

## MANCHESTER CITY COUNCIL SCRUTINY COMMITTEE MEETINGS MARCH 2015

I attended last week's MCC Communities Scrutiny Committee meeting on the 12<sup>th</sup> March – this time the Finance and Health meetings as I was unavailable for the Economy and Communities on the previous day. I hope this report may be of use to some of you. As usual, I'm happy for material in it to be forwarded to other interested parties, with the proviso that it's my interpretation of events and details may not necessarily be completely accurate.

The **FINANCE SCRUTINY COMMITTEE (FSC)** was chaired by Cllr Launchbury in the absence of usual chair Cllr Ollershaw. The City Treasurer, Richard Paver (RP) sat alongside the Chair. Other attendees included the ubiquitous Cllr Flanagan, Executive Member for Finance and HR.

### Item 5 **National Non-Domestic Rates Policy.**

The report was presented by Charles Metcalf, Revenue Officer for MCC. It concerned the introduction by the UK government, from March 2014, of relief from business rates of up to £1000 for retail businesses with a rateable value of £50,000 or less. The Council is able to use its discretionary powers under the Localism Act to grant relief, which will be reimbursed by the UK Govt. The report covered the number and amounts of reliefs awarded by MCC as well as issues that have arisen with the initiative. In MCC's area, relief has been granted to about 1100 premises. In answer to questions from Councillors, the following information was reported:

- The Council does have discretion over the types of businesses it can award relief to and has rejected some claims if the business is not approved of by the Council (RV - no business types mentioned but I suggest betting shops may feature).
- The report did not include details on location and types of businesses receiving relief – Cllr Davies requested this additional information.
- Cllr Russell commented that the report was light on figures re the discretion applied and asked for clarification. RP responded that the Committee had not asked for this, and that a lot of the discretion is statutory – Cllr Russell was not happy and asked for figures in a follow up report, supported by other Committee members. Cllr Flanagan contended that the officers have produced what the FSC asked for.

### Item 6 **S106 Annual Monitoring Report.**

The report was presented by Officers Roscoe and Shuttleworth from the MCC Planning department. They reported an increase in planning applications but no increase in S106 agreements with financial implications (RV Info – S106 agreements are a way in which Councils can get improvements in public infrastructure on the back of planning application permissions). The amount of money owed to the Council from S106 agreements has reduced. There has, however, been a change of process – viability is now a material consideration. Cllr Nigel Murphy noted that if there is no S106 agreement at the planning permission stage, legislation does not allow for clawback if the development turns out to be more 'viable' than anticipated. Cllr Davies asked how the judgement on 'viability' is made – it appears this is done by MCCs in house personnel. In response to another question, it was reported that the use of S106 monies remote from the development location (e.g. City centre developments contributing to St Peter's Square refurbishment) has been done in the past but it will be more difficult to pool resources in the future. S106 agreements now have to be directly related to the development – this may mean monies would not be spent outside a ward boundary. Cllr Hackett commented that there is currently a dual system of S106 agreements and Community Infrastructure Levy (CIL) and asked if

CIL will completely replace S106. Officers responded that there is currently no indication from the Govt, but the Govt has asked that agreements are site specific. Cllr Hackett was also concerned that funds from either scheme are not going to areas they are intended for. Officers responded that the Council has introduced a much more robust regime on obtaining funds - Ms Roscoe commented that one of the main problems was spending the money in a timely manner. Cllr Ali asked a question concerning outstanding debts – the CIL is a charge on a property, which could be passed on to future property owners. Some Councillors were unsure of the details of the CIL and Officers offered to submit a briefing paper to them – agreed by the Committee.

#### **Item 7 Information Security Review update.**

Tom Howell, MCC's Head of Audit and Risk Management, introduced this item. It concerned a consensual/voluntary audit of some sections of the Council's ICT function by the Information Commissioner's Office (ICO) in December 2014. Its outcome was 'limited' assurance – Council officers were disappointed by the (apparently not uncommon) judgement. MCC had accepted the ICO report despite officer reservations and will implement the recommendations. Councillor questions were not understandable to me and hence the answers did not clarify things.

