

Councillor Birchmore sought assurance regarding the future of sheltered and extra-care housing following references within the report to a review of existing schemes.
The Cabinet Member advised that sheltered and extra-care housing provision was not under threat. The review was intended to ensure that accommodation remained suitable for meeting future demand and reflected modern standards of accessibility and independent living. Officers explained that some existing accommodation, including bedsit properties and aspects of older extra-care schemes, no longer met the expectations and needs of tenants. The review would inform future investment decisions and support the development of a modern housing offer for older residents.
Councillor Birchmore questioned whether current call-answering performance reflected an acceptable standard of service for tenants.

Officers acknowledged that performance required improvement but advised that waiting times had reduced significantly during 2026/27. Members were informed that recent performance data demonstrated continuing improvement and that the longer-term ambition was for 80% of housing calls to be answered within 60 seconds, in line with widely recognised sector standards.

Councillor Birchmore sought clarification regarding repair completion times and how they compared with other housing providers.

Officers confirmed that the reported target of 20 related to working days and was broadly consistent with performance standards used by other social landlords. Members were informed that average completion times had improved to approximately 21 working days during the first quarter of 2026/27. It was further explained that emergency repairs related to situations presenting an immediate risk to health or safety, where the priority was to make the issue safe as quickly as possible before any permanent repair could be completed.

Councillor Sheppard referred to the Council's fire safety performance and sought clarification regarding the number of outstanding high-risk fire safety actions and the timescales for completion.

Officers advised that, as of 14 August 2026, there were 74 outstanding high-risk actions. These were largely associated with supported living and sheltered housing schemes, where assessments considered resident vulnerability, independence levels and evacuation arrangements. Members were informed that remedial work was progressing and that, in a number of instances, risks had already reduced as actions were completed and reassessed.

Councillor Sheppard sought clarification regarding the reported achievement of 100% compliance with fire safety checks and asked how this could be reconciled with reports regarding fire safety checks in other Council-owned buildings.
Officers explained that the indicator related specifically to Fire Risk Assessments (FRAs) undertaken within the Council's social housing stock and measured whether assessments due during the reporting period had been completed. Members were advised that the measure related only to housing stock with communal areas and did not include wider Council-owned assets, which were managed separately through the Corporate Landlord function. Assessment frequencies varied according to building risk, with higher-risk properties requiring more frequent reviews.

Councillor Sheppard sought clarification regarding how tenant satisfaction was measured and used to drive service improvements.

Officers advised that tenant feedback was routinely collected through transactional surveys, often issued by text message following completion of a service request. Feedback was monitored and analysed by service managers to identify recurring themes and opportunities for improvement. Members were informed that tenant feedback played an increasingly important role in performance management and service development.
Councillor Sheppard referred to statements made regarding the future of specialist housing stock previously managed by Six Town Housing and questioned whether tenants had been adequately consulted prior to decisions being taken.

The Cabinet Member advised that the September 2025 decision related to the closure of Six Town Housing Ltd and not the future ownership of the housing stock. Members were informed that no final decision had been made regarding future ownership arrangements and that all options remained under consideration. A further report would be presented to Cabinet later in the year and tenant consultation would form a key part of any future decision-making process. It was emphasised that tenants' rights and protections would remain safeguarded under regulatory requirements regardless of the eventual ownership model adopted.

Councillor Sheppard noted that rent arrears remained above sector benchmarks and sought clarification regarding the causes of the increase, evidence supporting the Council's recovery strategy and the balance between enforcement and tenant support.
Officers advised that increasing living costs and welfare reform measures had contributed significantly to rising arrears levels. Members were informed that a refreshed rent collection strategy had recently been implemented, supported by additional staffing resources and new software designed to improve case management and tenant engagement. The strategy combined a positive payment culture with a supportive collection approach intended to maximise income collection whilst ensuring tenants experiencing financial hardship received appropriate support and advice.

Councillor Sheppard sought assurances regarding the Council's preparedness for an anticipated inspection by the Regulator of Social Housing and requested details of areas officers considered to be priorities for improvement.

Officers acknowledged that whilst substantial progress had been made since housing services returned in-house, further improvement work remained necessary. Particular focus was being placed on property safety and quality, stock condition information, electrical safety compliance, fire remediation actions, data governance and systems improvement. Members were informed that work was also underway to improve tenant engagement, repairs performance, ASB management and communication with residents. It was noted that progress against improvement plans was monitored through the Housing Leadership Team, Housing Portfolio Meetings and Housing Advisory Board. Officers expressed confidence that the Council had identified its key challenges and had robust plans in place to address them.

Councillor Martin sought an update regarding the Council's preparedness for implementation of Awaab's Law and requested information regarding compliance with the new statutory requirements.

Officers advised that implementation arrangements continued to develop following publication of detailed Government guidance. Members were informed that significant work was underway to strengthen damp and mould management processes and ensure compliance with the required response timescales. Officers noted that one of the principal challenges related to gaining access to properties to complete required inspections and repairs. It was agreed that additional performance information would be circulated to Members following the meeting.

Councillor Martin also sought assurance that instances of tenants refusing access to allow repairs to be undertaken were appropriately recorded and considered as part of ongoing repairs management and disrepair processes.

Councillor Martin noted that housing rent arrears were reported at approximately £2 million and sought clarification regarding performance targets for reducing arrears.
Officers advised that detailed arrears reduction targets formed part of the refreshed income collection strategy and undertook to circulate further information on targeted reductions and expected timescales for improvement.

Councillor Bayley referred to objectives within the Housing Service Plan extending to March 2029 and questioned why improvements relating to temporary accommodation and bed and breakfast usage would take a number of years to achieve.

Officers advised that the target reflected the scale of the challenge associated with increasing the supply of suitable temporary accommodation and reducing reliance on bed and breakfast placements. Members were informed that the Council was actively seeking to increase accommodation options through investment and acquisition programmes whilst also improving opportunities for households to move into settled accommodation. The timescale reflected both local housing pressures and wider national challenges affecting housing supply.

Councillor Bayley questioned whether improvements in housing waiting times reflected genuine service improvements or were primarily attributable to the recent housing register data cleansing exercise.

Officers advised that performance improvements reflected both better quality data and ongoing work to improve the management of housing applications and allocations. Maintaining accurate information was considered essential to understanding levels of housing need and improving service delivery.

Councillor Pilkington suggested whether sponsorship arrangements similar to those utilised through Homes for Ukraine could potentially support the provision of temporary accommodation for homeless households.

Officers acknowledged the suggestion and advised that whilst alternative approaches could be considered, there would be practical, financial and governance considerations requiring careful assessment. The Cabinet Member suggested that wider discussions with Government and local Members of Parliament may also be beneficial when exploring future options.

Councillor Chaudhry referred to the findings of the Housemark reviews and sought clarification regarding the principal shortcomings identified.

Officers advised that the reviews had highlighted opportunities to strengthen partnership working, improve case recording and data quality, and deliver greater consistency in service delivery. Members were informed that a programme of improvement work was already underway, including revised procedures, enhanced management oversight and further work to embed a positive complaints culture. Efforts were also being focused on ensuring lessons learned through complaints and service reviews translated into measurable service improvements.

Councillor Rydeheard referred to the report's indication that 82.9% of housing stock had received a stock condition survey within the preceding five years and sought clarification regarding the remaining properties, associated costs and anticipated timescales for completion.

Officers explained that previous survey methodologies had relied upon sample surveying and that the Council was now working towards a more comprehensive understanding of housing stock condition. Members were advised that an in-house team of building surveyors had been established and a new appointment system introduced to improve survey coverage. Existing information was already being used to support investment planning and identify priorities for improvement.

Officers advised that particular focus was now being placed on surveying the remaining properties without recent assessments. Any significant defects identified would be incorporated into investment programmes and addressed as part of planned maintenance and improvement works.

In concluding the discussion, Councillor Arif thanked officers and housing staff for their continued commitment to improving housing services. The Cabinet Member highlighted progress made across a range of performance areas, recognition received through housing sector awards and the growing role of tenant engagement in shaping service delivery. Members were assured that the Council remained committed to delivering further improvements in housing standards, regulatory compliance and outcomes for tenants.

It was agreed:

- That the report be noted.
- That written responses be circulated in respect of outstanding questions.

OSC.116 CORPORATE PLAN QUARTER FOUR 2025-26 PERFORMANCE & DELIVERY

The Committee considered a report and appendix presented by Councillor Thorpe, Deputy Leader and Cabinet Member for Finance and Corporate Services, setting out performance against the Corporate Plan at Quarter Four 2025/26.

Councillor Thorpe reported that the year-end position presented a broadly positive picture, with approximately 60% of measures on track and a further 37% not currently on track but with mitigation measures in place. Key achievements included labour market performance of 95.7%, with 4.3% of residents not in employment, education or training, support for approximately 7,800 businesses across the borough, delivery of 312 new homes including 80 affordable homes, and strong collection rates for both Council Tax and Business Rates. Members were advised that staff sickness absence had increased during the year. Children's Services performance had continued to improve through delivery of the improvement plan.

Members heard that a number of projects remained amber or red. Regeneration activity in Radcliffe, including Market Chambers, remained on track and continued to progress positively. Delays had occurred to the Digital Strategy due to delays in appointing a Digital, Data and Technology Manager. The Pupil Referral Unit project had been delayed after the original site proved undeliverable, and elements of the Local Plan timetable had been impacted by the General Election. Concerns were also raised regarding delays affecting flood resilience and development work.

Councillor Sheppard raised a question regarding objectives described as "not on track but with risks addressed" and what mitigation actions had been implemented, including milestones and measures of success over the next six months. Officers advised that a detailed annex containing this information was available and would be circulated to Members. It was agreed that the appendix received by officers would be shared with the Committee.

Members discussed the challenge of demonstrating the relationship between Corporate Plan activity and long-term outcomes, particularly in relation to health and social care. It was noted that factors such as an ageing population, changing patterns of hospital discharge and wider demographic trends made it difficult to establish direct causality between interventions and outcomes.

Kate Waterhouse advised that performance was monitored through the Health and Wellbeing Board and Locality Board arrangements and that work was ongoing through Public Health programmes to better demonstrate the impact of preventative interventions, including reductions in hospital admissions. Whilst attributing specific outcomes directly to individual interventions remained challenging, efforts continued to improve understanding of impact and value for money.

Councillor Thorpe highlighted smoking cessation as one example where positive outcomes could be evidenced but noted that wider public health outcomes, including health inequalities and mortality differences across communities within the borough, could take many years to improve and were influenced by a range of factors.

Members were advised that further consideration of performance measures and outcomes would be undertaken through the Member Development Board.
In response to a question submitted in advance regarding the principal financial risks affecting delivery in 2026/27, Councillor Thorpe advised that these were identified within the Budget Report approved by Council in February.

The most significant risks related to demand pressures within Adult Social Care and Children's Social Care and the associated costs of meeting that demand, together with the Council's ability to deliver approved savings proposals. Given that Adult and Children's Services accounted for approximately 70% of the net revenue budget, any increase in demand above forecast assumptions presented a significant financial risk.

Members were advised that monthly budget monitoring was undertaken by the Finance Team and overseen by the Finance Board. Emerging overspends and financial pressures were identified at the earliest opportunity and mitigation plans implemented to minimise impacts on the Council's financial position and reserves.

Further discussion reflected wider risks facing local government including workforce challenges, an ageing workforce, income generation requirements and ensuring that robust information was available to support decision-making.

Councillor Haroon asked what had contributed to the reduction in agency social workers. Councillor Thorpe advised that Greater Manchester initiatives, work to make Bury a more attractive employer and investment in developing the Council's own social work workforce had all contributed to reduced reliance on agency staff.

Kate Waterhouse added that changes in national guidance had encouraged local authorities to reduce dependency on agency workers and focus on recruitment and retention of permanent staff.

Councillor Rahimov referred to the reported average of 14.1 days lost per employee through sickness absence and asked whether reducing agency staff had increased pressures upon permanent employees.

Councillor Thorpe acknowledged that workforce wellbeing remained a key priority and advised that the recently appointed Head of People was reviewing a range of workforce matters. He noted that moving away from agency staffing could not be viewed as a simple transfer of workload but remained preferable from both financial and organisational perspectives.

Councillor Martin queried when more up-to-date dashboard information would be available. Kate Waterhouse explained that some performance indicators relied upon nationally published datasets, resulting in unavoidable delays. Work was ongoing to improve data quality and benchmarking through use of local government data sources.

Councillor Martin also questioned how the report's conclusion regarding strong financial performance could be justified in the context of an overspend.

Councillor Thorpe explained that the overspend represented approximately 3% of the Council's overall budget and was largely attributable to continuing pressures within Adult and Children's Social Care. He highlighted savings delivery, treasury management activity and borrowing arrangements that had generated significant savings elsewhere within the organisation.

Neil Kissock added that stronger performance management arrangements had contributed to improved financial oversight and delivery.

Councillor Martin sought clarification regarding collection performance and was advised that collection rates were approximately 95%.

Councillor Bayley commented that comparative sickness absence data from the previous year would have been helpful and referred to figures contained within the performance report, noting an upward trajectory from February 2025.

Members discussed staff wellbeing and mental health support, including the availability of flexible working arrangements where appropriate. Councillor Thorpe stated that employees who were unwell should take sickness leave and confirmed that support arrangements were in place to promote staff wellbeing.

Kate Waterhouse advised that improvements had been made to sickness absence recording processes so that more meaningful information could be collected regarding causes of absence. Work was also taking place around performance management, wellbeing initiatives and Personal Development Reviews to ensure staff were appropriately supported.

Councillor Bayley reiterated that employees who were ill should not feel pressured to attend work. Councillor Thorpe agreed while noting that sickness absence could create additional pressures for colleagues and that sickness absence policies were under review.

Councillor Rahimov asked about the Family Safeguarding Model and the reported reduction in residential placements for children. Councillor Thorpe advised that residential placements had reduced from a previous peak to 39, compared with a budget assumption of 42 placements. Whilst recognising that demand remained volatile, he explained that the Family Safeguarding Model supported earlier intervention and reduced the need for more costly residential placements.

It Was Agreed:

- The Committee noted the report

Actions:

- Circulate the appendix detailing mitigation actions for measures not currently on track to Members prior to next update.

OSC.117 FINANCE UPDATE REPORT - 2025/26 OUTTURN POSITION

Councillor Thorpe, Deputy Leader and Cabinet Member for Finance and Corporate Services, presented an overview of the 2025/26 outturn position. He advised Members received an update on the Council's financial position, noting an improved forecast during the year, although budget pressures remained and continued careful financial management was required. Progress had been made in delivering planned savings and managing service demand, while work to support long-term financial sustainability continued. Members also noted that some capital programme expenditure had been reprofiled into future years to reflect revised delivery timescales for major projects.

In response to a question submitted in advance by Councillor Birchmore regarding the £462,000 variance in business rates income, officers explained that £242,000 related to a lower-than-anticipated contribution from the Greater Manchester Combined Authority through the 100% Business Rates Retention Scheme, with the remaining difference arising from a number of smaller variances. Members were advised that collection performance remained positive, with the Collection Fund reporting an in-year surplus of £493,000.

Responding to a question from Councillor Birchmore regarding the £1.372 million underspend within the Place Directorate, officers advised that this was not solely due to project delays. The variance reflected a combination of increased income from traded services, higher service income levels and savings arising from vacant posts.

Councillor Birchmore asked for clarification on the £1.61 million unachieved saving linked to the reintegration of Six Town Housing into the Council. Officers explained that this represented the remaining element of a wider £3 million savings target. Some savings had already been achieved through reviewing costs chargeable to the HRA, while work continued to identify wider integration efficiencies. The remaining saving had been carried forward into 2026/27 and would continue to be monitored through regular financial reporting.

During discussion, members considered opportunities for increasing Council income. Councillor Pilkington asked about the Council's approach to revenue generation, including planning fee increases. Councillor Thorpe stated that opportunities to commercialise Council assets and services were being explored, including the use of green spaces and events, but noted that there were limits to the level of income that could realistically be generated.

In response to a query from Councillor Rydeheard, it was confirmed that Heaton Park remained under the ownership of Manchester City Council, having been gifted to Manchester in perpetuity.

Councillor Martin asked about contingency plans should the Council need to make further use of reserves. Councillor Thorpe highlighted the structural financial challenges facing local government, particularly the increasing costs of Adult Social Care and the limitations of existing funding arrangements. Officers added that the Council maintained a Budget Stabilisation Reserve and was working to reduce reliance on reserves over the medium term.

Members discussed the wider issue of Adult Social Care funding and whether further support could be secured through joint lobbying with other local authorities. Concerns were raised regarding the sustainability of the current funding system and the burden placed on councils by increasing care demands. Officers advised that discussions continued with Greater Manchester partners, the Integrated Care Board and NHS organisations to secure fair and consistent funding arrangements, particularly in relation to hospital discharges and mental health placements that create significant costs for local authorities.

Councillor Martin also raised a question regarding concessionary arrangements at leisure centres. Councillor Thorpe acknowledged the importance of maintaining accessible services and noted the health and wellbeing benefits they provide to residents.

It Was Agreed:

- The Committee noted the report.

OSC.118 URGENT BUSINESS

There was no urgent business.

COUNCILLOR J RYDEHEARD
Chair

(Note: The meeting started at 7.00 pm and ended at 9.30 pm)

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Agenda Item 6

Classification: Open	Decision Type: Non-Key

Report to:	Overview and Scrutiny/Cabinet	**Date** 08 September 2026 **:** 09 September 2026
Subject:	Finance Update Report – 2026/27 Quarter 1 Position	
Report of	Cabinet Member for Finance and Transformation	

Summary

This report provides an update to Cabinet on the council's forecast Quarter 1 position across the General Fund revenue and capital budgets, Housing Revenue Account (HRA) and DSG (Dedicated Schools Grant).

The 2026/27 General Fund forecast Quarter 1 position is an overspend of £5.691m, equivalent to 2.26% of the net revenue budget. This needs to be set in the context that the forecast is based on the position at the end of June which is early in the financial year and based on a number of assumptions relating to current expenditure, anticipated demand for services over the rest of the year, cost pressures and service knowledge and a risk assessment of savings delivery. Many councils continue to experience spending pressures in adult and children's social care services particularly, but the council is committed to reducing the scale of the forecast overspend over the rest of the financial year and is targeting a breakeven position by year-end. Further detail on the forecast position is set out in Section 1.

The 2026/27 budget set out approved savings of £16.566m. In addition, £4.294m of unachieved savings from 2025/26 have been carried forward, bringing the total savings requirement for 2026/27 to £20.860m. Of this total £15.696m (75.2%) is forecast to be delivered through the original savings plans, with a further £2.838m (13.6%) expected to be achieved through in-year mitigations. This leaves a forecast shortfall of £2.326m (11.2%) of which £1.735m (74.6%) relates to Children and Young People. Further details on savings delivery are provided in Section 2.

