

CORPORATE OVERVIEW AND SCRUTINY COMMITTEE

MINUTES OF MEETING Monday 22 February 2021

PRESENT: Councillor Holly (Chair); Councillors Boriss, Joinson, Nolan, O'Neill, O'Rourke, Rana and Wraighte

OFFICERS: Julie Murphy (Chief Finance Officer), Samantha Smith (Deputy Chief Finance Officer), Asif Ibrahim (Assistant Director – Legal, Governance and Workforce), Steve Blezard (Director of Operations – Adult Social Care), John Rooney (Assistant Director – Neighbourhoods), Mark Robinson (Assistant Director – Economy) and Alison James (Resources Directorate)

49 APOLOGIES

Apologies for absence were received from Councillor Robinson

50 DECLARATIONS OF INTEREST

There were no declarations of interest.

51 MINUTES

Resolved:

1. That the Minutes of the meeting of the Corporate Overview and Scrutiny Committee held on 8th February 2021 be approved and signed as a correct record;
2. That the Action List from the meeting of the Corporate Overview and Scrutiny Committee held on 8th February 2021 be noted.

52 CORPORATE OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME 2020/2021

Members considered the Committee's Work Programme for 2020/2021, which outlined the scheduled programme of reports for the remainder of the 2020/2021 municipal year.

It was noted that there would be reports being submitted to future meetings relating to the ICT Digital Strategy and an update on charges for Wheeled Bins.

Resolved:

1. The Committee's Work Programme 2020/2021 be noted.

53 LOCAL GOVERNMENT ACT 2003

The Chief Finance Officer submitted a report that was also due to be presented to the next scheduled Cabinet meeting, on 25th February 2021, with the proposed Revenue Budget, Capital Programme, and Council Tax 2020/2021 for recommendation to Budget Council. It was noted that the information contained in the report was subject to the Final Local Government Finance Settlement and approval of the Mayor of Greater Manchester precepts for 2020/2021.

Members were informed that the report established the key financial challenges and issues which would be faced by the Council over the period 2021/2022 to 2023/2024 and provided details of the assumptions and estimates which underpin the budget. The budget also took into account the latest known developments at both regional and local levels, including reports on the integration of health and social care within the pooled budget arrangements.

The Committee was informed of the revenue proposals which were being recommended to Cabinet to enable a balanced budget to be considered and presented to Budget Council for approval. It was noted that the capital programme being recommended to Cabinet had been consulted on during the autumn 2019. This would also be presented to Budget Council for approval.

Resolved:

1. That the Cabinet, at its meeting on 25th February 2021, be informed that the Corporate Overview and Scrutiny Committee recommends approval of the recommendations contained in this report, to Council.

54 BUDGET REPORT AND COUNCIL TAX 2022

The Committee scrutinised a report of the Chief Finance Officer that provided Members with details of the proposed Revenue Budget, Capital Programme and Council Tax 2021/2022, which were due to be submitted to the Cabinet on 25th February 2021 and to the 'Budget' Council meeting on 3rd March 2021. The information contained in the report was subject to the approval of the Mayor of Greater Manchester for the purpose of the Council Tax precepts for 2021/2022.

The report also outlined the Council's Medium Term Financial Strategy 2021/2022 to 2025/2026. The Medium Term Financial Strategy provided the latest budget position for the Council, setting out the key financial challenges and issues that were expected to be faced during that period, and it provided details of the assumptions and estimates which underpinned the budget. The strategy also took account of the latest known developments at both regional and local levels.

In presenting the report the Chief Finance Officer advised that the Council was required to determine its budget for 2021/2022 by no later than 11th March 2021 and in doing was legally obligated to set a balanced Revenue Budget for 2021/2022 and provisional budgets for 2022/2023 to 2023/2024 and to confirm its Council Tax increase for 2021/2022.

Resolved:

1. That the Cabinet, at its meeting on 25th February 2021, be informed that the Corporate Overview and Scrutiny Committee recommends approval of the recommendations contained in this report.

55 RESERVES POLICY

The Committee scrutinised a report of the Chief Finance Officer that outlined the Council's Reserves Policy including the premise for holding the policy. The Reserves Policy was attached at the Appendix to the report and, as such, was due to be presented to the Council's Cabinet meeting on 25th February 2021 for approval.

Members were reminded that the Council was required to demonstrate sound financial management and deliver a balanced budget by 11th March 2021; therefore, having a strategic approach to setting the required level of reserves for future resilience of the Council formed a key part of setting a balanced budget and ensuring longer term sound financial management.

It was considered to be important to manage the risks of the Council, which holding an agreed level of reserves did. Section 151 of the Local Government Act 1972 placed a general duty on local authorities to make arrangements for 'the proper administration of their financial affairs'. Section 25 of the Local Government Act 2003 required that the Chief Financial Officer of an authority report on the robustness of estimates and the adequacy of reserves when determining their precepts, and authorities were required to take the Chief Financial Officer's report into account when setting the Council Tax.

Resolved:

1. That the Cabinet, at its meeting on 25th February 2021, be informed that the Corporate Overview and Scrutiny Committee recommends approval of the recommendations contained in this report.

56 DISCRETIONARY FEES AND CHARGES 2021/22 POST CONSULTATION

The Committee scrutinised a report of the Chief Finance Officer, which presented proposed Discretionary Fees and Charges for 2021/2022. Discretionary Fees and Charges were reviewed on an annual basis. At the Cabinet's meeting, held 28th July 2020, a 2% general increase in Discretionary Fees and Charges for 2021/2022 was agreed for planning purposes, subject to various exemptions to be agreed.