#### **Item 8. Town Hall room bookings.**

After some discussion, it was established that this comes under the Executive member for Housing and Regeneration, Cllr Jeff Smith. Two officers from Corporate Services presented the report, which had been commissioned due to concerns raised by the FSC in relation to difficulties in booking rooms. Room bookings had been transferred to Manchester Central, an organisation 'owned' by MCC which includes MCC Officers (e.g. Treasurer RP) on its Board. Several members expressed concern about how this system is being operated. Cllr Nigel Murphy asked if any increase in outside bookings had caused the Council to have to book rooms away from the Town Hall for meetings – officers were not aware of this as an issue. Cllr Murphy asked if MCC gets preferential rates for bookings from Manchester Central – officers were not able to answer this. Cllr Hackett eventually got round to asking if budget targets for the new system had been met – RP said not this year. The increase in income has been slower than expected, hence the agreement with Manchester Central has been 'slipped' by a year.

The discussion moved on to more general issues - Cllr Barrett was concerned about the cost of hire of Town Hall rooms and catering, citing the case of one (un-named) organisation which used the Midland Hotel instead as it was cheaper. He suggested lower prices would bring more business and persisted in his complaints despite an officer pointing out there was constant dialogue with Manchester Central over this issue. Cllr Davis noted this was off topic, but said that the request for the report from the FSC was driven by concern that the Town Hall premises are now unavailable for the 'democratic process'. Cllr Barrett agreed, pointing out that the premises are too expensive and thus less accessible for members of the public and community groups to use. RP said that this had been discussed at Manchester Central board meetings.

Cllr Launchbury summed up that the FSC would like to see some budgetary information e.g. targets and costings and potential profits, to go in the FSC work programme. She noted catering was another issue of concern. Finally, Cllr Smith, who had joined the meeting after the start, commented on access for community groups. He said the Council took a policy decision two years ago to increase income from the facility due to financial constraints. He considered that the building is now more 'multi-functional' than previously.

#### Item 9. **ICT update.**

This item was presented by Karen Johnson, Head of Service for ICT and Carol Culley, Deputy City Treasurer. I didn't understand much of the verbal report from Ms Culley, but noted that MCC had acquired 300 Blackberry units for social work staff. Cllr N. Murphy commented on several items, but was concerned about the slippage of the PSN (no explanation of what this is!) implementation date from April 2015 to August 2015. Cllr Russell asked about a financial figure on page 8 of the report 'A virement (RV – the transfer of items from one financial account to another) of £1.5 million to resource this ...', and was assured it is within the overall budget. She also asked if the short staffing in the department noted at the last FSC meeting will affect implementation of ICT projects. Officers admitted the Council is using agency staff to fill the capacity gap at the moment. Chair Cllr Launchbury said she would ask for a further update before the next meeting of the FSC. (RV - noted that in the hard copy report was an item reading 'An upgrade of our BACS and ICT support to enable the move of MCC banking from theCo-op to Barclays.' - see item 11 below!!)

#### Item 10. **Childrens' Services Investment.**

This report was presented by Officers Little, Deputy Chief Executive, and Rhodes White, Strategic Director of Childrens' Services. The report had been requested by the FSC during previous budget discussions. Mr Little pointed out that MCC is an 'outlier' compared to other cities in the large number of looked after children, which was a big challenge for the Council and a significant financial risk. Cllr Russell asked a series of questions which elicited the following information:

- estimates of the population increase of young people in Manchester in the next few years are not available;
- a reference in the report to other agencies being involved as lead workers is part of an aim to reduce the load on social workers who deal with the most serious cases. Workers from other agencies will be appropriately qualified;
- the MCC social work department has a lot of staff on short term contracts and a high turnover of staff, so the aim currently is to 'stabilise' the system without increasing the number of permanent staff in the long term. The aim in the long term is to attract and retain social work staff.