Following the approved use of £3.977m of reserves to support the 2026/27 budget, the current forecast overspend of £5.691m would reduce the balance on the Budget Stabilisation Reserve to £5.977m. This would significantly weaken the Council's financial resilience and its ability to manage future in-year budget pressures or funding shortfalls. The position is unsustainable both in-year and potentially increasing the MTFS funding gap if not addressed, and highlights the urgent need to deliver planned savings and identify further savings and mitigations that will reduce the forecast overspend and resulting requirement for further reserves funding. This includes looking a potential delays to recruitment to vacant posts where it is assessed as appropriate to do so and additional spend controls being introduced in relation to discretionary expenditure. Further detail on the reserves position is provided in Section 3.

At Quarter 1, it is proposed to initially increase the 2026/27 Capital Programme from £110.212m (approved in February 2026) to £132.440m. This represents a net increase

of £22.228m, comprising of £17.336m of slippage from 2025/26 and £7.311m of additional schemes in 2026/27, offset by £2.419m rephased into 2027/28. Of the £7.311m of additional schemes, £0.350m will be funded from additional prudential borrowing, with the remaining schemes funded from external resources. Further detail on the capital programme performance is provided in Section 4. It is recognised that this represents a very ambitious programme and is being reviewed currently to provide assurance on deliverability and expected outcomes and the result of the review and any reprofiling will be included as part of the Quarter 2 report.

The forecast Quarter 1 position on the Collection Fund (Section 5), Housing Revenue Account (HRA) (Section 6) and Dedicated Schools Grant (DSG) (Section 7) are also provided in the body of the report. See Appendix 1 for an update on the Council's Prudential Indicators.

Recommendation(s)

Cabinet is asked to:

- Note the 2026/27 forecast revenue Quarter 1 position of a £5.691m overspend (2.26%) against a net budget of £252.135m.

- Note the forecast reduction in General Fund and Earmarked Reserves of £12.047m (27.31%) and forecast closing balance at 31 March 2027 of £32.059m.

- Note the total forecast delivery of savings in 2026/27 of £18.534m (88.85%) against a target of £20.860m, including unachieved savings carried forward from 2025/26. This results in a forecast shortfall of £2.326m (11.15%).

- Note a net increase of £22.228m to the 2026/27 Capital Programme, comprising of £17.336m of slippage from 2025/26 and £7.311m of additional schemes in 2026/27, offset by £2.419m rephased into 2027/28.

- Approve and recommend to Council the in-year capital programme addition requiring £0.350m of additional prudential borrowing.
- Approve and recommend to Council an additional £0.210m of prudential borrowing within the Housing Revenue Account Capital Programme for 2026/27.

- Note the 2026/27 forecast Quarter 1 position for the Collection Fund.

- Note the 2026/27 forecast Quarter 1 position for the Housing Revenue Account (HRA).

- Note the 2026/27 forecast Quarter 1 position for the Dedicated Schools Grant (DSG).

- Note the Quarter 1 Prudential Indicator position

Reasons for recommendation(s)

To note the forecast Quarter 1 finance position for 2026/27.

Alternative options considered and rejected
N/A

Report Author and Contact Details:

Name: *Neil Kissock*
Position: *Director of Finance*
Department: *Strategy and Transformation* Department
E-mail: N.Kissock@bury.gov.uk

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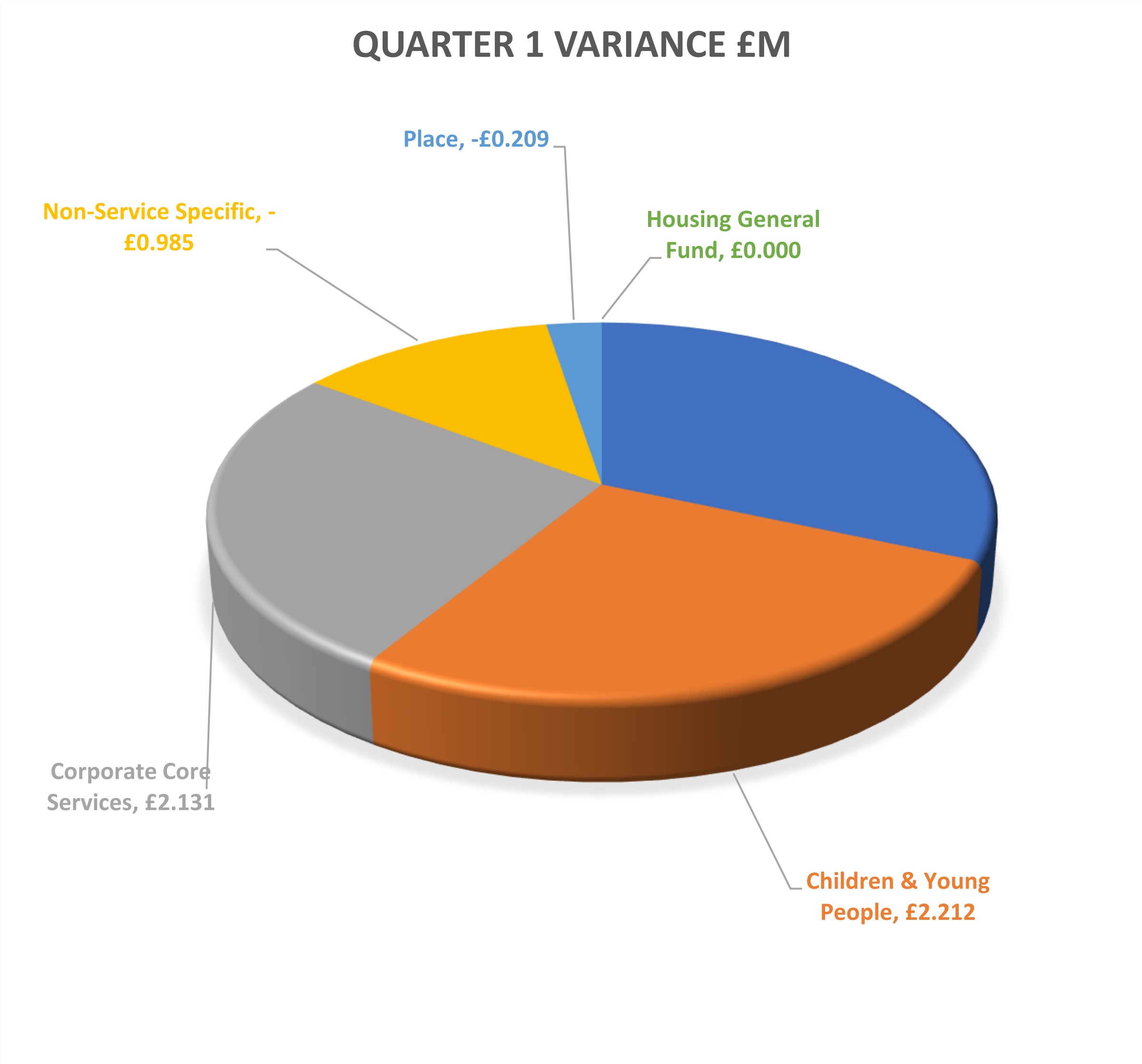
1. 2026/27 Revenue Forecast Quarter 1 Position

1.1. The Quarter 1 General Fund revenue forecast is an adverse variance of £5.691m, equivalent to 2.26% of the net revenue budget of £252.135m. To offset this overspend, a further drawdown of £5.691m from the Budget Stabilisation Reserve would be required, in addition to the £3.977m approved as part of the 2026/27 budget setting process. that will reduce the forecast overspend and corresponding requirement for funding from reserves by the end of the year. Further details on the Council's reserve position are provided in Section 3.

2026/27 Quarter 1 Forecast Outturn	**Revised Budget £m**	**Quarter 1 Forecast Outturn £m**	**Quarter 1 Forecast Variance £m**	**Variance %**
Directorate:				
Health & Adult Care	£100.477	£103.020	£2.543	2.53%
Children & Young People	£66.386	£68.598	£2.212	3.33%
Strategy & Transformation	£29.939	£32.071	£2.131	7.12%
Non-Service Specific	£41.637	£40.652	(£0.985)	-2.37%
Place	£13.775	£13.565	(£0.209)	-1.52%
Housing General Fund	(£0.080)	(£0.080)	-	-
NET REVENUE BUDGET	**£252.135**	**£257.826**	**£5.691**	**2.26%**
Funding:				
Council Tax	(£124.998)	(£124.998)	-	-
Business Rates	(£109.326)	(£109.326)	-	-
Government Funding Grants	(£13.834)	(£13.834)	-	-
FUNDING	**(£248.158)**	**(£248.158)**	**-**	**-**
Use of Reserves:				
Budget Stabilisation Reserve	(£3.977)	(£3.977)	-	-
USE OF RESERVES	**(£3.977)**	**(£3.977)**	**-**	**-**
BUDGET POSITION	**-**	**£5.691**	**£5.691**	**2.26%**



Details of the significant variances include:

1.2. **Health and Adult Care** Directorate has a forecast adverse variance of £2.543m (2.53%) due to:

1.2.1. **Care in the Community** has a £2.624m (4.02%) forecast adverse variance driven by client numbers and complexity of packages across several settings:

- Supporting Living
- Nursing Homes
- Direct Payments
- Domiciliary care

The pressure on Care packages in 2026/27 is a continuation of the £6m overspend on community care packages in 2025/26.

1.2.2. **Wellness** has forecast a £0.781m (38.45%) adverse variance largely driven by higher than anticipated costs resulting from the opening of the Radcliffe centre and underperformance on income budget targets at the Ramsbottom centre. The service is pursuing mitigating actions to reduce the forecast pressure which, as things stand, remains ongoing in nature and, unless addressed through recurring savings or increased income, will continue to place pressure on future years' budgets and contribute to the Council's medium-term funding gap.

1.2.3. **Departmental Support Services** has a £0.156m (5.72%) forecast adverse variance primarily driven by legal costs charged to the Improvement and Delivery service (£0.085m), and the increased vacancy factor target in the Financial Support Service (£0.047m).

1.2.4. **Commissioning & Procurement** has a £0.157m (1.50%) forecast adverse variance due to:

- Pressures in the Carers service of £0.068m (16.3%) largely driven by forecast pressures on Self-Directed Support Payments of £0.179m partially offset by a favourable variance on Personal Budgets of £0.066m and account closure clawback of £0.060m.
- Strategic Safeguarding team pressures of £0.101m (20.4%), primarily in relation to an increased contribution to the Business Intelligence and Safeguarding Partnership alongside an unachievable vacancy factor target of £0.032m.

1.2.5. **Adult Social Care Operations** has a £1.119m (14.15%) forecast favourable variance due to staffing vacancies within:

- Assessment and Care Management team.
- Integrated Neighbourhood team.
- Community Mental Health team.

1.2.6. Savings put forward by the service in the MTFS (medium Term Financial Strategy) are forecast to be achieved in year.

1.3. **Children and Young People Directorate** has a forecast £2.211m (3.33%) adverse variance due to:

1.3.1. **Children's residential placements** including Children with Disabilities has a forecast adverse variance of £1.912m (11.8%). This is largely driven by an estimated £1.724m increase in costs in relation to increased average prices (10.2%) and £0.188m due to placement numbers being one higher than budgeted for. Increased Mother & Baby placements have a forecast £0.025m adverse variance.

1.3.2. Although additional growth was added to the 2026/27 budget to meet demand, inflation and price increases, the service is still reporting a significant pressure due to significant increases in the average prices. In addition, further challenges are anticipated this financial year due to some of the savings related projects not yet being fully in place, however, the directorate are continuing to aim to get the spends in this area and other placements in line with budget. The area will be subject to detailed intensive oversight as part of the monthly monitoring process taking account of the materiality, complexity, volatility and external market pressures inherent in this budget area.

1.3.3. Wherever possible, the service will continue to mitigate risks around increased complex cases. Rigorous monitoring frameworks, proactive placement reviews and planning will be supported by the agreed increase in commissioning resource to reflect the service as being one of the continuing highest revenue risks to the council. There is potential for a number of young people to move to step down placements during 2026/27 that can support this continued progress.

1.3.4. **Independent Fostering Agency placements** has a forecast adverse variance of £1.026m (24.1%). This is due to average number of placements forecasted as 12 higher on average, than the 78 budgeted across 2026/27 (£0.682m) and average prices have significantly increased (£0.344m). The service will look to review budget expectations in conjunction with residential and MTFS factors already built into placements 2026/27 and manage this alongside the Residential placement reviews and monitoring and align budgets alongside their sufficiency and modelling projections for this and future years.

1.3.5. **Legal services** required for children and young people and their families are forecasting a pressure of £0.419m (35.5%). This is due to demand remaining at elevated levels, with the significant growth experienced during 2025/26 continuing into 2026/27. Although budget growth was included in the 2026/27 budget, the service continues to manage both legacy cases and current demand, creating ongoing budget pressures. Work is underway across both directorates to review legal processes and operating models, as well as strengthen permanent recruitment, with the aim of reducing costs and ensuring a more sustainable service model going forward.

1.3.6. **In-house fostering**, friends & family and Staying Put placements are forecasting a £0.188m combined adverse variance (2.7%). Overall, this is due to price increases and demand being 155 placements against a budget of 150. Whilst this is resulting in an adverse variance in this area, it represents a positive outcome overall as it is helping to mitigate greater cost pressures within residential placement. The directorate are monitoring regional and national fostering developments and the potential budget implications of those. The Directorate will investigate both this and the above budget implications for in-year and MTFS implications.

1.3.7. **Property charges** within CYP directorate are forecasting an adverse variance of £0.175m. This is primarily due to historical challenges in the sale of one property that is incurring security and other costs along with a review of whether capitalisation of a post is an option which could improve the position.

1.3.8. **Children with Disabilities (CWD) service** is forecasting an adverse variance of £0.086m (2.3%) due to increased demand, rising package costs and a growing proportion of high-cost support arrangements. This service is undergoing audit reviews on both support packages and direct payments.

1.3.9. **The Through Care service** is forecasting a favourable variance of £0.288m (11.6%) due to both staffing vacancies and demand. On average the forecast demand is slightly higher than budget and 2025/26 levels, offset by the estimated current average price being lower than budget due to reducing prices from placements. Overall, this results in a favourable variance of £0.205m across all non-pay lines.

1.3.10. **The Emergency Duty team service** is forecasting a favourable variance of £0.138m due to a forecast reduction on staffing costs linked to changes in the service delivery model.

1.3.11. CCYP Directorate is forecasting offsetting efficiencies of £1.090m across the directorate which have been identified to mitigate some of the cost pressures that have been identified

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1.3.12. **The Adoption service** is forecasting a favourable variance of £0.100m (7.9%) due to a continued period of reduced placement numbers and the respective allowances paid out. This includes contribution to our lead partner authority, Bolton.

1.4. **Strategy and Transformation Directorate** has a forecast £2.131m, (7.12%) adverse variance due to:

1.4.1. The **Corporate Collection and Support service** has a forecast adverse variance of £0.481m (21.6%), largely due to an adverse variance of £0.354m in staffing and £0.256m in printing and postage, offset by minor underspends. The service is working hard to find improvements through digital technologies to minimise this.

1.4.2. **Procurement** has a forecast adverse variance of £0.102m (20.4%). This is largely driven by interim staff being in place, pending the implementation of the new structure, which is expected to be fully implemented by the end of the year.

1.4.3. **Health & Environmental Protection** is a forecast adverse variance of £0.134m (11.1%), due to a mixture of small variances consisting of staffing related pressures (£0.025m), additional CIVICA licences costs (£0.062m) and other minor variances.

1.4.4. **People and Inclusion** is a forecast adverse variance of £0.801m (37.7%) due to a loss of income of £0.332m resulting from schools converting into academies and agency costs of £0.426m whilst the restructure is progressing. The service will continue to review staffing costs and income generation opportunities throughout the year to help reduce the forecast overspend.

1.4.5. **Senior Management** is an adverse variance of £0.133m (164.9%) due to staffing costs and reduction in costs charged to the Housing Revenue Account as a result in the change of responsibilities.

1.4.6. **Legal and Democratic** is a forecast adverse variance of £0.390m (7.0%). This is due to:

- Legal service is reliant on locum solicitors to cover some permanent vacancies due to the service struggling to recruit, resulting in a net overspend of £0.350m;
- Democratic service has a favourable variance of £0.200m, largely due to underspends on members' expenses;
- Elections and governance service is reporting an adverse variance of £0.163m as we have held three elections so far (Tottington and Moorside elections plus the local elections in May).
- Coroners Court is currently reporting a favourable variance of £0.135m, Rochdale Council as the lead are due to provide an updated forecast in September;
- Registrars service is reporting an adverse variance of £0.146m.

1.4.7. **Housing Options & Needs** is a forecast favourable variance of £0.073m.

1.4.8. **Emergency Response and resilience** has a forecast £0.103m favourable variance in relation to additional income.

1.4.9. There are several other areas with minor favourable variances totalling £0.60m.

1.5. **Non-Service Specific Directorate** is forecasting a favourable variance of £0.985m, (2.37%) arising from the following:

1.5.1. Reflected within the Non-Service Specific forecast is an estimated financial benefit of £2.000m arising from introducing a short delay in the recruitment process where it is assessed as being appropriate to do so.

As vacancies are filled, the associated savings will be reflected within the individual service areas impacted.

1.5.2. The impact of recruitment delays is partially offset by a forecast pressure of £1.015m relating to increased borrowing costs. This pressure reflects the refinancing of maturing loans during 2026/27 at higher interest rates, driven by the prevailing interest rate environment. In addition, the requirement to undertake further borrowing to support delivery of the approved capital programme has increased financing costs and contributed to the forecast overspend. A reduction in interest rates prior to refinancing, together with any additional slippage in borrowing funded capital projects into 2027/28, would reduce this pressure.

1.5.3. Within this budget, two approved savings are currently forecast to be unachieved. However, the adverse impact of the shortfall has been mitigated through the identification of offsetting non-recurrent underspends.

- Underachievement of **housing integration savings** £1.610m – this represents a recurring pressure from 2025/26 where the saving was not delivered and remains unmet in 2026/27. The original saving of £3m has been part-delivered through a detailed reviewed of general fund costs that are legitimately charged to the Housing Revenue Account. Work is being undertaken to identify the level of further savings that can be achieved through looking at efficiencies across HRA and General Fund services, with the outcome to be reported back to Cabinet as part of the quarter 2 update. Any element of the saving that is then assessed as being undeliverable would then be reflected in the MTFS.
- Underachievement of **Unit 4 savings** £0.753m. Delivery of this saving has been delayed due to a delay in the implementation of the new system to April 2027. It is anticipated that this saving will be achieved in full in 2027/28.

