

**Minutes of: OVERVIEW AND SCRUTINY COMMITTEE**

**Date of Meeting:** 10 February 2021

**Present:** Councillor R Caserta (in the Chair)  
Councillors T Cummings, R Gold, J Harris, K Leach,  
B Mortenson, M Powell, S Smith, Susan Southworth, D  
Vernon and R E Walker

**Also in attendance:** Councillor O'Brien – Leader of the Council and Cabinet  
Member for Finance and Growth

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

**Apologies for Absence:** Councillor C Walsh

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#### **OSC.01 DECLARATIONS OF INTEREST**

Councillors Harris and Susan Southworth declared personal and prejudicial interests in respect of Minute OSC.08 below, Housing Revenue Account, as Board Members of Six Town Housing.

Councillor Susan Southworth further declared a personal interest in respect of Minute OSC.06 below, Dedicated Schools Grant, as a Member of the Schools Forum.

#### **OSC.02 MINUTES**

**It was agreed:**

That the minutes of the last meeting, held on 26 January 2021, be approved as a correct record.

#### **OSC.03 PUBLIC QUESTION TIME**

There were no questions asked under this item.

#### **OSC.04 BUDGET MONITORING QUARTER 3 2020/21**

The Leader of the Council and Cabinet Member for Finance and Growth submitted a report outlining the forecast financial position of the Council at the end of 2020/21 based on the information known at the end of the third quarter, 31 December 2020. The report set out that the Council is forecasting an underspend of £0.053m which is an improvement on the position at the end of September by £6.983m. The report included the position for both revenue and capital and provided an analysis of the variances, both under and overspending. The report also set out the performance on the treasury management activity, including investments and borrowing, against the agreed prudential indicators.

It was reported that as a result of the continuation of the pandemic, the additional measures that have been put in place, both nationally and across the

Greater Manchester region, in response to this may impact further on demand for services and loss of income. The report highlighted that there remained some significant challenges to forecasting as a result of COVID-19 and explained that the financial position will continue to be closely monitored throughout the year.

In response to the COVID-19 crisis the government has made available £102.558m to Bury Council to cover additional costs that will be incurred as a result of specific grant criteria. The funding allocations that were made available have been reflected in the forecast out-turn and a full summary was appended to the report, reflecting all grants received up to 18 January 2021.

Questions and comments were invited from the Committee and the following issues were raised:

- In response to a question concerning the unknown factors around levels of grant income, the Leader acknowledged the uncertainties and explained that best assumptions were made on a range of scenarios, with ongoing work done through internal monitoring, submissions to Ministry of Housing, Communities and Local Government (MHCLG) and collaborative work with Greater Manchester Treasurers.
- With regard to the issue of non-achieved savings targets, the Leader explained that risks were identified early and alternative proposals were developed and stress tested as a means of making up any shortfall.
- The Leader confirmed that following the outcome of the budget conversation it had been decided not to pursue the proposal to withdraw food waste liners.
- In response to a question concerning £96k spent on Bury Market, the Leader outlined that this was part of a multi-year project, with the initial monies being spent on design, modelling and preparatory works.
- The Leader confirmed that the Council was still pursuing government funding following the damage and impact from Storm Ciara.
- In response to a question from the Chair concerning the latest grants position, the Director of Financial Transformation and S151 Officer referred to 4 new grants recently approved by the Emergency Powers Group which equated to approximately £7m on top of the figures reported.
- With regard to potential support for home based businesses, the Leader explained that if the criteria for grants was opened up, with appropriate safeguards, the Council would look to roll out support.
- In response to a question from Councillor Harris, the Leader undertook to provide an update in respect of the council owned property in Lytham.
- With regard the issue of Civic Halls, Members of the Committee expressed concerns about the potential loss of the facilities and highlighted that the staff consultation had not yet ended. The Leader explained that no decision

had been taken and any proposal would be taken through Cabinet. If proposal not to re-open the Civic Halls was not pursued this would come out of the budget and alternative savings options would be needed.

- In response to concerns that the Council had allocated monies to purchase Diesel rather than electric refuse wagons, the Executive Director of Operations explained that some of the vehicles were needed very early and a decision had been made to purchase the cleanest diesel vehicles on the market. In response to a further question about why we had not been included in the Manchester Council programme of purchasing electric vehicles it was stated that Bury was not fully closed to some of its vehicles being included within this programme in the future. It was confirmed that the Council's van and transit fleet would move towards electric and that electric charging points will be installed at Bradley Fold.
- With regard to unspent monies in respect of the Radcliffe Regeneration, the Leader explained that this was largely an issue of how the spending had been profiled with more detail being set out in the Capital Programme report.
- The Leader undertook to provide the Chair with a response clarifying what the £300k strategic acquisition referred to as part of the Prestwich Regeneration.

**It was agreed:**

1. That the report be noted.
2. That the Committee places on record its thanks and appreciation for the hard work and valuable contribution of Lisa Kitto - Director of Financial Transformation and S151 Officer and her team in the production of the budgetary reports and the ongoing effective financial monitoring and treasury management activities.

