

# Resources and Governance Overview and Scrutiny Committee

## Minutes of the meeting held on 28 February 2011

### Present:

Councillor Watson - In the Chair  
Councillors Bhatti, Clayton, B Fisher, Glover (for item RG/11/29), Keegan, Lone, Morrison, P. Murphy, E Newman, Sandiford, Swannick and Trotman

Councillor Leese, Leader of the Council  
Councillor J Battle, Deputy Leader  
Councillor S Murphy, Deputy Leader  
Councillor Ali, Executive Member for Employment and Skills  
Councillor Andrews, Executive Member for Neighbourhood Services  
Councillor Evans, Executive Member for Adult Services  
Councillor N Murphy, Executive Member for Environment  
Councillor S Newman, Executive Member for Children's Services  
Councillor Priest, Executive Member for Finance and Human Resources

Councillor Khan, Assistant Executive Member for Children's Services  
Councillor Smith, Assistant Executive Member for Finance and Human Resources

Councillor Carmody, Chair of Children and Young People Scrutiny Committee  
Councillor Commons, Chair of Citizenship and Inclusion Scrutiny Committee  
Councillor Flanagan, Chair of Communities and Neighbourhoods Scrutiny Committee

Councillor Ashley, Leader of the Opposition  
Councillor Wheale, Opposition Lead Member on Finance

Chris Duncan, Chair of Manchester Young Lives  
Rachael Howe, Love Levenshulme Hate Cuts  
Barbara Guest, Former employee of Manchester Advice  
Linda Marlo, Diane Scott and Hayley Williams, members of Manchester Young Lives  
Lydia Meryll, Chair of Levenshulme Community Association  
Rachel Skelton, Chair of Governors at Chapel St. Primary School

### **RG/11/28 Urgent Business**

Reports relating to the involvement of overview and scrutiny committees in the budget and business planning process, proposed budget amendments submitted by the opposition group, responses to the budget consultation and the minutes of the part proceedings of the Executive on 16 February 2011 relevant to the budget setting process were submitted for consideration as urgent business.

Written representations from Ms Barbara Guest and Manchester Young Lives were also submitted for consideration as urgent business.

## **Decision**

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

### **RG/11/29 The Council's Budget 2011/12**

In considering their views on the Council's budget for 2011/12 the Committee had regard to the reports submitted to the Executive on 16 February 2011 relating to the budget. These reports presented proposals which were endorsed by the Executive for the revenue budget for 2011/12 and 2012/13, the medium term financial plan covering 2010/11 to 2012/13, the Capital Programme 2011/12 to 2013/14 and the Treasury Management Strategy Statement.

The Executive Member for Finance and Human Resources presented the Executive's budget to the Committee and highlighted the principal issues that had informed the formulation of the budget proposals for 2011/2012. He highlighted that, as in previous years, the budget proposals this year would ensure funds were allocated to the right places to meet the Council's priorities for the years ahead. However following the local government financial settlement the Council needed to make £109 million of savings in the next financial year which meant that funding had to be reduced for some front-line services.

The Committee then considered a report describing the involvement of overview and scrutiny in the budget setting process and the recommendations which the scrutiny committees had made. Overview and scrutiny chairs were invited to bring to the attention of the Committee any matters arising from the scrutiny of business plans.

The Chair of Children and Young People Scrutiny Committee stressed the importance of ensuring Sure Start centres remained open, even if this required changes to the way the service was delivered. He also referred to the important role adventure playgrounds play in the health and emotional development of young people.

The Chair of Communities and Neighbourhoods Scrutiny Committee commented that he regretted that the budget proposals would lead to a loss of libraries and leisure centres, which he felt would have a detrimental impact on Manchester communities and in particular the wellbeing of children.

The Chair of the Citizenship and Inclusion Scrutiny Committee conveyed the importance that members of the Committee attributed to the development and delivery of high quality and ambitious equality action plans. He added that he supported the importance this authority placed upon equality of access to services and stressed that this should continue. The Executive Member for Finance and Human Resources agreed that equality impact assessments would be important when changing service provision.

The Committee then considered issues raised during the budget consultation and statements from members of the public who had requested to speak at the meeting.