1.6. The **Place Directorate** has a £0.209m (1.52%) favourable variance due to:

1.6.1. A forecast adverse variance of £0.244m within **Waste, Transport and Stores** primarily due to several vacant posts being filled by agency staff, leading to increased staffing costs.

1.6.2. A forecast adverse variance of £0.427m in **Economic Regeneration and Capital Growth** in relation to Future Assets Plan (FAP) costs which are not currently funded within the budget.

1.6.3. A forecast favourable variance of £0.166m in **Street Scene Maintenance** on staffing and street lighting energy due to reductions in unit price and efficiency savings.

1.6.4. A forecast favourable variance of £0.158m in **Commercial Services** due to additional relief income for premises with a standard Service Level Agreement (SLA) requesting cover for periods of absence in caretaking and cleaning.

1.6.5. A forecast favourable variance of £0.111m in **Engineers** primarily due to several vacant posts within the traffic management structure.

1.6.6. A forecast favourable variance of £0.458m in **Facilities Management** which includes large savings in expenditure from buildings that have been closed, reduced staffing costs from vacant posts, and improved income forecasts from additional rechargeable works relating to additional buildings in 2026/27.

1.7. Staffing costs

1.7.1. The directorate's projected outturns include variances relating to staffing and agency costs, as set out in the tables below. The Council's total staffing budget of £106.343m includes a savings target of £6.384m linked to the vacancy factor, three days unpaid leave and annual leave purchase schemes. Directorates are currently forecast to achieve the savings target and deliver an additional favourable variance of £5.013m against the staffing budget. Of this, £2.000m is currently reflected in the Non-Service Specific forecast, representing the estimated financial benefit arising from recruitment delays across the Council.

1.7.2. However, the £5.897m favourable variance on staffing budgets is offset by a forecast overspend on agency costs of £5.862m, resulting in a net favourable variance of £0.035m across staffing and agency budgets.

2026/27 Quarter 1 Forecast	**Staffing Budget £m**	**Staffing forecast £m**	**Staffing Variance £m**	**Vacancy/ annual leave savings target achieved £m**
Directorate:				
Health and Adult Care	£27.669	£26.694	(£0.975)	(£1.896)
Children & Young People	£25.509	£23.985	(£1.524)	(£0.923)
Strategy & Transformation	£28.266	£27.572	(£0.694)	(£1.904)
Non-Service Specific	£3.595	£1.595	(£2.000)	-
Place	£21.304	£20.599	(£0.704)	(£1.662)
Housing General Fund	-	-	-	-
NET REVENUE BUDGET	**£106.343**	**£102.455**	**(£5.897)**	**(£6.384)**

2026/27 Quarter 1 Forecast	Agency Budget £m	Agency Forecast £m	Agency Variance £m	Net Staffing/ Agency Variance £m
Directorate:				
Health and Adult Care	£0.786	£1.495	£0.709	(£0.266)
Children & Young People	£0.229	£1.298	£1.069	(£0.455)
Strategy & Transformation	£0.220	£3.544	£3.324	£2.631
Non-Service Specific	-	-	-	(£2.000)
Place	£0.690	£1.449	£0.759	£0.055
Housing General Fund	-	-	-	-
NET REVENUE BUDGET	**£1.925**	**£7.786**	**£5.862**	**(£0.035)**

Outlook

1.8. Whilst anticipated demand and inflationary pressures were incorporated into the 2026/27 budget based on the information available at the time, the Council is currently forecasting a significant overspend of £5.691m. This position reflects continued financial pressures arising from increasing demand for services, inflationary impacts and income volatility. When considered alongside the Council's limited level of reserves, the current forecast reinforces the need for immediate action to strengthen financial control, mitigate in-year pressures and protect the Council's longer-term financial sustainability.

1.9. In response to the forecast overspend, management is looking at potentially implementing a short recruitment delay on vacant posts where it is assessed as appropriate to do so and through mitigations will not have a significant impact on team workloads and service delivery. The estimated financial benefit of this measure is reflected within the figures presented in this report. Whilst this action has reduced the projected overspend, further mitigation is required. Consequently, additional expenditure controls, including senior officer review and approval of discretionary expenditure requests are being implemented to improve the Council's in-year financial position. The impact of these measures will be reported as part of the Quarter 2 monitoring process.

1.10. In parallel, preparation of the 2027/28 budget is underway, including a comprehensive review of all revenue budgets. This review is being informed by the 2025/26 outturn position and the 2026/27 Quarter 1 monitoring process. The outcome will be used to refresh the assumptions underpinning the Medium-Term Financial Strategy (MTFS) and the resulting funding gap. The council is working on proposals to reduce the forecast budget gap which will be brought to Cabinet for consideration. The MTFS will also be extended to include 2029/30 to provide a longer-term assessment of the Council's financial sustainability.

1.11. The budget review will focus on identifying both immediate and medium-term opportunities to reduce expenditure, improve efficiency and ensure that resources are aligned to the Council's strategic priorities.

2. Savings

2.1. The 2026/27 savings programme totals £16.566m. In addition, £4.294m of unachieved savings from 2025/26 have been carried forward into 2026/27. This results in a total savings requirement of £20.860m for 2026/27.

2.2. At Quarter 1, it is forecast that £15.696m (75.2%) of savings will be delivered from the original saving proposals and a further £2.838m (13.6%) from mitigations. Total savings delivery is therefore forecast at £18.534m (88.85%) against the overall target of £20.860m, leaving a shortfall of £2.326m (11.15%). This shortfall contributes to the overall Quarter 1 revenue pressure of £5.691m, and work is continuing to both identify further in-year mitigations and bring forward the delivery of approved savings that are currently assessed as being delayed wherever possible

2.3. Of the total forecast savings shortfall of £2.326m, £1.735m (74.6%) relates to Children and Young People. The service is also responsible for £1.651m (38.4%) of the £4.294m savings carried forward from 2025/26 into the current year of which £0.506m is currently forecast as not achieved or mitigated. The service will continue to focus on delivering approved savings proposals and have worked through numerous efficiencies to deliver against those which are most challenging. This work continues alongside reviewing the complex placements that continue at very high cost and pursuing the required contributions from partners.

2026/27 Savings Programme	Directorate	Unachieved 2025/26 savings £m	2026/27 Savings Programme £m	Total 2026/27 savings to be delivered £m	Quarter 1 Forecast £m	Mitigations £m	Quarter 1 Forecast Variance (over)/ underachievement £m
Single Handed Care Trial	HAC	(£0.100)		**(£0.100)**	(£0.100)		-
ASC Community Care budget realignment	HAC	(£0.352)		**(£0.352)**	(£0.352)		-
Persona - remodel of supported living hours	HAC	(£0.005)		**(£0.005)**	(£0.005)		-
Maximising charges for Deferred Payments	HAC	(£0.004)		**(£0.004)**	(£0.004)		-
Saving Already Agreed - Development of Wider Learning Disabilities Strategy for Age 14-25 Cohort	HAC		(£0.220)	**(£0.220)**	(£0.220)		-
HAC Strategic Workforce Review	HAC		(£0.061)	**(£0.061)**	(£0.061)		-
Adults Commissioning Review	HAC		(£1.000)	**(£1.000)**	(£1.000)		-
Single Handed Care Trial	HAC		(£0.200)	**(£0.200)**	(£0.200)		-
Personal Budget Review	HAC		(£0.250)	**(£0.250)**	(£0.250)		-
Persona - employability	HAC		(£0.050)	**(£0.050)**	(£0.050)		-
Persona - Willow Street (6 flats for decant from dispersed accommodation)	HAC		(£0.100)	**(£0.100)**	(£0.100)		-
Rapid Response Assessment software - Technological efficiencies	HAC		(£0.009)	**(£0.009)**	(£0.009)		-
BEST - review charges	HAC		(£0.010)	**(£0.010)**	(£0.010)		-
BEST - introduce card payments	HAC		(£0.003)	**(£0.003)**	(£0.003)		-
Community Equipment - procurement review	HAC		(£0.020)	**(£0.020)**	(£0.020)		-
Community Equipment - Reconfigure out of hours service	HAC		(£0.038)	**(£0.038)**	(£0.038)		-
Telecare - target new customers	HAC		(£0.035)	**(£0.035)**	(£0.035)		-
Telecare - tech first approach	HAC		(£0.030)	**(£0.030)**	(£0.030)		-
Falcon & Griffin - review of rotas	HAC		(£0.015)	**(£0.015)**	(£0.015)		-
Commissioned Services - review of client contribution limit for day services	HAC		(£0.253)	**(£0.253)**	(£0.253)		-
IMPOWER review	HAC		(£0.667)	**(£0.667)**	(£0.667)		-
IMPOWER review	HAC		(£1.000)	**(£1.000)**	(£1.000)		-
Persona Supported living rate review	HAC		(£0.250)	**(£0.250)**	(£0.250)		-
Retender of Neighbourhood housing support contract	HAC		(£0.047)	**(£0.047)**	(£0.047)		-
Reduction of Leisure council subsidy	HAC		(£0.125)	**(£0.125)**	(£0.125)		-

2026/27 Savings Programme	Directorate	Unachieved 2025/26 savings	2026/27 Savings Programme	Total 2026/27 savings to be delivered	Quarter 1 Forecast	Mitigations	Quarter 1 Forecast Variance (over)/ underachievement
		£m	£m	£m	£m	£m	£m
Live Well GM Delivery partner - funding for role	HAC		(£0.027)	(£0.027)	(£0.027)		-
Live Well restructure	HAC		(£0.100)	(£0.100)	(£0.100)		-
HAC Subtotal		**(£0.461)**	**(£4.510)**	**(£4.971)**	**(£4.971)**	**-**	**-**
Therapeutic support team for Children in Care	CYP	(£0.195)		(£0.195)	-	(£0.195)	-
Victoria Family Centre delivery model review	CYP		(£0.050)	(£0.050)	-	(£0.050)	-
Support at home reduced demand	CYP		(£0.035)	(£0.035)	(£0.035)		-
School Improvement Service - reduction due to academisation	CYP		(£0.100)	(£0.100)	(£0.100)		-
Governance Support - full recovery from schools	CYP		(£0.109)	(£0.109)	(£0.109)		-
Business Support Use of Magic Notes software	CYP		(£0.100)	(£0.100)	(£0.100)		-
CSE Team - small restructure	CYP		(£0.035)	(£0.035)	-		£0.035
Residential homes / CWD - step down of residential placements	CYP		(£1.000)	(£1.000)	(£1.000)		-
Various Building costs	CYP		(£0.100)	(£0.100)	-	-	£0.100
Foster Carers	CYP	(£0.180)	(£0.100)	(£0.280)	(£0.200)	(£0.080)	-
Family Safeguarding Model	CYP	(£0.100)	(£0.050)	(£0.150)	-	(£0.150)	-
Edge of Care	CYP	(£0.494)	(£0.106)	(£0.600)	(£0.600)		
Creation of Council-Owned Residential Children's Homes	CYP		(£0.400)	(£0.400)	-		£0.400
Reconnect - step down from residential care	CYP	(£0.176)	(£1.892)	(£2.068)	(£2.068)		
Progressing the Edge of Care Service Review	CYP	(£0.506)	(£0.694)	(£1.200)	-		£1.200
CYP Subtotal		**(£1.651)**	**(£4.771)**	**(£6.422)**	**(£4.212)**	**(£0.475)**	**£1.735**
Temporary Accommodation demand reduction	S&T		(£0.377)	(£0.377)	(£0.377)		-
Staffing changes - use of HPG funding	S&T		(£0.053)	(£0.053)	(£0.053)		-
HR Staffing savings	S&T		(£0.075)	(£0.075)	(£0.075)		-
Review of payroll transactional charges	S&T		(£0.050)	(£0.050)	(£0.050)		-
FAIR - invest to save Fraud officer reduce expenditure leakage	S&T		(£0.050)	(£0.050)	(£0.050)		-
Law & Democratic services - reduction in external agency staff	S&T		(£0.100)	(£0.100)	-		£0.100
Law & Democratic services - burial service fees	S&T		(£0.040)	(£0.040)	(£0.040)		-
Strategic Partnerships staffing reduction	S&T		(£0.050)	(£0.050)	(£0.024)		£0.026
Strategic Workforce review	S&T		(£2.000)	(£2.000)	(£2.000)		-
Reduction in Third party spend	S&T		(£1.000)	(£1.000)	(£1.000)		-

2026/27 Savings Programme	Directorate	Unachieved 2025/26 savings £m	2026/27 Savings Programme £m	Total 2026/27 savings to be delivered £m	Quarter 1 Forecast £m	Mitigations £m	Quarter 1 Forecast Variance (over)/ underach ievement £m
Strategic Workforce review	S&T		(£1.000)	**(£1.000)**	(£1.000)		-
IT Supplier Review [Digital]	S&T		(£0.050)	**(£0.050)**	(£0.050)		-
IT licence Review [Digital]	S&T		(£0.025)	**(£0.025)**	(£0.025)		-
Unit 4 Reimplementation & Transformation Review	S&T	(£0.100)	(£0.853)	**(£0.953)**	-	(£0.753)	£0.200
Contact Centre Review [Digital]	S&T		(£0.100)	**(£0.100)**	(£0.100)		-
Corporate Core Structures including homelessness and housing options review and integration of communities	S&T		(£0.122)	**(£0.122)**	(£0.122)		-
Strategy & Transformation Subtotal		**(£0.100)**	**(£5.945)**	**(£6.045)**	**(£4.966)**	**(£0.753)**	**£0.326**
Debt refinancing	NSS		(£0.500)	**(£0.500)**	**(£0.500)**		-
Contract Efficiencies	NSS	(£0.400)	(£0.350)	**(£0.750)**	(£0.750)	-	-
Integration of Housing	NSS	(£1.610)		**(£1.610)**	-	(£1.610)	-
Non-Service Specific Subtotal		**(£2.010)**	**(£0.850)**	**(£2.860)**	**(£1.250)**	**(£1.610)**	**-**
Fleet Function Review	Place	(£0.070)		**(£0.070)**	-		£0.070
Organisation Delivery Model Review	Place		(£0.055)	**(£0.055)**	-		£0.055
Stores Function Review	Place		(£0.050)	**(£0.050)**	-		£0.050
Explore Advertising opportunities on highway network	Place		(£0.050)	**(£0.050)**	(£0.050)		-
Car Park Charges Review	Place	(£0.002)	(£0.126)	**(£0.128)**	(£0.147)		(£0.019)
Light Reduction - Trim and Dim	Place		(£0.209)	**(£0.209)**	(£0.100)		£0.109
Place Subtotal		**(£0.072)**	**(£0.490)**	**(£0.562)**	**(£0.297)**	**-**	**£0.265**
TOTAL SAVINGS PROGRAMME		**(£4.294)**	**(£16.566)**	**(£20.860)**	**(£15.696)**	**(£2.838)**	**£2.326**

3. Reserves

3.1. The table below shows the balance on reserves as at 31 March 2026 of £44.106m compared to the forecast year-end balance as at 31 March 2027 of £32.059m. This represents a forecast decrease of £12.047m, equating to a 27.31% reduction in reserves.

Table 4: General Fund Reserves			Balance at 31 March 2026 £m	Forecast Movement 2026/27 £m	Balance at 31 March 2027 £m
General Fund			**(£10.000)**	**-**	**(£10.000)**
Directorate Reserves			**(£2.517)**	**£0.459**	**(£2.058)**
Corporate Reserves	Investment	Invest to Save	(£1.974)	(£0.016)	(£1.990)
Corporate Reserves	Investment	Regeneration	(£0.001)	-	(£0.001)
Corporate Reserves	Investment	Transformation	(£0.838)	£0.601	(£0.237)
Corporate Reserves	Risk	Volatility/Demand	-	-	-
Corporate Reserves	Risk	Insurance	(£1.985)	-	(£1.985)
Corporate Reserves	Risk	DSG	(£4.000)	-	(£4.000)
Corporate Reserves	Stabilisation	Net Budget	(£15.599)	£9.622	(£5.977)
Corporate Reserves	Stabilisation	Funding	(£1.542)	-	(£1.542)
Corporate Reserves			**(£25.939)**	**£10.207**	**(£15.732)**
External Funding			**(£5.650)**	**£1.381**	**(£4.269)**
GF RESERVES TOTAL			**(£44.106)**	**£12.047**	**(£32.059)**

3.2. Following the approved use of £3.977m of reserves to support the 2026/27 budget, the current forecast overspend of £5.691m would leave only £5.977m in the Budget Stabilisation Reserve. This would significantly reduce the Council's financial resilience and its ability to manage future in-year budget pressures or funding shortfalls. The position is unsustainable and highlights the urgent need to deliver planned savings and identify further recurring budget reductions.

3.3. This level of reduction presents a significant financial risk and is not sustainable. The significant use of reserves to support the revenue budget over recent years reflects the underlying and ongoing budget pressures which need to be addressed through the identification and delivery of additional savings that will enable a balanced budget. Further management action will be required during the year to reduce the overspend and ensure a balanced year-end position.

3.4. The level of general fund reserves balances held from 31 March 2024 to the forecast for 31 March 2027 can be seen in the table below which clearly demonstrates the rate of depletion of available reserves is not sustainable.

General Fund Reserves		Balance at 31 March 2024 £m	Balance at 31 March 2025 £m	Balance at 31 March 2026 £m	Forecast Balance at 31 March 2027 £m
General Fund		**(£10.000)**	**(£10.000)**	**(£10.000)**	**(£10.000)**
Directorate Reserves		**(£3.225)**	**(£4.013)**	**(£2.517)**	**(£2.058)**
Investment	Invest to Save	(£1.519)	(£1.958)	(£1.974)	(£1.990)
Investment	Regeneration	-	(£0.020)	(£0.001)	(£0.001)
Investment	Transformation	(£0.838)	(£0.838)	(£0.838)	(£0.237)
Risk	Insurance	(£4.664)	(£4.905)	(£1.985)	(£1.985)
Risk	DSG	(£6.000)	(£6.000)	(£4.000)	(£4.000)
Stabilisation Reserves	Net Budget	(£43.341)	(£25.638)	(£15.599)	(£5.977)
Stabilisation Reserves	Funding	(£7.193)	(£1.542)	(£1.542)	(£1.542)
Corporate Reserves		**(£63.555)**	**(£40.901)**	**(£25.939)**	**(£15.732)**
External Funding		**(£13.634)**	**(£8.701)**	**(£5.650)**	**(£4.269)**
GF RESERVES TOTAL		**(£90.414)**	**(£63.615)**	**(£44.106)**	**(£32.059)**
Annual reduction in reserves (£m)		**-**	**£26.799**	**£19.509**	**£12.047**
Annual reduction in reserves (%)		**-**	**29.6%**	**30.7%**	**27.3%**

4. 2026/27 Capital Programme Quarter 1

4.1. The Council's Capital Programme is set on a three-year rolling basis and the programme for 2026/27 to 2028/29 was approved by Budget Council in February 2026, as follows:

2026/27 £110.212m

2027/28 £48.775m

2028/29 £27.549m

4.2. It is recommended that Cabinet approve the carry forward of £17.336m of rephased expenditure from the 2025/26 Capital Programme into the 2026/27 Capital Programme to support the completion of schemes continuing into the current financial year.

