

Minutes of: OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting: 16 July 2019

Present: Councillor R Caserta (in the Chair)
Councillors T Cummings, J Harris, N Jones, K Leach,
Mortenson, Powell, Smith, S Smith, Susan Southworth,
R Walker and Walsh

Also in attendance: Councillor E O'Brien – Cabinet Member - Finance and
Housing
Councillor A Quinn – Cabinet Member –Environment
Councillor T Tariq – Cabinet Member – Children and Families

Public Attendance: One member of the public was present at the meeting.

Apologies for Absence:

OSC.64 DECLARATIONS OF INTEREST

Councillor Harris declared a personal interest in any item relating to Six Town Housing as she is a Member of the Board.

Councillor Susan Southworth declared a personal interest in any item relating to Six Town Housing as she is a Member of the Board.

All Councillors declared a personal interest in any items relating to Bury Schools as they are School Governors.

OSC.65 MINUTES OF THE LAST MEETING

It was agreed:

That the Minutes of the last meeting held on 4 June 2019 be approved as a correct record and signed by the Chair.

OSC.66 PUBLIC QUESTION TIME

Rachel Getliffe, a local resident explained that the Council had agreed to stop spraying glyphosate based weed killer in parks and schools whilst a review was carried out in relation to health concerns. Rachel explained that she was however aware that school perimeters were still being treated as were local streets. Rachel asked that the Council reconsider its decision and wait until the review had been completed to decide a way forward.

Councillor Quinn explained that the chemicals that Ms Getliffe was referring to were not neonicotinoids and were therefore not harmful to bees and had not been banned in the EU.

The Council were in the process of researching and reviewing how other councils undertook weed removal and what the other options were that would be cost effective as well as fit in with the small team that work in this area.

Councillor Quinn stated that if areas don't need spraying they will be left. Some councils were removing grass verges and sowing wild flower seeds which removed the need for cutting.

The review was in the process of being carried out and the report setting out the findings would have to go through the relevant Council channels.

Councillor Quinn stated that he would update the Overview and Scrutiny Committee when the review and following work had been completed.

OSC.67 TREASURY MANAGEMENT ANNUAL REPORT 2018/19

Councillor O'Brien presented the Treasury Management Report 2018/2019.

The report provided information on the Council's debt, borrowing, and investment activity for the financial year ending on 31st March 2019 in conformity with the CIPFA Code of Practice for Treasury Management. The successful management of the Council's borrowing and investments is central to the Council's financial strategy, both in the short term and in ensuring a balanced debt profile over the next 25 to 60 years.

The overall strategy for 2018/19 was to finance capital expenditure by running down cash/investment balances and using shorter term borrowing rather than more expensive long term loans. The taking out of longer term loans (1 to 10 years) to finance capital spending would only then be considered if required by the Council's underlying cash flow needs.

Debt decreased slightly during the year, £202,584 million at 31st March 2019 compared to £194,510 million at 31st March 2018. The average borrowing rate dropped slightly from 3.96% to 3.95%. Investments at 31 March 2019 stood at £14,760 million, compared to £21,250 million the previous year, the decrease being due to the use of cash/investment balances to repay maturing debt. The average rate of return on investments was 0.66% in 2018/19 compared to 0.24% in 2017/18.

Those present were given the opportunity to ask questions and make comments and the following points were raised:-

- Councillor Harris referred to a statement on page 8 of the document pack and asked what assets were being referred to in relation to paying maturing debt.

It was explained that investments can include cash rather than borrowing unnecessarily.

- Councillor Nick Jones referred to the recent investment in the Café Istanbul building and asked whether the Overview and Scrutiny Committee could

have a break-down of all of the Council's investment properties to include returns received and any lost revenue.

- Councillor Walker referred to page 15 of the document pack and asked how much the Council paid to Link Asset Services for their advice in relation to in-house investments.

It was reported that this information can be provided to the Committee.

- Councillor Harris referred to 5.2.4 of the report and asked what the relevance of this statement was.

It was explained that this showed that the Council was being prudent in relation to its finances in a time of uncertainty.

It was agreed:

That in accordance with CIPFA's Code of Practice on Treasury Management, the report be noted.

OSC.68 CAPITAL OUTTURN 2018/2019

Councillor O'Brien, Cabinet Member for Finance and Housing presented the Capital Outturn Report 2018/2019 to the Overview and Scrutiny Committee.