Ms Barbara Guest, former employee of the Council's Manchester Advice service, attended the meeting and addressed the Committee. She stated that the advice service was contributing more to the local economy than it cost and supported the Council to collect higher rates of Council tax by agreeing suitable payment plans with residents in arrears. She added that the Community Legal Advice service would not be able to cope with the increasing demand for advice services if Manchester Advice were closed. She proposed to the Committee that, rather than supporting the closure of Manchester Advice, they request that a review of the service takes place, focusing on four priorities. These priorities were helping people to move into employment, preventing repossessions and homelessness, supporting social care customers and reducing dependency on advice services.

Ms Rachael Howe, Ms Lydia Meryll and Ms Rachel Skelton all attended the meeting and addressed the Committee on the proposal to close Levenshulme pool. Ms Meryll stressed that the pool had important benefits for health and social cohesion. It was well used by people aged over 50 and Muslim women and had a swimming space reserved for women that was particularly valued. Ms Skelton, Chair of Governors at Chapel St. Primary School commented that swimming was a statutory part of the curriculum and the need to travel to a pool further away would lead to a loss of valuable learning time. Ms Howe, representing the group Love Levenshulme Hate Cuts, stressed the important benefits of the pool for people with physical or mental health issues.

Mr Chris Duncan, Ms Linda Marlow, Ms Diane Scott and Ms Hayley Williams, from Manchester Young Lives, attended the meeting and addressed the Committee. Mr Duncan, Chair of the group, stated that Manchester Young Lives was the largest youth and play organisation in the city. He added that play and activities for young people can reduce the likelihood that they become involved in crime, in particular gun and knife crime. He stressed the important role of the four adventure playgrounds located in Ardwick, Hulme, Moss Side and Sharston supported by the group and urged the Council to ensure that all four remain open and for elected members to conduct a review of youth service provision in the city. Ms Marlow, Ms Scott and Ms Williams all made brief statements in support of the adventure playgrounds, emphasising their importance to foster carers, the benefit they can have for young people's mental health and their importance to vulnerable young people.

A report on the response from members of the public to the budget proposals was submitted. The report summarised the response to the consultation and set out which topics had attracted the largest number of responses. The appendix to the report set out details of the individual comments the Council had received. The petitions that had been submitted were available for inspection by the Committee along with a file including details of individual responses. The Director of Communications updated the Committee on additional responses to the consultation which had been received following the publication of the report.

Members commented that it was helpful to be able to include the comments and enquiries they had received as ward councillors into the consultation, and stated that it was also helpful to be able to see the ward the member of the public taking part in the consultation lived in and that this information should be collected wherever possible. The Chair commented that it was clear from the large number of responses

from Manchester residents that the consultation exercise had been effective, and she thanked those members of the public who had contributed their views.

The Executive Member for Finance and Human Resources then read out the following statement on behalf of the Executive Members:

“When the Council’s Executive published its proposed budget on February 8<sup>th</sup> for public consultation, it undertook to consider the comments received and to report to the Resources and Governance Overview and Scrutiny Committee meeting on the 28<sup>th</sup> February.

Since the Executive considered the budget proposals on 16<sup>th</sup> February, the Council has received information on the New Homes Bonus, with an indicative allocation of £2.6m for 2011/12. Government is still consulting on this and a formal report will go to the next meeting of the Executive. However the Executive Members Group consider that, particularly given the government’s very significant cuts in housing investment, the New Homes Bonus money should be allocated to housing and housing related investment.

Executive Members have been impressed by the quality and quantity of responses received by the Council in response to the consultation on the proposed budget. The following statement is intended to show how they intend to respond in the coming year to issues raised.