4.3. In addition to the rephased expenditure, several other amendments have been made to the 2026/27 Capital Programme since the beginning of April 2026. These changes have resulted in a net increase of £4.892m, as shown in Table 1 below. Overall, the revised 2026/27 Capital Programme stands at £132.440m, of which £36.215m relates to Housing Revenue Account (HRA) schemes. Included within the programme is a proposed additional cost of £1m in relating to a necessary delay in the implementation of the new Unit 4 core system from November 2026 to April 2027. The delay reflects the outcome of a detailed recalibration exercise following the full scale of the issues with the current system, and integrations, having been identified, with unacceptable operational and delivery risks in the November date. The additional cost will be met from the existing Organisational Redesign and Transformation programme and will not represent an additional funding requirement.

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4.4. Alongside the rephased expenditure and additional funding set out in Table 1 there is currently an ongoing exercise to refresh the Capital Programme and consequently a revised Capital Programme will be reported at Quarter 2 following a detailed assessment of in-year deliverability.

Table 1 Capital Programme 2026/27 – Quarter 1	Total Council Approved Budget Feb 2026 *£m*	2025/26 Slippage Recommended for Approval *£m*	Proposed In-Year Additions / (Slippage) *£m*	Revised Programme at Qtr1 *£m*
Capital Expenditure by Theme				
Regeneration and Housing	£19.295	£5.944		£25.239
Schools	£18.656	£1.807	£6.686	£27.149
Highways	£26.195	£2.507	-	£28.702
Environmental & Communities Projects	£3.007	£0.405	(£1.794)	£1.618
Corporate Property & Estates	£5.957	£1.310	-	£7.267
Transport Fleet Management	£0.500	-	-	£0.500
ICT & Digital Transformation	£1.500	-	-	£1.500
Organisation Redesign & Transformation	£3.840	£0.409	-	£4.249
General Fund Expenditure Subtotal	**£78.951**	**£12.382**	**£4.892**	**£96.225**
HRA Expenditure Subtotal	**£31.261**	**£4.954**	**-**	**£36.215**
Total Council Expenditure	**£110.212**	**£17.336**	**£4.892**	**£132.440**
Financing the Capital Programme				
Prudential Borrowing	£30.361	£7.769	£0.350	£38.480
External Funding	£48.590	£3.855	£4.542	£56.987
Capital Receipts	-	£0.708	-	£0.708
General Fund RCCO	-	£0.050	-	£0.050
General Fund Financing Subtotal	**£78.951**	**£12.382**	**£4.892**	**£96.225**
Prudential Borrowing HRA	£10.474	£4.596	£0.210	£15.280
External Funding HRA	-	£0.150	-	£0.150
Capital Receipts HRA	£3.120	(£0.708)	£0.706	£3.118
Housing Revenue Account DRF/MRR	£17.667	£0.916	(£0.916)	£17.667
HRA Financing Subtotal	**£31.261**	**£4.954**	**-**	**£36.215**
Total Council Financing	**£110.212**	**£17.336**	**£4.892**	**£132.440**

4.5. The Capital Programme has been updated to reflect several additions and rephasing adjustments identified at Quarter 1. The net impact of these changes is an increase of £4.892m, as detailed below:

Recommended additions to the 2026/27 Capital Programme totalling £7.311m:

- **Schools**: £0.350m of prudential borrowing and £0.879m of grant to fund Elmsbank Post16 school, the new Ashgrove Pupil Referral Unit (PRU) school and the Bury Youth Justice Service.
- **Schools**: £5.957m additional High Needs and Best Start Family Hubs grant allocations notified by DfE (Department for Education).
- **Environmental & Communities Projects**: £0.125m external grants for a Heat Network Study in Bury Town Centre and The Met Decarbonisation.

Recommended rephasing to the 2027/28 Capital Programme totalling £2.419m:

- **Environmental & Communities Projects**: re-phasing of £1.919m Electric Vehicle Charging Infrastructure grant allocation from GMCA (Greater Manchester Combined Authority) into 2027/28 due to delays in appointing, in collaboration with TfGM and neighbouring GM authorities, a contractor to deliver the works.
- **Schools**: £0.500m re-phasing of DfE grant for the CYP agreed contribution to the DfE carried out scheme, payable on DfE's request and likely to materialise during 2027/28.

Table 2 **CAPITAL PROGRAMME AMENDMENTS**	**QUARTER 1 – JUNE 2026**	**Total additions / (rephases) at Qtr1** **£m**
Capital Theme	**Capital Scheme**	
Schools	Elms Bank-Post 16 schemes	£0.380
Schools	Ash Grove - Combined PRU	£0.499
Schools	Bury Youth Justice Service	£0.350
Schools	Best Start Family Hubs	£0.077
Schools	High Needs Provision and DFC Capital Allocations	£5.881
Schools	Special Free School-(2nd SEN school)-SEMH	(£0.500)
Environmental & Communities Projects	The Met (Derby Hall) Decarb	£0.025
Environmental & Communities Projects	Heat Network in Bury TC	£0.100
Environmental & Communities Projects	Electric Vehicle Charging Infrastructure	(£1.919)
	TOTAL BUDGET CHANGES AT QTR1	**£4.892**
	Prudential Borrowing	£0.350
	External Funding	£4.542
	TOTAL FINANCING CHANGES AT QTR1	**£4.892**

4.6. This report seeks Cabinet approval to recommend to Council the inclusion of an additional £0.350m of Prudential Borrowing in the 2026/27 Capital Programme (Table 2) to support the Bury Youth Justice Service. It is worth noting the Treasury Management budget at Quarter 1 is forecasting a pressure of £1.015m which is based on the Capital Programme approved in February 2026 (see Section 1.5.1 of this report). The proposed additional borrowing will increase the Council's financing costs and place further pressure on the in-year treasury management budget. Additionally, these additional costs will need to be reflected within the Council's Medium Term Financial Strategy and will increase the 2027/28 budget gap.

4.7. Additionally, the Housing Revenue Account (HRA) is seeking approval for a further £0.210m of prudential borrowing. Although there is no impact on the General Fund, the HRA will need to absorb the associated financing costs. Further details on the HRA's Capital Programme are in Section 6.

2026/27 Capital Programme Delivery

4.8. The revised 2026/27 Capital Programme will form the baseline against which the delivery and performance of capital schemes during 2026/27 will be monitored and reported throughout the year.

4.9. Capital expenditure incurred up to 30 June 2026 totals £18.500m, representing 14% of the revised programme value of £132.440m. This expenditure reflects payments made by the Council for capital related goods, works and services between 1 April 2026 and 30 June 2026. A summary of expenditure to date is set out in Table 3 below.

Table 3	**2026/27 Capital Programme**		**In-Year Performance**	
	Council Approved Programme	**Revised Proposed Programme**	**Actual Spend at P3**	**Actual Spend at P3**
	£m	***£m***	***£m***	***%***
Capital Expenditure by Theme				
Regeneration and Housing	£19.295	**£25.239**	£8.17	32%
Schools	£18.656	**£27.149**	£3.83	14%
Highways	£26.195	**£28.702**	£1.74	6%
Environmental & Communities Projects	£3.007	**£1.618**	£0.05	3%
Corporate Property & Estates	£5.957	**£7.267**	£0.17	2%
Transport Fleet Management	£0.500	**£0.500**	£0.16	32%
ICT & Digital Transformation	£1.500	**£1.500**	£0.47	31%
Organisation Redesign & Transformation	£3.840	**£4.249**	£0.36	8%
SUBTOTAL GF EXPENDITURE	**£78.951**	**£96.225**	**£14.94**	**14%**
SUBTOTAL HOUSING HRA EXPENDITURE	**£31.261**	**£36.215**	**£3.56**	**10%**
TOTAL COUNCIL EXPENDITURE	**£110.212**	**£132.440**	**£18.50**	**14%**
Financing the Capital Programme				
Prudential Borrowing	£30.361	**£38.48**		
External Funding	£48.590	**£56.99**		
Capital Receipts	-	**£0.708**		
General Fund RCCO	-	**£0.050**		

SUBTOTAL GF FINANCING	**£78.951**	**£96.225**	
Prudential Borrowing HRA	£10.474	**£15.28**	
External Funding HRA	-	**£0.150**	
Capital Receipts HRA	£3.120	**£3.120**	
Housing Revenue Account DRF/MRR	£17.667	**£17.667**	
SUBTOTAL HRA FINANCING	**£31.261**	**£36.215**	
TOTAL FINANCING	**£110.212**	**£132.440**	

4.10. The monitoring of the programme throughout the year involves the Council’s Finance Team working closely with operational services and respective project managers through monthly monitoring sessions. It is intended that a comprehensive review of the programme proposed spend and outputs will be completed by the end of Quarter 2, by conferring with project managers and business partners on each scheme’s planned delivery and spending for the remainder of the year.

4.11. In accordance with the Prudential Code for Capital Finance in Local Authorities, the Council is required to monitor and report performance against its Prudential Indicators on a quarterly basis. An update on the Council's Prudential Indicators as at Quarter 1 is provided in Appendix 1.

5. Collection Fund Outturn Position

5.1. The increasing prominence of council tax and business rates funding council services means that the collection fund is closely monitored on an ongoing basis. The quarter 1 position on the collection fund is an in-year deficit of £3.924m, with a residual deficit brought forward from 2025/26 of £2.223m (this is the difference between the statutory estimated deficit as at 15 January 2025 and the outturn position). This brings the overall forecast to a net deficit of £6.148m. The Council's share of the deficit is £5.571m and Greater Manchester Combined Authority's share is £0.577m (for police and fire and rescue services).

5.2. The proportionate shares for Business Rates and Council Tax mean that Greater Manchester Combined Authority have a 1% share of Business Rates and a 16% share of Council Tax, whereas the Council have a 99% share of Business Rates and 84% share of Council Tax.

5.3. The main movements which are resulting in the deficit position of £6.148m (Bury share £5.571m) are shown below.

2026/27 Surplus/(Deficit) on Collection Fund	**Council Tax £m**	**NNDR £m**	**TOTAL £m**
2025/26 Surplus/(Deficit) Balance b/f	**(£2.483)**	**£0.260**	**(£2.223)**
2026/27			
Income	£153.074	£51.579	**£204.654**
Section 31 grants		£20.450	**£20.450**
Contributions towards Previous Year's Deficit:			
Bury MBC	£0.000	£0.000	**£0.000**
Police and Crime Commissioner	£0.000		**£0.000**
General Mayoral - Fire and Rescue Service	£0.000	£0.000	**£0.000**
Total Income	**£153.074**	**£72.030**	**£225.104**
Precepts and Demands on Collection Fund:			
Bury MBC	(£124.224)	(£68.801)	**(£193.025)**
Police and Crime Commissioner	(£16.750)		**(£16.750)**
General Mayoral - Fire and Rescue Service	(£9.038)	(£0.695)	**(£9.733)**
Disregards: Renewable Energy		£0.000	**£0.000**
Cost of Collection		(£0.229)	**(£0.229)**
Transitional Protection Payments		£0.271	**£0.271**
Impairment of Debts/Appeals:			
Write-offs of Uncollectable Amounts	£0.000	£0.000	**£0.000**
(Increase)/Decrease in the Allowance for Impairment of Arrears	(£3.061)	(£1.032)	**(£4.093)**
(Increase)/Decrease in the Allowance for Impairment of Appeals		(£1.545)	**(£1.545)**
Payment of Previous Year's Surplus:			
Bury MBC	(£0.774)	(£2.972)	**(£3.746)**
Police and Crime Commissioner	(£0.103)		**(£0.103)**
General Mayoral - Fire and Rescue Service	(£0.046)	(£0.030)	**(£0.076)**
Total Expenditure	**(£153.997)**	**(£75.031)**	**(£229.028)**

2026-27 In-Year Surplus/(Deficit)	**(£0.923)**	**(£3.002)**	**(£3.924)**
Surplus/(Deficit) as at 31.03.2027	**(£3.406)**	**(£2.742)**	**(£6.148)**

Share of the 2026/27 Surplus/(Deficit)	**Council Tax £m**	**NNDR £m**	**TOTAL £m**
Bury MBC	(£2.856)	(£2.715)	**(£5.571)**
Police and Crime Commissioner	(£0.381)		**(£0.381)**
General Mayoral - Fire and Rescue Service	(£0.168)	(£0.027)	**(£0.195)**
Surplus/(Deficit) as at 31.03.2027	**(£3.406)**	**(£2.742)**	**(£6.148)**

5.4. The £6.148m forecast deficit on the collection fund mainly reflects the impact of the variance created by the payment of the estimated surplus position for 2025/26 of £3.924m (being paid per Regulations in 2026/27) and the actual 2025/26 outturn deficit position of £2.233m brought forward into 2026/27.

5.5. The position also reflects an increase in the allowance for impairment of arrears mostly driven by an increase in Council Tax arrears. The Council is continuing to take action to reduce arrears across both Council Tax and Business Rates.

5.6. The current in year collection for Council Tax is forecast to fall below the budgeted collection rate of 98%, largely due to the cost-of-living pressures affecting residents.

Collection Rates	**Council Tax %**	**NNDR %**
2026/27 Target collection rate	98.00	98.00
2025/26	95.26	96.87
2024/25	95.59	96.55
2023/24	95.25	93.88
2022/23	94.99	92.73
2021/22	95.77	93.73
2020/21	96.01	87.63
2019/20	96.39	95.37
2018/19	96.49	96.23
2017/18	96.62	96.04

5.7. Despite the in-year collection forecast rate being below the budgeted rate, the Council's recent performance compares favourably with regional trend, with a net improvement in Council Tax collection rates over the last three years and a strong increase in Business Rates over the same period.

6. Housing Revenue Account (HRA) Outturn position

6.1. The table below shows the overall forecast position on the HRA for 2026/27, which is for an underspend of £0.059m.

HRA INCOME AND EXPENDITURE STATEMENT	2026/27 Quarter 1 Revised Budget	2026/27 Quarter 1 Forecast	Variance	Variance
	£m	£m	£m	%
INCOME				
Dwelling Rents	(£38.633)	(£38.406)	£0.228	99.41%
Non-dwelling Rents	(£0.219)	(£0.181)	£0.038	82.65%
Other Charges for Services and Facilities	(£1.126)	(£1.145)	(£0.019)	101.69%
Contributions Towards Expenditure	(£0.005)	(£0.005)	-	100.00%
Total Income	**(£39.983)**	**(£39.737)**	£0.247	**99.38%**
EXPENDITURE				
Repairs and Maintenance	£11.409	£11.359	(£0.050)	99.56%
Supervision and Management	£12.699	£12.412	(£0.287)	97.74%
Special Services	£1.333	£1.365	£0.032	102.40%
Rents, Rates, Taxes, and Other Charges	£0.200	£0.200	-	100.00%
Depreciation of Non-Current Assets	£9.167	£9.167	-	100.00%
Debt Management Expenses	£0.045	£0.045	-	100.00%
Movement in Provision for Bad Debts	£0.565	£0.565	-	100.00%
Total Expenditure	**£35.418**	**£35.113**	**(£0.305)**	**101.43%**
HRA Services' Share of Corporate and Democratic Core	£0.384	£0.384	-	100.00%
Net Income or Expenditure of HRA Services	**(£4.181)**	**(£4.240)**	**(£0.059)**	**101.41%**
Interest Payable and Similar Charges	£5.248	£5.248	-	100.00%
Interest and investment income	(£0.664)	(£0.664)	-	100.00%
(Surplus) or Deficit for the Year on HRA Services	**£0.403**	**£0.344**	**(£0.059)**	**85.36%**
APPROPRIATIONS				
Reversal of Depreciation	(£9.167)	(£9.167)	-	
Transfer to the Major Repairs Reserve	£9.167	£9.167	-	
Repayment of Arranged Loans	£0.178	£0.178	-	100.00%
Capital Expenditure Funded by the HRA	£8.500	£8.500	-	100.00%
Total Appropriations	**£8.678**	**£8.678**	**-**	**100.00%**

6.2. The current forecast position for the HRA will slightly reduce the contribution from the HRA Reserve that was budgeted to be required for 2026/27 by £0.059m. Details of significant variances include:

6.2.1. Dwelling rents – forecast to be £0.228m lower than budget – partial reason for this will be the increased number of Right to Buy (RTB) sales which completed during the first quarter, totalling 28 against a full-year budgeted forecast of 18. If the backlog of RTB cases falls now as anticipated, and there are fewer new applications, then this forecast may improve to an extent. The positive side of this is that the authority will receive a higher level of Capital Receipts than budgeted for, with which to support future HRA development opportunities.

6.2.2. Service Charges and Non-Dwelling Rents – there are swings and roundabouts with service charges currently forecast to out-perform budget slightly by £0.019m, whilst non-dwelling rent income is forecast to under-perform by £0.039m. Service charge analysis continues to be a key area of focus, to ensure that current service charges are being set at the right level, with future aims of examining if there are any areas where we don’t raise service charges but could or should.

6.2.3. Repairs and Maintenance – currently showing a small under-spend of circa £0.050m, on a £11.409m budget (0.44%), which although in itself appears favourable masks some significant challenges still within the service:

- Disrepairs – there has been a national trend seeing increasing numbers of disrepair claims being made. The overspend in 2025/26 was £0.276m, and although additional resource was put into the 2026/27 budget this area still needs close monitoring as the number of cases have significantly increased over the past few years.
- Sub-contractor spend – there was a significant increase in the level of sub-contractor spend over the first few months of the year. This has led to some in-depth analysis of that spend to try and understand the key drivers for the increase, and to provide a focus for getting these costs under closer control. Currently forecast to overspend in total by £0.350m.
- Vacancies – to offset some of the sub-contractor spend several permanent vacancies across the service are being held open. At some point this issue will need to be crystallised to understand the impact that directly recruiting more staff could have on the forecast external sub-contractor overspend.

6.2.4. Supervision and Management is forecast to underspend by £0.288m, due to several factors:

- Delays in recruiting staff to vacancies which generates some short-term savings, currently estimated at £0.110m.
- Expected savings in relation to review of Central Support Recharges.

6.2.5. Special Services forecasting small overspend of £0.032m due to some additional revenue compliance costs having to be met.

6.3. The revised HRA Capital Programme including slippage from 2025/26 is £36.215m as detailed in the table below. The final forecast spend currently stands at £31.767m which will require re-programming or re-phasing of £4.448m of programme spend and financing into 2026/27 and beyond.