The report provided Members with details of:

- The capital outturn figures in respect of the last financial year 2018/19;
- Major variances between the Revised Estimate and the Outturn;
- The financing of the Capital Programme in 2018/19;
- Re-profile of budgets/allocations and slippage of funding into 2019/20;
- Details of the capital receipts realised during the year.

Those present were given the opportunity to ask questions and make comments and the following points were raised:

- Councillor Walker referred to 1.5 of the report where it mentioned a 'limited number of Capital Grants that can be carried forward' and asked what the limited number was.

It was explained that there was not an official figure on what a limited number was it was more a way of highlighting that these could be restricted.

- Councillor Walker referred to document pack page 24 and the information relating to Capital receipts from the sale of assets. Councillor Walker asked for a list of the assets that had been sold.

It was stated that this would be provided.

- Councillor Nick Jones referred to paragraph 4.4 on document pack page 25 and the amount set out in relation to slippage.

It was explained that the trend of slippage was something that was being looked at. There were instances where projects would run over into the following financial year.

It was also explained that the term slippage was a commonly used term in the public sector and did not mean loss.

Councillor O'Brien stated that a large portion could be linked to highways schemes that have overrun.

- Councillor Nick Jones referred to the reported slippage on page 29 in relation to Urban Renewal and the jump from £968, 000 to £5m and asked what the reason for this was.

It was explained that Urban Renewal covered housing as well as other things and these types of projects were over a longer period time. Councillor O'Brien stated that more information would be provided in relation to this.

- Councillor Stella Smith referred to the Housing Public Sector revised budget from £9.83m to £12.9m and asked whether this was a larger spend or whether the projects had slipped into the next financial year.

It was explained that this was movement over the financial years.

It was agreed:

1. That the final capital outturn for 2018/2019 and explanations for major variances be noted.
2. That the financing of the Capital Programme in 2018/19 be noted.
3. That the Committee consider and recommend for approval the re-profiled/slippage requests and associated funding into 2019/2020.
4. That the level of Capital Receipts realised in year and proposed use of the sites disposed of during the year be noted.

OSC.69 REVENUE AND HRA OUTTURN 2018/19

Councillor O'Brien, Cabinet Member for Finance and Housing presented the Revenue and Housing Revenue Account Outturn Report 2018/2018

The report provided Members with the details of:

- The revenue outturn figures in respect of the last financial year (2018/2019).
- Major variances between the revised estimate and the outturn;
- The level of school balances;
- HRA outturn for the year;
- The minimum level of balances in the light of risk assessments

Those present were given the opportunity to make comments and ask questions and the following points were raised:-

- Councillor Walker referred to bus lane enforcement in Bury and the fact that the income from this was projecting a shortfall from previous years. Councillor Walker asked how much the bus lanes cost the Council.

Councillor O'Brien explained that the contract for the bus lanes was covered by NSL. The drop in income was anticipated income but would not be a loss as there would still be income from the schemes even if not as much as was initially forecast.

- Councillor Powell referred to the Dedicated Schools Grant and the recovery plan that was set out within the report in relation to this. Councillor Powell asked what the £6000 was that was referred to within the Schools Mandatory Cost Threshold.

It was explained that each school had to pay the first £6000 for each High Need pupil within its school.

- Councillor Lucy Smith asked what measures the Council had in place to check what was happening in relation to the budget and slippage etc.

Councillor O'Brien explained that the Budget Recovery Group had been established and met regularly to monitor slippages within the budget, establish whether the actions in place in relation to this were working and if not to look for alternative actions.

The Savings Delivery Group monitored savings going forward and through savings trackers. The cost bridges and variance analysis continue to be produced each quarter as well as regular updates of the departmental savings trackers. Reports containing this information were provided on a regular basis to the Joint Executive Team, this Overview & Scrutiny Committee, the Cabinet, Audit Committee and Joint JET / Cabinet meetings.

- Councillor Lucy Smith referred to increased and unmet demand and asked whether the Council looked at this.

Councillor O'Brien explained that increased and unmet demand formed part of the risk management approach. The Transformation Fund would cover some of these areas and work was being carried out in relation to education, self-care and prevention as well as different ways of sign-posting and prescribing.

- Councillor Susan Southworth referred to the fact that some schools' balances were increasing and asked if there were any plans to 'claw-back' balances as had been done a few years' ago.

Councillor O'Brien stated that there were no plans for this to happen.

- Councillor Stella Smith explained that she had been informed that TfGM were considering charging retired travel pass holders to travel on the Metrolink and Trains at a cost of £10 per year. Councillor Smith stated that this would prohibit some people from getting out and about which could be detrimental to health.