Cllr Flanagan apologised to the FSC that the relevant Executive Members for some items had been late for items or were absent. he undertook to take this up with them.

#### Item 11. **The Council's Pension Fund** (RV – part of the GM pension fund).

Several members expressed a material interest in this item as contributors and/or beneficiaries of the fund. The Chair ruled beneficiaries should remove themselves to the public area for this item. This report had been initiated by a request/enquiry from Mark Burton of Steady State Manchester (SSM) to the FSC who joined the committee table with a colleague. Cllr Quinn (Tameside MBC), as Chair of the Trustees of the GM Pension Fund) fund (and Chair of the national Local Authorities Pension Fund Forum) addressed the meeting (RV - for too long!) and gave some details about how the GMPF trustees have ensured it invests in the area e.g. the 1 St Peter's Square development, and hence could influence and benefit GM. He was a little more defensive when he moved on to investment by the fund in: companies that use Bangladeshi textile workers; Barclays; Shell; and BP. He said the Fund preferred engagement with these companies rather than divestment. In this way, it could lobby for improved working conditions, restraint of executive pay and investment in carbon capture. He also mentioned a £10 million investment in SMEs in the fields of biofuels and solar energy. Unfortunately the Chair let him go on for much too long, so there was little time for Mark Burton to put his case.

Mark pointed out the SSM wants to build on the GMPF's previous good work and was pleased to see company engagement and local interest. But, he would like to see a raising of ambition, firstly by building a strategy for creating change to get investments to work in the most positive way. With some companies, engagement is less possible but only so much can be done, for example with oil companies and their involvement with Canadian tar sand oil extraction. Secondly, he was concerned about the way in which management of the fund is outsourced to fund managers. He would prefer stronger guidance to fund managers from the trustees on suitable investments. The next speaker, from PIRC (Pensions Investment and Research Consultants) reckoned that the GMPF is a 'leader' in LA pension funds, by being the most 'transparent' of the 101 LA pension funds. He gave some further details of the process of engagement with Companies. He contended that the GMPF and LAPFF want to raise their profile more, for example by extracting a promise about a member of Barclays board stepping down at their AGM, but have been frustrated by a subsequent lack of action by Barclays. He continued with some information about the 'fiduciary duty' of pension funds – there are differing opinions on what this entails but not a lot of case law, so pension funds have to be careful about what they do. Finally he discussed the carbon emissions issue. He said if GMPF divested from oil companies, the shares would probably be bought by a Chinese investment company. He thinks divestment has few advocates in the capital markets (RV - well it would have!).

From the FSC, Cllr N Murphy broadly supported the GMPF strategy but said the strategy, dating from 2007, needs to be updated. Cllr Akhbar (Manchester's representative on the GMPF) defended the fund. Mark Burton's colleague managed to ask how much investment is made locally and if could there be more (£800m quoted by Cllr Quinn) and mention the divestment from fossil fuels strategy recently agreed by the Greater London Assembly, before he was cut off by the Chair.

#### **Item 12 Living Wage Task and Finish group report.**

By now the meeting was over time, so Cllr Raikes, who chaired the Councillor group which compiled the report, went straight to questions. Cllr Flanagan said he and the Council Executive supported the recommendations generally but he foresaw problems with recommendation 4, which concerned applying the Living Wage Policy to contractors. He contended that it would not be practicable to rely on a profit statement from contracting companies. Sole traders and new companies didn't have the information to measure profits against. The Council also does not have the staff to do this work and a lot of the information is not available. Cllr Davies said this recommendation should be retained as an 'aspiration'. Cllr Russell – she asked why MCC cannot ask for information on Contractors' pay rates as part of the procurement process. Cllr Collins inquired about apprentice pay rates – Cllr Raikes said the recommendations apply across the board. Cllr Raikes acknowledged the 'aspiration' element of the recommendation, but thought the Council needs to make progress beyond it.