CAPITAL PROGRAMME	2026/27 Revised Budget	2026/27 Quarter 1 Forecast	Variance	Variance
	£m	£m	£m	%
CAPITAL EXPENDITURE				
Major Works & Imps	£17.175	£13.107	(£4.068)	76.31%
Other Capital Spend	£5.945	£5.945	-	100.00%
New Build Development Costs	£3.118	£3.118	-	100.00%
Disabled Adaptations	£1.598	£1.218	(£0.380)	76.22%
Carbon Reduction Schemes	£8.379	£8.379	-	100.00%
Total Capital Expenditure	**£36.215**	**£31.767**	**(£4.448)**	**87.72%**
CAPITAL FINANCING				
Prudential Borrowing	(£15.280)	(£10.832)	£4.448	61.29%
External Funding	(£0.150)	(£0.150)	-	100.00%
Capital Receipts	(£3.118)	(£3.118)	-	100.00%
HRA Direct Revenue Financing	(£8.500)	(£8.500)	-	100.00%
HRA Major Repairs Reserve	(£9.167)	(£9.167)	-	100.00%
Total Capital Financing	**(£36.215)**	**(£31.767)**	**£4.448**	**87.72%**
Total Capital Programme	**-**	**-**	**-**	

6.4. The HRA Reserve movements are detailed in the table below. When the budget was approved in February 2026, the closing HRA balance was forecast to be £18.386m. However, outturn performance was better than anticipated, resulting in an actual HRA balance of £19.861m as at 31 March 2026.

MOVEMENT on the HRA RESERVE	2026/27 Feb 26 Budget	2026/27 Quarter 1 Forecast	Variance
	£m	£m	£m
Balance on the HRA at the End of the Previous Reporting Period	**(£18.386)**	**(£19.861)**	**(£1.475)**
(Surplus) or Deficit for the Year on the HRA Income and Expenditure Statement	£0.403	£0.344	(£0.059)
Appropriations	£8.678	£8.678	-
Net (Increase) or Decrease before Transfers to or from Reserves	**£9.081**	**£9.022**	**(£1.534)**
Transfers to/(from) Earmarked Reserves	-	-	-
(Increase) or Decrease in Year on the HRA	**£9.081**	**£9.022**	**(£1.534)**
Balance on the HRA at the End of the Current Reporting Period	**(£9.305)**	**(£10.839)**	**(£1.534)**

7. Dedicated Schools Grant Outturn position

7.1. The DSG is broken down into 4 components and Bury's allocations from March 2026 publications before recoupment and deductions for 2026/27 are as follows:

	March 2026 Published Allocation £m	**Forecast Variance 2026/27 £m**
Schools Block	£176.712	-
Central Services Block	£1.175	-
Early Years Block	£39.465	-
High Needs Block	£53.582	£10.287
Total	**£270.934**	**£10.287**

7.2. The Schools Block and Early Years Block are almost entirely passported to schools and early years providers. The Central Services Block is used to fund central services funded by Bury. There is little variance in this area. The major risk to the Council is the High Needs Block (HNB).

7.3. The HNB spending and allocations are subject to numerous funding regulations. These regulations are described in full within the Department of Education (DfE) High Needs Funding Guidance, which can be found via this link - High needs funding: 2026 to 2027 operational guide - GOV.UK

7.4. The HNB covers Special Educational Needs (SEN) funding for pupils aged 0 to 25 irrespective of which setting they attend. The broad headings for the HNB 2026/27 budget and forecast outturn position are shown below:

High Needs Block (HNB)	**2026/27 Forecast £m**
Specials Schools and Pupil Referral Unit (PRU)	£24.468
Resourced Provision within Mainstream Schools	£2.916
Early Years Funding	£0.275
SEN Funding within Mainstream Funding (EHCP's)	£11.597
Independent (Out Borough) Special Schools	£17.818
Post 16 Commissioned Places	£2.400
Alternative Provision	£4.789
SEN Support Services	£1.087
Total Expenditure	**£65.350**
High Needs Block Allocation	(£53.582)
School Block Transfer	(£0.481)
Health Service Contribution	(£1.000)

Total Income	**(£55.063)**
Balance	£10.287
Deficit b/fwd. from 2025/26	**£20.285**
High Needs Stability Grant estimate 2026/27	**(£19.157)**
Forecast in year deficit	**£10.287**
Estimated deficit c/fwd to 2027/28	**£11.416**

7.5. The DSG overall deficit at the beginning of the 2025/26 financial year brought forward was £20.285m, pre-audited figure. The service continues to work on making savings where possible, whilst continuing to face increasing demand which is a national pressure. The forecast 2026/27 DSG deficit position is £10.287m.

7.6. The formula for Local Authorities for the grant this year is:

High Needs Stability Grant = 90% × Eligible DSG Deficit

7.6.1 Where the **Eligible DSG Deficit** is the DSG deficit in the unusable reserve at 31 March 2026, adjusted for:

- Exclude any ineligible expenditure or charges
- Net off any DSG surpluses
- For former Safety Valve authorities, take account of previous Safety Valve payments and agreed local contributions.

7.6.2 This will be paid on the eligible balance as at 31st March 2026 subject to an approved local SEND reform plan (Bury submitted their plan in June 2026 prior to the deadline and is awaiting outcome).

7.6.3 The estimated grant allocation for Bury is £19.157m, which is included in the above table.

7.7. The majority of local authorities continue to face serious budgetary pressures and deficits which have been building over a number of years due to:

- The HNB allocations not being increased for the rises in pupil numbers.
- The percentage of pupils with SEN needs has been increasing but has not been reflected within allocations.
- The HNB becoming responsible for 19- to 25-year-olds without any additional funding.
- LA's own provision being at full capacity meaning there is more reliance on expensive independent special school's fees.
- Inflationary pressures being greater than the increase's in HNB funding.

7.8. **Maintained school balances**:

Maintained school balances	**School Balances At 31/03/26 £m**
Nursery	£0.11
Primary	£0.08
Secondary	£1.17
Special	£0.93
Total	**£2.29**

7.9. The number of schools which are in a deficit position reduced from 12 at the end of 2024/25 to 9 at the end of the 2025/26 financial year.

7.10. Schools are required to adhere to their budget limits, but in the event of an unplanned deficit occurring this will be deducted from the following year's budget share. Schools that can't produce a balanced budget for 2026/27 can request approval to set a deficit budget by submitting a deficit recovery management plan to the Executive Director of Children and Young People. The deficit should normally be recovered within two to three years.

7.11. Of the 9 schools ending 2025/26 with a deficit:
- 7 already have an approved deficit recovery plan, 2 of which are subject to review;
- 1 plan is currently being prepared before submission for approval;
- 1 is converting to academy status during the summer term.

7.12. The Director of Education has introduced Finance Improvement Group meetings with schools facing challenges in setting a balanced budget.

Links with the Corporate Priorities:

Financial management is a key part of the council's overall governance and control arrangements and the close monitoring of agreed income and expenditure; revised forecasts of future budget pressures and opportunities; and regular reporting of these issues underpin the council's three clear corporate priorities as set out in the Let's Do It Strategy that will deliver financial sustainability for the Council.

Equality Impact and Considerations:

Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to:

a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations and demonstrate that we are paying ‘due regard’ in our decision making in the design of policies and in the delivery of services.

Environmental Impact and Considerations:

This is a finance update report as such there are no environmental impacts associated with this report.

Assessment and Mitigation of Risk:

Risk / opportunity	**Mitigation**
The Council has insufficient funds to support its expenditure.	Regular reporting and tight budgetary control by budget holders support the Council in managing the overall financial risks and financial planning for the Council.

Legal Implications:

This report provides Members with details of the quarter one financial position; there are no specific legal considerations in this report.

Financial Implications:

The financial implications are included within the Report.

Appendices: Appendix 1 - Prudential Indicators Quarter 1

Background papers:

Please list any background documents to this report and include a hyperlink where possible.

The Council's Revenue Budget and Medium Term Financial Plan

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
CIPFA	Chartered Institute of Public Finance and Accountancy
DfE	Department for Education
DRF	Direct Revenue Financing
DSG	Dedicated Schools Grant
EHCP	Education, Health and Care Plan
GMCA	Greater Manchester Combined Authority
LGFS	Local Government Finance Settlement
MRR	Major Repairs Reserve
MTFS	Medium Term Financial Strategy
NNDR	National Non-Domestic Rates
PRU	Pupil Referral Unit
PSV	Project Safety Valve
RCCO	Revenue Contributions to Capital Outlay
SEN	Special Educational Needs

Prudential Indicators Q1 2026/27

The Authority measures and manages its capital expenditure, borrowing and commercial and service investments (where applicable) with references to the following indicators.

It is now a requirement of the CIPFA Prudential Code that these are reported on a quarterly basis.

Capital Expenditure: The Authority has undertaken and is planning capital expenditure as summarised below:

Table 1: Capital Expenditure

Description	2025/26 actual	2026/27 forecast	2027/28 forecast	2028/29 forecast
General Fund services	81.240	96.225	27.778	11.080
Council housing (HRA)	19.174	36.215	23.056	16.549
Non-Financial Investments	0.000	0.000	0.000	0.000
Total	**100.413**	**132.440**	**50.834**	**27.629**

The original forecast for 2026/27 approved as part of the Capital Strategy 2026/27-2028/29 on 25 February 2026 was £110.212. Refer to Section 4 for a breakdown of the budget variances and movements from the February 2026 position to Quarter 1.

Capital Financing Requirement: The Authority's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with Minimum Revenue Provision (MRP), Loan Repayments and capital receipts used to replace debt.

Table 2: Capital Financing Requirement

Description	31.3.2026 actual	31.3.2027 forecast	31.3.2028 forecast	31.3.2029 forecast
General Fund services	244.564	285.031	281.881	292.819
Council housing (HRA)	127.324	142.662	149.486	149.486
Non-Financial Investments	65.683	58.000	62.986	62.437
Other Debt Liabilities	9.958	8.258	7.344	6.393
TOTAL CFR	**447.529**	**493.951**	**501.697**	**511.135**

Gross Debt and the Capital Financing Requirement: Statutory guidance is that debt should remain below the capital financing requirement, except in the short term. The Authority has complied and expects to continue to comply with this requirement in the medium term as is shown below.

Table 3: Gross Debt and Capital Financing Requirement

Description	31.3.2026 actual	31.3.2027 forecast	31.3.2028 forecast	31.3.2029 forecast
Debt (incl. PFI & leases)	365.671	371.369	379.114	417.594
Capital Financing Requirement	447.529	493.951	501.697	511.135

Debt and the Authorised Limit and Operational Boundary: The Authority is legally obliged to set an affordable borrowing limit (also termed the Authorised Limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit.

Table 4: Debt and the Authorised Limit and Operational Boundary

Description	Debt at 30.6.26	Maximum debt Q1 2026/27	2026/27 Authorised Limit	2026/27 Operational Boundary	Complied With Y/N
Borrowing	365.671	405.439	495.523	485.523	
PFI and Finance Leases	9.958	9.958	10.129	9.129	
Total debt	**375.629**	**415.397**	**505.652**	**494.652**	**Yes**

Since the operational boundary is a management tool for in-year monitoring it is not significant if the boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure.

Proportion of Financing Costs to Net Revenue Stream: Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP/Loan Repayments are charged to revenue.

The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

Table 5: Proportion of Financing Costs to Net Revenue Stream

Description	2025/26 actual	2026/27 forecast	2027/28 forecast	2028/29 forecast
Proportion of net revenue stream (General Fund)	2.41%	6.66%	5.28%	4.80%
Proportion of net revenue stream (HRA)	9.99%	11.53%	11.87%	11.83

Treasury Management Indicators:

Maturity structure of borrowing: This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Table 6 Maturity Structure of fixed rate borrowing

Maturity structure of fixed rate borrowing	31/03/26 £m	31/03/26 %	31/03/27 Forecast £m	31/03/27 Forecast %
Under 12 months	**£64.072**	17.52%		0%
12 months and within 24 months	**£50.522**	13.82%	**77.550**	21%
24 months and within 5 years	**£65.567**	17.93%	**54.221**	15%
5 years and within 10 years	**£111.987**	30.63%	**150.342**	40%
10 years and Over	**£73.521**	20.11%	**89.256**	24%
Total Debt	**£365.671**	**100.00%**	**£371.369**	**100.00%**

Liability Benchmark: This indicator compares the Authority's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level of £10m required to manage day-to-day cash flow.

Table 7 Liability Benchmark:

Description	**31-Mar-2026 Actual £m**	**31-Mar-2027 Forecast £m**	**31-Mar-2028 Forecast £m**
Loans CFR	£437.200	£472.500	£481.100
Less: Balance sheet resources	(£86.100)	(£86.100)	(£86.100)
Net loans requirement	**£351.100**	**£386.400**	**£395.000**
Plus: Liquidity allowance	£10.000	£10.000	£10.000
Liability benchmark	**£361.100**	**£396.400**	**£405.000**
Existing borrowing	**£365.671**	**£371.369**	**£379.114**

Following on from the medium-term forecast above, the long-term liability benchmark assumes capital expenditure funded by borrowing of approximately £15m a year, minimum revenue provision on new capital expenditure based on a 25-year asset life and income, expenditure and reserves all increasing by inflation of 2.5% p.a. This is shown in the chart below.

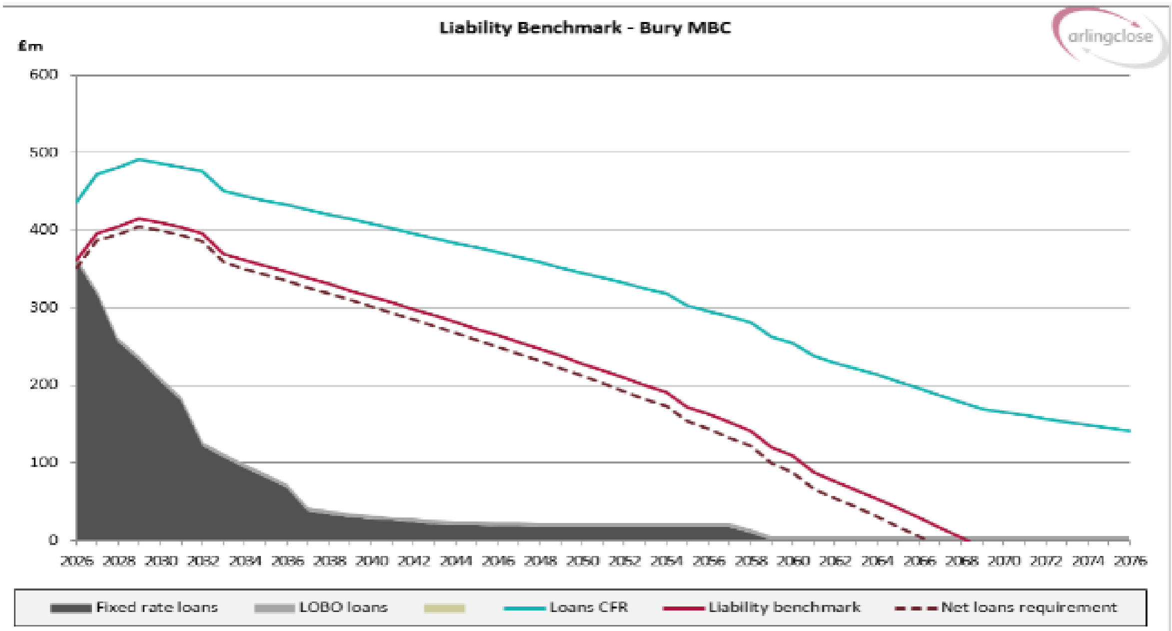

Chart Key:

Fixed rate loans - The grey shaded area represents the Council's existing loans and shows their current maturity profile.

Loans CFR - The blue line is calculated in accordance with the loans CFR definition in the Prudential Code and represents the Council's underlying need to borrow for capital spending that has not yet been financed by other means.

Net Loans Requirement - The dotted red line is based upon the CFR but factors in other balance sheet resources, such as cash-backed reserves and working capital. These balances improve the Council's cash position and enable it to maintain an under-borrowed position by not externally borrowing up to the full CFR, thus saving on interest costs. Should these resources decrease (for example if reserves are used up) then this line will be raised closer to the loans CFR suggesting that more borrowing is needed.

Liability Benchmark - The solid red line is the Council's net loans requirement plus short-term liquidity allowance (a notional buffer of £10m) for cashflow purposes. This is the level of borrowing the Council will need in order to maintain this desired cash position.

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Classification:	Decision Type:
Open	Non-Key

Report to:	Overview and Scrutiny/ Cabinet	**Date:** 08 September 2026 09 September 2026
Subject:	2025/26 Treasury Management Outturn	
Report of	Cabinet Member for Finance and Transformation	

1 Summary

1.1 The report outlines the financial position and provides an update on the following aspects of the Treasury Management function throughout 2025/26.

The report covers:

- An economic update for 2025/26.
- An update of the Council's current treasury management position.
- Council Borrowing.
- Treasury Investment Activity.
- Non-Treasury Investments.
- Treasury Performance for 2025/26.
- Treasury Management Prudential Indicators.

1.2 The Council is required by legislation to produce an annual Treasury Management review of activities and the actual prudential and treasury indicators for the year. This report meets both the Chartered Institute of Public Finance and Accountancy (CIPFA) Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).

Recommendation(s)

1.3 Cabinet is recommended to:

- Note and approve for onward submission to Council on 16th September 2026, the:
  - Treasury Management 2025/26 Outturn Report.
  - 2025/26 Prudential and Treasury Indicators.

1.4 Council is asked to:

- Note the:
  - Treasury Management 2025/26 Outturn Report.
  - 2025/26 Prudential and Treasury Indicators.

Reasons for recommendation(s)

1.5 It is a requirement of the CIPFA Code that the Council receives an annual Treasury Management Outturn Report. It should be noted that the Council met all its Prudential Indicators relating to Treasury Management in financial year 2025/26.

Alternative options considered and rejected

1.6 Regular reporting to members on the Council's Treasury Management arrangements, controls and performance forms a key element of its overall governance and financial administration. Given this, no alternative options were considered when preparing this report.

2 Introduction

2.1 The Council has adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code) which requires the Council to approve, as a minimum, treasury management semi-annual and annual outturn reports.

2.2 This report includes the requirement in the 2021 Code, mandatory from 1 April 2023, of reporting of the treasury management prudential indicators.

2.3 The Council's Treasury Management Strategy for 2025/26 was approved by Council at the Budget Council meeting on 19 February 2025, a further update to the Treasury Management Strategy was approved by Council on 25 February 2026.

2.4 The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.

3 Economic update for 2025/26

3.1 The financial year was largely dominated by two significant events that created uncertainty and volatility. The first being the US trade tariff in April 2025 and the second was the escalation of conflict involving the US/Israel and Iran at the end of February 2026.