Councillor O'Brien stated that he would report these concerns to the Greater Manchester Mayor.

- Councillor Walker referred to some schools holding hundreds of thousands and pounds in reserves whilst saving for a project. He was aware that schools weren't allowed to have excessive amounts in reserves and asked whether schools were questioned about this.

Councillor O'Brien reported that once a school hits a certain threshold this would trigger an intervention where they would be asked to explain what they were planning to do with the money they were keeping back.

- Councillor Nick Jones referred to paragraph 7.5 of the report relating to the level of rent arrears and asked what was being done about the amount of arrears.

Mike Woodhouse, Chief Finance officer explained that there was confidence that some of the debt was recoverable. The Council had invested additional capacity in debt recovery teams. The teams were recovering outstanding debts and were covering their costs.

Councillor O'Brien stated that Universal Credit was having an effect on debt and debt collection and he suggested that a more in-depth report in this issue be provided to the Committee.

It was agreed:

1. That the final outturn for 2018/19, and explanations for major variances be noted;
2. That the recommendations of the Section 151 Officer for the minimum level of balances in light of the review of the corporate risk assessment be endorsed.

OSC.70 MAYOR'S CHALLENGE FUND UPDATE

Councillor Quinn presented a report setting out the work being carried out across Bury in relation to the Mayor's Challenge Fund.

It was explained that in June 2018 the Greater Manchester Mayor's Cycling and Walking Commissioner, Chris Boardman published 'Beelines - a walking and cycling infrastructure proposal'. It was a response to serious problems of obesity, poor air quality and congestion in Greater Manchester and the limited progress made in changing people's travel behaviour.

It proposed new standards in highway infrastructure and a walking/cycling network of 1,600 kilometres (1,000 miles), including 120 kilometres (75 miles) of segregated routes and 1,400 new crossings. It mapped a first draft network of routes and also reported the GM Mayor's decision to allocate £160 million to begin constructing the network. The total cost of all the proposed improvements will be over £1bn and will take many years to complete.

In order to tap into this funding stream, GM Local Authorities needed to submit pro forma application forms outlining details of their proposals. The “windows” for such submissions come around every quarter and are called tranches.

Councillor Quinn explained that tranche 1 work up of schemes was being undertaken by TfGM and was expected to be completed within the next couple of weeks and if approved construction could be completed within 6 months of approval.

The Mayor’s Challenge Fund Tranche 5 bid for circa £3.6m included delivering new crossings and route improvements in the Fishpool neighbourhood was submitted on the 5 April 2019. Initial feedback from TfGM regarding the development of the submission was very positive.

Tranche 6 schemes were in the process of being prepared for submission.

Bury Council has submitted schemes worth about £6 million to date with the intention of submitting schemes in the upcoming tranche 6 bidding window approaching a further £10 million.

If all the schemes we have or will submit are able to demonstrate their viability and gain full programme entry, residents of the borough will benefit from around £16 million worth of new cycling and walking infrastructure by mid-2022.

It was agreed:

1. That Councillor Quinn be thanked for his update.
2. That the Overview and Scrutiny Committee support the work being carried out across the Council in relation to the Mayor’s Challenge Fund.

OSC.71 EDUCATION PERFORMANCE -UPDATE

Councillor Tariq, the Cabinet Member for Children and Families attended the meeting to report on the work that was being planned in relation to schools’ performance across the borough.

Councillor Tariq stated that the Council was facing challenging circumstances but the situation can be recovered if the Council takes a fresh outlook to build and repair relationships with schools.

Councillor Tariq explained that he had already visited 7 schools across the borough to meet with head teachers, he had attended a workshop with head teachers and had written to every head teacher in the borough. The key aim being to rapidly drive up performance.

It was explained that schools would be partnered so that any school facing difficulty will have the support of stronger schools. The skill set of the borough’s talented and exceptional head teachers needs to be used for mentoring, support, specialisms and school to school support.

The new academic year would see a package of support for head teachers which would include an Associate Heads Scheme and a Federation Model as well as other support opportunities.

Councillor Tariq explained that the Council could take action against schools by issuing a 'notice of concern' if the need was there. Work was being carried out to identify any schools that would benefit from the Council's intervention.

It was reported that a motion had been agreed at the last meeting of full Council on 10 July 2019 asking that a working group be established to assume responsibility for overseeing the transformation of educational standards within the borough.

It had been agreed that the group would meet on a termly basis.

An outline work programme for the Group was presented to the Committee.

