

## **Resources and Governance Overview and Scrutiny Committee**

### **Minutes of the meeting held on 22 July 2010**

#### **Present:**

Councillor Watson - In the Chair  
Councillors Bhatti, Clayton, B Fisher, Glover (Items RG/10/46 - 51), Lomax (Items RG/10/46 - 51), McCulley, Morrison, E Newman, Sandiford.

Councillor N Murphy - Executive Member for the Environment  
Councillor Priest - Executive Member for Finance and Human Resources  
Councillor Smith - Assistant Executive Member for Finance and Human Resources

#### **Apologies**

Councillors P Murphy, Swannick and Trotman

#### **RG/10/44 Urgent Business**

A report entitled Capital Programme – Proposed Increases – Sportcity Remediation and Site Servicing Works was submitted as urgent business.

#### **Decision**

To note the Chair's decision to accept the item as urgent business.

#### **RG/10/45 Minutes**

Minutes of the meeting of the Committee held on 24 June 2010 were submitted for consideration along with minutes of the meeting of the Human Resources Subgroup on 6 July 2010.

#### **Decision**

To approve the minutes submitted as correct records of the meetings.

#### **RG/10/46 Information and Overview Report**

A report of the City Solicitor was submitted. This included an overview of the major financial decisions the Council would be taking over the next four months which related to the Committee's remit.

The report included responses to recommendations made by the Committee at its previous meetings. It was agreed that the Committee's support officer would send

information to the Committee about when the Council's Petitions Scheme comes into force and when the website for petitions would go live.

The Committee received briefings for information on implications of the emergency budget announcement and the Council's Register of Significant Partnerships. The briefing on the emergency budget announcement focused on the likely impact on the Council's budget of the pay freeze for public sector workforces, the Fair Pay review and the review of public sector pension schemes. The effect of these schemes on the workforce in general would be looked at through the Human Resources Subgroup.

The Committee noted a proposal from two committee members that Councillors' allowances should be frozen for two years. The Executive Member for Finance and Human Resources advised the Committee that the Council had already agreed, following recommendations from the Independent Remuneration Panel, that Councillors allowances would be linked to officers' pay grades.

The Chair highlighted that it was good to see the increasing numbers of public-private partnerships in the Register of Significant Partnerships.

The Committee agreed the proposed workprogramme subject to the addition of an item in the autumn looking at how the Council will implement the national requirement to make details of expenditure above £500 available to members of the public.

### **Decision**

1. To note that the Council has agreed, following recommendations from the Independent Remuneration Panel, that Councillors allowances be linked to officers' pay grades and to note the proposal that Councillors' allowances should be frozen for two years.
2. To agree the work programme subject to the addition of an item in the autumn looking at how the Council will implement the national requirement to make details of expenditure above £500 available to members of the public.

### **RG/10/47 Capital Programme – Proposed Increases – Sportcity Remediation and Site Servicing Works**

A report of the Chief Executive and City Treasurer was submitted setting out the details of a key decision that the Chair would be asked to exempt from the call in process. The decision was to increase the capital programme funds by £1,370,631 to underwrite funding for remediation and site servicing works around Sportcity.

It had become necessary to do this as NWDA (the North West Development Agency) had been subject to in-year funding reductions as part of the coalition Government's budgetary measures. The City Treasurer advised that the Council would seek to recover the funds from NWDA, but that this might not be possible. The Council had entered into a dialogue with NWDA about which projects funding would be withdrawn from.

Members asked what would happen if the Council did not underwrite this money. The Treasurer advised that it would not be possible to obtain funding for the project through the ERDF (European Regional Development Fund) which would mean the remediation and site servicing work could not go ahead.

### **Decision**

To note that the Chair may be asked to exempt this decision from the Call In process and to support her in exempting the decision if she decides to do so.

## **RG/10/48 State of the City Reports**

A report of the Head of Corporate Partnerships and Performance was submitted providing the Committee with information about how the State of the City reports were used in making decisions about the Manchester Partnership's priorities and how performance across the Partnership was managed.

The Head of Corporate Partnerships and Performance advised that at its last meeting the Manchester Board had agreed three priorities for the year ahead. Their priorities were now worklessness, aspirations and economic growth - promoting private sector growth and entrepreneurship. The first two of these were also priorities last year. Each priority had a programme of work associated with it to deliver improvements in performance. These programmes were reported to the Board every six months.

The Chair felt that it would have been more helpful if the Committee had received the report that had gone to the Manchester Board so that it could see the evidence of how the information in the State of the City reports was used to set priorities. It was agreed that this report should be circulated to Committee members.

The Chair said that it would be helpful to Councillors if the information in the State of the Ward reports could be produced in a way which compiled all the statistics for one ward. She was in conversation with the Council's Research and Intelligence team on this matter.