Having considered the responses made in the consultation period on the proposed budget for 2011 to 2013, the Executive Members Group:

1. - Recognises the strength of feeling across Manchester about the devastating level of cuts in public spending being forced on the Council and other public services by the coalition government, and welcomes both the large number of residents who have made constructive and positive responses to the budget consultation, and the many thousands of them who have signed the Manchester Petition.
2. - Remains determined to champion the city, protect its residents from the impact of the cuts and to continue to grow the city economy.  
- Notes that while libdem and conservative councillors in cities across the country are campaigning against front-loaded and unfair cuts, in Manchester libdem councillors continue to lead campaigns trying to blame the Labour Council for any cut in council expenditure rather than put responsibility where it lies, with their government.
3. - Notes that more comments were received about the future of Levenshulme Baths than about any other aspect of the proposed budget, and is impressed by the passion and commitment shown by local communities to this facility.  
- Notes nevertheless that the proposal to close the existing facility arose properly from an analysis which showed that it is a particularly expensive pool to operate, and that it will require considerable capital investment over the next few years to maintain it in a safe and useable state, and that even then

- operating costs would increase progressively due to the age and design of the building.
- Resolves however, in the light of the strong arguments presented by local people, to ask the Chief Executive to bring forward a report on options for a capital investment to replace the Levenshulme pool with a modern facility which would be more cost effective in operation, and to identify options to keep the existing pool open until the replacement is available.
4. - Notes the concerns of many individuals and groups across the city about cuts in support services for the most vulnerable adults in our city following the government's 35% (£12.6m) cut in Supporting People funding for Manchester (compared to an average cut of 1% for authorities across the country).
- Further notes the many concerns raised by families in the city about cuts in services for children including an £8m cut to the Early Intervention Fund which funds Sure Start.
  - Shares those concerns and resolves to ensure that any additional resources which become available to the Council during 2011/12 are applied, as a matter of priority, to early years, family support and adult care services.
  - In practice any additional funding should be used to strengthen developments being made through the Manchester Investment Fund.
5. - Notes the large number of comments received about the proposed changes in Sure Start provision, and recognises the critical importance of Sure Start Centres not only to communities and families but also to the economic future of the city. While the proposals within the budget do not require the closure of any Sure Start Centre, it is recognised that some uncertainty is created by the plan to transfer responsibility for these centres to partner organisations, such as schools and charitable organisations.
- Resolves to consult widely with partner organisations, users and providers of Sure Start services to ensure a smooth transition which minimises any risk of interruption of services to families, and ensures that good services are available in all communities across the city.
6. - Notes the concerns of some respondents about the closure of libraries, but notes also that there will remain in Manchester a substantial number of excellent libraries providing modern services available to all communities.
- Resolves to maintain investment in the library service and maintain its role as a key service to families and communities.
7. - Notes the concerns expressed about the proposed changes in advice services, and the loyalty of many service users to the Manchester Advice service. While the proposed changes will improve access to advice as well as reducing costs, several comments raised issues about specific areas of advice which require thorough consideration.
- Resolves to ask the Chief Executive to bring forward proposals to ensure that there are no gaps in provision resulting from the closure of Manchester Advice.

8. - Considers that the City Council has a key role to play in the development of the Manchester economy and that a strong cultural offer is essential if the city is to attract economic investment, and values comments relating to this issue received in the consultation period.  
- Notes that while financial support for a number of events held within the city will have to be reduced as a result of cuts forced on the Council by the coalition government, adequate funding will be provided to the Manchester Jazz Festival.
9. - Proposes that in future years the proposed budget is again published for public consultation, in a similar manner to this year.
- 10 - Recommends that all residents, workers and visitors to the city sign the Manchester Petition to show their concerns about the coalition government's front-loaded and unfair attack on the city, its economy and its residents."

Following the statement the Executive Member for Children's Services commented that the distribution of savings across the play budget as a whole would be reviewed so that the adventure playgrounds are in a position to remain open.

The Committee received a statement from the Executive Member for Neighbourhood Services regarding the Housing Revenue Account calculations for 2011/12. The Executive Member drew attention to the proposed average rent increase of 6.6%, which was the government's advised guideline rent.

The Committee then considered the proposed amendments to the Executive's budget submitted by the opposition group. The proposed amended budget was presented by Councillor Wheale, Opposition Lead Member on Finance. The amendment would be submitted to the City Council Budget Meeting on 9 March 2011. The amendment included proposals to increase funding for early years provision and sure start centres as well as maintaining community facilities such as libraries and public conveniences. This would be afforded by reducing expenditure in a number of areas including the Manchester Day parade, communications and delivering a higher Council tax collection rate. In addition further efficiencies would be sought through collaborative work with other Greater Manchester authorities. The net impact of the proposals on the budget over the financial years 2011/12 and 2012/13 was nil.