3.2 After the initial fallout from US trade tariffs, the following months saw some improvements as equity markets made gains and bond yields eased modestly. However, in the UK this trend in bond yields reversed somewhat as an uncertain economic outlook together with concerns around the government's fiscal position and Autumn budget saw investors demanding a higher return for holding gilts for longer periods.

3.3 The UK Spring Budget delivered in March 2026 was deliberately lower key with no major tax changes and no big policy shifts. This helped UK markets perform better with gilt yield trending downwards, inflation easing and expectation for cut in the Bank of England interest rate. However, the outbreak of war between the US/Israel and Iran in late February 2026 drove sharp increases in oil and commodity prices due to disrupted shipping routes, leaving the global economic outlook highly uncertain, particularly regarding inflation and policy responses.

3.4 UK consumer prices inflation (CPI) was generally trending downward before the War, prior to the war was trending downwards, albeit the 3% in February 2026 remained unchanged from January. The core measure of CPI, i.e. excluding food and energy, also remained at 3.1%. Inflation was expected to fall further over the coming months to the Bank of England's 2% target. However, due to the impact of the war, inflation is now expected to rise again. The extent and the pace will depend largely on the duration of the war and how long commodity prices remain elevated.

3.5 The Office for National Statistics (ONS) reported that the UK economy grew by 0.1% in Q4 2025, following modest increases of 0.2% and 0.1% in Q3 with subsequent data showing that the GDP recorded no growth in January 2026. However, as these data precedes the onset of the US war with Iran the associated economic impact will only become evident in the future official releases by the ONS.

3.6 During financial year 2025/26 labour market figures were slightly better than expected, the general trend has been one of persistent weakness. In the three months to January 2026, the unemployment rate rose to 5.2% (from 5.1%), while the employment rate held at 75.1%. Despite inflation being expected to rise in the coming months, labour market conditions remain loose and so any upward pressure on wages from general inflation is likely to be tempered by the weaker labour market environment.

3.7 The Bank of England (BoE) reduced the Bank Rate from 4.00% to 3.75% in December 2025. In February 2026, BoE's Monetary Policy Committee (MPC) voted 5-4 to hold rates at 3.75%. In February 2026, the Monetary Policy Committee (MPC) voted narrowly (5–4) to maintain the rate at 3.75%, followed by a unanimous decision to hold rates again in March. Prior to the outbreak of the conflict in the Middle East, financial markets had anticipated a further reduction to 3.5% at the March meeting. However, the escalation of geopolitical tensions significantly altered expectations. The MPC highlighted increased uncertainty, noting risks to both inflation and economic growth, and indicated that future policy could involve either tightening or easing depending on evolving conditions. In response, financial markets rapidly adjusted their outlook by pricing in rate hikes.

3.8 Following the March MPC meeting, Arlingclose, the authority's treasury adviser, revised its central interest rate view and now predicts Bank Rate will be held at 3.75%. However, the conflict makes the outlook for rates highly uncertain. In the short-term the risks are to the upside with the chance of higher Bank Rate should the MPC decide it wishes to quickly quash potential second-round effects from higher inflation. Further out, if Bank Rate is hiked quickly, the pace and magnitude of subsequent cuts could take it far lower than was previously anticipated as policymakers add significant stimulus to a much weaker economic growth outlook.

3.9 The US Federal Reserve had been easing monetary policy over the period, lowering the target range for the federal funds rate by 0.25 percentage points to 3.50%–3.75% at its December meeting. At the three subsequent meetings, the Committee opted to hold rates within this range. Policymakers noted that, although inflation remained elevated, economic activity continued to expand. However, the outbreak of war with Iran introduced significant uncertainty regarding the future path of monetary policy. Despite this heightened uncertainty, the Federal Reserve continued to signal that further rate cuts were likely in 2026 and 2027.

3.10 The European Central Bank (ECB) has kept its key policy rates unchanged since June 2025, maintaining the deposit facility rate at 2.00% and the main refinancing rate at 2.15%. At its March 2026 meeting, the ECB emphasised that the conflict in the Middle East had substantially increased uncertainty. It highlighted the emergence of upside risks to inflation alongside downside risks to economic growth, prompting an upward revision to its inflation forecasts.

Financial markets

3.11 The financial market declined sharply in the financial year following the announcement of the US tariffs, sentiments in the financial markets had improved but the bond and equity market remained volatile throughout. However, the latter part of quarter 4 was dominated by the escalation of the US/Israel war with Iran which saw the equity market fall sharply, and bond yields rise because of the inflationary impact from higher oil and commodity prices outweighed the flight-to-quality into government bonds often see during conflicts.

3.12 Equity markets had been recovering following the declines seen during the April sell-off; however, the outbreak of war reversed this trend, leading to another sharp drawdown. Both the FTSE 100 and FTSE 250 fell by approximately 10% over the month from the onset of the conflict to the end of the financial year.

3.13 The period was also characterised by significant volatility in gilt yields. The 10-year UK benchmark gilt yield began the year at 4.65% and ended at 4.86%, having fallen to a low of 4.23% and risen to a high of 4.95% within the space of a month. A similar pattern was observed for the 20-year gilt, which started the year at 5.18% and ended at 5.45%, with yields ranging between 4.92% and 5.55%. The Sterling Overnight Index Average (SONIA) averaged 4.01% over the 12 months to 31 March.

Credit review

3.14 Arlingclose maintained its recommended maximum unsecured duration limit on most of the banks on its counterparty list at 6 months. The other banks remain on 100 days. Earlier in the period, Fitch upgraded NatWest Group and related entities to AA- from A+ and placed Clydesdale Bank's long-term A- rating on Rating Watch Positive. Fitch later upgraded Clydesdale Bank and HSBC, but downgraded Lancashire CC and Close Brothers.

3.15 Moody's affirmed OP Corporate's rating at Aa3 in May 2025. Later in the period, Moody's upgraded Transport for London, Allied Irish Banks, Bank of Ireland, Toronto-Dominion Bank, DZ Bank, Nordea and HSBC and downgraded Close Brothers. In the last quarter of 2025 S&P upgraded Clydesdale Bank, Allied Irish Banks and Bank of Ireland, and assigned Warrington Council a BBB+ rating.

3.16 After spiking in April 2025 following the US trade tariff announcements, UK credit default swap (CDS) prices had trended down before picking up modestly in October and November. After declining again in December and into the new calendar year, they rose sharply once again when the war in the Middle East started. They were still elevated at the end of the period, but prices for all banks on Arlingclose's counterparty list remained within limits deemed satisfactory for maintaining credit advice at current durations.

3.17 Overall, European banks' CDS prices have generally been flatter and lower compared to the UK, as have Singaporean and Australian lenders while some Canadian bank CDS prices have remained elevated since the beginning of the period in part due to ongoing trade tensions with the US.

3.18 Financial market volatility is expected to remain, and CDS levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remain under constant review.

<u>Capital Expenditure and Financing</u>

3.19 The Council undertakes capital expenditure on long-term assets. These activities may either be:

- Financed immediately through the application of capital or revenue resources (capital receipts, capital grants, revenue contributions etc.), which has no resultant impact on the Council's borrowing need; or
- If insufficient financing is available, or a decision is taken not to apply resources, the capital expenditure will give rise to a borrowing need.

3.20 The actual capital expenditure in each financial year forms one of the required prudential indicators. The table below shows the actual expenditure and how this was financed.

Table 1 Capital Expenditure & Financing

Capital Expenditure & Financing	2024/25 Actual £m	2025/26 Budget (Feb 25) £m	2025/26 Revised Budget (Feb 26) £m	2025/26 Actual £m
Capital Expenditure:				
Non-HRA	£43.491	£91.214	£94.615	£81.240
HRA	£15.825	£29.522	£25.000	£19.174
Policy/Non-Financial Investments	£0.498	£0.000	£0.000	£0.000
Total Capital Expenditure	**£59.814**	**£120.736**	**£119.615**	**£100.413**
Resources:				
External Funding	£32.716	£52.048	£38.621	£33.528
Capital Receipts	£7.740	£9.864	£5.714	£9.554
HRA (DRF/MRR)	£7.401	£7.330	£8.988	£8.072
GF (RCCO)	£0.833	£0.014	£0.089	£0.010
Total Resourced by:	**£48.690**	**£69.256**	**£53.412**	**£51.164**
Financing Requirement	**£11.124**	**£51.480**	**£66.203**	**£49.249**

3.21 The Council's underlying need to borrow to finance capital expenditure is termed the Capital Financing Requirement (CFR). This figure is a gauge of the Council's indebtedness. The CFR results from the capital activity of the Council and resources used to pay for the capital spend. It represents the 2025/26 unfinanced capital expenditure (see above table), and prior years' net or unfinanced capital expenditure which has not yet been paid for by revenue or other resources.

3.22 Part of the Council's treasury activities is to address the funding requirements for this borrowing need. Depending on the capital expenditure programme, the treasury service organises the Council's cash position to ensure that sufficient cash is available to meet the capital plans and cash flow requirements. This may be sourced through borrowing from external bodies, (such as the Government, through the Public Works Loan Board [PWLB], or the money markets), or utilising temporary cash resources within the Council.

3.23 The Council's (non HRA) underlying borrowing need (CFR) is not allowed to rise indefinitely. Statutory controls are in place to ensure that capital assets are broadly charged to revenue over the life of the asset. The Council is required to make an annual revenue charge, called the Minimum Revenue Provision – MRP, to reduce the CFR. This is effectively a repayment of the non-Housing Revenue Account (HRA) borrowing need, (there is no statutory requirement to reduce the HRA CFR). This differs from the treasury management arrangements which ensure that cash is available to meet capital commitments. External debt can also be borrowed or repaid at any time, but this does not change the CFR.

3.24 The total CFR can also be reduced by:

- The application of additional capital financing resources, (such as unapplied capital receipts); or
- Charging more than the statutory revenue charge (MRP) each year through a Voluntary Revenue Provision (VRP).

The Council's 2025/26 MRP Policy, (as required by MHCLG Guidance), was approved as part of the Treasury Management Strategy Report for 2025/26 on 25 February 2025.

The Council's CFR for financial year 2025/26 is shown below and represents a key prudential indicator. It includes PFI and leasing schemes on the balance sheet, which increase the Council's borrowing need. No borrowing is actually required against these schemes as a borrowing facility is included in the contract (if applicable).

3.25 Borrowing activity is constrained by prudential indicators for gross borrowing and the CFR, and by the authorised limit.

Table 2 - Capital Financing Requirement

Capital Financing Requirement	**2024/25 Actual £m**	**2025/26 Budget (Feb 25) £m**	**2025/26 Revised Budget (Feb 26) £m**	**2025/26 Actual £m**
CFR – Non HRA	£203.941	£257.725	£256.449	£244.564
CFR – HRA	£121.414	£133.974	£132.024	£127.324
CFR – Policy/Non-Financial Investments	£66.044	£63.432	£65.683	£65.683
CFR - Other Debt Liabilities	£11.173	£0.000	£9.958	£9.958
TOTAL CFR	**£402.572**	**£455.131**	**£464.114**	**£447.529**
Financing Requirement	£11.123	£51.481	£66.203	£49.320
MRP	(£4.070)	(£3.672)	(£3.447)	(£4.363)
Other Debt Liabilities Movements	£0.000	£0.000	(£1.215)	£0.000
Movement in CFR	**£7.053**	**£47.809**	**£61.541**	**£44.957**

3.26 Gross borrowing and the CFR - in order to ensure that borrowing levels are prudent over the medium term and only for a capital purpose, the Council should ensure that its gross external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the current financial year 2025/26 and next two financial years. This essentially means that the Council is not borrowing to support revenue expenditure.

3.27 The table below highlights the Council's gross borrowing position against the CFR. The Council has complied with this prudential indicator. This indicator shows that the Council had some flexibility to borrow in advance of its immediate Capital needs.

Table 3 - Actual Borrowing Compared to the CFR

Description	2024/25 Actual £m	2025/26 Budget (Feb 25) £m	2025/26 Revised Budget (Feb 26) £m	2025/26 Actual £m
Gross Borrowing Position	£295.266	£373.749	£370.498	£365.671
CFR	£402.572	£455.131	£464.114	£447.529
(Under) / Over Funding of CFR	**(£107.306)**	**(£81.382)**	**(£93.616)**	**(£81.858)**

4 Treasury Position as at 31 March 2026

4.1 The treasury management position as at 31 March 2026 and the change during the year is shown in the table below:

Table 4 -Treasury Position as at 31 March 2026

Treasury Management Position	31-Mar-2025 Balance £m	Raised / Invested £m	Repaid / Realised £m	31-Mar-2026 Balance £m	Average Rate %
Borrowing					
PWLB	£247.266	£128.239	(£71.834)	£303.671	3.50%
LOBOs	£13.000	£0.000	(£8.000)	£5.000	4.18%
Banks-Fixed	£5.000	£0.000	(£5.000)	£0.000	3.30%
Local Authorities	£30.000	£63.500	(£36.500)	£57.000	3.25%
Total Borrowing	**£295.266**	**£191.739**	**(£121.334)**	**£365.671**	
Investments					
Cash and Cash Equivalents	£20.700	£841.376	(£847.458)	£14.618	3.64%
Total Investments	**£20.700**	**£841.376**	**(£847.458)**	**£14.618**	
Net Borrowing	**£274.566**	**(£649.637)**	**£726.124**	**£351.053**	

4.2 The maturity structure of the debt portfolio was as follows:

Table 5 Maturity structure of fixed rate borrowing

Maturity structure of fixed rate borrowing	2024/25 Actual £m	2024/25 Actual %	2025/26 Actual £m	2025/26 Actual %
Under 12 months	£24.868	8.42%	£64.072	17.52%
12 months and within 24 months	£30.423	10.30%	£50.522	13.82%
24 months and within 5 years	£29.650	10.04%	£65.567	17.93%
5 years and within 10 years	£80.526	27.27%	£111.987	30.63%
10 years and Over	£129.800	43.96%	£73.521	20.11%
Total Debt	**£295.266**	**100.00%**	**£365.671**	**100.00%**

4.3 The Council's investment portfolio was as shown below:

Table 6 Investment Portfolio Description

Investment Portfolio Description	31-Mar-2025 Investment Balance £m	Amount Invested In-year £m	Investments Realised In-year £m	31-Mar-2026 Investment Balance £m
Notice Accounts				
Barclays Bank - 32-day Notice account	£0.000	£0.000	£0.000	£0.000
Barclays Bank - 95-day Notice account	£0.000	£0.000	£0.000	£0.000
Total Notice Accounts	**£0.000**	**£0.000**	**£0.000**	**£0.000**
Call Accounts				
Barclays Bank - Flexible Interest-Bearing Current Account	£0.330	£77.081	(£77.411)	£0.000
Bank of Scotland - Call Account	£10.370	£222.828	(£228.960)	£4.238
DMADF New Fixed Deposit account	£0.000	£516.467	(£506.087)	£10.380
Total Call Accounts	**£10.700**	**£816.376**	**(£812.458)**	**£14.618**

Short Term Investments				
Local Authorities	£10.000	£25.000	(£35.000)	£0.000
Total Short-Term Investments	**£10.000**	**£25.000**	**(£35.000)**	**£0.000**
Total Investments	**£20.700**	**£841.376**	**(£847.458)**	**£14.618**

4.4 All the Council's short-term investments are held for a period of up to 1 year.

5 Investment and Borrowing Strategy

5.1 CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that it is not prudent for local authorities to make any investment or spending decision that will increase the capital financing requirement and lead to new borrowing, unless directly and primarily related to the functions of the Council. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield unless these loans are for refinancing purposes.

5.2 Bury MBC has not invested in assets primarily for financial return or that are not primarily related to the functions of the Council. It has no plans to do so in future.

5.3 The main objective when borrowing has been to strike an appropriately low risk balance between securing lower interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

5.4 Interest rates have seen substantial rises since 2021, many central banks have now begun to reduce their policy rates slowly. During 2025/26 Gilt yields slightly decreased, reflecting expectations of lower interest rates, a tepid economy and to some extent an improvement in the UK governments fiscal position following tax rises in the autumn budget. Subsequent to the war in the Middle East however, gilt yields saw a rapid rise to above the yield at the beginning of the financial year.

5.5 The PWLB certainty rates for maturity loans are detailed below: -

Table 7 - PWLB BORROWING RATES AT YEAR END

Loan Term	31 March 2025	31 March 2026
10-Year Rate	5.62%	5.92%
20-Year Rate	6.11%	6.43%
50-Year Rate	5.87%	6.28%

5.6 The cost of short-term borrowing from other local authorities has generally decreased with Base Rate over the year. Interest rates averaged at around 4.45% in 2025/26.

5.7 The PWLB HRA rate, introduced on 15 June 2023, provides borrowing at a margin of 40 basis points below the Certainty Rate. This concessionary rate is available to support local authority borrowing within the Housing Revenue Account, including both new housing delivery and the refinancing of existing HRA debt. The Government has subsequently extended the availability of this preferential rate, which is currently confirmed through to March 2027, thereby providing continued support and greater certainty for HRA borrowing strategies.

5.8 As of 31st March 2026, the Council held £365.673m of loans, an increase of £70.404m on the previous year as part of its strategy for funding previous and current years' capital programmes. Outstanding loans on 31 March are summarised in 5.1 and 5.2 above.

6 Borrowing and Investment Outturn

Borrowing movement in-year

6.1 On 1 April 2025 the Council held £13m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate and terms or to repay the loan at no additional cost.

6.2 As market interest rates increased, the call option on one of the Council's LOBO loans (Dexia) was exercised during 2025/26. This resulted in the repayment of £8m, which was funded through the Council's internally managed cash balances rather than through new external borrowing.

6.3 Following advice from the Councils Treasury Adviser (Arlingclose), the Council rescheduled several PWLB loans in November 2025. The rescheduling enabled the Council to take advantage of discounts available for early repayments of selected loans. Replacement loans were then taken out where appropriate. This approach has resulted in an overall improvement in the Authority's borrowing position with an overall discount achieved of £13.61m which will be recognised annually over the next 10 years. The savings recognised in 2025/26 equates to £1.361m.

Treasury Investment Activity

6.4 The CIPFA Treasury Management Code defines treasury management investments as those investments which arise from the Council's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use during business.

6.5 As of 31 March 2026, the council held £14.618m of invested funds, representing income received in advance of expenditure plus balances and reserves held.

6.6 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.

6.7 As demonstrated by the liability benchmark in this report, the Council expects to be a long-term borrower, and new treasury investments are therefore primarily made to manage day-to-day cash flows using short-term low risk instruments.

6.8 Bank Rate decreased by 0.75% over the period, from 4.50% at the beginning of April 2025 to 3.75% by the end March 2026.