The Chair noted that the report had gone to the Economy Scrutiny Committee yesterday, and that Committee had endorsed all the recommendations. Cllr Hackett proposed the same for the FSC and all members agreed.

**Item 13 Overview report.** This was accepted without discussion.

The meeting closed at 1249 (scheduled finish 1200). No other members of the general public attended the meeting.

The **HEALTH SCRUTINY COMMITTEE (HSC)** was chaired by Cllr Newman, who announced that a number of members will be retiring from the Council, and hence the HSC, in May. He thanked them for their contributions to the HSC. He is retiring as Chair in May, so this was his last meeting – the HSC members thanked him. The number of member absentees was noticeable, including Cllr M. Murphy, Barbara O'Neil, Swannick and Siddiqi. Cllr Bev Craig attended at the HSC's invitation.

The Chair noted an item of urgent business he had been contacted about – the re-organisation of District Nursing in South Manchester. He has received a briefing paper and announced it will be discussed later in the agenda.

#### **Item 5. Prevention of Suicide in Manchester.**

The Director of Public Health (DPH), David Regan, introduced four colleagues who had contributed to the tabled report on this issue, including Prof Nav Kapur from the University of Manchester. Janet Mantle, Consultant in Public Health, introduced the report, which is presented annually to the HSC, in a not very illuminating way (RV – but I guess it's a rather depressing subject). Among the facts worth noting were:

- about 75% of people who commit suicide are not known to mental health services;
- about 70% of people who commit suicide have been in contact with a GP in the 12 months before their death.

Cllr Brian O'Neil asked how we get across to private industry how lay-offs and zero hours contracts can affect suicide and persons in fear of violence i.e. how can we get better private public partnership working. Cllr Wilson asked if there have been any attempts to target vulnerable groups of people. Cllr Paul pointed out that the statistics still represent 1 suicide per week in Manchester and other LAs have a better record e.g. London. Cllr Craig asked several questions. Prof Kapur responded in a very professional manner. He noted that in the 12 months after a self harm episode, people are 100 times more likely to commit suicide, and the amount of self harm in Manchester is increasing. Ms Mantle pointed out that training is offered to Clinical Commissioning Group (aka GP practices) staff, such as GPs and practice nurses. She agreed with Cllr O'Neil's views about links to employment issues. The DPH said that links between Police and mental health services are not as good as they could be, but they are improving in Manchester.

Prof Kapur spoke about the classification of deaths by Coroners' Courts and Nick Clegg's recent initiative on suicide, in which he set a target of zero suicides. Prof Kapur said this target should be an aspiration rather than a target, as it would demoralise services dealing with the issue, as zero suicides was not practically possible. The long winded discussion, not very well chaired, continued to 1512 hours, occupying over half the scheduled meeting time. Cllr Paul asked for comparisons with other inner city areas and the 'best performing' LAs in a future report. Cllr B O'Neil repeated his request for more partnership working in areas where it matters, this time including housing organisations and the police.

#### **Item 6. Health Implications of FGM.**

(RV note - criminal implications had been discussed recently at the Communities Scrutiny Committee).

The Chair opened discussion of the informative report by stressing the HSC were looking specifically at health issues. Anna Berry, Deputy Director of Nursing – Safeguarding spoke about health professionals being trained to recognise and deal sensitively with this issue. It is not just about criminality but the long term mental and physical health of women who have undergone

FGM. She considered these issues are the ones we need to focus on in contact with communities where this may occur. Many people in the relevant communities do not know that the practice is illegal in the UK. She stressed the importance of not driving the practice 'underground'. The Chair pointed out it may be underground already. In discussion of the report, Cllr Hitchen pointed out an issue with paragraph 5.4 concerning the participation of the Sexual Assault Referral Centre at St Mary's hospital as 'work in progress'. Ms Berry said that all appropriate agencies are round the table and looking for funding to make progress with this. The Chair concluded the discussion by asking for further work to be undertaken to ensure all appropriate pathways are open to health organisations, agreed by the HSC members.