A member asked the City Treasurer whether it was likely further efficiencies could be achieved in the short-term through greater collaboration with Greater Manchester authorities. The Treasurer advised that no timetable for the delivery of savings had yet been produced and he could not be confident that further savings above those indicated in the proposals approved by the Executive could be achieved within the timescales of the budget. The Opposition Lead Member on Finance commented that he felt the efficiency targets in the Executive budget proposals were not sufficiently ambitious.

A member noted the proposal in the amendment to generate £243,000 of income during 2012/13 from an art collection loan/hire scheme and asked the Head of Manchester Galleries if she felt that this level of income could realistically be

generated. She advised that it would be very difficult to raise this sum. She added that, in the past, when the city's primary works of art had been loaned out because galleries had been closed to the public, this had generated less income than the amount in the amendment.

A member asked the Director of Communications to outline the role that the Communications section played in the authority. She advised that essentially the Communications team delivered all the Council's statutory communications, ranging from committee papers to payslips to fixed penalty notices to handbooks for foster carers. In addition the section delivered promotional work to further the Council's objectives, for example to encourage high levels of school attendance. The Leader of the Council advised that he had a full report which set out the full role of the team in detail. The Chair agreed that this document should be circulated to all elected members.

A member asked the City Treasurer if he felt that the adoption of the amendment would be financially prudent. The City Treasurer advised that he did not consider that all elements of the amendment were prudent.

A motion to support the proposed amendment to the budget by the opposition group was put forward and seconded. Following a vote the amendment was defeated.

The Committee then considered a second amendment submitted by the opposition group proposing that funding is maintained for Levenshulme pool so that it can remain open. The proposed amendment was presented by the proposer, Councillor Commons. He stated that the community interest in keeping the pool open, and its value to the community, was evident from the representations the Committee had heard. The amendment proposed to secure funding to ensure Levenshulme pool remained open by reducing funding for the Manchester Day parade over the next two years.

A motion to support the second proposed amendment by the opposition group was put forward and seconded. Following a vote the second amendment was defeated.

A motion was proposed that the Committee welcomed the responses to the budget consultation, endorsed the statement from the Executive Members and agreed that the proposals in the statement be submitted on behalf of the Committee as an amendment to Council as an addition to the budget resolutions. A further recommendation should be added to the amendment resolving that the distribution of proposed savings across the play budget as a whole be reviewed so that the adventure playgrounds are in a position to remain open.

An amendment was proposed to this motion that the Committee endorse the statement from the Executive with the exception of point 1 from 'and the many thousands' to the end of the point, point 2 from 'Notes that while libdem' to the end of the point and point 10. The proposed amendment to the motion was put forward and seconded. Following a vote the amendment was defeated.

A member proposed a second amendment to the motion, being that the final sentence of point 7 be amended to read, 'resolves to ask the Chief Executive to bring

forward proposals to ensure that there are no gaps in provision resulting from the proposed closure of Manchester Advice'. Following a vote the amendment was carried.

Members of the Committee then voted on the motion as amended. The amended motion was carried.

The Chair thanked those members of the public who had attended the meeting, as well as those who had contributed to the consultation. She thanked the Executive Member for Finance, the City Treasurer and Chief Executive for developing a budget using a fair and transparent process quickly under difficult circumstances. She also thanked Committee members for their thorough consideration of the budget proposals.