6.9 The PWLB certainty rate for 10-year maturity loans was 5.38% at the beginning of the period and 5.72% at the end. The lowest available 10-year maturity certainty rate was 5.13% and the highest was 5.88%. Rates for 20-year maturity loans ranged from 5.71% to 6.37% during the period, and 50-year maturity loans from 5.46% to 6.24%. The cost of short-term borrowing from other local authorities has been similar to or a little above Base Rate for most of the period, with interest rates between 4.0% and 4.5%. However, as is commonly seen, rates rose higher towards the end of the financial year, with rates of 5.0% - 7.0% being seen.

6.10 Financial market sentiment was reasonably positive over most of the 2025/26 financial year, but economic, financial and geopolitical issues meant the trend of market volatility remained. The period was effectively bookended by market disruption associated with US trade and foreign policy, initially following the announcement of US 'Liberation Day' tariffs in April 2025 and then, towards the year end, by the escalation of the US and Israel conflict with Iran in March 2026. Between these two episodes, market sentiment improved as inflation generally eased and expectations for further interest rate cuts increased, supporting both bond and equity markets.

6.11 For much of the year, the backdrop for government bonds became more constructive than had been the case in recent years. In the UK in particular, falling inflation and growing expectations of further Bank of England rate cuts supported sentiment, although yields remained volatile as investors also had to contend with fiscal concerns and an uncertain economic outlook. As a result, income returns remained attractive, while capital values were more variable. By the final quarter, however, the rise in oil and other commodity prices caused by the conflict with Iran raised concerns that inflation could move higher again and that further monetary easing could be delayed or even reversed, leading to renewed pressure on bond markets.

6.12 Equity markets also recovered well from the tariff-related weakness seen early in the financial year, supported by improving sentiment around inflation and interest rates, resilient corporate earnings and continued enthusiasm for artificial intelligence-related investment. AI remained a dominant theme in global equity markets throughout the year, although there was also concern that valuations in parts of the market had become too stretched and that an AI-driven bubble could unwind. Despite these concerns, equity markets generally made gains through much of the period before the deterioration in sentiment at the year-end as geopolitical risks intensified. For strategic pooled investments, this meant capital values were supported for much of the year, while income distributions continued to provide an important component of total return.

6.13 UK commercial property experienced a more stable backdrop than in the most difficult period following the sharp rise in yields in 2022 and 2023. Lower interest rate expectations and a firmer tone in markets for much of the year helped support valuations, although capital values were broadly flat overall. Income remained the main driver of returns, with rental income providing a relatively resilient contribution. However, as with other asset classes, the environment became more uncertain towards the end of the period.

7 Non-Treasury Investments

7.1 The definition of investments in the Treasury Management Code covers all the financial assets of the Council as well as other non-financial assets which the Council holds primarily for financial return. Investments that do not meet the definition of treasury management investments (i.e. management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return).

7.2 Investment Guidance issued by the Ministry of Housing, Communities & Local Government (MHCLG) also includes within the definition of investments all such assets held partially or wholly for financial return.

7.3 The Council holds the following non-treasury investments as at the 31 March 2026:

Table 8 Non-Financial Investments

Non-Financial Investments	2024/25 £m	2025/26 £m
Manchester Airport Equity	£5.610	£5.610
Manchester Airport Loan	£29.366	£29.366
Manchester Airport Loan Interest	£8.262	£7.127
Bury MBC Townside Fields Loan	£7.257	£7.257
Six Town Housing Loan	£2.797	£2.621
Bury Bruntwood (Millgate) LLP Loan	£20.349	£20.349

The Prestwich Regeneration (LLP) Loan	£1.127	£1.127
Debt Managed for Probation Services	£0.011	£0.011
Other loan Accounts	£0.060	£0.057
Capital Debtors	£3.507	£3.507
Total	**£78.346**	**£77.032**

8 **Treasury Performance for 2025/26**

8.1 The Council measures the financial performance of its treasury management activities both in terms of its impact on the revenue budget and its relationship to benchmark interest rates.

MRP Regulations

8.2 On 10 April 2024 amended legislation and revised statutory guidance were published on Minimum Revenue Provision (MRP). The majority of the changes first took effect from the 2025/26 financial year, although there is a requirement that for capital loans given on or after 7th May 2024 sufficient MRP must be charged so that the outstanding CFR in respect of the loan is no higher than the principal outstanding less the Expected Credit Loss (ECL) charge for that loan.

8.3 The regulations also require that local authorities cannot exclude any amount of their CFR from their MRP calculation unless by an exception set out in law. Capital receipts cannot be used to directly replace, in whole or part, the prudent charge to revenue for MRP (there are specific exceptions for capital loans and leased assets).

Compliance

8.4 All treasury management activities undertaken during the year complied fully with the principles in the Treasury Management Code and the Council's approved Treasury Management Strategy Compliance with specific investment limits is displayed in table 9 below.

Table 9 Investment Limits

Investment Limits	**31-Mar-2026 Actual £m**	**2025-26 Limit £m**	**Complied? Yes/No**
UK Government	£10.380	Unlimited	Yes
UK Local Authorities & Other Government Entities – except Local Authorities subject to a Section 114 notice	£0.000	£20.000	Yes
UK Banks (Unsecured)	£4.238	£25.000	Yes

UK Building Societies (Unsecured)	£0.000	£20.000	Yes
Registered Providers (Unsecured)	£0.000	£20.000	Yes
Total	**£14.618**		

8.5 Compliance with the Authorised Limit and Operational Boundary for external debt is demonstrated in table 10 below.

Table 10 Debt and the Authorised Limit and Operational Boundary

Debt and the Authorised Limit and Operational Boundary	Maximum Borrowing during 2025/26 £m	31-Mar-2026 Actual Borrowing £m	2025/26 Operational Boundary £m	2025/26 Authorised Limit £m	Complied? Yes/No
Borrowing	£403.820	£369.802	£464.113	£475.113	Yes

8.6 The operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary are acceptable subject to the authorised limit not being breached. Since the operational boundary is a management tool for in-year monitoring it is not significant if the operational boundary is breached on occasions due to variations in cash flow, and this is not counted as a compliance failure. The authorised limit is the "affordable borrowing limit" required by section 3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level. Table 10 above demonstrates that during 2025/26 the Council has maintained gross borrowing within its authorised limit.

Table 11 - Ratio of Financing Costs to Net Revenue Stream

Financing costs as a proportion of net revenue stream	2024-25 Actual %	2025/26 Budget (Feb 25) %	2025/26 Revised Budget (Feb 26) %	2025-26 Actual %
Non - HRA	1.08%	3.58%	3.97%	2.41%
HRA	11.22%	13.66%	9.06%	9.99%

8.7 This indicator identifies the trend in the cost of capital, (borrowing and other long term obligation costs net of investment income), against the net revenue stream.

Treasury Management Prudential Indicators

8.8 As required by the 2021 CIPFA Treasury Management Code, the Council monitors and measures the following treasury management prudential indicators.

Liability Benchmark

8.9 This indicator compares the Council's actual existing borrowing against a liability benchmark that has been calculated to show the lowest risk level of borrowing. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future and so shape its strategic focus and decision making. It represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

Table 12 - Liability Benchmark

	31-Mar-2025 Actual £m	31-Mar-2026 Actual £m	31-Mar-2027 Forecast £m	31-Mar-2028 Forecast £m
Loans CFR	£426.300	£437.200	£472.500	£481.100
Less: Balance sheet resources	(£96.600)	(£86.100)	(£86.100)	(£86.100)
Net loans requirement	**£329.700**	**£351.100**	**£386.400**	**£395.000**
Plus: Liquidity allowance	£20.000	£10.000	£10.000	£10.000
Liability benchmark	**£349.700**	**£361.100**	**£396.400**	**£405.000**
Existing borrowing	**£295.266**	**£365.671**	**£371.369**	**£379.114**

8.10 Compared with the Liability Benchmark included in the 2025/26 Treasury Strategy, the updated position as at 31 March 2026 shows an increasing borrowing need across the planning period (albeit phased differently to the original forecast for 31/03/26 and 31/03/27 which was £466m and £462m respectively). This increasing Loans CFR requirement reflects a continued reliance on borrowing to help fund capital expenditure,

8.11 Chart 1 below shows that the Liability Benchmark is forecast to decline steadily from £361.100m in 2026 to nil by 2068, reflecting the repayment of existing debt. The benchmark remains below the Capital Financing Requirement (CFR) throughout the period, demonstrating that borrowing is being managed within the Council's long-term financing needs.

Chart 1 Liability Benchmark

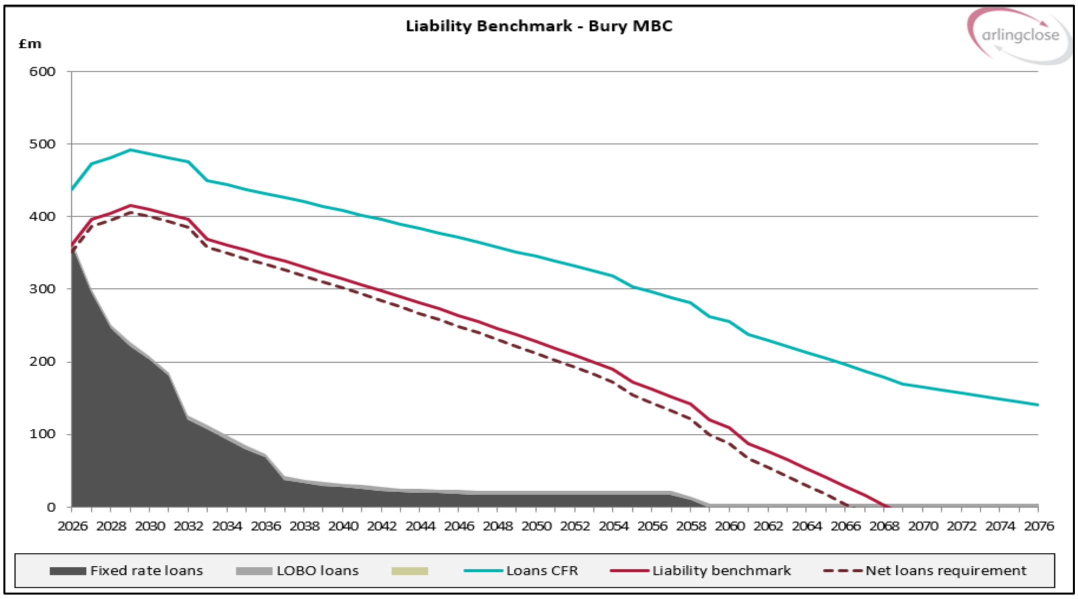

Chart Key:

Fixed rate loans - The grey shaded area represents the Council's existing loans and shows their current maturity profile.

Loans CFR - The blue line is calculated in accordance with the loans CFR definition in the Prudential Code and represents the Council's underlying need to borrow for capital spending that has not yet been financed by other means.

Net Loans Requirement - The dotted red line is based upon the CFR but factors in other balance sheet resources, such as cash-backed reserves and working capital. These balances improve the Council's cash position and enable it to maintain an under-borrowed position by not externally borrowing up to the full CFR, thus saving on interest costs. Should these resources decrease (for example if reserves are used up) then this line will be raised closer to the loans CFR suggesting that more borrowing is needed.

Liability Benchmark - The solid red line is the Council's net loans requirement plus short-term liquidity allowance (a notional buffer of £10m) for cashflow purposes. This is the level of borrowing the Council will need in order to maintain this desired cash position.

8.12 Interest Rate Exposures: This indicator is set to control the Council's exposure to interest rate risk. Bank Rate remained unchanged at 4.50% throughout 2025/26, having been reduced from 5.25% to 4.50% during 2024/25. Despite the stable Bank Rate, PWLB borrowing rates increased across most maturities during the year, reflecting movements in gilt yields and market expectations for inflation and longer-term interest rates.

Table 13 - Interest Rate Risk Indicator

Interest rate risk indicator	2025/26 Target £m	31-Mar-2026 Actual £m	Complied?
Upper limit on one-year revenue impact of a 1% rise in interest rates	£0.21	£0.16	Yes
Upper limit on one-year revenue impact of a 1% fall in interest rates	(£0.21)	(£0.16)	Yes

8.13 The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at new market rates.

8.14 For context, the changes in interest rates during the year are detailed below:

Table 14- Changes in interest rates during the year

Rate Description	31-Mar-25	31-Mar-26	Change
Bank Rate	4.50%	3.75%	(0.75%)
1-year PWLB certainty rate, maturity loans	5.02%	5.24%	0.22%
5-year PWLB certainty rate, maturity loans	5.17%	5.48%	0.31%
10-year PWLB certainty rate, maturity loans	5.62%	5.92%	0.30%
20-year PWLB certainty rate, maturity loans	6.11%	6.43%	0.32%
50-year PWLB certainty rate, maturity loans	5.87%	6.28%	0.41%

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Links with the Corporate Priorities:

Treasury Management forms a key part of the council's overall governance and financial administration and control framework, which underpin the council's three clear corporate priorities as set out in the Let's Do It Strategy that will deliver financial sustainability for the Council.

Equality Impact and Considerations:

n/a

Environmental Impact and Considerations:

n/a

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
There are considerable risks to the security of the Council's resources if appropriate treasury management strategies and policies are not adopted and followed.	Regular monitoring and reporting ensure that any changes in the financial position are quickly identified, and action can be taken to manage the overall position.

Legal Implications:

Treasury management is a matter reserved for Council, requiring Council approval. The Local Government Act 2003 mandates an annual review of treasury management activities. This report aligns to the CIPFA Treasury management codes. This report updates Cabinet in line with the Council's financial regulations and constitution.

Financial Implications:

The financial implications are set out in the report and confirm the treasury management activities have been carried out in accordance with approved limits.

Appendices:

None

Background papers:

- Capital Strategy and Capital Programme 2025/26 – 2027/28
- Treasury Management Outturn Report 2024/25
- Treasury Management Strategy and Prudential Indicators 2025/26

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
Authorised Limit	The maximum amount of debt that a local authority may legally hold, set annually in advance by the authority itself. One of the Prudential Indicators.
Bank	Regulated firm that provides financial services to customers. But see also Bank of England.
Bank of England	The central bank of the UK, based in London, sometimes just called "the Bank". See also Monetary Policy Committee and PRA.

Bank Rate	The official interest rate set by the Monetary Policy Committee, and the rate of interest paid by the Bank of England on commercial bank deposits. Colloquially termed the “base rate”.
Borrowing	Usually refers to the stock of outstanding loans owed and bonds issued.
Call account	A deposit account that can be called back, normally on instant access.
Capital expenditure	Expenditure on the acquisition, creation or enhancement of fixed assets that are expected to provide value for longer than one year, such as property and equipment, plus expenditure defined as capital in legislation such as the purchase of certain investments.
Capital finance	Arranging and managing the cash required to finance capital expenditure, and the associated accounting.
Capital finance regulations	Legislation covering local authorities’ activities in capital finance, treasury management and accounting. Separate regulations are published for the four nations of the UK.
Capital financing requirement (CFR)	A local authority’s underlying need to hold debt for capital purposes, representing the cumulative capital expenditure that has been incurred but not yet financed. The CFR increases with capital expenditure and decreases with capital finance and MRP.
Capital receipt	Cash obtained from the sale of an item whose purchase would be capital expenditure. The law only allows local authorities to spend capital receipts on certain items, such as new capital expenditure. They are therefore held in a capital receipts reserve until spent.
Capital strategy	An annual report required by the Prudential Code that sets out a local authorities’ high-level plans for capital expenditure, debt and investments and its Prudential Indicators for the forthcoming financial year.
Certainty rate	Discount on PWLB rates for new loans borrowed, available to all local authorities that provide a forecast for their borrowing requirements.
Counterparty	The other party to a loan, investment or other contract.
Counterparty limit	The maximum amount an investor is willing to lend to a counterparty, in order to manage credit risk.
CPI	Consumer Price Index - the measure of inflation targeted by the Monetary Policy Committee, measured on a harmonised basis across the European Union. See also RPI.

Credit risk	The risk that a counterparty will default on its financial obligations.
Debt	(1) A contract where one party owes money to another party, such as a loan, deposit or bond. Contrast with equity. (2) In the Prudential Code, the total outstanding borrowing plus other long term liabilities.
Default	Failure to meet an obligation under a debt contract, including the repayment of cash or compliance with a covenant, usually as a result of being in financial difficulty (rather than an administrative oversight).
Deposit	A regulated placing of cash with a financial institution. Deposits are not tradable on financial markets.
DMADF	Debt Management Account Deposit Facility – a facility offered by the DMO enabling local authorities to deposit cash at very low credit risk. Not available in Northern Ireland.
DMO	Debt Management Office – an executive agency of HM Treasury that deals with central government's debt and investments.
EIP	Equal instalments of principal. A method of repaying a loan where the principal is repaid over the life of the loan, in equal instalments. Interest payments reduce over time as the principal is repaid.
Federal Reserve	The central bank of the USA, often just called "the Fed".
Fiscal policy	Measures taken by government to boost or slow the economy via taxation and spending decisions. Fiscal loosening or easing refers to cuts in taxes or increases in spending, while fiscal tightening refers to the opposite. See also monetary policy.
Financial institution	A bank, building society or credit union. Sometimes the term also includes insurance companies.
Financial instrument	IFRS term for investments, borrowing and other cash payable and receivable.
Financing costs	In the Prudential Code, interest payable on debt less investment income plus premiums less discounts plus MRP.
GDP	Gross domestic product – the value of the national aggregate production of goods and services in the economy. Increasing GDP is known as economic growth.
General Fund	A local authority reserve that holds the accumulated surplus or deficit on revenue income and expenditure, except on council housing. See also Housing Revenue Account.