A member urged caution in placing too much reliance on statistics about perceptions; he was aware of instances where different pieces of research had led to conflicting conclusions about perceptions of cohesion in the same area. The Head of Research and Intelligence agreed and stated that telephone surveys were now being used to collect data on perceptions. This meant that current performance could not be compared to previous performance as the method of collecting the data had changed.

### **Decision**

To request that the report that had gone to the Manchester Board on setting its priorities is circulated to Committee members so that it could see the evidence of how the information in the State of the City reports was used to set priorities.

## **RG/10/49 Section 106 Annual Monitoring Report**

A report of the Head of Planning was submitted. The report included an overview of section 106 performance and activity and showed changes in the levels of money received through such agreements.

The Head of Planning introduced the report and asked for feedback on the information provided that could be taken into account when future annual monitoring reports were produced. A member said that details of contributions over the past five years would have been helpful so that members could analyse the information using examples they were familiar with in their wards. Another member asked for information regarding overall changes in amounts received over the past five years so that the effect of the recession and recovery could be seen.

The Head of Planning advised that he could produce information which showed the level and key details of section 106 contributions in the different wards represented by committee members. Since 2001 around £21.7 million of contributions had been negotiated, however it was unlikely this could all be collected as some developments were not proceeding. Contributions to the value of £689,000 had been refunded as payments had been made on signing the agreement but development had not taken place. To address this payments were now being taken on commencement of work or completion of work.

The Chair felt that it was valuable for local Councillors to discuss section 106 contributions in their ward through ward co-ordination meetings. This took place at some ward co-ordination meetings as it had been requested by the local Councillors.

Members enquired whether section 106 agreements were negotiated with the Airport when it was applying to expand. The Head of Planning advised that this was a possible use of the powers where the application could lead to harm and mitigation was required to address this.

### **Decision**

1. To request that the Head of Planning produces information for circulation to committee members which shows the level and key details of section 106 contributions in the different wards represented by committee members.
2. To request that the next annual monitoring report takes into account the views of committee members regarding what information they would find helpful in carrying out their role of monitoring the use of section 106 agreements.

## **RG/10/50 Corporate Property – Annual Update**

A report of the City Treasurer was submitted providing the Committee with an overview of the development of the Council's Asset Management Plan over the past

year. The report also included details of the property review of surplus and underused properties.

The report was introduced by the Head of Corporate Property. She highlighted that the Council had moved from a position where different Council departments owned the buildings they used to a position where the use of buildings was controlled centrally by the 'corporate landlord'. Acting as corporate landlord, the Corporate Property section had developed an Asset Management Plan which supported the Council to manage its assets efficiently and get the best use out of them. This approach had been recognised by the Comprehensive Area Assessment as good use of capital resources. It was now important that this approach allowed the Council to use its buildings flexibly and make savings.

Members referred to instances where departments within the Council still appeared to be branding and controlling buildings themselves. The Head of Corporate Property advised that workshops were being held with managers across the Council to clearly set out the corporate landlord role.

Members noted that a property review was taking place to identify where buildings could be used more efficiently and to reduce the average ratio of square meters of space to staff member. 169 premises in the city were awaiting review. A member asked when the review would be completed. The Head of Corporate Property advised that the review was an ongoing process without a scheduled end date, but that details of the progress made could be reported as part of the Committee's item on corporate property next month.

A member urged the Corporate Property section not to let the drive to make savings override the importance of ensuring office accommodation was of a sufficiently good standard. He referred to accommodation at Etrop Way and Southmoor Road which he felt was of an insufficiently high standard. The Chair advised that the accommodation issues at Etrop Way were being discussed and progress was being monitored by the Human Resources Subgroup.

The Council's approach to property management also included a review of facilities for community use. This was being lead by the Deputy Head of Corporate Property and aimed to make sure the Council was making good quality accommodation available for community use evenly around the city. The Committee was due to look at this in greater detail next month.

## **Decision**

To support the progress made in developing the Asset Management Plan and how it was contributing to more efficient and effective use of Council-owned property.

## **RG/10/51 Town Hall Complex Programme: Construction Contractor Appointment**

A report of the Strategic Director of Transformation was submitted setting out details of the process to be used to take a key decision relating to appointment of a

construction contractor for the Town Hall Complex Programme. The Committee was asked to note that the Chair might be asked to exempt the key decision from the call in process.

The Head of Public Private Partnerships outlined the criteria that would be used to appoint a contractor. Tenders would be awarded a score out of 100, with 70 points available for quality and 30 available for price. The companies who had submitted tenders would be informed of the scores later on on the day of the Committee meeting. Members noted that the total combined cost of the refurbishment and development of the Town Hall Extension and Central Library was likely to be around £90 million, with a further £10 million for the redevelopment of St. Peter's Square.

Committee members supported the Chair in exempting the decision from the call in process on the basis of the knowledge that was available at the time of the meeting.

### **Decision**

To note that the Chair may be asked to exempt this decision from the Call In process and to support her in exempting the decision if she decides to do so.