## Decision

1. To welcome the responses to the budget consultation, endorse the statement from the Executive Members and agree that the following amendment be submitted to the Council as an addition to the budget resolutions:

"Having considered the responses made in the consultation on the proposed budget for 2011 to 2013, this Council:

- (i). - Recognises the strength of feeling across Manchester about the devastating level of cuts in public spending being forced on the Council and other public services by the coalition government, and welcomes both the large number of residents who have made constructive and positive responses to the budget consultation, and the many thousands of them who have signed the Manchester Petition.
- (ii) - Remains determined to champion the city, protect its residents from the impact of the cuts and to continue to grow the city economy.  
- Notes that while libdem and conservative councillors in cities across the country are campaigning against front-loaded and unfair cuts, in Manchester libdem councillors continue to lead campaigns trying to blame the Labour Council for any cut in council expenditure rather than put responsibility where it lies, with their government.
- (iii) Notes that more comments were received about the future of Levenshulme Baths than about any other aspect of the proposed budget, and is impressed by the passion and commitment shown by local communities to this facility.  
- Notes nevertheless that the proposal to close the existing facility arose properly from an analysis which showed that it is a particularly expensive pool to operate, and that it will require considerable capital investment over the next few years to maintain it in a safe and useable state, and that even then operating costs would increase progressively due to the age and design of the building.  
- Resolves however, in the light of the strong arguments presented by local people, to ask the Chief Executive to bring forward a report on

options for a capital investment to replace the Levenshulme pool with a modern facility which would be more cost effective in operation, and to identify options to keep the existing pool open until the replacement is available.

- (iv) - Notes the concerns of many individuals and groups across the city about cuts in support services for the most vulnerable adults in our city following the government's 35% (£12.6m) cut in Supporting People funding for Manchester (compared to an average cut of 1% for authorities across the country).  
- Further notes the many concerns raised by families in the city about cuts in services for children including an £8m cut to the Early Intervention Fund which funds Sure Start.  
- Shares those concerns and resolves to ensure that any additional resources which become available to the Council during 2011/12 are applied, as a matter of priority, to early years, family support and adult care services.  
In practice any additional funding should be used to strengthen developments being made through the Manchester Investment Fund.
- (v) - Notes the large number of comments received about the proposed changes in Sure Start provision, and recognises the critical importance of Sure Start Centres not only to communities and families but also to the economic future of the city. While the proposals within the budget do not require the closure of any Sure Start Centre, it is recognised that some uncertainty is created by the plan to transfer responsibility for these centres to partner organisations, such as schools and charitable organisations.  
- Resolves to consult widely with partner organisations, users and providers of Sure Start services to ensure a smooth transition which minimises any risk of interruption of services to families, and ensures that good services are available in all communities across the city.
- (vi) - Notes the concerns of some respondents about the closure of libraries, but notes also that there will remain in Manchester a substantial number of excellent libraries providing modern services available to all communities.  
- Resolves to maintain investment in the library service and maintain its role as a key service to families and communities.
- (vii) - Notes the concerns expressed about the proposed changes in advice services, and the loyalty of many service users to the Manchester Advice service. While the proposed changes will improve access to advice as well as reducing costs, several comments raised issues about specific areas of advice which require thorough consideration.  
- Resolves to ask the Chief Executive to bring forward proposals to ensure that there are no gaps in provision resulting from the proposed closure of Manchester Advice.

- (viii) - Considers that the City Council has a key role to play in the development of the Manchester economy and that a strong cultural offer is essential if the city is to attract economic investment, and values comments relating to this issue received in the consultation period.  
- Notes that while financial support for a number of events held within the city will have to be reduced as a result of cuts forced on the Council by the coalition government, adequate funding will be provided to the Manchester Jazz Festival.
  - (ix) - Proposes that in future years the proposed budget is again published for public consultation, in a similar manner to this year.
  - (x) Recommends that all residents, workers and visitors to the city sign the Manchester Petition to show their concerns about the coalition government's front-loaded and unfair attack on the city, its economy and its residents.
  - (xi) Resolves that the distribution of proposed savings across the play budget as a whole be reviewed so that so that the adventure playgrounds are in a position to remain open."
2. To request that the report setting out the role of the Communications Directorate be circulated to all members of the Council.

[Councillor Morrison declared a personal interest as a member of the Cornerhouse board]

[Councillor Trotman declared personal interest as a board member of Northwards Housing]

[Councillor Sandiford declared a personal interest as a member of Greater Manchester Integrated Transport Authority]

[Councillor Swannick declared a personal interest as Chair of Greater Manchester Waste Disposal Authority]