#### **Item 7. Manchester City Council Local Account 2013/2014.**

The Local Account is designed to tell people how well a Council has done in delivering adult social care against priorities. The person introducing the report apologised for out of date statistics – there had been resource issues in producing these. In future, the aim will be to produce the report earlier in the year and in a better format. Cllr Paul commented that the Council are doing a similar report for cycling and local health. Cllr Wilson reckoned the report was a good overview and asked about the complaints procedure. An officer said they aimed to reduce complaints by improving procedures, but there is an audit mechanism for this. Cllr Paul noted and welcomed the 'items of praise' statistic on page 22 of the report.

#### **Item 8. Clinical Commissioning Group (CCG) finances.**

This report was presented by Joanne Newton, Chief Financial Officer., North, Central and South Manchester CCGs. Discussion by members focussed on emergency care. Cllr Hitchen asked if projected savings of £6.6 million on emergency care are realistic. Ms Newton said the plan is to improve community services to reduce the number of 'emergency' cases, although this will need to be monitored in winter periods. Cllr Brian O'Neil was very sceptical about what was being put forward actually working. He pointed out that if it doesn't work then overall costs will be higher. He asked for a guarantee that savings will not have an impact on the people of Greater Manchester. Ms Newton obviously didn't want to answer that such a guarantee was not possible (RV - quite rightly), so responded that by repeating her comments about reducing the need for emergency services by initiating community alternatives. Another officer did eventually say that they could not give such an absolute guarantee. (RV – Cllr O'Neil strikes me as being unrealistic in his expectations - other members seemed a bit exasperated with his comments).

The Chair then introduced the additional item about a review of District Nursing services in South Manchester. This had been prompted by media coverage of the issue before any official announcement. He noted that currently the review is a consultation and Unison and the Royal College of Nursing have organised a petition on the issue, of which he had received a copy. He pointed out that the Committee's remit does not cover jobs, but it was concerned with services. He had asked the NHS for a brief response, which had been circulated to Committee members (RV – but not available to the public at this meeting), which he was not entirely satisfied with. He would like S.Manchester CCG's views on this, as it is being alleged there will be a reduced service. Cllr Hitchen expressed surprise that the HSC had not heard about this before and said the Committee needed a full report. The Chair was concerned that he had found this out through the media and/or other sources rather than the NHS.

**Item 9. Health and Wellbeing Update.**

The report on this was introduced briefly. Cllr Wilson asked for a further report on the implications for Manchester of the Care Act. Part 1 of the report gave HSC members an overview of development across Health and Social Care and was accepted without further discussion. Part 2 of the report was an update of health issues from Manchester's CCGs. Paragraph 4.3 of the report suggested the HSC may wish to have a substantive item on staffing levels at hospitals. The Chair said the HSC should take up this offer and HSC members agreed. In response to paragraph 6.4, the HSC agreed they did not need further updates on renal dialysis arrangements unless circumstances change. Cllr B.O'Neil asked if the NHS Trust Chief Executives could invite HSC members to visit three Accident and Emergency departments on a Friday or Saturday night, i.e. when they are under pressure. The Chair said the HSC had a right to do this and it was agreed they should do so.

**Item 10. Overview Report.**

The report was accepted without discussion. Cllr Paul pointed out that the HSC had caught up with a lot of outstanding items during the past 12 months.

The meeting closed at 1611hrs. No other members of the public attended the meeting. Because I was the only person in the public area, the Chair came over to me and introduced himself. I was pleased to tell him I was there as a representative of MGP.

Dick Venes,  
Hon. Secretary, Manchester Green Party.

22<sup>nd</sup> March 2015.