**OSC.05 THE COUNCIL'S BUDGET 2021/22 AND THE MEDIUM TERM FINANCIAL STRATEGY 2021/22 - 2024/25**

The Leader of the Council and Cabinet Member for Finance and Growth submitted a report setting out the key elements of the 2020/21 budget proposals and the framework for the longer term Medium Term Financial Strategy (MTFS) 2020 – 2025. The report included the latest financial information that will underpin the 2020/21 budget and the MTFS and also set out the process that will lead to the agreement of the budget and the setting of the 2020/21 Council tax on 24 February 2021.

Questions and comments were invited from the Committee and the following issues were raised:

- In response to a question concerning the robustness of council tax collection, the Leader explained that robust systems were in place but acknowledged that as a result of the pandemic, there needed to be a supportive approach to debt collection.

- With regard to borrowing costs, the Leader explained that the borrowing costs outlined in the report reflected the use of capital for investment, regeneration and growth.
- In response to a question concerning the fairness of council tax on residents, the Leader outlined the problems and unsustainability of the current system and explained the support measures in place for those suffering hardship.
- The Leader acknowledged the importance of a strategic approach to the management of reserves and highlighted value of building up sustainable reserves.
- In response to a question from the Chair, the Director of Financial Transformation and S151 Officer confirmed her view that based on current information the level of reserves set out in the report was adequate based on the outlined assumptions. It was highlighted that there is an element of risk and uncertainty within the MTFS, which is the case with all Council's, but the current financial position is as resilient and robust as it can be.
- With regard to the loss of the Manchester Airport dividend, the Leader reported that there was an assumption that this would not be paid until 2023/24. It was acknowledged that this is a risk within the strategy and regular updates will be provided to report any in emerging changes to the position.
- In response to a question concerning covid grants, it was confirmed that approximately £10m was put into reserves at the end of the last financial year and it was explained that it is assumed that any grant monies received in year will be spent.
- With regard to the issue of transformation, the Leader confirmed that a partner was now in place to work toward delivering the £5m savings target identified.
- In response to a question relating to savings within the waste service, the Executive Director for Operations explained that the savings would be achieved through modernisation and efficiencies that would see a reduction in the use of agency staff.

**It was agreed:**

The report be noted.

**OSC.06 DEDICATED SCHOOLS GRANT**

The Leader of the Council and Cabinet Member for Finance and Growth submitted a report setting out details of the Dedicated Schools Grant (DSG), which is the

ring-fenced grant from Government that provides each local authority with an allocation of funding for schools and services for pupils.

The DSG contains 4 blocks determined by a separate national funding formula which calculates the total funding due to Local Authorities. In considering how the DSG is allocated, the report set out detailed information in respect of each block separately. It was reported that the details set out in the report has been discussed, and agreed, by the Schools Forum.

During discussion of this item, the Executive Director of Children and Young People explained that going forward the service would need to rely on more inclusive support and undertake more preventative work to provide better value for money and reduce the need for expensive out of borough placements.

**It was agreed:**

The report be noted.

**OSC.07 CAPITAL STRATEGY AND CAPITAL PROGRAMME 2021/22**

The Leader of the Council and Cabinet Member for Finance and Growth submitted a report setting out details of the Capital Strategy which forms part of the Council's strategic and financial planning framework and provides a framework within which the Council's capital investment plans will be delivered. It was reported that the Capital Strategy 2021/22 – 2023/24 had been prepared to cover a 3-year period initially though it is expected that this will be extended to a 5-year time frame in line with the Council's medium term financial strategy, recognising the uncertainty, especially in relation to funding in future years.

The report set out details of the following elements of the Strategy:

- A high-level, long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- An overview of how the associated risk is managed
- The implications for future sustainability
- The proposed capital programme 2021/22 – 2023/24
- Financing the capital programme

During discussion of this item, the Leader made reference to sites coming on stream for housing in Radcliffe and Redvales and highlighted that there was some flexibility within the Strategy to allow for additional allocations should sites become available.

In response to a question from Councillor Vernon concerning the Homes England Grant for the site at Fernhill, the Leader undertook to provide a list of the measures to be carried out as part of the refurbishment of the site.

**It was agreed:**

The report be noted.

**OSC.08 HOUSING REVENUE ACCOUNT**

The Leader of the Council and Cabinet Member for Finance and Growth submitted a report setting out the proposed Housing Revenue Account for 2021/22 and proposals for Dwelling and Garage rents, Sheltered Support, Management, Amenities and Heating charges, Furnished Tenancy charges and Fernhill Caravan site tenancy charges.

**It was agreed:**

That the report be noted.

**OSC.09 DATE OF NEXT MEETING & ITEMS FOR CONSIDERATION**

**It was agreed:**

That the date of next meeting of the Committee be changed to 25 March 2021 and will consider the following items:

- Bus Franchising Update
- Corporate Plan
- Bury 2030

**COUNCILLOR R CASERTA**  
**Chair**

**(Note: The meeting started at 6.30 pm and ended at 9.10pm)**