Following Consultation with members and stakeholders, the submitted report and its associated appendices, detailed the proposed Discretionary Fees and Charges for 2021/2022 and also gave details of those charges which were proposed to be exempt from the general 2% increase.

The Cabinet was due to review the assorted Fees and Charges for 2021/2022 at its meeting to be held on 25th February 2021.

Resolved:

1. That the Cabinet, at its meeting on 25th February 2021, be informed that the Corporate Overview and Scrutiny Committee recommends approval of the recommendations contained in this report.

57 DISCRETIONARY FEES AND CHARGES - PLANNING

The Committee scrutinised a report of the Assistant Director – Economy, which advised that further to budget savings proposals that had been provisionally agreed by the Cabinet on 1st December 2020, the Planning Service had been requested to identify ongoing savings to be realised from income generation. Therefore, the Assistant Director's report proposed additional Discretionary Fees and Charges for Planning Services that had been reviewed to realise a further £30,000 of budget saving through anticipated additional income generation during 2021/2022.

The report was due to be presented to the Cabinet on 25th February 2021 for determination.

Resolved:

1. That the Cabinet at its meeting on 25th February 2021 be requested to approve the additional Discretionary Fees and Charges detailed in the report of the Assistant Director – Economy.

58 TREASURY MANAGEMENT STRATEGY

The Chief Finance Officer presented the 2021/2022 Treasury Management Strategy which outlined how the Council would meet the requirements of the relevant legislation, codes of practice and guidance that formed the Prudential Framework.

It was noted that the Treasury Management Strategy was the Council's policy for ensuring that:

- Borrowing in the long term was undertaken for capital purposes
- Borrowing plans were affordable and likely to achieve best value
- That total debt remained within the Council's authorised limit and prudential indicators
- Risks were identified and controlled
- Cashflows were managed to ensure that the Council could continue to meet its financial obligations

It was reported that the Council intended to maintain an under-borrowed position for the period covered by the Strategy, using its own internal balances to fund capital expenditure whenever possible but being aware of the possibility of interest rate rises. Members were reminded that Interest rates were currently relatively low and expected to rise slowly over the next three years. It was noted that the Council's overall borrowing requirement increased over the period of the strategy.

The Committee were informed that the Council's treasury investment priorities would continue to place emphasis on security over return. Minimum credit criteria would be set to ensure the creditworthiness of counterparties which would be closely monitored throughout the year to minimise risk. Limits were also placed on the amounts that can be placed with individual institutions and the durations of investments.

Members of the Committee were informed that the Cabinet, at its meeting to be held on 25th February 2021, would be considering this report.

Resolved:

1. That the Cabinet, at its meeting on 25th February 2021, be informed that the Corporate Overview and Scrutiny Committee recommends approval of the recommendations contained in this report.

59 CAPITAL INVESTMENT & DISPOSAL STRATEGY

The Committees scrutinised a report of the Chief Finance Officer which outlined the capital, investment and disposal strategy for the Council, describing how the Council would be able to meet the requirements of the relevant legislation, codes of practice and guidance that form the Prudential Framework, and MHCLG Guidance on Local Authority Investments.

It was noted that the 2021/2022 Capital Investment and Disposal Strategy was to be the Council's policy for ensuring that the following outcomes were met:

- To provide an overview of the Council's plans for capital investments/disposals, and asset management planning.
- To set out the governance process for approval and monitoring of capital expenditure, and any related long-term liabilities.
- To show how the Council's planned capital expenditure will be funded within the context of relevant funding limits, how any external debt will be repaid, and what the associated costs are.
- To set out the Council's approach to commercial activities including due diligence, risk appetite and proportionality in respect of the Council's overall resources.
- To summarise the knowledge and skills available to the Council, and whether these are considered to be commensurate with its risk appetite.

Member were reminded that the Strategy was a high-level overview of how the Council's capital expenditure, capital financing and treasury management activity contribute to the provision of services. The Strategy provided an overview of how risks were managed, and what the implications are for future financial sustainability. The purpose of the Strategy was to set out how the Council takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability.

The Committee was informed that the Cabinet was due to consider this report at its meeting to be held on 25th February 2021.

It was requested that reports be submitted to future meetings of the Committee in relation to the Property Growth Fund.

Resolved:

1. That the Cabinet, at its meeting on 25th February 2021, be informed that the Corporate Overview and Scrutiny Committee recommends approval of the recommendations contained in this report;
2. That reports relating to the Property Growth Fund be submitted to future meetings of the Corporate Overview and Scrutiny Committee.

60 SAVINGS PROGRAMME 2021/22 TO 2022/23 - UPDATE FOLLOWING CONSULTATION

The Committee scrutinised a report of the Chief Finance Officer, which provided an update on the results of consultation on the proposed Savings Programme 2021/2022 to 2022/2023.

The Committee noted that previous comments made on the proposals at the meeting held on 8th February 2021 had been incorporated into the report that would be submitted to Cabinet on 25th February 2021.

Resolved:

1. That the proposed Savings Program – Update Following Consultation be noted.

61 EXCLUSION OF PRESS AND PUBLIC

Resolved:

That the Press and Public be excluded from the meeting during consideration of the following item of business, in accordance with the provisions of Section 100A (4) of the Local Government Act 1972, as amended.

Reason for Decision:

Should the press and public remain during debate on this item there may be a disclosure of information that is deemed to be exempt under Parts 1 and 4 of Schedule 12A of the Local Government Act 1972.

62 SAVINGS PROGRAMME 2021/2022

The Committee scrutinised a report of the Chief Finance Officer, which presented the individual consultation responses on the proposed Savings Programme 2021/2022.

Resolved:

1. That the individual consultation responses on the proposed Savings Programme 2021/2022 be noted.