Gilt	Bond issued by the UK Government, taking its name from the gilt-edged paper they were originally printed on.
Gilt yield	Yield on gilts. Commonly used as a measure of risk-free long-term interest rates in the UK.
IFRS	International Financial Reporting Standards, the set of accounting rules in use by UK local authorities since 2010.
Interest	Compensation for the use of cash paid by borrowers to lenders on debt instruments.
Internal borrowing	A local government term for when actual “external” debt is below the capital financing requirement, indicating that difference has been borrowed from internal resources instead; in reality this is not a form of borrowing.
Investment guidance	Statutory guidance issued by MHCLG and the devolved governments on local government investments. Local authorities are required by law to have regard to the relevant investment guidance.
Investment strategy	A document required by investment guidance that sets out a local authority’s investment plans and parameters for the coming year. Sometimes forms part of the authority’s treasury management strategy.
Liability benchmark	Term in CIPFA’s Risk Management Toolkit which refers to the minimum amount of borrowing required to keep investments at a minimum liquidity level. Used to compare against the actual and forecast level of borrowing.
Liquidity risk	The risk that cash will not be available to meet financial obligations, for example when investments cannot be recalled and new loans cannot be borrowed.
Loan	Contract where the lender provides a sum of money (the principal) to a borrower, who agrees to repay it in the future together with interest. Loans are not normally tradable on financial markets. There are specific definitions in government investment guidance.
Loans CFR	The capital financing requirement less the amount met by other long-term liabilities; i.e. the amount to be met by borrowing.
LOBO	Lender’s option borrower’s option – a long-term loan where the lender has the option to propose an increase in the interest rate on pre-determined dates. The borrower then has the option to either accept the new rate or repay the loan without penalty. LOBOs increase the borrower’s interest rate

	risk and the loan should therefore attract a lower rate of interest initially.
Long-term	Usually means longer than one year.
Maturity	(1) The date when an investment or borrowing is scheduled to be repaid. (2) A type of loan where the principal is only repaid on the maturity date.
Maturity profile	A table or graph showing the amount (or percentage) of debt or investments maturing over a time period.
MHCLG	Ministry of Housing, Communities and Local Government – the central government department that oversees local authorities in England.
Monetary policy	Measures taken by central banks to boost or slow the economy, usually via changes in interest rates. Monetary easing refers to cuts in interest rates, making it cheaper for households and businesses to borrow and hence spend more, boosting the economy, while monetary tightening refers to the opposite. See also fiscal policy and quantitative easing.
Monetary Policy Committee (MPC)	Committee of the Bank of England responsible for implementing monetary policy in the UK by changing Bank Rate and quantitative easing with the aim of keeping CPI inflation at around 2%.
MRP	Minimum revenue provision - an annual amount that local authorities are required to set aside and charge to revenue for the repayment of debt associated with capital expenditure. Local authorities are required by law to have regard to government guidance on MRP.
Net borrowing	Borrowing minus treasury investments.
Net revenue stream	In the Prudential Code, income from general government grants, Council Tax and rates.
Notice account	A deposit account where the cash can be called back after a given notice period.
Non-specified investments	Government term for investments not meeting the definition of a specified investment or a loan upon which limits must be set. Since 2018, the term does not apply to treasury investments in England.
Other long-term liabilities	Prudential Code term for credit arrangements.
Operational boundary	A prudential indicator showing the most likely, prudent, estimated level of external debt, but not the worst-case scenario. Regular breaches of the operational boundary should prompt management action.
Present value	The value today of a series of future cash flows, calculated using a discount rate.
Principal	The amount of money originally lent on a debt instrument.

Professional client	MiFID II term for a client of a regulated firm that has a higher level of experience in financial markets than a retail client and therefore needs a lower level of protection. Local authorities may “opt up” to be treated as professional clients if they meet certain requirements.
Prudential borrowing	Another term for unsupported borrowing.
Prudential Code	Developed by CIPFA and introduced in April 2004 as a professional code of practice to support local authority capital investment planning within a clear, affordable, prudent and sustainable framework and in accordance with good professional practice. Local authorities are required by law to have regard to the Prudential Code.
Prudential indicators	Indicators required by the Prudential Code and determined by the local authority to define its capital expenditure and asset management framework. They are designed to support and record local decision making in a manner that is publicly accountable.
PWLB	Public Works Loans Board - a statutory body operating within the DMO that lends money from the National Loans Fund to local authorities and other prescribed bodies and collects the repayments. Not available in Northern Ireland.
Retail client	MiFID II term for a client of a regulated firm that has the lowest level of experience in financial markets and therefore needs the highest level of protection. Local authorities are initially classed as retail clients but may “opt up” to be treated as professional clients.
Revenue expenditure	Expenditure to meet the ongoing cost of delivering public services including salaries and the purchase of goods and services, as opposed to capital expenditure.
RPI	Retail prices index - an older measure of inflation that tracks the prices of goods and services including mortgage interest and rent. Index-linked gilts are uprated using RPI. See also CPI.
Sector limit	The maximum amount an investor is willing to lend to all counterparties in a particular industry sector, in order to manage credit risk.
Short-term	Usually means less than one year.
Specified investments	Term used in government investment guidance for investments that are denominated in sterling, mature in less than a year, are not defined as capital expenditure, and are made with the UK government, another UK local authority or a high credit quality body, as defined by the local authority. Since 2018,

	the term does not apply to treasury investments in England. Not applicable in Scotland. In Wales, loans to local authorities are specified investments even if they do not fully meet the criteria.
State aid	Financial assistance provided by the public sector to the private sector, such as grants and soft loans, which has the potential to distort competition and is therefore often, but not always, illegal.
Supported borrowing	Borrowing for which the repayment costs are supported by government grant.
Temporary borrowing	Borrowing with a term of less than one year.
Term deposit	A deposit that is repayable after a fixed period of time.
Treasury investments	Investments made for treasury management purposes, as opposed to commercial investments and service investments.
Treasury management	The management of an organisation's cash flows, investment and borrowing, with a particular focus on the identification, control and management of risk. Specifically excludes the management of pension fund investments.
Treasury management advisor	Regulated firm providing advice on treasury management, capital finance and related issues.
Treasury Management Code (TM Code)	CIPFA's Code of Practice for Treasury Management in the Public Services and Cross-Sectoral Guidance Notes, to which local authorities are required by law to have regard.
Treasury management indicators	Indicators required by the Treasury Management Code to assist in the management of credit risk, interest rate risk, refinancing risk and price risk.
Treasury management policy statement	Document required by the Treasury Management Code setting out a local authority's definition of and objectives for treasury management.
Treasury management practices (TMPs)	Document required by the Treasury Management Code setting out a local authority's detailed processes and procedures for treasury management.
Treasury management strategy	Annual report required by the Treasury Management Code covering the local authority's treasury management plans for the forthcoming year.
Unsupported borrowing	Borrowing where the cost is self-financed by the local authority. Sometimes called prudential borrowing since it was not permitted until the introduction of the Prudential Code in 2004. See also supported borrowing.
Working capital	The cash surplus or deficit arising from the timing differences between income/expenditure in accounting terms and receipts/payments in cash terms.

Yield	A measure of the return on an investment, especially a bond. The yield on a fixed rate bond moves inversely with its price.
Yield curve	A chart of yields or interest rates for similar instruments over a range of maturity dates. See also inverted yield curve and normal yield curve.

Classification: Open	Decision Type: Key

Report to:	Cabinet	**Date:** 09 September 2026
Subject:	Award of EVCI GM Contract to install EV chargepoints throughout Bury	
Report of	Cabinet Member for Environment, Climate Change and Operations	

CONFIDENTIALITY

1. The accompanying Part B report is confidential and must not be shared beyond key Local Authority personnel, in accordance with the Procurement Act 2023 requirements to protect bidder confidentiality and maintain the integrity of the procurement process.

Summary

2. This report provides an update following the detailed paper presented to Cabinet in February 2025, which set out the background to the Local Electric Vehicle Infrastructure ("LEVI") programme and the proposed procurement approach. The procurement process has now been completed in full compliance with legislative requirements.

3. The purpose of this report is to update Cabinet on the outcome of this Local Electric Vehicle Infrastructure (LEVI) procurement process and to seek approval for Bury Metropolitan Borough Council ("the Council") to allow Transport for Greater Manchester ("TfGM") to proceed to contract award with the preferred supplier on behalf of itself (along with the other Greater Manchester local authorities).

Recommendation(s)

4. Cabinet is recommended to agree TfGM on behalf of Bury Metropolitan Borough Council can proceed to award the contract to the Preferred Supplier identified within Part B of this report.

Reasons for recommendation(s)

5. A competitive and transparent procurement process was undertaken in line with all legislative requirements governing local authority procurement. Following evaluation of all submissions against the agreed criteria, the Preferred Supplier identified within Part B of this report emerged as the highest-scoring bidder and

offered the best overall value to the Council. Their appointment is therefore proposed.

Alternative options considered and rejected

6. No alternative procurement routes were considered appropriate due to the contract value and scope. A competitive tendering process was required to meet internal contract procedures and all relevant procurement legislation.

Report Author and Contact Details:

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Background

7. The LEVI Project was launched by the Office for Zero Emission Vehicles (OZEV) to deliver a step change in the deployment of local electric vehicle charging infrastructure (EVCI) across England.

8. The LEVI programme objective is to encourage Chargepoint Operators (CPOs) to supply, install, and operate electric vehicle charging infrastructure (EVCI) in areas that are presently not commercially attractive, through the provision of subsidies. OZEV has recommended achieving this by utilising a concession contract. TfGM and all 10 GM Local Authorities are collaborating on this project, to maximise Charge Point Operators investment and reducing the number of tenders these operators would otherwise need to respond to. Electric Vehicle Charging Infrastructure is to be focused on areas lacking off-street parking or public chargepoints within a five-minute walk.

9. GM was awarded £16.158m from the government's LEVI Fund, and Bury, Oldham and Rochdale have decided to include their City Region Sustainable Transport Settlement (CRSTS) allocation within the LEVI programme, which totals £1.751m (combined) towards the capital fund.

10. TfGM has been developing the contract strategy and tender pack collectively with all ten GM Local Authorities, in line with OZEV's direction and guidance. Officers from Bury, Manchester, Stockport, and Trafford, represented the GM Authorities on the Tender Evaluation Panel.

11. Following the May 2026 local elections, potential conflicts of interest relating to the preferred supplier and nominated decision makers, together with the proposed governance route, have been checked with GM Chief Legal Officers. No conflicts of interest have been declared.

Local Authority	Preferred Supplier Governance
Bolton	To be taken to cabinet in September 2026.
Bury	To be taken to cabinet in September 2026.
Manchester	Delegated to Treasurer.
Oldham	Delegated to Chief Executive, date yet to be confirmed.
Rochdale	Delegated to Portfolio holder.
Salford	To be taken to Procurement Board by City Mayor in September 2026.
Stockport	To be taken to cabinet in September 2026.
Tameside	To be taken to cabinet in September 2026.
Trafford	To be taken to Executives in September 2026.
Wigan	To be taken to cabinet in September 2026.

Introduction

12. The route to market was a Competitive Flexible procedure under the new Procurement Act 2023, which included a two-stage process for a 20-year bespoke concession contract covering design, construction, operation, and maintenance. It is supported by an Authority Agreement, which establishes the formal relationship between the GM Authorities to be implemented upon contract award.

13. The top five shortlisted suppliers who scored the highest at the PSQ stage were taken forward to the main tender stage and their responses were received by the deadline of 16 December 2025. One shortlisted supplier decided not to proceed to main tender stage due to lack of resource.

14. After receiving the Main Tender responses and internal review of the LEVI procurement, TfGM identified that some aspects of the tender documentation and process required clarification and improvement to ensure that all shortlisted bidders were assessed on a clear and consistent basis, that solutions more closely matched TfGM's strategic aims and that bids were deliverable. These aspects related particularly to the installation period, the period of grant funding and the feasibility of implementation programmes having regard to TfGM and GM Local Authorities constraints.

15. Therefore, TfGM decided to rewind the procurement to the stage immediately following our Project Specific Questionnaire (PSQ) shortlisting and issued a clarified and amended Invitation to Tender to the existing shortlisted bidders in May 2026.

16. Following the decision to rerun the main tender, the top five shortlisted suppliers who scored the highest at the PSQ stage were taken forward to the main tender stage and their responses were received by the deadline of 29 June 2026. Two shortlisted suppliers decided not to proceed to main tender stage due to lack of resource or wider market challenges.

17. The key objective of the tender evaluation exercise was to recommend a preferred supplier who has the capability, capacity, economic and financial standing to deliver the LEVI programme of works in accordance with Bury's specification and timescales.

1.1 All evaluators (representatives from TfGM, Bury, Manchester, Stockport and Trafford) were briefed and completed an independent assessment of each tender response that was received against a pre-defined evaluation criteria that was published in the evaluation matrix. The scores were compiled and moderated with the results recommending that the Preferred Supplier identified within Part B of this report.

18. Once approved through GM Governance, TfGM will notify both successful and unsuccessful suppliers and publish the market notice, starting the eight-day standstill period. If there are no challenges, TfGM will finalise the contract with the Service Provider and GM Authorities.

Next Steps

19. The activity timeline below is indicative and dependant on the GM Authorities securing approval for the preferred supplier and impact of Mayoral Elections, which is set out in the table below.

Activity	Deadline
Shortlisted Suppliers provide Main Tender Response	End Jun 2026
Assess Main Tender to identify Preferred Supplier	End Jul 2026
GM Briefing Note – Preferred Supplier	End Jul 2026
GM Governance Approvals for Contract Award	Mid Oct 2026
Notify Successful and Unsuccessful Suppliers	Mid Oct 2026
Finalise Contract with Supplier and GM	End Oct 2026
GM Authorities to sign Contract	End Oct 2026
Service Provider Appointment	End Oct 2026

20. Successful delivery of the LEVI programme will require sustained support from all participating authorities throughout the implementation period. Authorities should ensure that appropriate governance, resourcing and processes are in place to support site approvals, permits, legal agreements and other activities necessary for deployment.

21. Concession Contract includes provisions relating to Compensation Events and Relief Events where circumstances beyond the Service Provider's control affect delivery. Delays in authority-led activities may require changes to deployment plans, extend delivery timescales and potentially affect the overall volume of infrastructure delivered within the programme period.

22. Such delays may also have contractual, financial and reputational implications for both individual local authorities and the wider Greater Manchester programme.

Links with the Corporate Priorities:

23. Supporting the borough's climate and carbon-reduction commitments
Expanding electric vehicle charging infrastructure encourages the shift to cleaner lower carbon transport, helping to meet Bury's carbon neutral target improve air quality in line with Bury's environmental priorities.

24. Improving neighbourhoods and tackling inequalities
The focus on providing on street and near home chargepoints for residents without driveways improves access to EV charging for our residents who do not have access to off street parking. This helps to remove the inequalities in access to low carbon and cleaner personal transport. It is recognised that air quality is poorer in areas of higher deprivation, therefore reducing the impact of transport emissions as a result of a borough-wide modal shift towards electric vehicle usage will reduce emissions over time and ensure more equality across the borough.

25. Strengthening local infrastructure and future-proofing communities
Delivering reliable, modern charging infrastructure supports long-term economic and environmental resilience, aligning with the strategy's aim to build sustainable, well-connected places. Having a more accessible charging network will reduce demand on the limited public network currently seen in Bury, and will promote the borough to those who wish to stay, or move to the area therefore supporting the overall economy.

26. Working collaboratively across Greater Manchester
The joint procurement approach reflects the strategy's emphasis on partnership working, efficiency, and maximising value for residents.

Equality Impact and Considerations:

The LEVI programme is expected to have a positive impact on equality by improving access to electric vehicle charging for residents without off-street parking, including those living in more densely populated or lower-income areas. The provision of on-street and near-home chargepoints helps reduce barriers to EV adoption and supports fairer access to low-emission transport options. No negative impacts on protected groups have been identified at this stage, and the project will always include accessibility, location suitability, and inclusive design as delivery progresses. As part of the procurement an Equalities Impact Assessment (EqIA) was developed by TfGM on behalf of all GM Authorities. This was reviewed by each LA as part of the contract reviews prior to issue of the tender documentation to the Suppliers. It will be the responsibility of the Supplier to update and maintain this throughout the lifetime of the contract.

Environmental Impact and Considerations:

The project will deliver significant carbon and environmental benefits by supporting the transition to cleaner, low-emission transport. Increasing the availability of local on-street chargepoints will make electric vehicle use more practical for residents without driveways, helping to reduce reliance on petrol and diesel vehicles. Over time, this shift will contribute to lower carbon emissions, improved local air quality, and reduced noise pollution across neighbourhoods. The programme also supports wider Greater Manchester and national climate commitments by enabling more residents to adopt zero-emission vehicles, particularly in areas where charging access is currently limited. As part of the procurement the Suppliers were provided with TfGM's Policy on Environmental and Sustainability criteria for Strategic Design, Development and Delivery and the associated tracker. This was agreed by each LA as part of the contract reviews prior to issue of the tender documentation. It will be the responsibility of the Supplier to complete the tracker and maintain this throughout the lifetime of the contract.

Assessment and Mitigation of Risk:

Risk / opportunity	**Mitigation**
Accessibility concerns at specific chargepoint locations	Apply accessibility standards (e.g., PAS 1899 principles), highways review of each site, community engagement, ability to relocate or redesign sites before installation.
Supplier performance risk	Robust contract management, KPIs, performance monitoring, escalation routes, and clear contractual remedies.
Local community objections	Early engagement, clear communication, efficient reporting mechanisms, careful site selection, ability to adjust locations where appropriate.
Financial risk	Project is fully funded by grant funding and supplier own investment and because it is a concession should bring a revenue income

Procurement challenge risk	Fully compliant competitive tendering process, legal oversight, standstill period, clear audit trail.
Equality impact risk	EQIA completed, inclusive design, consultation, and site-specific mitigations.
Delivery delays due to external factors	Early coordination with utilities, phased delivery plan, contingency allowances.
Delivery delays arising from authority-led approvals, permits or legal agreements	Early confirmation of local governance, resourcing and approval processes; close coordination between TfGM, local authorities and the Service Provider; active monitoring of authority-led dependencies; and escalation where delays may trigger Compensation Event or Relief Event considerations, affect deployment volumes or create financial, contractual or reputational implications.

Procurement Implications:

Procurement compliant with the Procurement Act 2023

27.

Legal Implications:

28. The procurement has been undertaken by Transport for Greater Manchester (TfGM) on behalf of the Greater Manchester authorities using the Competitive Flexible Procedure under the Procurement Act 2023. The report confirms that the procurement process has been conducted in accordance with the applicable legislative requirements and the Council's internal governance arrangements. Subject to Cabinet approval, TfGM will proceed to award the concession contract to the preferred bidder (identified within Part B of this report) following completion of the statutory standstill period and resolution of any procurement challenges that may arise.

29. TfGM and the participating Greater Manchester authorities will enter into the Authority Agreement and associated contractual documentation governing the delivery of the LEVI programme, The Council must be satisfied that the arrangements appropriately protect its interests, including provisions relating to governance, funding, liabilities, performance management and the operation of the concession over its term. The report also confirms that appropriate conflict of interest checks have been undertaken and no conflicts have been identified in relation to the procurement or decision-making process.

Financial Implications:

To be completed by the Council's Section 151 Officer.

30.

Appendices:

Please list any appended documents.

Background papers:

Report to Cabinet - 12 February 2025 - Electric Vehicle Charging Infrastructure - Supplier for LEVI and CRSTS Funding

Electric Vehicle Infrastructure Supplier for LEVI and CRSTS

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning
CPO	Charge point operator
CRSTS	City Region Sustainable Transport Settlement.
EVCI	Electric Vehicle Charging Infrastructure
EVI	Electric Vehicle Infrastructure
LEVI	Local Electric Vehicle Infrastructure
OZEV	Office for Zero Emission Vehicles
Project Specific Questionnaire (PSQ) shortlisting	Selecting only those suppliers who pass the initial eligibility checks to move forward in the procurement.
PSQ	Procurement Specific Questionnaire

Agenda Item 10

NOT FOR PUBLICATION

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