Members of the Committee were given the opportunity to ask questions and make comments and the following points were raised:

- Councillor Lucy Smith referred to the fact that a number of schools were considering becoming academies and asked what the Council's response to this was.

It was stated that the Council had a shared responsibility for all of the children in every school of the borough and therefore must work with every school. It was explained that there were a number of options for schools to consider other than academies such as co-operatives and federations and each school would need to consider the options to decide the best fit for them.

- Councillor Walsh asked whether the head teachers were working across sectors so there was collaboration for transition from primary to high school.

It was explained that the advisory group had cross-sector membership so that all sectors were covered. There had recently been a workshop held which focussed on concerns relating to mental health. All school sectors were invited to take part as this was an issue across all age groups.

- Councillor Walsh referred to Special Educational Needs and the requirement for the service to become more inclusive and asked what this would look like.

Julien Kramer, Interim Assistant Director, Education and Inclusion explained that there were currently circa 250 children sent to out of the borough provision at a cost of over £9m to the Council. Work was being carried out to enrich the Council's own provision to build capacity and provide the service in-house. This would be in a cluster based model with locality support which will provide a better and more local service. The service will be monitored, regulated and supported.

- Councillor Susan Southworth stated that all teachers across Bury were doing the best job and needed support and advice. She stated that she wasn't sure that the issuing of a notice of concern would help.

Julien explained that the Council considered a notice of concern as a rescue raft but would have to refer to it as a notice of concern as this was the language used in the legislation.

Councillor Tariq stated that the Council would act sensitively and have discussions with head teachers, governors and unions beforehand. It was explained that the Council will have to make a strong case for issuing a notice of concern before it takes any action.

- Councillor Harris referred to timescales involved and asked when improvements would be seen.

Julien explained that he had carried out similar work in other local authorities across the country and would expect to see significant improvements in the next two years.

It was agreed:

1. That a working group of Councillors be appointed to assume responsibility for overseeing the transformation of educational standards within the borough.
2. That the working Group meet termly and be briefed on each occasion by the Cabinet Member for Children and Families and the Interim Assistant Director of Education.
3. That the Cabinet Member for Children and Families appear before each sitting of the Overview and Scrutiny Committee to brief Members on the steps being taken by Bury Council to drive up educational standards.

OSC.72 CORPORATE CORE PROGRESS REPORT

Marcus Connor presented a report from Councillor Jane Black, Cabinet Member for Corporate Affairs and HR. The report set out progress on delivery of the Corporate Core following the inaugural meetings of the Corporate Core Programme Board and subsequent update to the Council's Joint Executive Team and Clinical Commissioning Group (CCG) Governing Body.

It was explained that The Corporate Core programme aims to bring together the disparate "enabling" functions across Council departments and the CCG into a single integrated team that operates consistently, cost effectively and to provide added value to the delivery of corporate strategy.

The scope of the Corporate Core includes the following functions:

- Business Support
- Communications, Engagement and Marketing
- Policy
- Customer Contact
- Human Resources/ OD

- ICT
- Information Governance
- Business Intelligence/Performance Information
- Procurement
- Health and Safety
- Community Safety

All of the above are ultimately led by the Deputy Chief Executive (Corporate Core). Finance is being considered using a similar approach to that outlined in this report though is under the leadership of the Joint Chief Finance Officer.

The Programme Board is comprised of the Deputy Chief Executive (Corporate Core), Joint Chief Finance Officer and Deputy Chief accountable Officer of the CCG.

An initial workshop was held with the Heads of Services for these functions within the Council and CCG that are likely to fall within the Core.

This was positively received and the communication of next steps will follow.

Going forward, it is proposed to support ongoing networking across the Core by:

- Weekly communications to Heads of Service following each meeting of the Programme Board, plus organisation-wide updates to all staff
- Organised networks for work stream leads and the “enabler” strands (Finance, ICT, HR, Information Governance)
- Potential further cross-cutting workshops / conference style events as the programme develops – the next of these was scheduled for July 18th 2019.

Core services have been established on a work stream basis, with each work stream lead responsible for completing a standard Project Initiation document (PID) and supporting plan, to be overseen by the Board. This PID provides a live documentation for detailing the management of staffing, financial and outcome implications of developing and then running the core.

It was agreed:

1. That the information be noted
2. That further updates be brought to future meetings of the Overview and Scrutiny Committee.

COUNCILLOR R CASERTA
Chair

(Note: The meeting started at 7.00 pm and ended at 9.40 pm)